

UN-Habitat NUPs in Arab States – Case Study [EGYPT]

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Introduction of Case Study Country and Region

Egypt is the geographic, demographic, and intellectual center of the Arab World. The capital, Cairo, is the only mega urban region in the Arab world. Egypt's population is estimated at 82 million and is spatially concentrated in the Nile River Valley and the Delta Region. Approximately 25% of the population lives below the national poverty line, though that percentage is lower in cities than in rural areas (World Bank 2013). Egypt is a lower-middle income country with a GDP per capita of approximately USD \$3,300. The growth rate of the national GDP averaged 4.8% annually over the past decade (2000-2010) but fell to an average of 2.1% annually from 2011-2013 as a result of the 2011 turmoil, which provoked a sharp drop in tourism and in foreign direct investment. The two primary economic engines of the country, Cairo and Alexandria, which host nearly 80% of manufacturing activities in the country, were especially impacted by these economic and socio-political events. GDP is projected to recover to near 2010 growth levels by 2017 (World Bank 2015).

As of 2013, 43% percent of Egypt's population lived in urban areas. Projections for 2050, however, put the proportion of the population living in cities at 57%, demanding urgent policy guidelines in order to sustainably manage this urbanization. Furthermore, human settlements are heavily concentrated in approximately 5% of the country's land area and are continuously encroaching on agricultural land in the fertile Nile valley. Approximately one-third of the population is under the age of 15, higher than the world average (26%) (PRB 2014).

Research Procedures and Methodology

The research for this case study was based primarily on desk research and meetings with officials. Sources published in English, French, and Arabic were consulted.

Justification for case selection

Egypt was selected as a case study for this assessment for the primacy of the country's cultural and intellectual role and its influence in the Arab world. Furthermore, the country's capital city Cairo is one of the world's most rapidly expanding metropolitan regions and a global city. Recovery from the disruptions caused by the turmoil in 2011 and 2012 has been slow, but is now getting a new momentum following the success of the economic conference held in Sharm El Sheikh in March 2015 to promote private investment in different economic sectors. The country has a long history of engagement with National Urban Policy as a tool to divert urbanization away from the valuable agricultural land and draw it into the desert in a hierarchy of urban nodes ranging from free standing New Towns to satellite cities to planned suburban extensions stretching along development corridors where major infrastructure is being extended. Given the geophysical characteristics of the country and its coastlines bordering on the Mediterranean and the Red Sea, new planned development is mostly urban and implemented through large projects in the country's different economic regions.

Answers to case study questions in tabular form

Theme	Question	Egypt
Regional Characteristics	Does the country have an explicit NUP? If not, how does the country characterize its urban development guidance (e.g. urban framework, urban strategy, sectoral policies, etc.)? Or, is there no guidance at all on urban development?	<p>Yes.</p> <p>Starting in the 1960s, Egypt's NUPs have strived to:</p> <ol style="list-style-type: none"> 1. Contain the growth of Cairo; 2. Prevent the urbanization of agricultural land; 3. Deal with spread of peripheral informal settlements. <p>The national urban development framework gives the spatial framework and outlines key projects. Law 119/2009 and its executive regulations details the legal and institutional frameworks for planning and implementation including visions, strategic plans, urban development plans at the national, regional and city levels.</p>
Background conditions	Any policies that preceded the NUP?	<p>The initial urban policies date back to the late 1950s and focused largely on the greater Cairo region.</p> <p>Law 3 of 1982 was the first national urban planning law and introduced an integrated growth management approach at the governorate, <i>markaz</i> and city levels. In 2009 the General Organization for Physical Planning (GOPP) under the Ministry of Housing, Utilities and New Communities with UNDP technical support prepared a <i>Strategic Vision for Egypt's Development 2050</i> which contained the spatial framework underpinning the National Urban Policy.</p>
	Any policies that were implemented by other agencies?	<p>Yes. Ministries responsible for sectoral policies: the Ministry of Local Administration which oversees the activities of local authorities, the Ministry of Agriculture which issues regulations regarding the urbanization of agricultural lands, the Ministry of energy, the Ministry of Public Works, and the Ministry of Environment regarding protection and conservation of natural areas. The newly established</p>

