

**Committee on Economic Cooperation and Development**

**Public Hearing**  
**in the German Bundestag**

**Wednesday, 16 December 2020, 10:00 – 13:00 hrs**

**Topic: Urbanisation in Africa –**  
**Challenges for Development Cooperation (DC)**

**Topic area B**

**Shifting perspectives: challenges and expectations from Africa**

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Africa enters the 21<sup>st</sup> century with the fastest growing cities in World. Projections by the Organisation for Economic Co-operation and Development (OECD) estimate that African cities will be host to an additional 950 million people by 2050<sup>1</sup>. This demographic bulge is fuelled by circular migration from within the countries and regions as well as internal growth factors from within the cities themselves. Numerous illustrations on the African continent attest to the potential of **urbanisation as a catalyst for better living conditions, peace and prosperity** and thus for **expanding the constitutional freedoms of both rural and urban residents** in a continent where populations are increasingly on-the move.

At the same time urbanisation is evolving at a pace unmatched by the responses of national and local governments to deliver services and promote adequate living conditions. The growing imbalances between demand and supply essentially mean that the associated challenges are growing out of proportion in **scale, velocity** and **complexity**. As African countries strive to play a significant role in achieving the Sustainable Development Goals (SDGs) while ensuring that no one is left behind, retooling development cooperation will be necessary to help African cities **steer** rather than **administer** growing imbalances. Reversing these imbalances would require bold action to remove structural constraints at the macro-level, one of which is the fact that Africa remains a net provider of raw materials to world markets. On the other hand, reversing these imbalances also calls for mainstreaming the New Urban Agenda into urban policies for cities to fully play their role, as well using a wide network

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<sup>1</sup> OECD/SWAC (2020), Africa's Urbanisation Dynamics 2020: Afri capolis, Mapping a New Urban Geography, West African Studies, OECD Publishing, Paris, <https://doi.org/10.1787/b6bccb81-en>.

of urban practitioners and professionals as an advisory facility to ensure the sustainability and inclusivity of investments which are targeting cities.

More than ever, cities have become spaces on which the battle for sustainable development will be won or lost<sup>2</sup>. Accordingly, the African continent needs dynamic responses which can match the scale, velocity and complexity of developmental challenges for which cities happen to be the epicentre.

Questions:

**B1.**

**From the African partners' perspective, what are the greatest challenges posed by urbanisation? Do donor nations and partner countries have differing views and definitions of needs? Are there sufficient opportunities for African involvement?**

### **Infrastructure and service delivery**

The key determinant to infrastructure being a major point of attention for Africa is the demographic bulge<sup>3</sup> which the African continent has been experiencing since the early nineties. Over the last twenty years, Africa's population has increased by 2.5 percent per year, and is expected to rise to at least 2.4 billion by 2050, making Africa the fastest growing region in the world.<sup>4</sup> According to the World Bank, urban areas in Africa comprised 472 million people as for 2017, a number expected to double over the next 25 years with the largest cities growing as fast as 4 percent annually.<sup>5</sup> Responding to changing demographic dynamics, many countries have resorted to the development of new capital cities (Dodoma in Tanzania, Yamoussoukro in Cote d'Ivoire, Abuja in Nigeria, New Administrative Capital in Egypt, etc.)

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<sup>2</sup> UN Secretary General Kofi Anan, opening speech at Urban21 Conference, Berlin 2000

<sup>3</sup> Demographic bulge refers to rapid population growth

<sup>4</sup> Report by the African Development Bank (2014): Tracking Africa's Progress in Figures, <https://bit.ly/3gzEPSh>.

