



## World Habitat Day 2022

3 October 2022 – Balıkesir, Türkiye

Theme: Mind the gap. Leave no one and no place behind

Cities generate wealth but also concentrate poverty and inequality. How to tackle poverty and inequality are among the most pressing challenges facing urban areas; and improving income and a wide range of opportunities for all is essential to achieving an optimistic urban future. Multidimensional aspects of urban poverty and inequality should be at the centre of interventions to create inclusive and equitable urban futures globally. Without concerted action at all levels, poverty and inequality could become the face of the future of cities.

### 1. Understanding the gaps

**The combined crises** of COVID-19 pandemic, climate change and conflicts, have widened the inequality gaps with the emergence of newly poor people. In 2021, an estimated 163 million people have fallen into poverty due to such multiple crises<sup>1</sup>. The COVID-19 pandemic reversed years of remarkable progress made in the fight against poverty and enhanced disparities. Most of the pandemic-induced **new poor** will be living in urban areas, presenting additional burdens to already overstretched local governments especially in developing countries.

**Climate change** and natural disasters affect the poor at hardest. As of 2022, in addition to the 1 billion people living in **informal settlements**, 600 million live in **unsafe housing**<sup>2</sup>. People living in such conditions take more time to recover and reconstruct their lives due to the unequal opportunities.

Conflicts such as the recent aggression against Ukraine raised inflation worldwide and pushed over 70 million people below poverty line with those in low-income countries being most affected<sup>3</sup>. Such contexts threaten social cohesion, radicalize groups, and heighten the risk of tensions escalating into political and violent conflict.

**Minorities** are the most vulnerable of the urban poor, facing specific challenges in the context of displacement due to various discriminations factors, including gender, age, ethnicity, nationality, religion, and others. In fact, these factors are also drivers of migration as people seek for safety and livelihoods. In 2021 alone, 84 million people were displaced because of violence, insecurity, and the effects of climate change<sup>4</sup>. Furthermore, gender, age, class, location and racial, ethnic and religious identities lead to multiple and intersecting forms of discrimination which aggravates the impact of such crisis over those most vulnerable of urban poor.

1 UN-Habitat. (2022). World Cities Report 2022: Envisaging the Future of Cities. (p.xix)

2 2022. UN-Habitat. (2022). World Cities Report 2022: Envisaging the Future of Cities. (p.xvi)

3 UNDP. (2022). Addressing the cost-of-living crisis in developing countries. (p.4)

4 UNS-CEB. (2022). A New UN System Agenda for Equality.

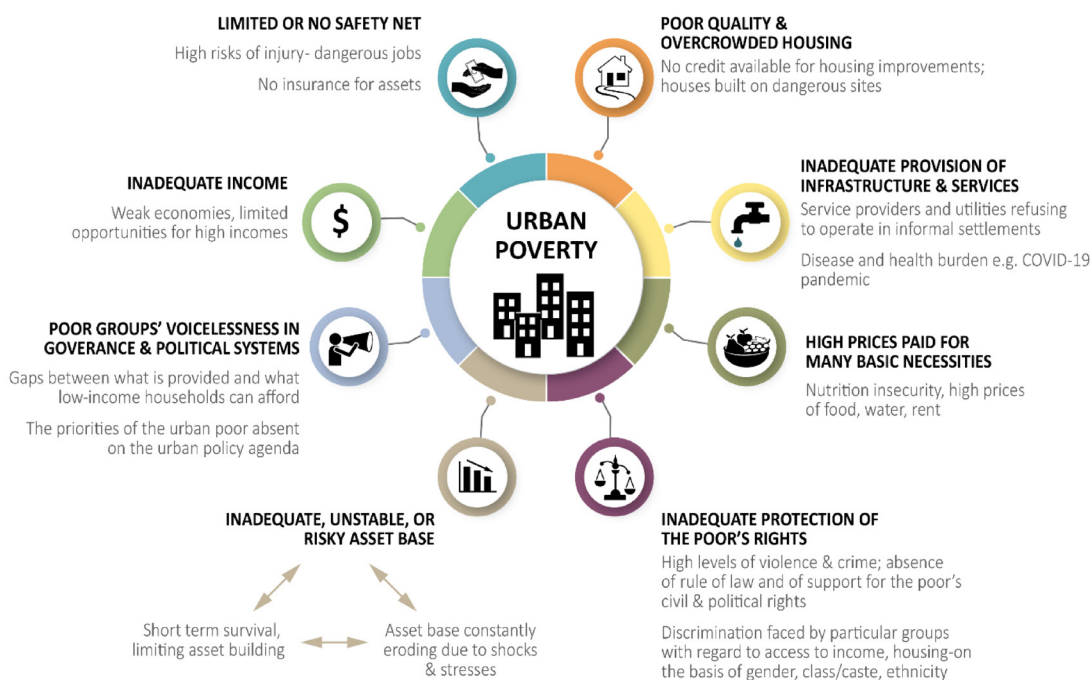
Along with gross and systemic inequalities defined by wealth and income, race and gender, and various other factors, **spatial inequalities** have been exacerbated over time. Inequality manifests itself in the different experiences and opportunities that people may have, and the rights that they can exercise, between regions, across the rural–urban continuum or within the same city. People living in poorly planned and connected areas of cities, for example, spend far more time accessing public services, jobs, food and are more exposed to pollution, congestion, inefficiencies and natural disasters. People living in rural areas, on the other hand, are more subjected to lack of public service coverage such as water and sanitation, electricity, health coverage and education.