		Ministry of Urban Development and Informal Settlements (2014) is focusing on defining an approach integrating social and environmental objectives with economic and financial concerns to ensure that due consideration is given to issues of social inclusion in upgrading regeneration projects.
Evolution of the policy over time	What is the date of implementation of the NUP?	The latest version <i>The National Urban Development Framework in the Arab Republic of Egypt</i> is dated April 2014. Key projects were presented to foreign investors at the Sharm El Sheikh conference in March 2015.
	Have there been modifications to policy since inception?	Several, to strengthen its effectiveness in reducing the urbanization of agricultural land and divert urban development to desert sites. A major effort has also been made to increase the involvement of Governorates as part of the decentralization process and expand the scope of consultation and the role of popular councils and civil society.
Current policy goals	Does the policy have a clear goal?	Yes. To respond to the challenge of a growing population projected to reach 140 million by 2050 and improve the physical and social infrastructures not only in the two major urban agglomerations – Cairo and Alexandria – but also in secondary cities and new towns.
	What are the current goals of the policy?	<ol style="list-style-type: none"> 1. Maximize the sustainable economic exploitation of resources. 2. Draw new urbanization onto desert land on both sides of the Nile Valley to preserve agricultural land. 3. Develop the economic potential of the Suez Canal Zone and coastal areas along Egypt's Mediterranean and Red Sea coasts. 4. Improve the living environment in informal settlements through the provision of better-equipped public facilities and services and access to

		<p>employment opportunities.</p> <p>5. Promote investment particularly in projects that generate employment.</p>
	<p>What projects are being undertaken to achieve these goals?</p>	<p>The framework is broken up into three sections that discuss various programmatic approaches to achieving implied policy objectives. These include: National and Regional Development projects; Urban and Rural Planning and Development projects; and Housing and Urban Regeneration projects.</p> <ol style="list-style-type: none"> 1. <u>Preparing governorate plans.</u> Plans for 10 development areas with the objectives of <ul style="list-style-type: none"> - Limiting urban growth in Cairo, Alexandria and the Delta governorates. - Directing investment to depressed areas to curb migration to Cairo and Alexandria. - Attract investment to growth nodes along the desert fringes bordering the Nile Valley and Delta. - Upgrade slums and deteriorated areas with stakeholders support. 2. <u>Suez Canal Zone.</u> Develop the east bank of the Canal: Port Said East; New Ismailia City and “Technology Valley”; development of the area of al-Sokhna in the northwestern part of the Gulf of Suez. 3. <u>Southern Egypt.</u> A strategic plan will be prepared for the development of the region including the Esna-Luxor Governorate, the Kawthar District and the Raas Hadraba region in the Red Sea Governorate. 4. <u>North Coast and Nile Delta.</u> Preparation of a strategic plan for the environmentally sensitive development areas along the International Road corridor (Damietta to Rosetta) including economic activities and tourism. 5. <u>Strategic Plan for the Greater Cairo</u>

		<p><u>Region.</u> The key elements of the plan are:</p> <ul style="list-style-type: none"> - Regenerate underutilized strategically located areas through large-scale urban projects; - Service informal areas, most of which have densified with buildings over 12 stories in height; - Decongest Cairo by developing a new administrative district to the southeast of New Cairo. <p>6. <u>Detailed city plans.</u> Detailed plans are to be prepared for 67 cities. As of 2014, 17 had been approved; 21 completed and in the approval process and another 29 are under preparation.</p>
Methods of implementation	Is there an explicit implementation plan for the policy?	Yes.
	If yes, has this plan been followed?	As stated earlier, the plan consists of an evolving combination of studies and projects with stakeholder consultation including civil society organizations. Particular attention is given to opportunities to attract private investment in urban development.
	If no, has the policy been implemented in any way, and if so how?	
	Which policy instruments and institutions are involved in implementation?	<ol style="list-style-type: none"> 1. A sequence of plans including visions, strategic integrated development plans, urban development plans, and detailed plans prepared by GOPP in coordination with Governorate, city and village authorities with stakeholder participation (consultation and review). 2. Law 119 of 2009 and its executive regulations provide the legal and institutional framework detailing responsibilities and competences at the different levels of local government in spatial planning and implementing urban policies and

