

The State of Asian Cities 2010/11



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Shanghai, China. With Pudong's skyscrapers in the background, early risers come to the Bund for their morning exercises.
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This first-ever *State of Asian Cities 2010/11* report (the Report) reviews and documents the trends in inclusive and sustainable urban development throughout the Asia-Pacific region. The preparation of the Report has drawn on the latest data, good practices and examples, the rich knowledge of a broad range of specialists, and peer reviews by experts.

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Foreword



It gives me great pleasure to introduce this *State of the Asian Cities* report. The first in a series to be published every other year, it is intended as a platform for debate and a handbook for action. In view of the breadth and complexity of the urban challenges faced by the Asia-Pacific region, this report is the result of a cooperative effort between UN-HABITAT, the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), the United Nations Environment Programme (UNEP), and United Cities and Local Governments (UCLG).

The report throws new light on current issues and challenges which national and local governments, the business sector and organised civil society are facing. On top of putting forward a number of recommendations, this report testifies to the wealth of good, innovative practice that countries of all sizes and development stages have accumulated across the region. It shows us that sustainable human settlements are within reach, and that cooperation between public authorities, the private and the voluntary sectors is the key to success. This report highlights a number of critical issues – demographic and economic trends, poverty and inequality, the environment, climate change and urban governance and management. It is our hope that it will stimulate new thinking and fresh approaches to inclusive, sustainable urban development in the Asia-Pacific region.

In the region, as in the rest of the world, cities today act as the engines of national growth and prosperity. The spectacular economic momentum of the past two decades has turned Asia into one of the main engines of global prosperity, and Asian cities into prominent symbols of this success. In a closely related development, over one half the world's urban population now lives in Asian-Pacific cities – but so do the majority of the world's slum dwellers. This is despite the fact that the region has managed to improve the lives of an estimated 172 million slum dwellers between the years 2000 and 2010. For this remarkable achievement, which exceeds the slum-related Millennium Development Goal in terms of both numbers and deadline, a number of Asian countries must be commended, but significant efforts must be maintained and become more widespread.

Although the Asia-Pacific population is not expected to become predominantly urban before 2026, two complementary types of spatial urban configuration are already emerging. Megacities are the most visible by-product of the combined dynamics of the international economy and urbanisation. Nowhere is this phenomenon more pronounced than in Asia. As urban expansion

and new patterns of economic activity have fed on each other, novel configurations have emerged, such as mega urban regions, urban corridors and city-regions. This is an unprecedented challenge in human history, as these new urban regions require deep reform of existing urban management practices and institutions. It is incumbent on national governments and local authorities in the region to gear themselves up to provide appropriate support and guidance to the development of these new types of conurbation if they are to meet the environmental challenges caused by economic growth, changing consumption patterns, demographic pressure and climate change.

These efforts should not overlook the second distinctive feature of the Asia-Pacific region, where urbanisation is broad-based rather than concentrated in just a few cities. Smaller cities and towns with populations under 500,000 have together maintained a share of about half of the region's urban population in recent decades, testifying to their demographic momentum. Therefore, policymakers must also pay attention to smaller urban settlements, enabling them to enhance their role in national and local development.

Amid the remarkable transformations of the past two decades, the need for proper governance has been increasingly felt. In this crucial regard, the region's commitment is best exemplified by the Asia-Pacific Ministerial Conference on Housing and Urban Development (APMCHUD). Its first three biennial sessions in New Delhi, Tehran and Solo have enabled the member states to clarify and promote urban agendas in critical areas like planning, management and finance.

This welcome development must, however, take a number of burgeoning urban problems highlighted in this report into account to ensure that they receive all the attention they deserve across the region. These must be urgently addressed as the challenges of demographic pressure and climate change become ever more daunting. Solving the problems of considerable urban poverty and inequality, the need for affordable housing, safe drinking water, sanitation, transportation and livelihoods for ever-expanding urban populations, regardless of settlement size, all require vision and leadership.

These matters are explored in depth in this important report, thanks to the commendable inter-agency cooperation which, true to the One UN spirit, has presided over its preparation. I would like to convey my appreciation and grateful thanks to all our partners for sharing their expertise, wisdom and sense of vision with us during the preparation of this report.

A handwritten signature in black ink, appearing to read "Joan Clos".

