

The State of Urbanization in Pakistan

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State of Urbanization in Pakistan

1981
28% (24 million)

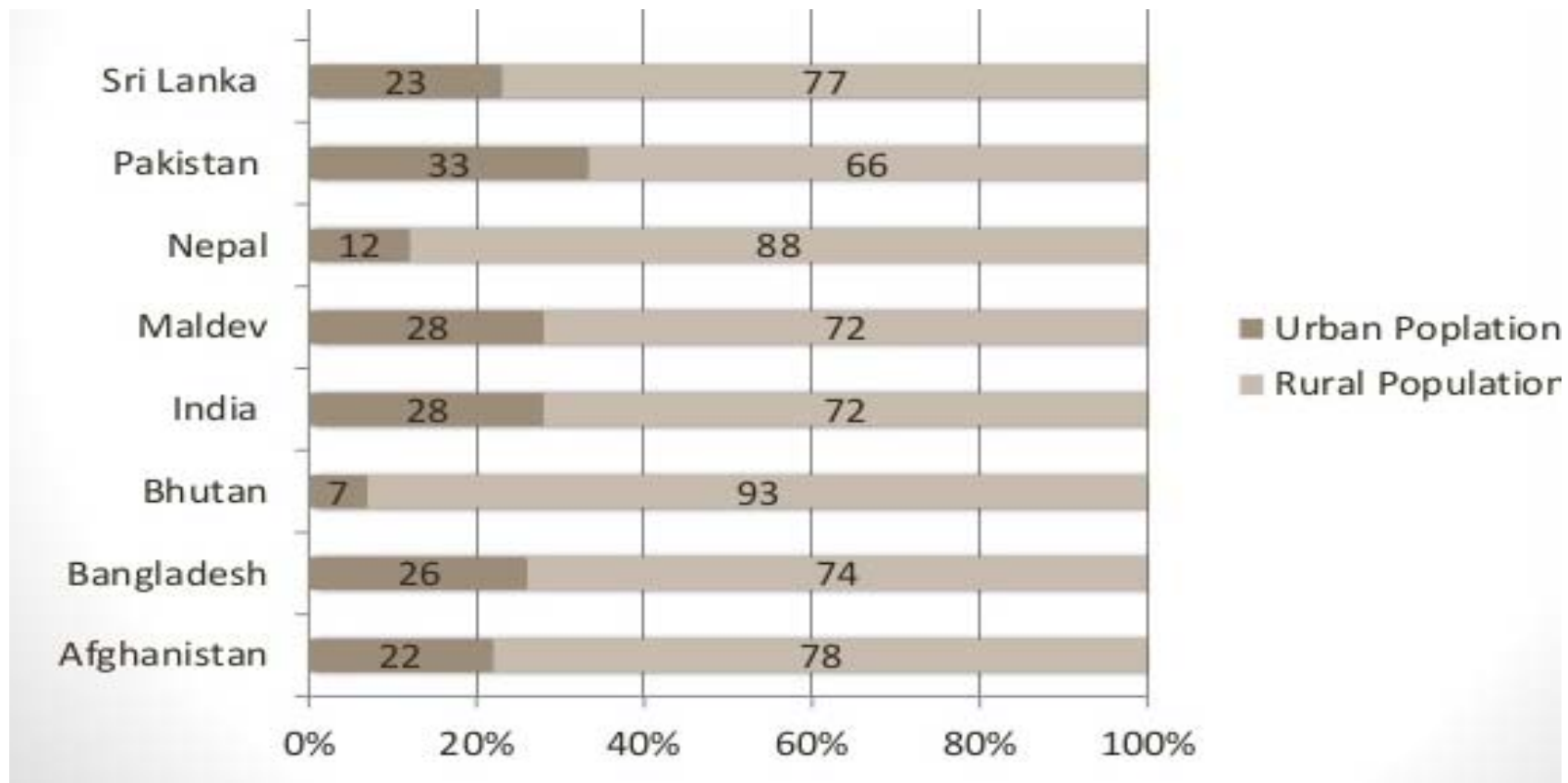
1998
32.5% (44 million)

2010
36.3% (63 million)