		projects.
	What amounts of financial resources have been committed to the policy implementation?	<p>Although comprehensive information on funding levels is not readily available, resources have been allocated for the planning phase:</p> <ul style="list-style-type: none"> - EGP 2 million for the preparation of regional plans; - EGP 1.5 million for the preparation of the National Housing Strategy. <p>The public investment required for the implementation of the North Coast and Nile Delta is estimated at EGP 14.3 billion. Resources needed for programs and projects are significant and exceed the capacity of central and local agencies to fund them entailing a growing reliance on land based financing and private investment.</p>
	What is the government level involved in implementation?	<p>Primary responsibility at the national level rests with the council of Ministers and the Ministry of Housing, Utilities and New Communities the umbrella Ministry for GOPP and the New Towns Organization. The governorates and the municipal governments are the executive authority over projects within their jurisdictions. The participation of village councils is being introduced.</p> <p>The Ministry of Agriculture and Land Reclamation provides sectoral support for rural issues. The Supreme Council for Planning and Urban Development reviews and approves plans and projects presented to the council including all projects requiring land allocations.</p>
	Was a monitoring and evaluation framework set with implementation?	<p>GOPP is responsible for following up on the implementation of all plans and programs and has to ensure that they comply with stated objectives and policies. The Supreme Council for Planning and Urban Development evaluates the results of national, regional and Governorate strategic plans.</p>
The nature and	Who are the main stakeholders involved	The council of ministers and the line

extent of stakeholder involvement	in the formation of the policy?	ministries with the participation of the governorates.
	Who are the main stakeholders involved in the implementation of the policy?	The line ministries that hold executive powers, the governorates and the city governments. The role of village councils is unclear although government policy is to give them more power than they have had.
	Are there any groups that have been left out of the stakeholder process?	Not purposefully. Consultation of affected groups is an emerging process in Egypt and occurs mostly at the governorate level. A significant effort has been made to expand stakeholder participation.
	How have stakeholders been engaged in the policy formation, implementation, and evaluation of the policy?	Law 119/2009 mandates broad stakeholder consultation including mayors, city executive councils, popular councils, representatives of civil society, and local communities and the preparation of a report outlining needs, priorities, proposed actions and projects. These reports are key inputs in the preparation of strategic plans and urban development plans.
Evidence of policy impact and effectiveness: monitoring and evaluation	What projects have been undertaken since the policy's implementation?	In addition to the projects listed under "Current policy goals" above, a significant effort is taking place to upgrade informal areas. Of the 1,171 informal areas in Egyptian cities, an estimated 17% had been fully serviced by 2014 and another 58% were in the process of being upgraded.
	Is it possible to evaluate how successful these projects have been in helping to attain the goals of the policy? If yes, have they been successful?	The projects have been successful in attracting a growing number of projects and an increasing volume of private investment to develop in desert areas. Informal development of agriculture land has not yet been curbed.
	How are the policy goals being monitored and evaluated?	By GOPP in its periodic reports to the Council of Ministers and the Supreme council for Planning and Urban Development. The Supreme Council for Planning and Urban Development evaluates the results produced by implementing the national strategic plan

		and regional strategic plans.
NUP's relationship to any national spatial framework or equivalent policies	Are there any other policies that interact or conflict with the NUP?	No. The constraints on implementation are the scarcity of financial resources and the limited capacities of local authorities.
Cross cutting variables	To what extent has the policy advocated for or against the four cross cutting variables in this study: (more compact, better integrated and connected, socially inclusive and climate-resilient cities)?	The policy clearly follows the crosscutting variable of the study. It is however unclear how climate resiliency is being integrated at the governorate level beyond the two larger governorates, Cairo and Alexandria where issues of air pollution, solid waste management, water shortage and beach erosion among other problems are being addressed through remedial rather than resiliency building initiatives.

Reflection and Analysis

National urban policies since the 1960s have been dominated by three major concerns:

- 1) Containing the growth of Cairo;
- 2) Preventing the conversion of agricultural land to urban use; and
- 3) Dealing with the spread of informal urbanization on the outskirts of cities: primarily their rural fringes, but also on the adjacent desert fringes.

These urban policies are formulated through three different national Ministries. The General Organization for Physical Planning (GOPP) in the Ministry of Housing, Utilities and New Communities is the entity responsible for development of the national urban spatial policies and plans with a special emphasis on shaping urban extensions and large projects and has traditionally focused on the Greater Cairo Region (GCR) and the regeneration of strategically located sites. The Ministry is also responsible for government housing programs. The Ministry of Agriculture and Land Reclamation issues laws and decrees relating to agricultural land including regulations governing its conversion to other uses. Because agricultural land is predominately in private ownership, the Ministry has given special attention to reclamation of desert land.

