

**Project Sustainable and Inclusive Urban Prosperity in the State of Alagoas:  
An Integrated Initiative**

**EXPECTED ACCOMPLISHMENT 1:  
IMPROVED KNOWLEDGE ON IDENTIFICATION OF OPPORTUNITIES AND  
POTENTIAL AREAS OF INTERVENTION AND FORMULATION OF INFORMED  
POLICIES IN KEY STRATEGIC AREAS, USING APPROPRIATE INDICES AND  
MEASUREMENT MECHANISMS FOR CITY MONITORING AND SITUATIONAL  
ANALYSIS**

**Executive Summary**  
Analytical Report  
Maceió Prosperity Index

Maceió  
June 2020



This **Executive Summary** presents a summary of the Analytical Report of the Cities Prosperity Index, prepared by the United Nations Human Settlements Programme (UN-Habitat) in partnership with the Government of the State of Alagoas under the project **Sustainable and Inclusive Urban Prosperity in the State of Alagoas: An Integrated Initiative**, whose objective is to qualify actions for sustainable urban development in the state of Alagoas.

This output was produced in the scope of the project's Expected Accomplishment **Improved knowledge on identification of opportunities and potential areas of intervention and formulation of informed policy in key strategic areas, using appropriate indices and measurement mechanisms for city monitoring and situational analysis.**

### What is the Cities Prosperity Initiative?





UN-Habitat has created the Cities Prosperity Initiative to be a tool to support and qualify evidence-based decision making guided by a comprehensive concept of sustainable urban development and prosperity.

This Initiative allows the monitoring of urban targets of the Sustainable Development Goals (SDGs) and the implementation of the guidelines and principles of the New Urban Agenda, an international document agreed in 2016 that establishes commitments and effective actions that should guide the process of urbanization and management of cities.

Through this tool, **UN-Habitat offers customized support to each government, local, state and/or national, so that they can establish monitoring mechanisms, allowing for better-informed decision making** on issues related to sustainable urban development.

The first part of the implementation of the Cities Prosperity Initiative, the calculation of the Cities Prosperity Index results from a **holistic conception of urban prosperity elaborated by UN-Habitat from research in 54 cities** in developing countries and with the collaboration

of experts from Asia, Africa, Latin America and Arab countries. As a result, the concept of urban prosperity encompasses six major dimensions:

-  1. PRODUCTIVITY
-  2. INFRASTRUCTURE DEVELOPMENT
-  3. QUALITY OF LIFE
-  4. EQUITY AND SOCIAL INCLUSION
-  5. ENVIRONMENTAL SUSTAINABILITY
-  6. URBAN GOVERNANCE AND LEGISLATION

The calculation of the City Prosperity Index consists of the collection of 31 urban indicators, which are standardized on a scale of scores 0 to 100, **allowing comparison of the more than 400 cities in the world where the Initiative has been implemented.**

It is also possible to classify each of the six dimensions into performance categories, identifying which are the strengths and weaknesses of a city's urban prosperity. Finally, each performance category corresponds to an action strategy, as follows:

- **PRIORIZE urban policies:** performance scores 0 to 39 (very weak) and 40 to 49 (weak);
- **STRENGTHEN urban policies:** performance scores 50 to 59 (moderate weak) and 60 to 69 (moderate solid);
- **CONSOLIDATING urban policies:** performance scores 70 to 79 (strong) and 89 to 100 (very strong).

**Why is the City Prosperity Index different from other indices?** Most traditional indices have been created for national governments from aggregated country-level data, many of which are sectoral and focus on specific dimensions of development. The Cities Prosperity Index, by contrast, offers a unique, holistic view of sustainable urban development at the local level by articulating the different dimensions of city growth.

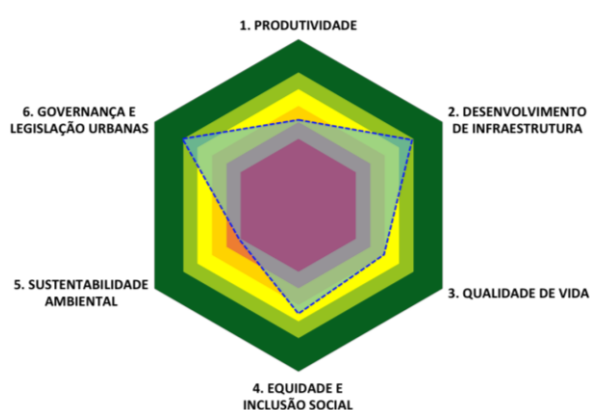
Finally, the Cities Prosperity Initiative is fundamentally guided by the basic human rights principles and the global sustainable **development agendas agreed upon by the UN**



and its member countries, namely the 2030 Agenda for Sustainable Development and the New Urban Agenda.