Joan Clos i Matheu
Under-Secretary-General and Executive Director
United Nations Human Settlements Programme
(UN-HABITAT)

Foreword



On behalf of the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), I am pleased to introduce the first State of the Asian Cities Report. In a region that is undergoing immense demographic, economic, social and environmental change, this Report reviews key trends and identifies emerging and critical issues related to urbanization and urban development in Asia and the Pacific.

While Asia and the Pacific has had long history of cities, rapid urbanization in the region started in the late 1980s and 1990s, with trade liberalization, globalization and the resultant rapid economic growth. Urban areas now account for over 80 percent of the region's GDP. Many of the region's cities have become centres of international trade and commerce and hubs for regional and international connectivity. As economies mature and become more knowledge centred, Asian cities are also becoming globally important centres of education, culture and innovation.

Rapid urbanization has also led to major social changes. Economic growth and urbanization have provided opportunities for social mobility and for breaking traditional roles for women and men. It has resulted in the creation of a large educated middle class that has disposable income and is information savvy and globally connected.

While cities have extensively contributed to the region's development, we still need to address four interconnected challenges if our cities are to become inclusive and sustainable. The first challenge is the unprecedented scale and pace of urbanization. Urban population in the region will increase by around 700 million in just over 15 years. This challenge is complicated by the emergence of often unplanned mega urban regions along transport corridors, which often cross jurisdictional boundaries of local and sub-national governments.

The second challenge relates to the externalization of environmental costs of rapid economic development and urbanization. As a result our cities face concurrent environmental risks associated with a lack of basic infrastructure and services; air, water and ground pollution due to industrialization; and intensive resource use and waste generation because of mass consumption.

Being globally connected also means that cities have become ever more vulnerable to the impact of global financial, food and energy shocks. Globalization has led to an increase in disparities. Those with access to information and capital have benefitted more from globalization, while those without access have benefited less or have lost out. Urbanization of poverty and increasing disparities

in cities is the third challenge that the region faces. While in some countries, absolute poverty in urban areas still remains a problem, increasingly inter-personal and inter-regional disparities in income and in access to services and opportunities are emerging as a key developmental challenge.

The fourth challenge relates to climate change. The report points out that over 50 percent of Asia-Pacific's urban residents live in low lying coastal zones or flood plains and are at risk from extreme weather events such as floods and typhoons that can wipe out years of development and poverty eradication in a matter of days. The frequency and intensity of these and other climate related disasters will increase. While natural disasters affect both the rich and the poor it is the poor who suffer most because they often live in vulnerable housing and settlements. Increased natural disasters are becoming a new driver for urbanizing poverty.

To make our cities inclusive and sustainable, we need to address economic growth, environmental sustainability, poverty reduction and resilience to climate change and other shocks in tandem. We can do this by improving the environmental and social quality of our economic growth and urbanization, adopting approaches that promote social equity, inclusiveness and green growth. This requires that we take a fresh look at how cities are managed. The Report advocates that view cities as "systems" that require integrated approaches to urban planning, management, financing and governance.

While the challenges that confront our cities are daunting, they are not insurmountable. The Report discusses some of the many innovative approaches, programmes and policies that central and local governments, civil society organizations and the private sector have undertaken to address these challenges. Our cities are hubs of innovation and creativity. Our task as policy makers is to create an enabling environment to harness this vibrancy and energy to transform our cities into centres of opportunity for all, including for our children and their children.

The outcomes of this report and way forward on many of these issues would be discussed at the Fifth Asia-Pacific Urban Forum which ESCAP and its partners, within and outside the United Nations system are convening in June 2011. In keeping with our firm belief that solutions to the region's urban problems will be found in the region's cities, the theme of the Fifth Asia-Pacific Urban Forum is "Cities of Opportunity: Partnerships for an Inclusive and Sustainable Future." We hope that many additional emerging and critical urban issues would be identified at the Forum and would guide the preparations for the next State of Asian Cities Report.

The State of Asian Cities Report and the Forum are good examples of partnership between UN agencies under the concept of One UN at the regional level. On behalf of ESCAP I would like to thank our partners, UN HABITAT, UNEP and UCLG-ASPAC in preparing this report. We hope that other additional partners will join ESCAP and UN HABITAT in preparing the next report.