Managing the existing urban centers is the responsibility of local authorities: namely the governorates and municipal administrations. They have to deal with informal settlements within their respective jurisdictions, as well as, slum upgrading and the regeneration of dilapidated areas. In the rapidly growing cities they control urbanization within their legal boundaries and can in absence of zoning regulations move industries to new, better serviced and more appropriately located zones.

Lack of local technical and financial resources led to the establishment of the Informal Settlement Development Facility (ISDF) in 2009 and to the creation in June 2014 of a new Ministry of Urban Development and Informal Settlements that incorporated ISDF. The new Ministry will work closely with the Ministry of Local Development, the Governorates and the municipalities to address key urban issues facing localities and formulate new approaches to the management of informal urbanization which accounts for the bulk of the housing starts.

Several other Ministries are indirectly involved in implementing the national urban policies. The Ministry of Social Solidarity established in 2005 absorbed the functions of the former Ministry of Social Affairs. It manages social assistance programs and support extended to vulnerable populations. It also registers non-governmental organizations, charitable organizations, and civil society associations. Listing with the Ministry is a precondition to the ability to legally operate and participate in the review and implementation of urban plans and projects.

The Ministry of the Environment established in 1997 focuses on the conservation of natural resources and the development of renewable energy. It undertakes studies to assess the anticipated impacts of climate change. However the responsibility for the management of Egypt's scarce water resources rests with the Ministry of Water Resources and Irrigation.

The Ministry of Industry, Trade and Small Industries has focused on the diversification of manufacturing activities and the promotion of industrial zones and free trade zones to attract foreign investment and foster exports. The Ministry of Planning, Follow Up and Administration prepares Egypt's five-year development plans and the annual budget allocations. It has the difficult task of negotiating with the different Ministries the funding requests that can be included in the budget given available resources and national priorities. The priority placed on employment generation and foreign exchange earnings has led to prioritizing large-scale public projects, tourism industry and high technology.

The migration of workers is an important component of economic policy. Egypt is the region's major labor sending country and ranks as the 6th largest remittance receiving country in the world (Ahram 2014). The Ministry of Manpower and Immigration assists immigrants abroad and maintains links with Egyptian Diasporas worldwide. Remittances capital flows have had a major impact on urban development and fueled informal urbanization. Since 2010 remittances have increased as well as donations to the Egypt Fund.

The 2011 turmoil highlighted the growing disparities and sharp rise in unemployment, particularly among youth. The differences in opportunity for upward mobility spurred out migration, and increased the economic and social distances visible in the larger cities. With official unemployment figured recorded by CAPMAS increasing from 8.1% in 2000 to 13.2% in 2013 and poverty levels rising rapidly in the urban governorates from 9.6% in 2000 to 15.7% in 2013, the urban character of the turmoil is understandable.

The Spatial Framework for National Urban Development Policy

The dominance of Cairo became an increasingly serious concern since the early 50's. In 1966 it accounted for 23% of the country's population and encompassed its highest governance institutions and its major educational, cultural, and commercial facilities and 47% of its manufacturing enterprises (El-Shakhs, 1971). Alexandria, the second largest city, remains Egypt's major port and industrial center and its most popular resort and vacationing location. The construction of the Alexandria library, completed in

2000, has reinvigorated the city's cultural and intellectual role. The two cities are the most attractive locations for formal and informal investments in real estate.

The first plan for Cairo completed in 1956 addressed the issue of a rural/urban migration that was estimated to account for over half of the annual increase in population of 5% at that time. The plan aimed to contain the growth of the capital city at about 4.5 million (El-Shakhs, 1971). By the time it was completed the city had exceeded 5 million. To slow and hopefully divert migration the plan proposed the creation of industrial zones around the city in the rural areas from where the bulk of migrants originated. The four industrial zones recommended were established in the late 50's and early 60's. They generated significant commuting patterns as skilled workers travelled on a daily basis to jobs in the factories and villagers kept coming to the city to sell their produce and wares and to look for jobs in the construction and services sectors. In 1960 Dr. Janet Abu Lughod wrote about the ruralization of Cairo.

The most detrimental unanticipated consequence of the plan was fostering the conversion of agricultural land to urban use through subdivision of fields into building plots. Uncontrolled urbanization around industrial zones spread with subdivisions sprawling outwards from village cores, a pattern that has prevailed since. Between 1976 and 1994, the country lost an average of 8,000 hectares of agricultural land yearly to urbanization, and was only able to reclaim annually about 4,800 hectares of desert land and bring it under cultivation using the available water resources (Faramaoui, 2009).