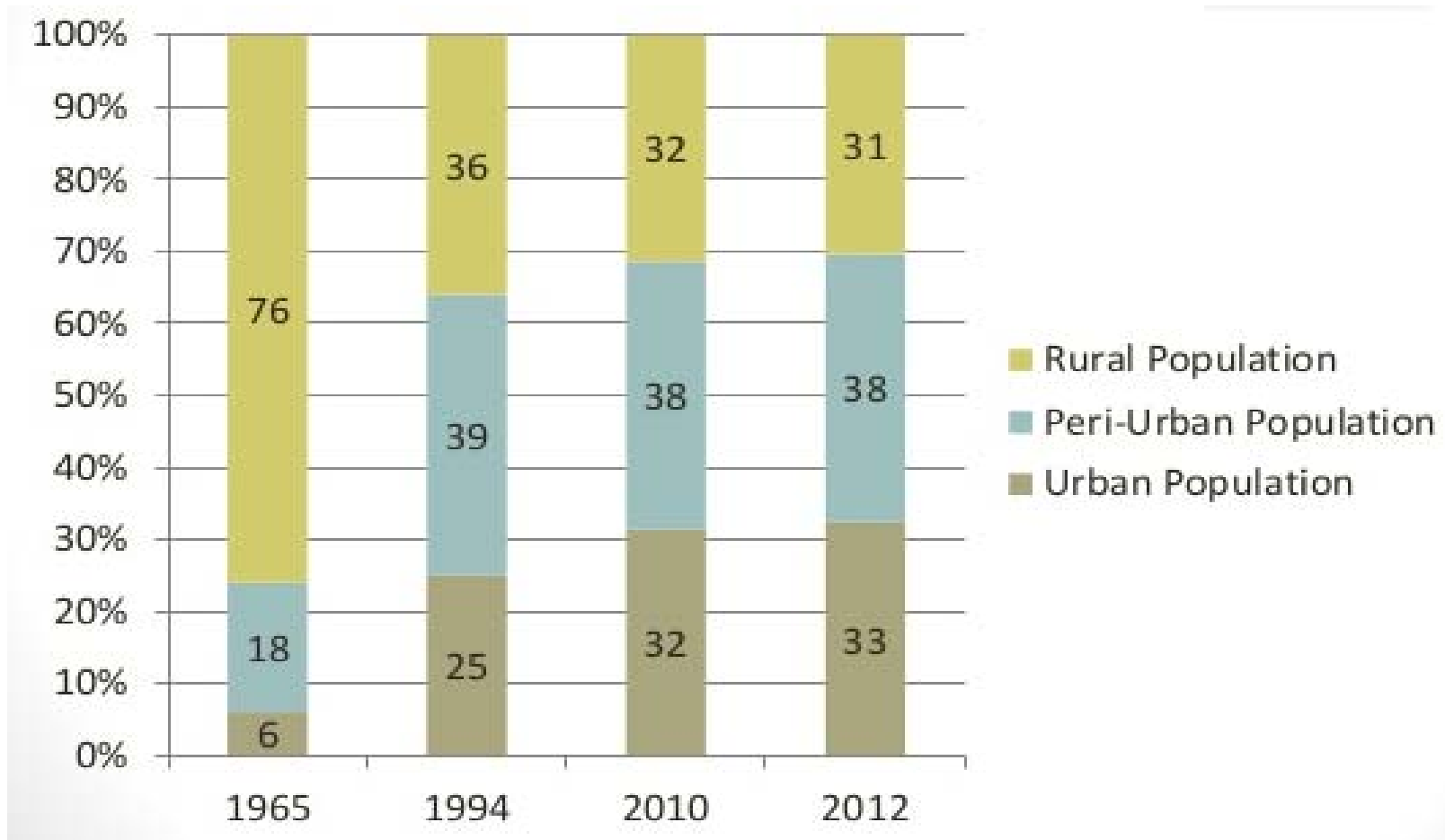
2020
50% (120 million)

Above 4 % urban growth rate

Urbanization in South Asia



Urbanization Level in Pakistan



Number and Size of Cities in Different years

Year	No. of cities with + 50,000 Population	No. of cities with + 100,000 Population	No. of cities with + 1.0 million Population
1981	32	27	5
1998	57	48	7
2010	75	58	9

