

---

# *Cities and urbanisation*

Unlocking the power of cities  
for sustainable development

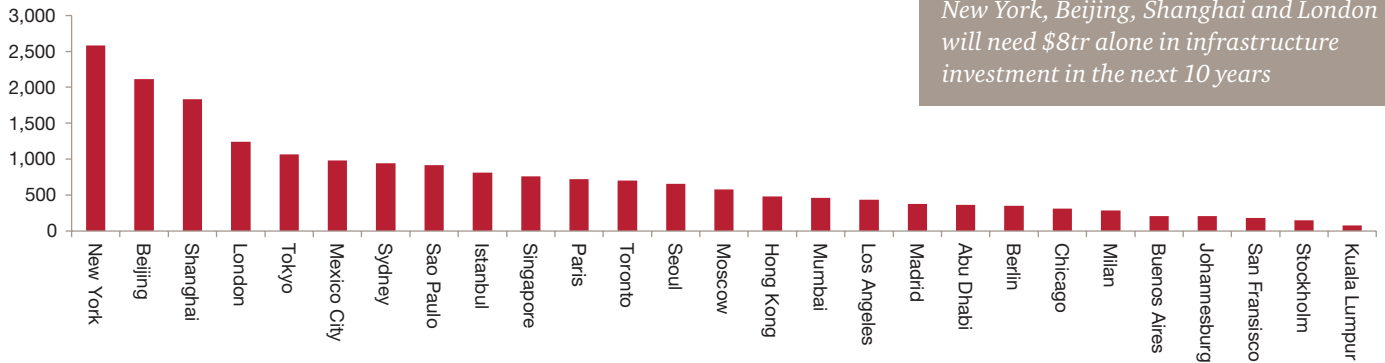


# City growth challenges

Rapid urbanisation can be a positive indicator of growth, but this comes with key challenges that can present severe constraints to sustainable development. Of these, infrastructure investment, job creation and climate change are front of mind for today's city leaders.

**Physical infrastructure and services are increasingly put under pressure, which will require huge levels of investment to deliver and maintain.**

Investment required, \$ billions, 2015–2025



New York, Beijing, Shanghai and London will need \$8tr alone in infrastructure investment in the next 10 years

The distribution of the wealth created by cities is often highly unequal

Number of people in the urban population living in slums since 1990 **33%**

Proportion of total global unemployment that is concentrated in urban areas **60%**

Unplanned and unmanaged urban development locks in environmental and climate risks.

Air pollution (annual mean concentration of particulates less than 10 microns of diameter) latest reported

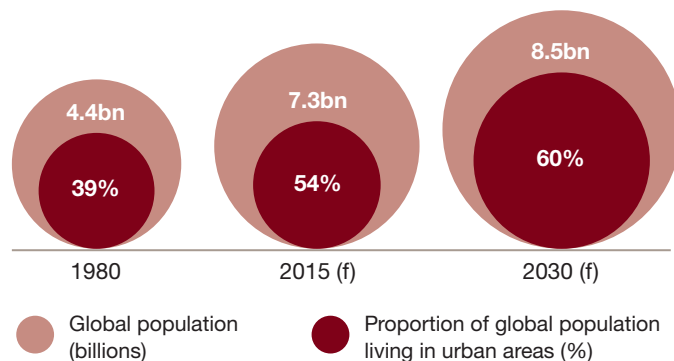


Cities in emerging markets pollute up to five times more per capita than cities in developed markets

# The urban opportunity

*More and more people are moving to cities, particularly in emerging economies across Asia, Africa and the Middle East. Whilst rapid urbanisation places increased pressure on infrastructure and government resources, we believe that well-planned and managed cities can be powerful drivers of competitiveness, inclusion and sustainability.*