### Overview of the results of the Maceió City Prosperity Index

Maceió obtained a **moderately solid result (60.98)** - a performance similar to other cities with similar levels of development - which demands a **strengthening of its urban policies**. The graph below illustrates the result of each dimension.



The performance of dimensions **6. Urban Governance and Legislation** and **2. Infrastructure Development** was the highest among the six dimensions. By their cross-cutting nature, strong urban governance and legislation are essential to ensure that the benefits of interventions can positively influence the other dimensions. Therefore, this result is positive because it provides the basic conditions for urban prosperity.

Illustrating this good result, the data showed that Maceió goes in the opposite direction of most cities in the world, which have suffered a rapid and disorganized territorial expansion. This achievement helps the good performance of the infrastructure development dimension, because a good control of urbanization favors road connectivity, mobility, housing, access to service networks, and others. Both dimensions have room for improvement and many related policies need to be consolidated; however, they already play an important role for the future sustainability of Maceió's prosperity levels.

The dimensions **1. Productivity** and **5. Environmental Sustainability** had the lowest results, consisting in the biggest challenge of Maceió. This challenge also becomes complex because it demands an integrative and innovative look at development policies, given that outdated notions of development tend to oppose these two dimensions, placing environmental preservation as a barrier to economic growth.

However, the improvement of economic indicators should come from an efficient management of natural resources and environmental protection in a city with a significant tourist vocation.



































This report highlights how investments in sanitation can bring important environmental returns, improve the health of the inhabitants, and generate income and jobs, especially in the construction industry. Furthermore, the CPI results show that strengthening the labor market by investing in education and professional qualification of present and future generations, with a view to generating jobs and income, is a priority for strengthening the economy in a context of an aging population.

Finally, dimensions **3: Quality of Life** and **4: Equity and Social Inclusion** had an intermediate performance, but far below Maceió's potential. The city's socio-spatial inequalities and precariousness, the exclusion of young people from the job market, the high levels of violence and extreme poverty are strongly correlated phenomena that must be addressed in an integrated way.

Qualified public services - such as health, education, public security, public spaces, and housing - have a known impact on the reduction of poverty and social inequality. Their strengthening and alignment with the specificities of the most vulnerable groups in the city is essential to raise the quality of life of all residents of Maceió.

## Results of the City Prosperity Index - dimensions and sub-dimensions

The six dimensions already mentioned are composed of sub-dimensions. This allows the calculation of a general index, six thematic indices and 21 sub-dimension indices. Since urban prosperity depends on the balance of these elements, the data collected allowed us to identify Maceió's weaknesses and strengths. Below are scores, categorization of results and strategies for Maceió's urban policies for each dimension and sub-dimension:

Dimension		Subdimensions			
<b>1. PRODUCTIVITY</b> 	 51,57 Moderately weak <b>Strengthen</b>	1.1 Economic power	 53,3	Moderately weak	<b>Strengthen</b>
		1.2 Economic burden	 42,5	Weak	<b>Prioritize</b>
		1.3 Economic agglomeration	 88,5	Very strong	<b>Consolidate</b>
		1.4 Employment	 21,9	Very weak	<b>Prioritize</b>
<b>2. INFRASTRUCTURE DEVELOPMENT</b> 	 78,89 Solid <b>Consolidate</b>	2.1 Housing	 99,4	Very solid	<b>Consolidate</b>
		2.2 Social Infrastructure	 68,5	Moderately solid	<b>Consolidate</b>
		2.3 Information and Communication Technology	 79,0	Solid	<b>Consolidate</b>
		2.4 Urban Mobility	 75,3	Solid	<b>Consolidate</b>
		2.4 Urban Form	 72,3	Solid	<b>Consolidate</b>
<b>3. QUALITY OF LIFE</b> 	 59,40 Moderadamente fraca <b>Strengthen</b>	3.1 Health	 59,7	Moderately weak	<b>Consolidate</b>
		3.2 Education	 75,7	Solid	<b>Consolidate</b>
		3.3. Public safety	 43,8	Weak	<b>Prioritize</b>
		3.4. Public spaces	 58,4	Moderately weak	<b>Strengthen</b>
<b>4. EQUITY AND SOCIAL INCLUSION</b> 	 65,10 Moderately solid <b>Strengthen</b>	4.1 Economic equity	 40,9	Weak	<b>Prioritize</b>
		4.2 Social Inclusion	 57,0	Moderately weak	<b>Strengthen</b>
		4.3 Gender inclusion	 97,3	Very solid	<b>Consolidate</b>
<b>5. ENVIRONMENTAL SUSTAINABILITY</b> 	 40,9 Weak <b>Prioritize</b>	5.1 Air quality	 00,0	Very weak	<b>Prioritize</b>
		5.2 Waste management	 63,1	Moderately solid	<b>Strengthen</b>
		5.3 Sustainable energy	 59,6	Moderately weak	<b>Strengthen</b>
<b>6. URBAN GOVERNANCE AND LEGISLATION</b> 	 79,97 Very solid <b>Consolidate</b>	6.1 Participation	 81,6	Very solid	<b>Consolidate</b>
		6.2 Municipal financing and institutional capacity	 59,3	Moderately weak	<b>Strengthen</b>
		6.3. Governance of urbanization	 99,0	Very solid	<b>Consolidate</b>