Distinction between Urban and Rural

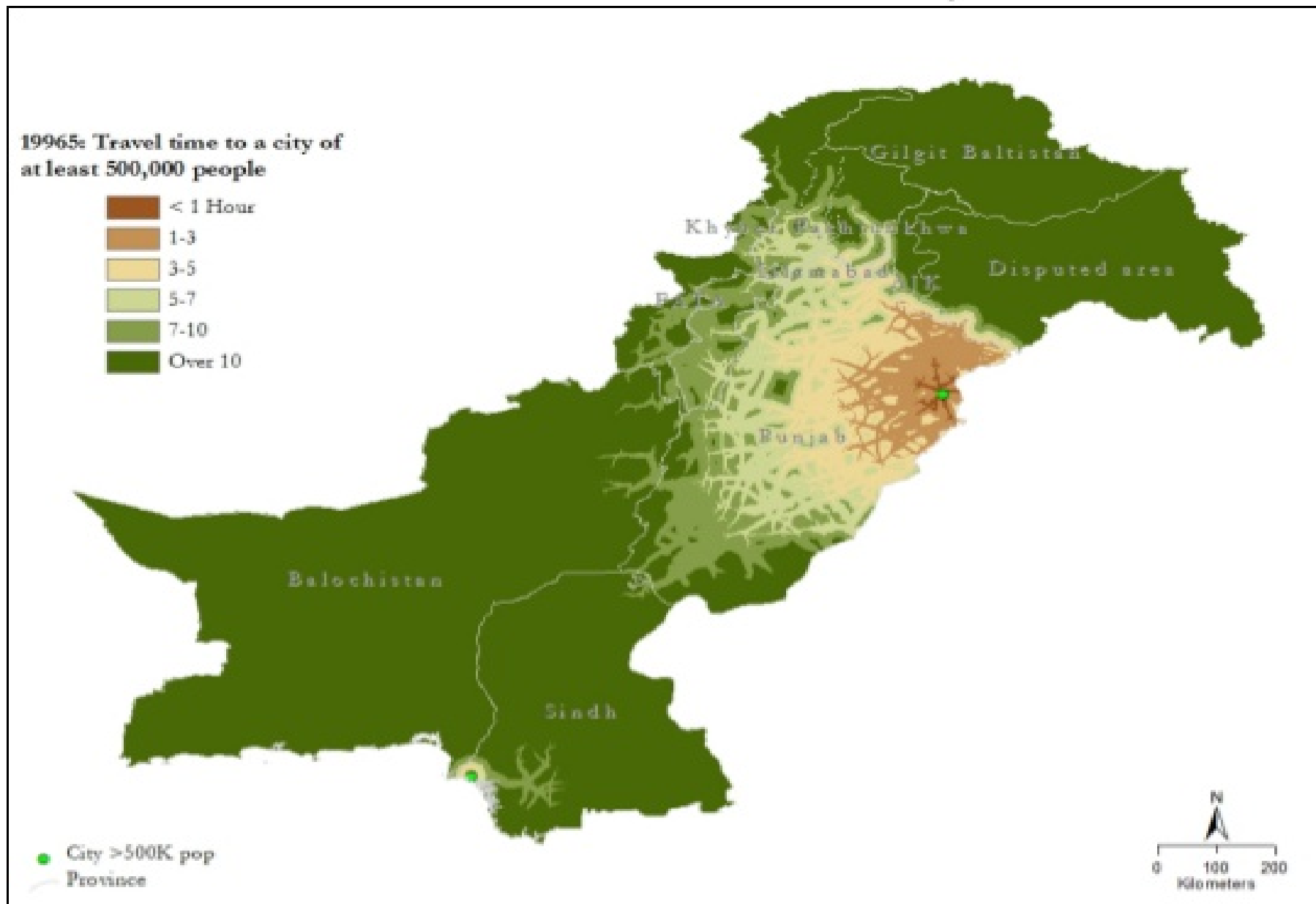
- No specific or agreed upon definition
- Various Census use different definitions for urban settlements
- Administrative boundaries of most urban areas do not include their peri-urban settlements
- Ribbons of development along highways, among major centers and industrial satellite not classified as urban