The Greater Cairo planning commission established in 1966 placed this issue at the center of its objectives. Instead of trying to intercept migration flows it sought to channel population growth to the desert by establishing new towns at a distance of about 50 km from the city. The 1969 plan included four new towns in the desert, three in the East and one to the West. The plan's implementation was delayed by the 1967 war and the budgetary constraints in its aftermath. However the effort led to the establishment of a planning agency in the Ministry of Housing that was later expanded to form the GOPP. The concept of urbanizing on desert land became entrenched as a strategic objective of Egypt's National Urban Policy. Furthermore by placing new urban centers around the city and despite the fact that these were conceived as independent new towns, the plan contributed to the creation of a metropolitan region that has become the Arab world's only mega urban region.

Construction started on the first new town, the 10th of Ramadan industrial city, in 1976. By then greater Cairo's population exceeded 12 million. To create an economic base for the new towns, a ten year tax exemption and subsidized serviced land was offered to investors in industrial projects. The incentives did not counterbalance proximity to markets and government agencies and industries did not start locating in the new cities until the issuance of new licenses in Cairo was prohibited in 1983. The lack of coordination in the development of the residential and commercial components of the new towns led to substantial commuting of workers while a significant proportion of the building plots and residential units were purchased by land speculators and expatriate workers and remained vacant for extended periods of time. Delays in reaching a sufficient quantum of resident population to support public services and private commercial enterprises (shops and offices) impeded the growth of new towns, a situation which led to reassessment of the implementation strategy.

The 1982 structure plan for the Cairo Region developed by GOPP with technical support from the Paris region planning agency (IAURIF) introduced the concept of the development corridors with strong well established anchors at both ends, satellite cities around the anchors, and new settlements around the satellites. Together with a series of ring roads around Cairo and the larger cities, the corridor

configuration for urbanization on desert land remains the cornerstone of the spatial framework of Egypt's National Urban Policy. The New Town Organization (NTO) under the Ministry of Housing, Utilities and New Communities was given the responsibility of implementing the different categories of new urban nodes.

A World Bank appraisal in 1982 noted weaknesses in the government's institutional and financial frameworks for the implementation of the new town program. Lack of coordination in planning, financing and management of the new communities resulted in cost burdens that undermined the program's effectiveness and hampered the implementation of an integrated urban development policy. The Bank recommended increased reliance on the private sector in the development of satellite cities and drawing urbanization to the desert by building a succession of nodes from Cairo outwards along transportation axis with good public transit connections to the capital. Ten years later Egypt's largest private developer ORASCOM acquired the land on the Eastern side of the ring road and initiated a large scale project, "New Cairo", thereby demonstrating the major role that the private sector could play in the development of strategically located desert sites as well as the pent up demand for upper and middle income residential units.

A parallel approach introduced in the 80's focused on integrated development at the regional level. The delineated regions were not units of local governance; they were primarily viewed as offering significant opportunities for new projects. The increase in domestic and international tourism shifted the focus toward large-scale resort and real estate developments along Egypt's Mediterranean and Red Sea coasts and economic development in the Canal Zone, particularly around Port Said and Suez.

Decentralization of Urban Planning Policy Formulation and Implementation

Since the mid 60's the steep increase in out migration of workers to the Gulf region resulted in increasing inflows of remittances into real estate that led to a large expansion of informally urbanized land. Greater Cairo's urban area doubled between 1966 and 1982, while the rapid appreciation of urban land accelerated the densification of informal subdivisions (GOPP/OTUI/IAURIF, 1983). Starting in 1966 periodic legalization of informally urbanized areas with a concomitant expansion of city boundaries created a situation whereby national and local planning offices were confronted with having to deal with de facto urban areas harboring multiple violations of existing laws, codes, and regulations. Municipalities could only extend services in accordance with their capacity to finance the public works. With local authorities deriving about 90% of their funding from central transfers, the constraints on budgetary resources in the 60's and 70's prevented the formulation of a proactive urban policy regarding informal urbanization (Arslan, 2009). Bilateral donor funded upgrading projects and brought the lack of an appropriate legal and institutional framework to address informal urbanization to the forefront of National Urban Policy concerns.