In 2016, 75% of cities had **higher levels of inequality** compared to the previous two decades. According to the 2022 World Cities Report, currently 23 per cent of the urban population in sub-Saharan Africa live below poverty line while 22 per cent of EU inhabitants were at risk of poverty or social exclusion<sup>5</sup>. Poorly managed urbanization has also contributed to growing inequalities. As of 2022, 1 billion people live in slums. This is expected to grow by 20 million people per year until 2050. Likewise, more than 1.2 billion people are currently being under-served by core urban services<sup>6</sup>.

Like poverty, urban inequality has economic, social and spatial manifestations. The unequal production and consumption of urban spaces in cities results in significant disadvantage being concentrated in certain places rather than others. As such **slums and informal settlements** have become the most enduring faces of poverty and inequalities where residents suffer from the lack of access to improved water and sanitation facilities, overcrowded and precarious housing conditions and location, voicelessness and powerlessness in political systems and governance processes, and lack of tenure security. As the housing affordability crisis grows, new urbanites are likely to be added to the mass of over 1 billion people residing in slums and informal settlements<sup>7</sup>.

## Multidimensional nature of urban poverty

Source: UN-Habitat, World Cities Report 2022



5 World Resources Report. (2022). Seven Transformations for More Equitable and Sustainable Cities. (p.72)

6 UNS-CEB. (2022). A New UN System Agenda for Equality. (p.22)

7 UN-Habitat, World Cities Report (2022) (p.72)

## 2. Closing the gaps

Tackling poverty and inequality remains one of the key **global priorities** for creating equitable and inclusive cities that provide opportunities and prosperity for all. Achieving this vision of a more egalitarian society that leaves no one behind is not guaranteed; it requires **bold actions** to break the structural barriers that trap people in cycles of poverty and inequality.

The United Nations Secretary General has called for '**a new social contract for a new era**' to fight the '**pandemic of inequality**.' From an urban perspective, this implies the urgent need to empower cities to respond to the triple 'C' crisis and potential future pandemics through new social contracts – by focusing on building greater resiliency and inclusivity through participatory governance processes.

The **key priorities for tackling urban poverty and inequality** in cities as highlighted by the UN-Habitat World Cities Report (2022) include the following:

- Extending infrastructure and services to under-serviced communities.
- Recognizing the informal sector workers for their legitimate contribution to livelihoods and supplying goods and services that keep the city's formal economy running.
- Inclusive and gender transformative approaches that promote resilience to multiple crises by using local knowledge in the face of uncertainty.
- Place-based interventions to build resilience in "urban weak spots" such as slums and informal settlements.
- Bottom-up urban resilience in the planning, governance, and management of cities.

The urgency of **new approaches for transformative change** in cities cannot be overemphasized; the time for short-lived, piecemeal solutions should be a thing of the past. Narrow, **sectoral approaches** are not effective amid the social, economic, political and environmental crises that trap most residents in poverty. Within the **Decade of Action** window, it is pertinent for cities and subnational governments to adopt **multidimensional approaches** to addressing poverty and inequality. Such approaches must extend beyond conventional hard infrastructure programmes and look at the multiple spatial, social and economic factors that lead to exclusion and marginalization.

To this end, city governments have at their disposal a series of **tools to guide sustainable development** such as urban and regional planning, urban social protection approaches, planned urban growth, urban regeneration and social inclusion.