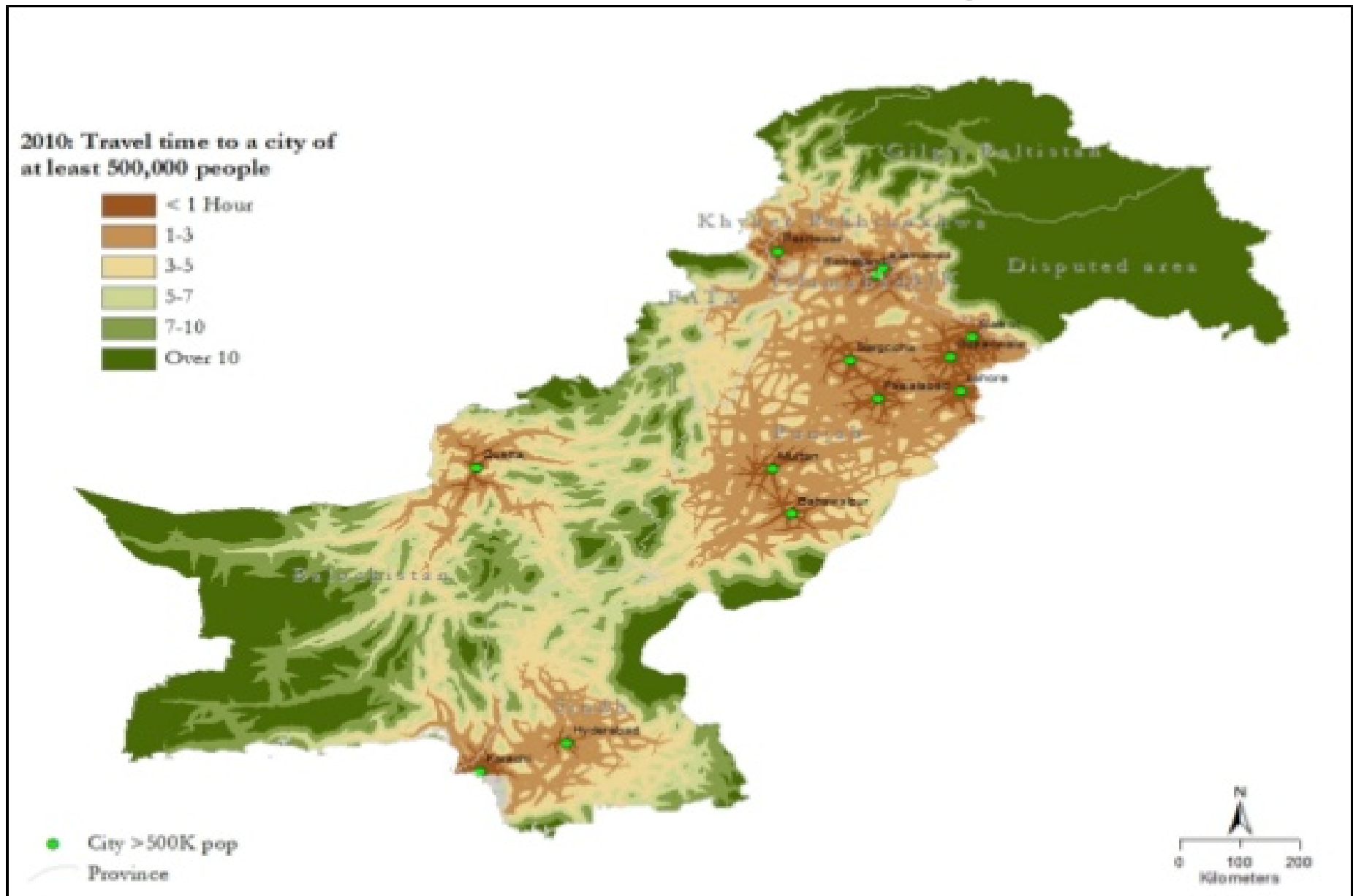
Features of Urbanization

- Urban areas share 79% in GDP and major source of revenues in Pakistan
- Pattern of urbanization across Provinces exhibits large variation
- Over concentration of urban population in few urban centers
- Expanding middle class comprising of youthful and skilled labor force
- Transport and infrastructure improved overtime

1965: Travel time to a city of 500k



2010: Travel time to a city of 500k





Repercussions of Urbanization

Welfare issues

- Housing deficit
- Service delivery issues
- Infrastructure
- Slum, poverty and unemployment

Environmental issues

- Water contamination
- Waste management and sanitation
- Various forms of pollution



Repercussions of Urbanization [Cont...]

Administrative issues

- Inconsistent initiatives of local government
- Multiple government agencies in municipal affairs

Financing urban development

- Reliance on provincial government
- Poor attempt to mobilize resources and private investment
- Gaps in legal framework



Urban Settlement and Domestic Commerce

- Substantial market potential and marketing opportunities in the inner-city areas
- Commercial development is heavily taxed
- Cost of doing business is much high
- Difficult to obtain and verify land records
- Zoning favors large housing
- High rise buildings are not allowed
- Not enough community spaces



Cities and Economic growth

- Denser economic activities create economies of scale
- Larger market size increases productivity
- Knowledge spill over
- Big cities have been the birthplaces of new ideas, inventions and creativity
- People with different experiences, classes and professions share ideas



Urban Policy in Pakistan

- Economic Growth Framework
- Taskforce on Urban Management
- Federal, Provincial and Local Government Development Plans

