

Business Unit

Urban competitiveness and the future of urban services

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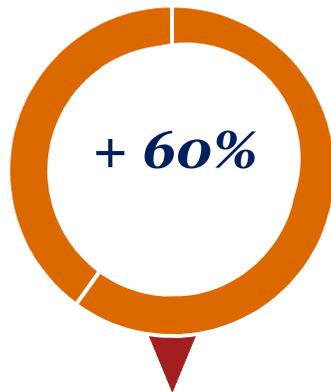
Discussion Document

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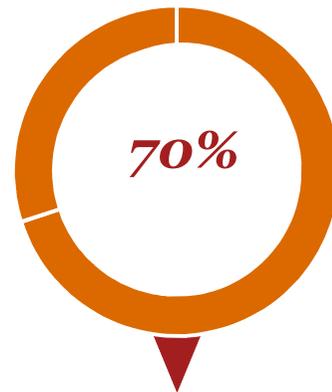


Urbanization accelerated pace: By the middle of the century four of every five people might be living in towns and cities

Cities today occupy approximately only 2% of the total land, but are responsible for 70% of economic activities (GDP). However they are responsible for ...



**Energy
Consumption**



**Greenhouse
Gas Emissions**



Waste

We collaborated with the WEF on a study to show how can cities be part of the solution, not the problem



Source: World Economic Forum, Shaping the Future of Urban Development & Services Initiative & PwC Research

Top urban challenges facing cities around the world

North America

1. Climate change
2. Environment resource management
3. Social inclusion
4. Mobility
5. Water

South America

1. Economic development
2. Climate change
3. Mobility
4. Environment resource management
5. Urban planning

Europe

1. Social - Migration
2. Climate change
3. Economic development
4. Demographic change
5. Environment resource management

Middle East & North Africa

1. Water
2. Safety & Security
3. Innovation & Entrepreneurship
4. Migration
5. Environment resource management

Sub Sahara Africa

1. Water
2. Economic development
3. Innovation & Entrepreneurship
4. Safety & Security
5. Environment resource management

Asia

1. Urban Planning
2. Environment resource management
3. Climate change
4. Water
5. Mobility

Oceania

1. Climate change
2. Environment resource management
3. Economic development
4. Investment climate
5. Power/ Energy

Source: World Economic Forum, Shaping the Future of Urban Development & Services Initiative & PwC Research

As cities witness an inflow of 2.5 billion new urban dwellers by 2050 a new vision of the urban environment is needed

