

India projected to add 300 million urban residents by 2050: UN report

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New York: India is projected to add 300 million new urban residents by 2050 and it will need to build climate-friendly cities to address the challenge of accommodating the needs of the growing population, a UN report has said.

The first "World Cities Report 2016 - Urbanisation and Development: Emerging Futures" report by UN Habitat said in India, urban areas already contribute more than 60 per cent of the GDP and an extra 300 million new urban residents are projected by 2050, leading to a call by the Indian government to build 100 new cities over the period.

The attendant amount of additional greenhouse gases would have consequences on climate change. The alternative, if challenging, is to build denser, low-infrastructure, low-energy cities, the UN human settlement program report said.

The report said that central to this challenge are the twin bottlenecks of municipal finance and infrastructure finance for transport, electricity, communications, water supply and sanitation in support of production.

Large South-Asian countries like Bangladesh, India and Pakistan feature massive, expanding urban populations in mega-cities such as Dhaka, Mumbai, Delhi, Karachi and Lahore as well as in growing number of secondary cities, it said.

In face of the daunting magnitude of projected urban demographic growth over the next 20 years, accommodating the needs of these populations through planned city extensions is going to be a challenge, it said.

The global smart city market will grow by 14 per cent annually, from 506.8 billion dollars in 2012 to 1.3 trillion dollars in 2019, according to estimates.

Over the next two decades, city governments in the US will invest approximately 41 trillion dollars to upgrade their infrastructure and take advantage of the internet, while India plans to build 100 smart cities in response to the country's growing population and pressure on urban infrastructure.

In order to realise the potential of ICT (Information and Communication Technology) towards sustainable development, an enabling environment has to be created, with participatory governance models, the right infrastructure and technical platforms, including capacity building, ensuring inclusion and bridging the digital divide, the UN report said.

The UN report said large cities and mega cities are influential in the global economy and there is indication that the centre of gravity of the urban world is moving to developing countries, particularly towards southeast Asia.

Currently, the top 600 cities with a fifth of the world's population that generate 60 per cent of global GDP consist mainly of cities in developed countries.

By 2025, the contribution of the 600 cities is expected to remain the same, but the composition will change as there will be many more cities from China, India and Latin America, the report said.

The report further said that as the world recovers from the global recession, cities in emerging economies such as China, India and Brazil have become major sites for business investment, presenting global companies with

unprecedented opportunities for research and development.

By 2030, the middle class in China, the majority of which will be concentrated in urban areas, could reach one billion, corresponding to 70 per cent of China's projected population.

The report said that cities generate a sizable share of new private sector jobs and between the year 2006 and 2012, the 750 largest cities in the world created 87.7 million private sector jobs, or 58 per cent of all new private sector jobs in their respective countries.

In India, between 2000 and 2005, urban employment grew at a rate of 3.22 per cent compared to rural employment, which grew by 1.97 per cent. Urbanisation can also play a key role in eradicating rural poverty.

Research in India found that an increase of 200,000 in the urban population resulted in a decrease of 1.3 to 2.6 per cent in rural poverty. Overall, these urban-rural linkages were behind a reduction of 13 to 25 per cent in rural poverty in India between 1983 and 1999, it said.

The report said that a "significant, encouraging" reduction in the number of people living in extreme poverty has also been recorded from 1,959 million in 1990 to around 900 million in 2012. A decline to 702 million (below 10 per cent of the global population) is expected in 2015, "largely due to massive efforts by China and India".

Grossly inadequate planning capacity in cities poses another significant challenge for India. Many cities in the world still rely on outdated modes of planning notwithstanding that planning is central to achieving sustainable urban development. Planning capacity is grossly inadequate in much of the developing world.

In the UK, there are 38 planners per 100,000 population, while in Nigeria and India the figure is 1.44 and 0.23 respectively.

Many city governments recognise industry cluster support as an important way of stimulating investment, job creation and value-adding, including research and development facilities, technology and innovation parks, the report said.

In the US, 18 sets of industry clusters generate more than 50 per cent of employment and contribute an even higher proportion of GDP.

In India, 49 metropolitan clusters are likely to account for 77 per cent of incremental GDP from 2012 to 2025.

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