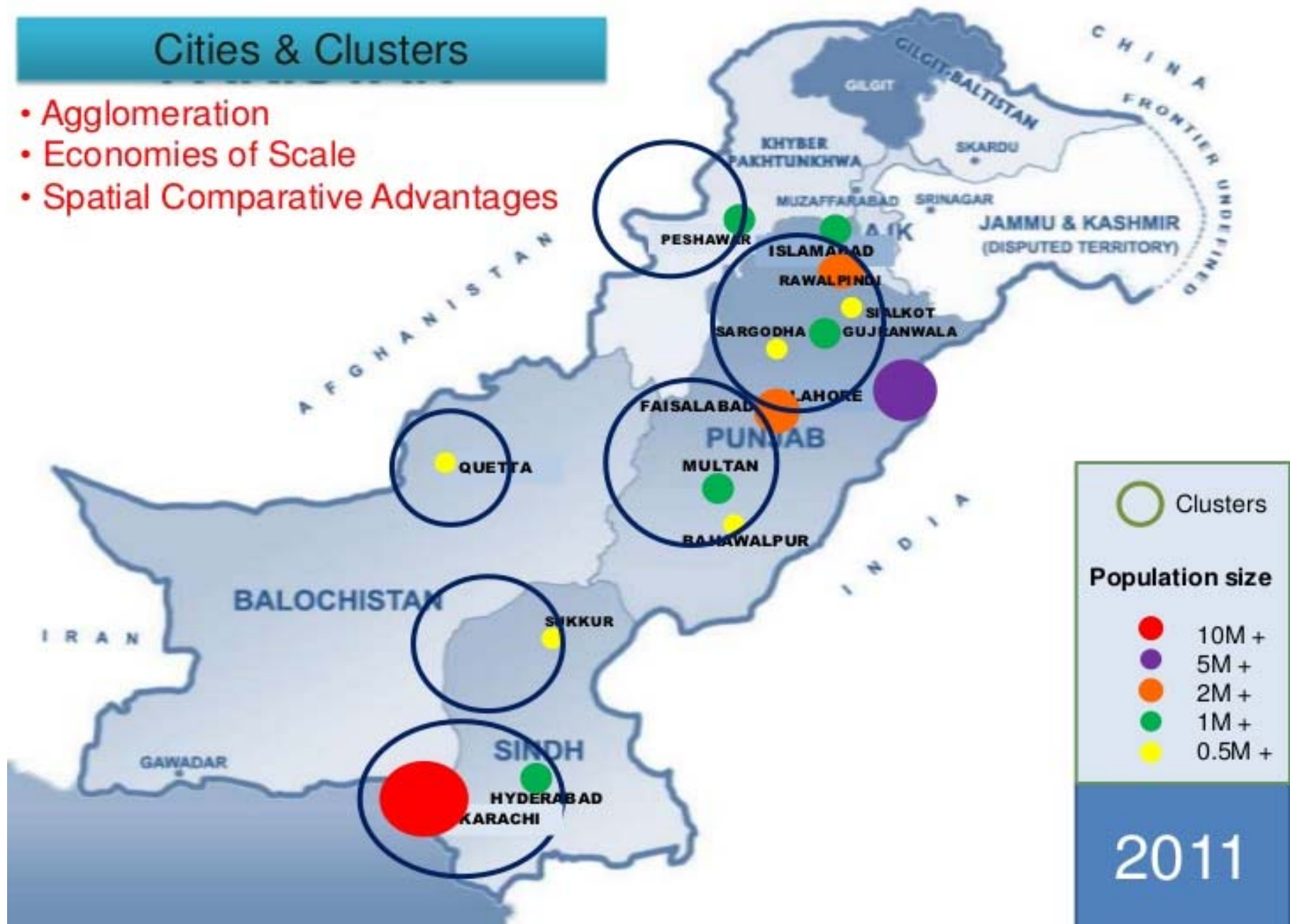


Urban Policy [Cont...]

- Promote Cluster Development in 7-8 clusters
- Build local government capacity through public-private interaction
- Provide Skill Development Opportunities
- Encourage Sub-National Government Financing
- Manage Energy Demand

Cities & Clusters

- Agglomeration
- Economies of Scale
- Spatial Comparative Advantages





Proposed Urban Reforms

- Focus of policy, research and thinking on the role of cities as engines of growth
- Empowerment of city government in public service delivery and financial matters
- Development of city centers for dense mixed use
- Decision making by open consultative process (community involvement)
- Places for cultural and educational activities
- Identify and address political issues arising out of the 18th Amendment.



Thank You