<sup>5</sup> Lal, Somik V.; Henderson Jr, Vernon Marquette; Venables, Anthony J.. 2017. Africa's cities : opening doors to the world (English). African Regional Studies Program Washington, D.C. : World Bank Group. <https://bit.ly/2VY1Epg>.

which unfortunately tend to absorb large amounts of state funds and thus lead to a neglect of the maintenance and improvement of existing urban structures of growing smaller cities. Despite these efforts, the demographic bulge continues to outstrip the response capacity of local governments and city administrations to provide adequate infrastructure and services to their populations. As a result, up to 70% of residents of Africa's major cities continue to build their houses themselves informally<sup>6</sup> outside of official planning frameworks and often without adequate connection to public infrastructure. Consequently, these densely built-up areas which tend to be characterized by lack of essential services, a shortage of open spaces, inadequate solid waste and wastewater disposal. These settlement patterns and also those induced by state funded new housing estates often result in people living far away from economic opportunities with the absence of public transportation systems depleting their disposable income. The extreme population density, coupled with the inappropriate disposal of waste, also poses burdens on the environment, thus increasing the vulnerability of the built environment against the negative consequences of climate change such as floods, and storms.

### **Urban governance & stakeholder participation**

In the early nineties, the African continent witnessed increasing calls for democracy and greater participation of the population in public life, fueled by uprisings and civil strife in many countries. These movements catalysed the emergence of local government associations, including city leaders such as the Covenant of African Mayors in Subsaharan Africa launched in 2015. Even though cities were the bedrocks of public discontent and thus played a pivotal in advancing public advocacy for better urban governance, they did not succeed to position themselves within ensuing decentralisation policies. With the advent of a new wave of challenges such increasing rates of forced displacement resulting in both internal and

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<sup>6</sup> Kariuki, R. et al. 2013. Harnessing urbanization to end poverty and boost prosperity in Africa : an action agenda for transformation (English). Africa region sustainable development series Washington, D.C. : World Bank Group. <https://bit.ly/3n58qW5>.

international migration, cities require new modes of governance based on a shared vision among stakeholders (civil society organisations, local governments, private sector) which promotes inclusivity, shared accountability and policy coherence.

### **Migration and rural-urban livelihoods**

Having witnessed increasing rates of internal migration - with rural to urban exodus as a major feature – the strengthening of existing value chains between urban and rural areas has come to be considered of prior importance to reconcile people's mobility aspirations with the opportunity to participate in the local economy. City leaders in Africa are no longer viewing rural-urban linkages as a one-way process but rather as a web of complex relations which can help stabilise the livelihoods of a job seeking population through their involvement in value chains such as urban foods systems<sup>7</sup>. Smaller cities are increasingly becoming the first “stop-over” in the migration dynamics. Yet, they lack capacities, services and livelihood opportunities which, if made available, could help alleviate the migration pressure on bigger cities or even overseas.

### **Capacity constraints**

The limited capacity of urban administrations often means that smaller and medium-sized cities (who are currently attracting the largest share of population growth) are unable to provide skilled personnel with an adequate expertise in urban planning and management, infrastructure upgrading and socio-economic development. Constraints in urban management often lead to an inadequately coordinated provision of public services as well as the inability to ensure the inclusion and participation of disadvantaged groups, including women, youth, and disabled people. With Africa having the lowest planner per capita worldwide some smaller cities are unable to afford one qualified professional in urban planning.

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<sup>7</sup> Urban foods systems refers to a complex set of activities involving the production, processing, transportation and consumption of food in urban areas.

### **Access to finance**

Access to finance is a common problem faced by African cities, given the prevailing centralisation of financing systems and fiscal resources. Redistribution of fiscal revenues by national government tend to be less reliable with respect to the level and timing of transfers owed to local governments. This makes African cities particularly vulnerable when facing the need to develop infrastructure and upgrade existing services. Borrowing on capital markets is also restricted if not impossible, given the burden it may add to the usually highly indebted national governments amidst an increasing uptake of loans from China in order to develop and implement large-scale infrastructure projects. In fact, the tendency in international cooperation of solving financial issues through infrastructure and project development facilities is a shortcut to the problem which has not yielded any long-term improvement to the financial position of cities.