In order to close the gaps, **coordinated and collaborative** approaches that bring together efforts at the national, regional, and local levels are required. The size of the challenge is too large for cities to be able to respond independently.

## Quick facts

1. Urban poverty and inequality are highly complex and multidimensional challenges whose manifestation go beyond lack of income.
2. Without concerted action at all levels, poverty and inequality could become the face of the future of cities.
3. Poverty is on the rise in close to one-third of the countries in sub-Saharan African, and most countries in the region are off-track to end poverty by 2030.
4. The COVID-19 pandemic has reversed years of remarkable progress made in the fight against poverty and has resulted in the emergence of newly poor people.
5. The level of urban poverty and inequality, coupled with the impacts of the COVID-19 pandemic are clear indicators that governments must act now to create the conditions that nurture equitable urban futures.

## Policy points

1. The vision of equitable urban futures will not be achieved unless cities and subnational governments take bold actions to address the pervasive presence of urban poverty and inequality.
2. Within the Decade of Action window (2020–2030), cities and subnational governments should adopt a multidimensional approach to addressing poverty and inequality.
3. Investing in and extending infrastructure and services to deprived neighbourhoods is a critical policy lever to address poverty and inequality
4. Supporting informal employment is critical for building inclusive urban futures.
5. Gender transformative approaches are crucial for building inclusive urban futures.

Source: UN-Habitat, *World Cities Report 2022*

## 3. Solutions

- Addressing poverty and inequalities in cities, through **rights-based** approaches in urban development, is key to ensure an adequate standard of living and especially the right to adequate housing, water and sanitation. Additionally, other fundamental human rights can be considered in cities, such as access to freedom of opinion and expression, the right to social protection, and the right to be heard. With the Global Land Tool Network and the Geneva Human Rights Platform, UN-Habitat commissioned independent reviews and convened stakeholders for awareness raising and prioritization, aiming to enhance sustainable urban development supporting local governments as duty bearers<sup>8</sup>.
- **Urban social protection policies** represent a powerful tool for addressing urban poverty and inequalities along with national urban and housing policies. According to the World Cities Report 2022 of UN-Habitat, three pillars should be prioritized: social protection for informal workers, which constitute most of the employment in developing cities; adequate urban housing for all; and access to essential public services in currently marginalized urban areas.

<sup>8</sup> UN-Habitat Annual Report 2021

- Inequalities between cities, such as capital and secondary cities, can be addressed by **balanced regional planning**. Municipalities may coordinate their efforts to manage resources and growth to create territorial cohesion through efficient land-use and balanced allocation of activities and investment in infrastructure. Balanced planning should be geared towards decreasing inequalities in terms of access to wealth and equalizing livelihoods. For example, the elaboration of a Metropolitan Master Plan for the Great Conakry in Guinea aims to rebalance the migration dynamics by redistributing the investment in social services and economic development toward the satellite cities around the capital. It is meant to allow the inhabitants of secondary cities to have equal access to services and limit the rapid growth of the capital city.
- **Planned urban growth** can reduce spatial inequalities and eradicate poverty, through developing compact, connected, resilient, mixed-use, and socially mixed cities. For example, the Bogota Bus Rapid Transit system increased the average welfare of the city's residents by 3.5 per cent while a water and sanitation programme in Afghanistan led to a 6.4 per cent annual increase in private investment in land, housing and real estate<sup>9</sup>.
- Ensuring an **enabling environment** for inclusive cities is also needed driven by strong political will, transparent legal frameworks, responsive urban plans and designs and effective financial plans.
- For adequate housing provision and access to essential public services, **urban regeneration** approaches can contribute to poverty and inequality reduction. Evidence shows that urban regeneration significantly ameliorates the negative experiences of poverty and inequality in relation to housing, community safety and the physical environment.
- Social inclusion is about promoting equality and **improving participation**, particularly for people who are disadvantaged. As such, it implies enhancing people's opportunities, abilities, dignity, access to resources and voice in decision-making. It targets not only the urban poor, but also those most affected minorities such as women, children, elders, people with disabilities and the LGBTQIA+ community.

<sup>9</sup> 2022. UN-Habitat. (2022). World Cities Report 2022: Envisaging the Future of Cities. (p.134) and 2022. UN-Habitat. (2022). World Cities Report 2022: Envisaging the Future of Cities. (p.90)