Law 3 of 1982 was the first national urban planning law. It refocused attention on the management of transformation in the existing urban centers and the role of the four subnational tiers of government: Governorates, Markaz, cities and villages in a decentralized administration system. The Governorates and Markaz levels have appointed heads of executive councils grouping local representatives of line ministries and popular councils assembling elected representatives. Prior to Law 3/1982, building activities in the cities were regulated by the revised building code Law 106 of 1976 and other older

subdivision regulations that had, in practice lost their effectiveness due to the expansion of informal urbanization and widespread code violations, including uncontrolled densification.

Law 3/1982 coincided with efforts at decentralization embodied in the local administration law (Law 43 of 1979) which stipulated the competences, responsibilities and sources of revenue for the four levels of local governance. Law 3 assigned responsibility for land use planning and project development to the local level. It enabled Governorate authorities to designate areas including historic centers and informal settlements requiring special treatment and to issue substitute regulations to some of the stipulations of Law 106/1976 to allow for narrower street width, greater land coverage, different height limits and setback requirements. The law was well received by the Governorates. However containment of informal urbanization and code violations within and outside of municipal boundaries eluded local authorities due to the high rate of household formation, pervasive shortages of housing, lack of urban land affordable to low and moderate income families, the workings of the remittance driven land markets, and the inefficiency and corruption prevailing among local permitting and inspectional services. Furthermore local finances were adversely affected by the civil unrest and turmoil. Between FY 2006/07 and FY 2013/14 expenditures increased by close to 300% while own revenue barely grew by 50%. The share of local expenditure covered by local revenue declined from 14% to 7.4% and local authorities' reliance on central transfers to cover their expenditures rose from 86% in 2006/07 to 92.8%, severely constraining their ability to manage urban development, as the local share of national public expenditures remained around 15% (Ministry of Finance 2007, Ministry of Finance 2014).

Developing a Coherent Framework to Address the Challenge of Informal Areas within the National Urban Policy

The post 2007 period witnessed an intensified effort to foster private investment in the development of affordable housing, improve public services in the informal neighborhoods, and enhance security and livability in the key cities to attract foreign investment in productive activities and generate employment opportunities. The lack of attention to the need for microcredit to foster the development of small enterprises remains a major shortcoming.

The first Informal Settlements Development Program operated from 1994 to 2004 and focused on basic service provision in 325 informal areas. The chaotic expansion of informal settlements around secondary cities, most of which had evolved as market towns in rural areas, remained a cause for concern. With technical assistance from UN-Habitat from 2003 to 2008, GOPP delineated urban perimeters for secondary cities to support their planning activities. The boundaries took into consideration their future expansion needs, but aimed to contain informal urbanization of agricultural land by encouraging compactness and moderate density.

The El Deweka rockslide disaster in 2008 focused attention on settlements in hazardous sites and was a turning point in national urban policy regarding informal urbanization. The Informal Settlements Development Facility (ISDF) was established to extend credit to local governments to finance investments in informal areas with the main objective of ensuring safe housing.

The Facility prepared a national action plan, which included the first survey and mapping of all informal settlements; classifying the settlements in four main categories according to the action required: 1) technical assistance and capacity-building; 2) partnerships with stakeholders; 3) priority interventions in unsafe areas; and 4) regeneration of in strategically located pockets of dilapidation within the urban

fabric. This approach helped to harmonize definitions and identify priorities. ISDF financed over 100 small projects in 22 Governorates. Land based financing was estimated to generate a leverage ratio of 2.5. Its 2012/2013 plan was disrupted by civil unrest. The turmoil made it politically difficult to compel Governorates to repay their loans when lack of funds made the land obtained through “reblocking”, a resource they could use for their own economic and social projects. In early 2014, an agreement was signed with the Armed Forces providing the Facility with L.E. 350 million to implement the improvement of basic service networks (water, sanitation, fire, street lighting, and roads) in 30 “slum areas” in Cairo and Giza. Given the magnitude of the challenge and the government created a Ministry of Urban Development and Informal Settlements and placed ISDF under the umbrella of this Ministry in 2014 (Farid, 2014).