### **Assessment of the situation by international donors**

Nearly all bilateral donor organisations from within the European Union as well as the EU itself, have established structured engagement platforms with African countries, benefitting the identification and design of projects around priority concerns of aid receiving-countries. However, functioning on the level of national governments may potentially lose sight of the voices and concerns of cities amidst a lagging implementation of (fiscal) decentralisation. Balancing this equation may require new forms of direct engagement with **major individual cities that have a proven record of bankability**. With the advent of decentralisation policies, most countries have adopted a system of wall-to-wall municipalities<sup>8</sup>. While this reform helped to place both urban and rural spaces under a single-handed system of municipal jurisdictions, **cities' pivotal role as engines of socio-economic progress remained relatively unchecked**. The fact that cities are merely regarded through the lens of a wall-to-wall system

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<sup>8</sup> Wall-to-wall municipality refers to the German term "Flächengemeinde"

of local government tends to dilute the special attention they deserve in order to boost the response capacity of local government towards their residents' needs in particular and the national economy as a whole. In any case, higher expectations are placed upon cities in order to help address the **scale, velocity and complexity** dimensions of the urban challenge associated with the demographic bulge.

## **B2.**

**What kind of support for urban development is expected from Germany, the EU and international institutions such as the United Nations Human Settlements Programme (UN-Habitat), and which mechanisms would be appropriate? Should the focus be on regional and country-specific broad-scale measures or, rather, on model projects with a clearly defined best practice role (key phrase: charter city)?**

Addressing the scale, velocity and complexity of Africa's contemporary urban challenge requires a concerted effort in raising urban **management capacity**. This starts by organising a network of built environment practitioners, professionals and scholars from Africa to mobilise homegrown expertise capable to advise on on-going and future implementation processes and to ensure the operationalisation of existing policies and charters by AU member states. Inspiration can be drawn from preceding successful empirical benchmarks such as the so-called "panels of experts", which were established under the former multi-donor Urban Management Programme<sup>9</sup>. African governments can also rely on such a facility to help negotiate a fair deal for urban sustainability amidst increasing Chinese investments.

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<sup>9</sup> Launched by the World Bank in 1986 as a 10-year research programme, the Urban Management Programme emerged as one of the largest global technical assistance endeavors in the urban sector. Progressing over three phases up until 2006, and with regional offices being opened in Abidjan, Cairo, Bangkok and Quito, it has not only led to the vast improvement in the database, knowledge, and expertise available for dealing with problems of urbanisation, but also to the establishment of a very active constituency of stakeholders comprising regional networks of institutions, experts and practitioners, as well as a new international effort at urban development known as the Cities Alliance.

Since Africa portrays a blend of political, administrative, historical and cultural traditions, attempts to develop common policy and regulatory standards have been made in order to facilitate dialogue around progress among individual states. Model projects that deny each particular context the opportunity to define its own urban identity<sup>10</sup> are therefore not recommended. However, regional entities should be used to facilitate the development of homegrown solutions to urban sustainability challenges. **Regional city networks** can help to establish and consolidate technical dialogue among city professionals and officials from various countries. A regional **advisory facility** as well as bilateral advisory facilities between German cities and cities within each given African country could play a role instead of the currently very dispersed system of German cities randomly choosing their African peers with whom to partner. Such facilities can be attached to an existing regional project or take the form of a lean secretariat that will organise the exchange of experiences while attracting relevant expertise for on-going projects with similar aims across the continent. The experiences derived from such networking activities could be used to enhance existing governance frameworks and legal instruments such as charters that are relevant to the management of cities and their environments. Possible activities of such a facility could evolve around sourcing expertise on specific subject matters to guide the implementation of existing instruments and charters through on-going projects,

Reflecting on the added value of development cooperation partners when it comes to urban development requires taking a look at everyone's unique selling point. Some of the attributes African partners value in Germany are as follows:

- Germany is considered to be lead partner in Europe who can help set the agenda towards removing the structural constraints in a manner that will help use **African cities as the ultimate backbone of Africa's (green) industrialisation agenda.**
- Germany is viewed as a lead partner when it comes to **formulating a green agenda on Africa's industrialisation** to enable a domestic processing of value added goods,

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<sup>10</sup> Die Eigenlogik der Städte, Berking and Löw, 2008

using renewable clean energy, environment-friendly building materials, waste recycling and re-use.