## The rising share of the global population living in urban areas



## A megatrend of our time

Over **80%** of global GDP is generated in cities

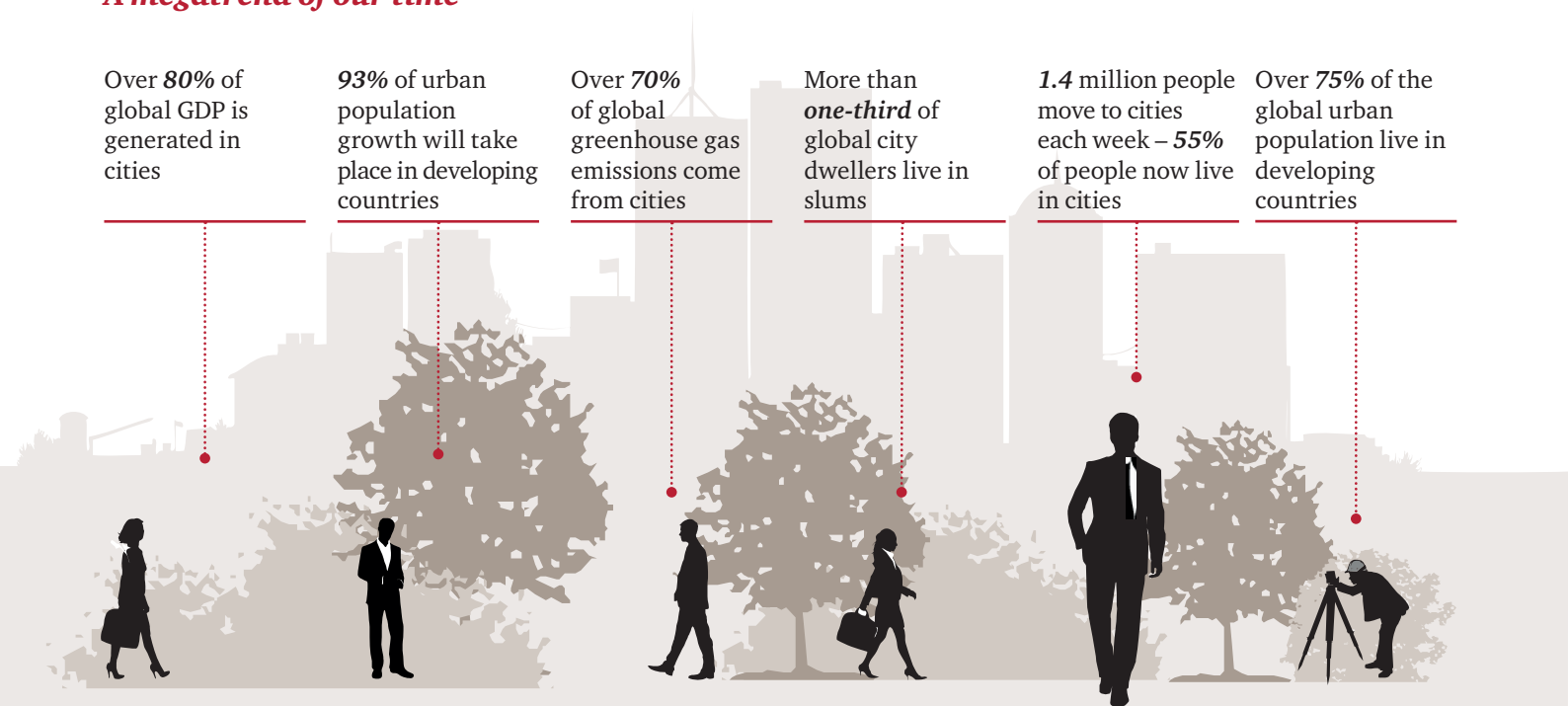
**93%** of urban population growth will take place in developing countries

Over **70%** of global greenhouse gas emissions come from cities

More than **one-third** of global city dwellers live in slums

**1.4 million** people move to cities each week – **55%** of people now live in cities

Over **75%** of the global urban population live in developing countries



# *PwC can help you*

## *Plan*

- Create city strategies for sustainable development
- Develop urban policies and regulations
- Support integrated urban development planning
- Design urban economic and industrial strategy
- Plan climate resilient and low carbon development

## *Build*

- Develop capital investment plans and pipeline
- Appraise and prepare bankable infrastructure projects
- Structure and facilitate infrastructure and climate finance
- Leverage private sector investment and partnerships
- Manage international development programmes

## *Run*

- Maximise tax and revenue collection
- Enhance municipal budgetary and public financial management
- Prepare city investment plans
- Support institutional capacity and skills
- Transform digital and technological capabilities

## Our global experience

### *Ethiopia's urbanisation strategy*



With a Growth and Transformation Plan to reach middle income status by 2025 and a very large young demographic entering the workforce, Ethiopia is facing imminent rapid urbanisation. The Government has recognised that, if planned and managed in the right way, this structural transformation presents a huge opportunity for accelerated and sustainable growth. Working with the Government and the New Climate Economy (NCE) initiative, PwC developed a spatial economic planning framework to analyse the impact of a range of urbanisation pathways through to 2025 and 2050. The set of proposed actions are now embedded in the Government's 5 year economic Growth and Transformation Plan II.