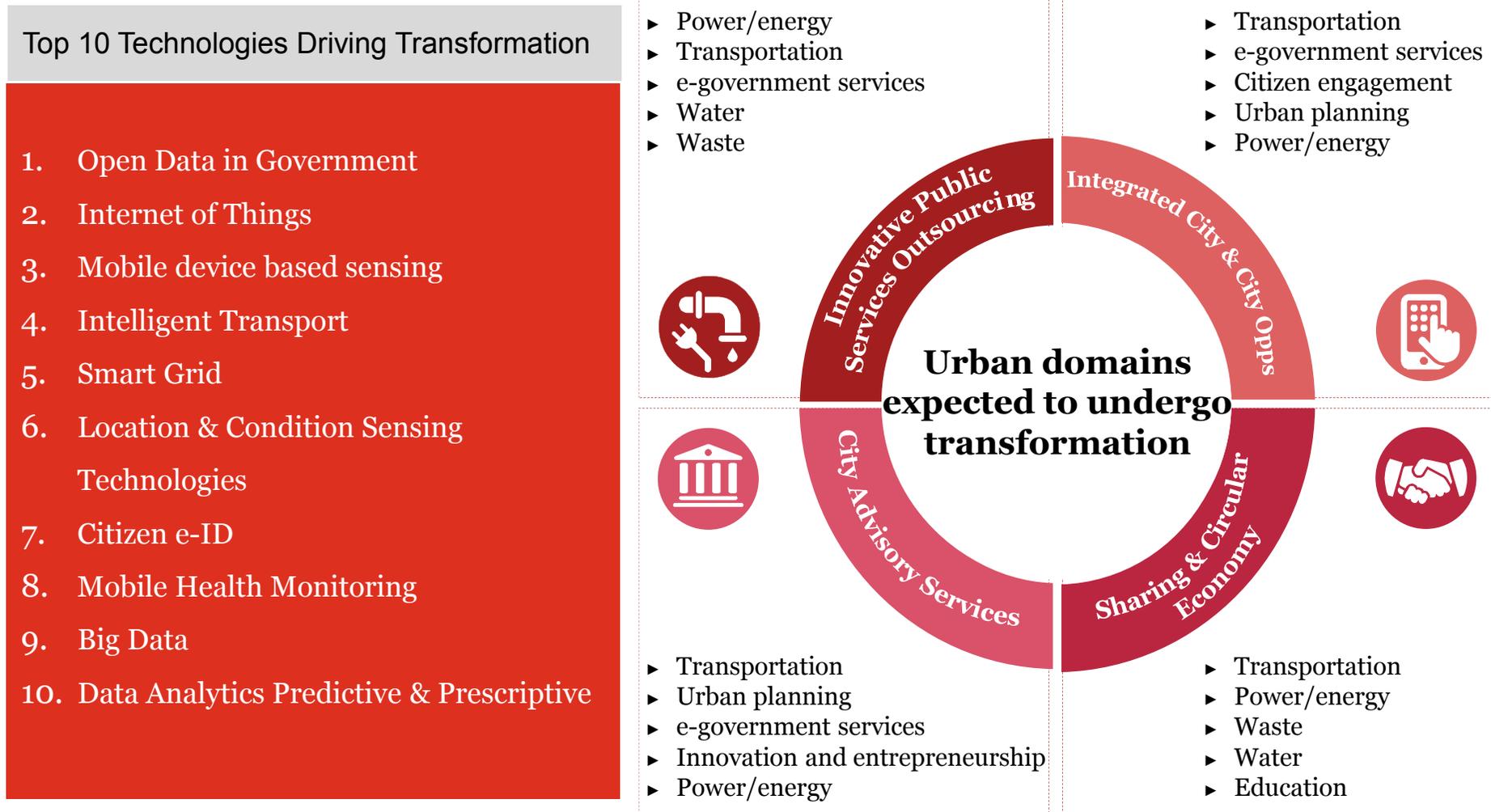
Future City Characteristics

<p><i>Sustainable</i></p> <p>Demonstrates balanced accomplishment of social & economic development, environmental management & effective urban governance.</p> 	<p><i>Citizen Centric</i></p> <p>Focus on the physical, mental & social well-being of individuals & society, encompassing many factors (life satisfaction, physical health, psychological state, education, wealth, religious beliefs, local services & infrastructure, among others).</p> 	<p><i>Economically Vibrant</i></p> <p>Attracts investments, facilitates business, nurtures indispensable assets (its well-educated people), improves productivity, promotes growth and expands opportunities for all stakeholders.</p> 	<p><i>Accessible</i></p> <p>All sections of society in an accessible city can live independently and participate fully in all aspects of life. This city ensures that people with special abilities and the vulnerable section of society have equal access to all services provided.</p> 
<p><i>Resilient</i></p> <p>Enhances the capacity of individuals, communities, institutions, businesses and systems to survive and adapt while they experience chronic stress and acute shock across health, the economy, infrastructure and environment.</p> 	<p><i>Well Governed</i></p> <p>optimally utilizes resources to effectively realize the short- and long-term agenda of its development, while achieving greater transparency in public decision-making and establishing institutional accountability.</p> 	<p><i>Responsive</i></p> <p>To consume its available resources in the best way possible, such a city enables all stakeholders to use data collected by digital infrastructure to spot patterns, identify problems and make real-time decisions</p> 	<p><i>Planned</i></p> <p>strengthens its local economy by creating a master plan that integrates all urban domains, and offers enough flexibility to make amendments to the plan when external conditions change or when innovative solutions emerge.</p> 