Noeleen Heyzer
Under-Secretary-General of the United Nations
and Executive Secretary of ESCAP

Contents

Part 01: The State of Asian Cities: Overview

and Key Findings

1.1	Introduction	4
1.2	Urbanizing Asia	6
1.3	The Economic Role of Asian Cities	10
1.4	Poverty and Inequality in Asian Cities	14
1.5	The Urban Environment and Climate Change	18
1.6	Urban Governance, Management and Finance in Asia	23
1.7	The Structure of the Report	29

Figures

1.1:	The Asia-Pacific Region	5
------	-----------------------------------	---

Part 02: Urbanizing Asia

2.1	Urbanization trends	32
2.2	The factors behind urban growth	48
2.3	Urban corridors, mega-cities and mega urban regions	54
2.4	Small and medium-sized cities	59
2.5	Density and the pace of urbanization	62
2.6	Urbanization in Asia: Diagnosis & policies	66

Boxes

2.1:	The definition of 'urban' in Asia	33
2.2:	Japan: One of Asia's most urbanized countries	35
2.3:	Nepal: One of Asia's least urbanized countries	36
2.4:	The challenge of reconstruction and development in Kabul	53
2.5:	Asia's new urban configurations	55
2.6:	Tokyo, the world's largest mega-city	57
2.7:	Dhaka: Managing growth in a poor mega-city	58
2.8:	Decentralization: Best practice from Tarakan, Indonesia	61

Tables

2.1:	Urban share in total population, 1990-2030	34
2.2:	Urbanization in Japan	35
2.3:	Urbanization in Nepal	36
2.4:	Urbanization in Asia and the Pacific, 1990-2020	38
2.5:	Urbanization in East and North-East Asia, 1990-2020	39
2.6:	Urbanization in South-East Asia, 1990-2020	40
2.7:	Urbanization in South and South-West Asia, 1990-2020	42
2.8:	Urbanization in the Pacific subregion, 1990-2020	44
2.9:	Urbanization in North and Central Asia, 1990-2020	45
2.10:	Contribution of migration/reclassification to urban growth in East Asia, 1970-2030 (%)	49
2.11:	Asian cities with populations of 10 million or more	56
2.12:	Mega-urban regions in South-East Asia – Population, 1990-2000	58
2.13:	Population distribution in Asia, 2010	60
2.14:	Urban growth rates in world's regions, 1990-2030 (%)	64
2.15:	Asia's fastest growing cities, 1995-2005	65

Charts

2.1:	Global urbanization rates, 1990-2030	33
2.2:	Asia's Urbanization trends, 1970-2030	36
2.3:	Percentage of urban populations in the Asia-Pacific Region	37
2.4:	Urbanization in East and North-East Asia	38
2.5:	Urbanization in South-East Asia – Trends, 1990-2020	40
2.6:	Urbanization in South and South-West Asia, 1990-2020	42
2.7:	Urbanization in the Pacific subregion, 1990-2020	45
2.8:	Youth aged 15-24: proportion in Asia-Pacific subregions, 1950-2050	46
2.9:	The top 10 Asian mega-cities	56
2.10:	The distribution of settlements in Asia	60
2.11:	Density in Asian cities (residents per sq km)	63
2.12:	Urban growth rates in Asia-Pacific, 1990-2005 (%)	65

Part 03: The Economic Role of Asian Cities

3.1	Cities as engines of economic growth	72
3.2	The main drivers of Asia's urban economies	79
3.3	Urbanization and the informal economy in Asia	87
3.4	Asia: Beyond the 'factory of the world'	93
3.5	Asian cities and local development	100
3.6	Diagnosis and future challenges	102

Boxes

3.1:	Ho Chi Minh City, Viet Nam's economic powerhouse	77
3.2:	Thailand's emergence as a hub for auto exports	83
3.3:	Shanghai, an urban revival	84
3.4:	When civil society tackles employment deficits: Good practice from Ahmedabad	88
3.5:	How cities can support street vendors	91
3.6:	The Bangalore revolution	94
3.7:	Balancing urban and rural development: China's Chongqing metropolitan region	101

Tables

3.1:	GDP per head: growth rates in major regions, 1990-2005	73
3.2:	Equity inflows by major world region, 2000-2007 (US \$ billion)	76
3.3:	Asia's busiest ports	82
3.4:	Asia's top 20 cities for gross domestic product	85
3.5:	Asia's top-ranking financial centres	95

