KEY MESSAGES

- Poverty in cities, both in the developing and developed worlds, is pervasive and increasing, with millions of urban poor living in slums that are severely impoverished and unhealthy.

- The urban poor are an important part of the urban economy, and harnessing their potential to contribute and move out of poverty is central to global economic and social development.

- Improving spatial planning efforts through inclusive and sustainable urban development is important for alleviating poverty.

THE PROBLEM

The world’s population and economic output continue to shift to urban areas. The urban poor, who live in informal settlements often referred to as “slums,” number an estimated 828 million people, up 61 million in the last decade. The daily realities of life in slums include inadequate sanitation, dilapidated dwellings, poor access to clean water, crowding or insufficient space, eviction threats, poor access to health care, and high exposure to crime. Yet the urban poor make major contributions to local and national economies, including engaging in low-cost service and production jobs that are necessary for the functioning of a city.

Governments tend to be more reactive than proactive in addressing urban poverty. Indeed, regional, municipal, and community-level planning seldom takes the poor and their communities into account. As a result, critical small-scale infrastructure investments for sustainable development are ignored. Planning at the municipal level is often done in isolation and lacks coordination among sectors. It is now more important than ever to incorporate inclusive and sustainable planning for urban development, as a way to address the lack of infrastructure and negative environmental impacts that are pervasive in urban areas.

MOVING FORWARD

While there are formidable barriers to inclusive and sustainable development, several bold steps can be taken to overcome these challenges to allow for a stronger, more effective role for government and community organizations in planning. These include:

- **National Urban Sustainable Planning and Development Commissions.** Establishing such commissions would help create a sense of international accountability, secure the backing of national governments, and elevate the issue of sustainable development both nationally and internationally. The central aim is to establish laws and policies to help plan, fund, and implement this development.

- **National incentive funds.** Metro regions and cities need an incentive to pursue accountable and transparent sustainable development. This can be provided by setting up a national fund that would cover the cost of planning-related activities.

- **Financing innovation funds.** All the best planning will fail to produce results without funds and financing models to support them. National
governments should identify, invest in, and export successful financing models and integrated financing tools to finance slum upgrading and urban development projects.

**International academic collaborative on governance and planning.** Because the capacity for improved urban development is weak in most countries, an academic collaborative is key to beefing up planning capacity. Efforts such as establishing best practices, testing governance structures and planning approaches, convening conferences, and developing training programs and planning tools all contribute to the academic collaborative.

**LOOKING AHEAD**

A new paradigm for urban planning that utilizes all levels of government to promote more livable, environmentally sensitive, economically competitive, and inclusive cities is starting to emerge. However, it needs to be accelerated and better coordinated to ensure sustainable prosperity in all urban centers rather than just parts. With the will and a roadmap, local and national governments, academia, businesses and financial institutions, and civil society have the ability to build a brighter urban future for all.

A bus stop shelter under construction in Curitiba, Brazil.