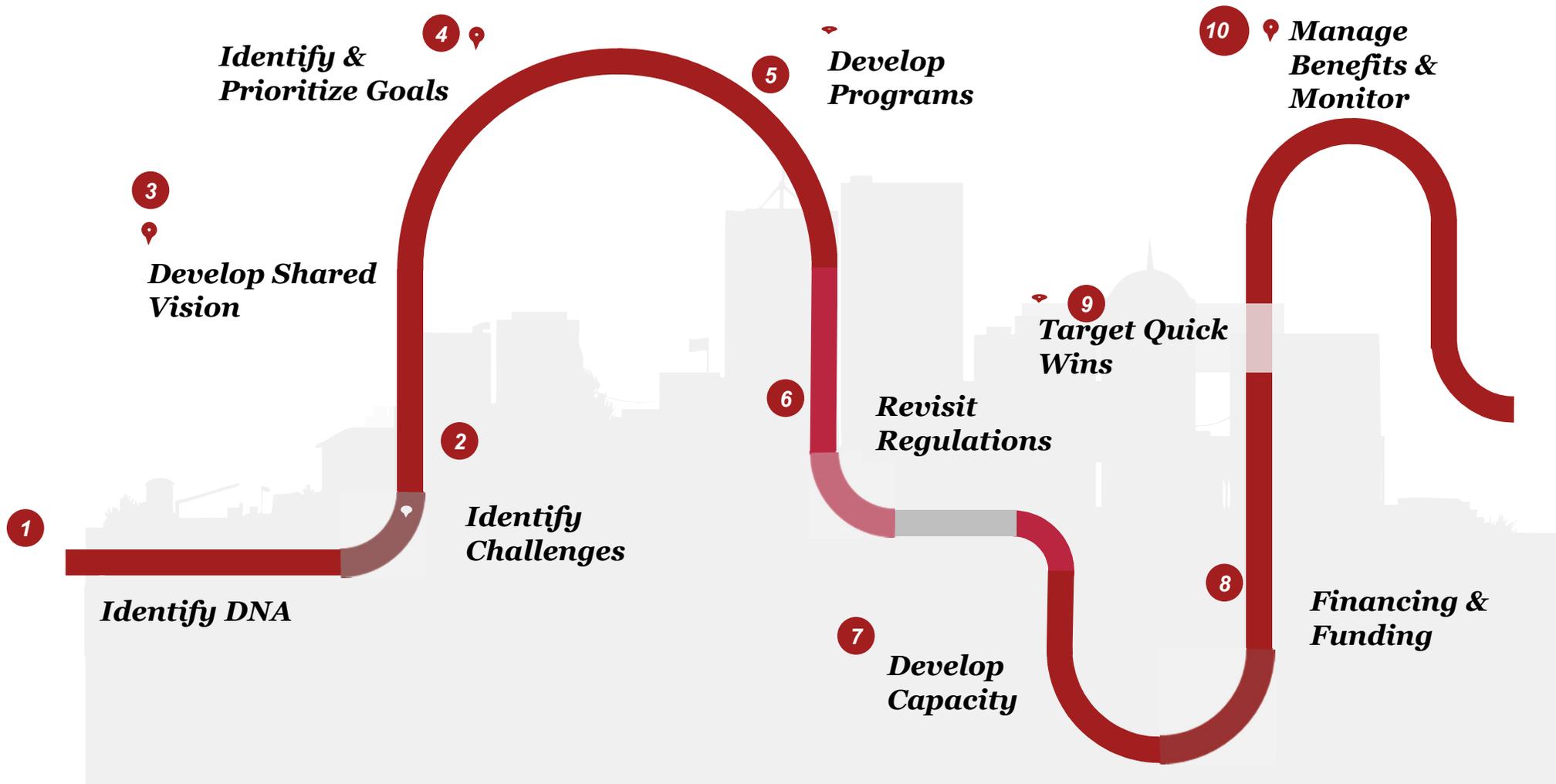
Typical Stages of Development for a City – A maturity model based on six dimensions

		Stages of Urban Development			
		Rudimentary	Functional	Integrated	Scalable
Urban Services	Basic survival needs met in terms of water, waste, sanitation, & shelter	Power, transportation, healthcare and education needs met	Scalable infrastructure for quality of life, green space, culture & elderly care	Mass transit, advanced education, etc. for economic competitiveness	
Sustainable Development	Access to basic services Urban poverty alleviation	Energy efficiency, Social cohesion, reuse and recycling	Social safety, prepare for climate change, address ageing	Renewables, green development, address climate change	
Technology & Business Models	Limited adoption of technology and few PPPs	Adoption of technology for critical function & enterprise management; PPP frameworks adopted	Truly digital delivery, preemptive services, prescriptive analytics; PPP pipeline available & limited acceptance of disruptive business models for urban services	Process optimized, situation awareness, data-driven decisions; Smart regulations to accommodate disruptive business models	
Planning	Unplanned development within administrative areas	Planned development, with siloed planning approach	Metropolitan plans in conjunction with adjoining areas	Integrated planning for administrative areas	
Collaboration & Engagement	No/few linkages between people, processes & systems	Linkages between people, with few linkages in processes and systems	Digital collaboration (gov, citizens, private sector, NGOs, academia)	Extensive linkages (people, system, processes) and stakeholder collaboration	
Organisation Services	Structures exist, cites are not empowered or equipped	Structures exist, empowered (in silos) but not equipped	Agile governance structure, adaptive to new operating models	Integrated structures with adequate capacity	

As technology has been one of the drivers of transformation and is likewise driving the emergence of the new urban services paradigm



An approach for Transformation



Source: World Economic Forum, Shaping the Future of Urban Development & Services Initiative & PwC Research

Thank you!

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