Charts

3.1:	Share of urban areas in GDP, Asia and the Pacific, 1990-2008	72
3.2:	GDP per world region, 1990-2008 (in 1990 US \$ billion)	73
3.3:	GDP per head: changes in growth rates in major regions, 2007-2008 (%)	74
3.4:	FDI growth in the world, 2000-2007 (US \$ billion)	75
3.5:	Share of urban areas in GDP, Asia and the Pacific, 2008	75
3.6:	Contribution of exports to GDP, 1990 and 2007 (%)	80
3.7:	Share of informal jobs in non-agricultural/urban employment, various years (%)	90
3.8:	Net enrolment ratios in primary education	97
3.9:	Education profile of the labour force in select Asian countries, 1990s-2004	98

Part 04: Poverty and inequality in Asian cities

4.1	Poverty	108
4.2	Poverty in Asia	110
4.3	Inequality	116
4.4	Access to land and housing	120
4.5	Access to basic urban services	143
4.6	Diagnosis and future challenges	156

Boxes

4.1:	National poverty lines – urban and rural	113
4.2:	From an exclusive to an inclusive city	121
4.3:	How some Asian countries beat the millennium slum target	127
4.4:	When policymaking reaches out to informal settlements: The case of Ulaanbaatar	129
4.5:	Bridging the urban divide – UN-Habitat's recommendations	130
4.6:	How to rehabilitate a squat: Nepal's Kirtipur housing project	132
4.7:	Beating eviction in a global city: People-managed resettlement in Mumbai	133
4.8:	Slum upgrading pioneers in Asian cities	133
4.9:	Public housing delivery and ownership: Singapore shows the way	134
4.10:	Community contracts: Good practice from Sri Lanka	140
4.11:	Good practice from Cambodia: The urban poor development fund	142
4.12:	Good practice from Thailand: The Baan Mankong financing programme	142
4.13:	Community-managed water points in urban slums, Bangladesh	146
4.14:	Improving access to water for the urban poor: A tale of three cities	147
4.15:	Community management of shared sanitation facilities	147
4.16:	Electricity for the poor: Good practice from Ahmedabad	151
4.17:	Cycle rickshaws: A policy blind spot	154
4.18:	China promotes electric bikes and scooters	154

Tables

4.1:	Urban and rural poverty rates - at/under "US \$1 a day" (1993 pp)	112
4.2:	Share of population on or under national poverty lines, rural and urban areas	114
4.3:	Gini coefficients and the human development index (HDI), 2004	118
4.4:	Rural and urban poverty gap ratios and Gini indices – China, India and Indonesia	119
4.5:	Slum population in Asia and the Pacific subregions, 2010 (Projections)	124
4.6:	Asia's slum populations: 1990-2007	126
4.7:	Key indicators of urban poverty in India	128
4.8:	Reported forced evictions in major Asian countries, 2001-2005 (Numbers of victims)	132
4.9:	Urban populations: Access to water supply, 1990-2008	144
4.10:	Transportation in Asian cities – Modal Breakdown	152

Charts

4.1:	Poverty in the developing world on US \$1.25 a day and under	110
4.2:	Poverty in Asia	111
4.3:	Population living on less than US \$1.25 a day in Asia and the Pacific	111
4.4:	National poverty lines in Asia-Pacific: richer countries tend to have higher poverty lines	113
4.5:	Income/Consumption inequality - average urban Gini coefficients by region (selected countries)	116
4.6:	Changes in Gini coefficient for expenditure/income distributions, 1990s-2000s (percentage points)	117
4.7:	National Gini coefficients, selected Asian-Pacific countries, various years (2002-2004)	117
4.8:	Intra-urban inequalities (Gini coefficients)	119
4.9:	Distribution of urban population by degree of shelter deprivation, 2005	125
4.10:	Distribution of moderately deprived slum-dwellers (one deprivation) by type of deprivation, 2005	125
4.11:	Status of urban water supply by MDG region, 2008	144
4.12:	Trends in access to urban water in Asian subregions	145
4.13:	Trends in national level access to water, 1990-2008	145
4.14:	Status of urban sanitation by MDG subregion, 2008	149
4.15:	Trends in access to urban sanitation by MDG subregion in Asia	149