### *Infrastructure and Cities for Economic Development (ICED)*



Infrastructure spending across Sub-Saharan Africa and South Asia is often limited by a lack of financially viable projects and weak institutional and governance arrangements. PwC leads the alliance managing and delivering DFID's Infrastructure and Cities for Economic Development (ICED) programme. A new catalytic technical assistance facility, it aims to fundamentally improve how infrastructure and cities contribute to poverty reduction and sustainable, inclusive growth across DFID's focus countries by supporting city competitiveness, encouraging infrastructure governance reform, and promoting evidence-based policy making.

### *Los Angeles sustainability*



Los Angeles wants to ensure its growth is environmentally healthy and economically prosperous, providing opportunities for both current and future residents. PwC was tasked with developing the city's first ever Sustainability Plan. We provided a rigorous and actionable plan utilising and empowering a broad mix of stakeholders. We worked through every step of the process from issue selection, analysis, goal setting, buy-in and drafting, and then to the eventual launch that was led by the Mayor of Los Angeles. The Sustainability Plan attracted positive media attention and was widely regarded as the leading plan of its kind. Our work provided more than just a report – it catalysed a movement towards achieving long-term goals and transformation for all Angelenos.

### *PwC cities of opportunity*



Each year, PwC analyses the trajectory of 30 of the world's leading cities of business, finance and culture, and through their current performance seeks to understand what makes cities function best. We have also projected employment, production, and population patterns to 2025 and 'what if' scenarios, if different city characteristics turn more or less important in attracting investment and driving growth, or if the world economy changes. The objective of the annual study is to provide a balanced benchmarking of the social and economic health of these cities through a wide range of credible, transparent data highlighting areas of strength and potential for improvement – important factors to understand at a time when cities drive the world's growth.

## Our team



---

**Emma Cox**

Partner

---

T: +44 (0)20 7213 8150

M: +44 (0)7973 317011

E: emma.cox@pwc.com



---

**Dan Dowling**

Director

---

T: 44 (0)20 7212 1289

M: +44 (0)7715 487335

E: daniel.s.dowling@pwc.com



---

**Tim McMinn**

Infrastructure

---

T: +44 (0)20 7804 4460

M: +44 (0)7525 281059

E: tim.mcminn@pwc.com



---

**Zoe Green**

Urban Planning

---

T: +44 (0)20 7213 4829

M: +44 (0)7841 468428

E: zoe.green@pwc.com



---

**Anubhav Ghosh**

Urban Strategy

---

M: +44 (0)7805 178845

E: anubhav.ghosh@pwc.com



---

**Denise Chan**

International Development

---

T: +44 (0)20 7804 0606

M: +44 (0)7703 563806

E: denise.k.chan@pwc.com



---

**Nina Nasman**

Economics & Policy

---

T: +44 (0)20 7213 5106

M: +44 (0)7841 803110

E: nina.nasman@pwc.com



---

**Alexander Clarke**

Economics & Policy

---

M: +44 (0)7802 659452

E: alexander.b.clarke@pwc.com

This publication has been prepared for general guidance on matters of interest only, and does not constitute professional advice. You should not act upon the information contained in this publication without obtaining specific professional advice. No representation or warranty (express or implied) is given as to the accuracy or completeness of the information contained in this publication, and, to the extent permitted by law, PricewaterhouseCoopers LLP, its members, employees and agents do not accept or assume any liability, responsibility or duty of care for any consequences of you or anyone else acting, or refraining to act, in reliance on the information contained in this publication or for any decision based on it.

© 2017 PricewaterhouseCoopers LLP. All rights reserved. In this document, "PwC" refers to the UK member firm, and may sometimes refer to the PwC network. Each member firm is a separate legal entity. Please see [www.pwc.com/](http://www.pwc.com/) structure for further details.