National Urban Policy Frameworks

The legal and institutional framework for urban planning was reformulated by the enactment of Law 119 and its executive regulations by the end of 2009. The rationale for the law was that various laws, ministerial decrees, executive regulations and their amendments contributed to unclear and overlapping mandates and cumbersome procedures regarding all actions relating to land tenure, building construction and real estate ownership and occupancy impeding the implementation of a coherent urban policy and associated development strategies at the national and local levels. Law 119 of 2009 aimed to assemble, harmonize, and update the five different laws or clauses within these laws that affected urban planning and development, but it did not substantively change their content. It did reinforce the role of GOPP in overseeing the preparation of strategic plans for regions, governorates, districts, and cities to support the technical capacities of local authorities which suffered from perennial under funding. The Law also expanded the involvement of the private sector (consulting firms) in local plan preparation and reintroduced the regional level as a planning unit. Law 119 was criticized as unwieldy and a lost opportunity to develop an effective framework that recognized the role of the multiple stakeholders including civil society that were driving urban dynamics.

The law expanded the authority of Governorate executive councils to enhance their involvement in local budgeting and promote accountability in financial management. The limited powers of the popular councils were also expanded to encourage citizen participation in local governance. These changes reinforced the executive role of the Governorates, but control of National Urban Policy, important planning decisions and major projects remained with the central government. Law 119 also established a higher council on planning and urban development, chaired by the Prime Minister and grouping nine ministers, two key agency heads, and ten independent urban experts to review and approve proposed policies, plans, and projects in order to ensure a coordinated and integrated approach to urban development.

Simultaneously a “Strategic Vision for Egypt’s Development 2050” was formulated in 2009 by GOPP with UNDP technical assistance. It was updated and served as the basis for the National Urban Development Framework of 2104 which aims at:

1. Expanding the agriculture in the Northwest regions where water resources are more sustainable;
2. Drawing urbanization onto desert land on both sides of the Nile Valley;
3. Improving the living environment in informal settlements to promote equitable access to public services;

4. Developing the economic potential of the Suez Canal Zone and coastal areas; and
5. Expanding the generation of energy from renewable sources by identifying and reserving sites for solar and wind farms.

To draw urbanization onto the desert through development corridors, growth nodes, satellite cities, and associated new settlements requires massive capital investments. Given the large spread between the value of serviced and unserved land, the government has since 2000 increasingly turned to land-based financing to cover the high cost of extending services to desert sites. To foster social inclusion it offered land at reduced prices in new communities to developers to build housing affordable to households earning below the national median family income with mixed results.

Focusing on the Cairo mega urban region, the “Cairo 2050” plan proposes to:

1. Regenerate underutilized strategically located sites including deteriorated neighborhoods and dilapidated older areas through large scale urban projects that enable land value capture for the Governorate and the state.
2. Address the problems of servicing informal areas most of which, particularly in Giza, have densified with buildings over 12 stories in height and quasi total land coverage.
3. Decongest Cairo by moving the Ministries and central agencies to a new administrative district between the two ring roads in the desert to the East of New Cairo.

The largest projects contemplated were detailed and presented by the Minister of Housing in March 2015 at the Sharm El Sheikh conference to attract private investment in Egypt. The Abu Dhabi based IMAR Real Estate Management Inc. has proposed building a complete new town which would include at its core, the administrative center. In general, the conference demonstrated the continued interest in Egypt as a touristic destination, a regional high technology center, an industrial location for the export trade, a transport hub for maritime freight and air traffic. The effectiveness of its urban policy is a critical determinant of realizing its ability to realize this economic potential.

Conclusions

Egypt’s current National Urban Policy seeks to respond to the demographic challenge of a rapidly growing youthful population projected to reach 140 million by 2050 through a spatial framework addressing the necessity of moving beyond the Nile Valley and Delta to absorb the anticipated increase in the country’s population and generate jobs for over 700,000 young entrants in the labor force each year (El-Hefnawi, 2010). The strategic vision for Egypt’s integrated development to 2050 provides the basic spatial framework for the National Urban Policy and Law 119/2009 despite its shortcomings provides the legal and institutional framework for urban policy formulation and the management of urban planning and project implementation.

Although the two frameworks were developed just prior to the 2011 turmoil, the policy orientation remains unchanged except for overriding concern for security, a requirement of local urban livability and inclusiveness, and a precondition to national economic competitiveness and recovery from the impacts of the turmoil. A major constraint on further decentralization of planning is the limited technical and financial resources of local authorities. That situation will not change until there is a significant economic recovery. It is unclear whether a coordinated multi-sectoral approach to development can be implemented

to allow an integrated regional perspective on urban policy due to the lack of an appropriate institutional framework.

The national urban development framework of 2014 updates the 2009 policy document but does not change its main orientation. Given the country's demographic picture and its resource endowment it is unlikely that these National Urban Policy directions will change in medium term.

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