- Germany's unique normative system of territorial management (***Raumordnung***) promotes a balanced distribution of competencies based on the subsidiarity principle and tied to a hierarchy of centers and infrastructure typologies that can be further mainstreamed in development cooperation around decentralisation and local development. This is particularly relevant in the current era where many African countries are making use of decentralisation as a means to redefine and boost the role and contribution of subnational entities to national development. The German model of territorial *Raumordnung* has the potential to inspire on-going efforts by African countries to promote a balanced network of cities across national territory in order to balance the enormous pressure capital cities are facing.
- Germany's system of local self-government (***kommunale Selbstverwaltung***) is also highly regarded among African countries and has since the mid-nineties led to the high demand for cooperation on decentralization and local governance among African countries, surprisingly even more in countries with strong tradition of centralization inspired by France.
- Germany's planning system is also highly regarded as it links the *Raumordnung* and the *kommunale Selbstverwaltung*, thus promoting an integrated planning approach which includes participation and customized non-formal tools.

A second line of action should be the possibility for development partners using their complementarities more assertively. As an illustration, the wealth of experience gathered by GIZ as an implementing agency of the German government continues to be used as a leverage by the EU to engage in joint actions with the BMZ.



**B3.**

**Are existing institutions and stakeholders up to the challenge? Are reforms or new forms and pathways for cooperation needed here? What experience has been gained with the Chinese models of infrastructural investment, how are they rated, and what role will they play in future?**

The answer is simply NOT YET! Africa's institutional and stakeholder landscape for urban development is pretty hybrid and diverse. At the continental level, the African Union only recognised the importance of cities through Decision 29 of the Second General Assembly of African Heads of State and Government in 2003, whereby concern was expressed that:

*“... if left unchecked, rapid urbanisation is leading to the urbanisation of poverty on the African continent with attendant problems that have condemned the majority of urban dwellers to unemployment, food insecurity, and life under squalid conditions in slums and other unplanned neighbourhoods ...”<sup>11</sup>.*

It is only in 2014 (eleven years later!) that a Specialized Technical Committee (STC) in charge of Public Service, Local Government, Urban Development and Decentralisation was established. Even though the Committee is now formally established the urban development subcommittee is lacking an institutional framework or policy instrument which can be used as an overarching reference document to inspire the strategic positioning of Africa's urban spaces within the African Continental Free Trade Area (ACFTA) and other policy processes at regional and national level. Accordingly, an institutional support mechanism is urgently needed right from the AU level down to the regional and national levels. As of today, **the**

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<sup>11</sup> Decision 29 of the Second General Assembly of African Heads of State and Government (2003)

**number of African countries that possess a national urban policy framework barely reaches five despite the huge urban transition in which the continent finds itself!**

Besides the abovementioned STC at the AU level and similar governmental structures at regional and national level, another layer of stakeholders (United Cities and Local Governments of Africa, UCLGA) and several Associations of Municipalities exists across the continent. Their main thrust lies in representing the interests of local governments at national level while also rendering various services to their members. However, except for South Africa, cities do not feature specifically an organised network and lack a specific agenda. **Yet, an overarching policy framework such as the New Leipzig Charter on Sustainable European cities<sup>12</sup> is in high demand to help position the specific role of cities within the development agenda at regional and national level.**

Firstly, the most visible expression of lacking capacity within existing institutions to match the scale, velocity and complexity of the urban challenge are informal settlements. Another illustration is the advanced degradation of first-generation urban infrastructure facilities which were built right after independence without benefiting the establishment of a maintenance plan. Thirdly, uncontrolled urban expansion linked to the influx of newcomers in the cities is worth mentioning. Some countries have tried to contain this phenomena by creating land development parastatals with the mandate to develop serviced plots of land at the periphery of major cities, sometimes being accompanied by the establishment of parastatal estate companies responsible for the construction of social housing to accommodate low to medium income households. However, since the newly created social housing has rarely matched the socio-economic possibilities and needs of low-income populations, informal settlements