Figures

4.1:	Percentage change in slum proportions in selected countries in Asia between 1990 and 2010 (estimate)	122
------	--	-----



Sakura cherry blossoms in Fukuoka, Japan. ©Tristan Scholze/Shutterstock

Part 05: The Urban Environment and Climate Change

5.1	Introduction.....	164
5.2	The defining features of Asia's urban environmental challenges.....	166
5.3	Environmental conditions in Asian cities	170
5.4	The challenge of climate change in Asian cities	181
5.5	Towards improved environmental planning and management in Asian cities.....	194
5.6	Urban Asia and the environment: Diagnosis and policies	199

Boxes

5.1:	The Shenzhen environment outlook: Balancing environment and development challenges	168
5.2:	Water stream regeneration: Good practice from Seoul	175
5.3:	A viable, integrated waste management system for urban Asia.....	178
5.4:	A compact, dynamic and liveable city: Fukuoka, Japan	180
5.5:	Asia spearheads UN-Habitat's new climate change initiative.....	186
5.6:	Climate change adaptation: A 'fluid' alternative for Bangkok	187
5.7:	When India's Supreme Court endorses the case for clean air.....	189
5.8:	UN-Habitat's innovative urban network	190
5.9:	Renewable energy use: Good practice from Rizhao, China	191
5.10:	The climate change mitigation initiative in Bangkok	192
5.11:	The 'Sustainable Cities Programme', 20-plus years on	196
5.12:	From heavy industry to eco-town: Good practice from Kitakyushu, Japan	198

Tables

5.1:	Urban solid waste – generation rate (selected Asian countries)	177
5.2:	Liveability index for 37 Asian cities (2007)	179
5.3:	Projected changes in energy use for transportation, 2006-2030.....	182
5.4:	The cities and climate change initiative (CCCI) Asian-Pacific strategy	186
5.5:	Greenhouse gas emissions, selected transport systems	190
5.6:	GHG emissions in Bangkok metropolitan area (2007 - 2012)	192

Charts

5.1:	Micro-particulate matter in selected Asian cities (micrograms per cubic metre)	171
5.2:	Nitrous dioxide in selected Asian cities (micrograms per cubic metre)	171
5.3:	Sulphur dioxide in selected Asian cities (micrograms per cubic metre)	171
5.4:	Average dry- and wet-season particulate concentrations: PM _{2.5} (A) and PM ₁₀ (B) in six Asian cities	172
5.5:	The cumulative impact of natural disasters by Asian subregion, 1991-2009	183

Figures

5.1:	Urban environmental problems and positive economic outcomes	167
5.2:	Land area less than 20m above sea level in Asia	185

Part 06: Urban governance, management and finance

6.1	Introduction.....	208
6.2	Urban governance and operational structures.....	210
6.3	The principles of urban governance.....	213
6.4	Types of urban governance systems	219
6.5	Mega urban region development	227
6.6	Decentralization and government functions.....	229
6.7	Financing urban development	234
6.8	Performance in service delivery management	241
6.9	Cooperation networks	247
6.10	Diagnosis and future challenges	249

Boxes

6.1:	A decentralised political 'space' for sustainable urbanisation	209
6.2:	Participatory urban governance: Good practice from Karachi	215
6.3:	City cluster development: The potential in India	223
6.4:	City-region governance: Metropolitan Manila	225
6.5:	A mixed system of regional governance: Kuala Lumpur	226
6.6:	Unified metropolitan government and governance: Shenzhen, China	228
6.7:	Deconcentration and decentralization in Thailand	230
6.8:	UN-Habitat's guidelines on decentralisation: An overview	232
6.9:	Private sector participation in urban development Suzhou, China	239
6.10:	Privatization of water services: Greater Jakarta	240
6.11:	Effective water management: Phnom Penh	243
6.12:	When grassroots groups improve basic municipal services	246

Tables

6.1:	Allocation of responsibilities for urban functions in a mixed system of regional governance	224
6.2:	Main characteristics of well-performing water utilities in Asia	244

Figures

6.1:	Basic stakeholders in urban governance	211
6.2:	The clustering of urban nodes in the Bangkok Metropolitan region	221
6.3:	South China's Pearl River delta region	228

Statistical Annex

254