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<sup>12</sup> The Leipzig Charter on Sustainable European Cities (2007) is a policy document through which EU member states have committed themselves to a number of common principles for urban development policy, including the promotion of integrated urban development and governance as well the the establishment of balanced territorial organization based on a European polycentric urban structure. (Accessible at: <https://bit.ly/3m6gOn9>)

continue to host the majority of urban dwellers. As of today, the latter still offer very low entry conditions, hence they continue to grow in the outskirts of cities in the absence of a comprehensive strategy for lasting solutions.

Against this background, new pathways of cooperation must address the following:

- (i) Addressing the structural impediments which hamper cities to unleash their full potential as nodal hubs for Africa's (green) industrialisation
- (ii) Reforming the existing urban policy and management instruments
- (iii) Local planning capacities need reform and strengthening, with a reorientation towards social inclusion policies rather than focusing on design considerations.

A set of structured engagements are required with both the **African Union and the Regional Economic Communities** to translate the ACFTA into a spatial strategy which assigns a clear role to cities as nodal hubs for Africa's (green) industrialisation agenda. Ultimately, this would provide a clear vision on cities' responsibility as job reservoirs and serve as a guiding framework for the implementation of sectoral policies in cities.

The influence of China in Africa has been growing exponentially over the past 20 years spearheaded by the Forum for China Africa Cooperation (FOCAC) founded in 2000. Initially focused on diplomacy, trade, security and investment relations between China and African countries, it has taken on an increasingly prominent stance on major infrastructure projects in African cities in certain cases combined with mining concessions to Chinese companies. Currently, there is no unified formal rating for these infrastructure measures. So far one major critique against such projects was their turnkey approach which scores poorly on sustainability because they tend leave no room for capacity development among African professionals or participation of host communities. A comprehensive assessment is yet to be undertaken to inform the relatively loose bargaining power of African stakeholders. **To play this role effectively Germany and the EU could enter into a trilateral agreement with China and**

**Africa by supporting a secretariat function that would mobilise African expertise to, among others, undertake periodical reviews and dialogue on the topic of urban sustainability** of China's infrastructure investments in Africa. While much remains to be done in that regard the demand for Chinese built infrastructure is predicted to continue on the growth path for many years to come, their main point of attraction lying in their astute combination with low interest loans which are sometimes tied to long term mining concessions.

**B4.**

**Should European partners support social service provision, participation or public safety in African cities and if so, how? What role can city partnerships play in shaping urban and social development on the African continent?**

Service delivery, participation and public safety are integral parts of the constitutional freedoms which place both, the individual and the community at the centre of every public action. They are essential to the transition from a union of heads of states to a people's Africa which the AU has prescribed to itself. As such, it is important that these values continue to find expression in charters and legal frameworks as well as urban policies and programmes in a quest to advance individual and collective freedoms. With European partners sharing a rich experience in these values, they must form part of the core agenda of cities through the promotion of integrated urban development policies and programmes that leave no one behind. Moderated city-to-city partnerships can go a long way in using existing charters as a reference to develop urban policy frameworks, coupled with benchmarking systems for peer learning.

**B5.**

**Are traditional lifestyles still relevant or have they already broken down as a result of migration and urbanisation?**

Aspects of traditional lifestyles may prevail when population groups from specific rural communities who share the same cultural traditions group together into certain (usually non-formal) areas of the city. Often, they organise themselves to cushion community members against the hardships of an overly cash based economy. Since these places tend to offer very limited space and access to public services, however, lifestyles are rather determined by the management of scarcity and differ from traditional lifestyles prevalent in rural areas. However, migration and urbanisation does not make communities cut the ties with their villages. On the contrary, they organise themselves in saving groups acting as a safety net by sending remittances to family members that have remained in rural areas.