## Key Messages

### 1. Investments in basic sanitation, air quality, and adequate housing: strengthening the health of the residents, the environment, and the local economy

Maceió has suffered from the already insufficient rates of sewage collection and treatment. This brings enormous environmental, economic and human risks to the city. The pollution of water bodies endangers the health of residents, especially those living in precarious settlements and children, in addition to endangering the quality of the city's water bodies and waterfronts, jeopardizing the viability of the tourism sector as an important source of local income.

Sanitation works and investments generate income and direct, indirect and induced employment, and reduce public spending on health services, also reducing infant mortality. Furthermore, the expansion of sewage collection and treatment networks create opportunities for the structuring of urbanization projects in precarious settlements that integrate them into the city. Such programs should also give rise to housing improvement programs for precarious households, which also improve several social and health indicators for the residents.

Furthermore, the creation of an air quality monitoring network in the Metropolitan Region of Maceió is a priority. Innovative and affordable technological solutions, made possible through local partnerships, can be replicated in the city.

### 2. Social inclusion through the labor market leads to the reduction of inequalities and the strengthening of local public finances

The public power must formulate employment and income generation policies as a way to reduce the very high rates of unemployment, extreme poverty, and income inequality in the city. These policies must be aligned with the Decent Work Agenda and focus on the most vulnerable groups, in order to eliminate the

structural inequalities in the labor market that harm young people, women, and blacks. Economic growth without inclusion and decent work reinforces the existing inequalities in the city.

The promotion of job creation must give incentives to formalization and to strategic labor-intensive economic sectors that allow for an increase in local tax collection. In addition, innovative measures that promote efficiency gains in tax collection should strengthen local investment capabilities. This approach will allow a consolidation of local investments in infrastructure, goods and public services.

### 3. Promotion of an education connected to the labor market transformations and that responds to demographic changes

The investment in measures that qualify education and increase schooling among young people, qualifying the present and future human capital of Maceió, is fundamental and strategic for the future of the city.

The various levels of education must prepare young people for a new economy and a new labor market subject to transformations and constant technological innovations. A well-educated, qualified, and productive present and future generation is essential for a future marked by the aging of the population and the increase in public spending that results from this new reality.

Additionally, investing in young people is crucial for an approach that reduces structural inequalities, contributes to reducing the high rates of unemployment among this segment of the population, to ending the alarming levels of urban violence, to strengthening a more egalitarian labor market, and to increasing the city's productivity.

### 4. Goods, services and public policies oriented to reduce social and spatial inequalities

Extreme poverty, alarming levels of social inequality and spatial segregation are elements



that negatively highlight Maceió in the global CPI database. Investments in the expansion and qualification of **access to quality public goods and services** - such as health, education, transportation and public spaces - have the potential to create equal opportunities and living conditions for all inhabitants, attacking the root of these problems.

To effectively reduce spatial inequalities and urban poverty, these services and public goods, and all public policies and interventions, must take into account the specific needs of the most **vulnerable social groups: youth, children, women, black people, the elderly, people with disabilities, and residents of precarious settlements**. This is an urgent priority.

Finally, the homicide rate in Maceió is one of the highest in the global CPI base. It is essential to implement a strategy of public security and violence prevention that is integrated with policies that reduce social and spatial inequalities. **The full implementation of the strategies in the "Report on how to improve urban security through planning, management and governance", a product of Output 3 of this same project, is crucial to this effort.**

### 5. Urban territory as an integrating element of all urban policies

Maceió contained the growth of its urban sprawl in the period from 2008 to 2018,

avoiding an excessively disorderly growth pattern common to other cities in the global CPI base. However, its population density is low. Cities with this characteristic incur higher costs for expansion, operation and maintenance of urban service networks.

Maceió should strengthen the containment of its urban sprawl by promoting the **occupation of urban voids in already consolidated areas** and by conducting specific and structuring actions to improve the public transportation system, reducing travel times and dependence on individual vehicles.

Finally, urban improvement interventions - such as the **urbanization of informal settlements and improvement of precarious residences - and the expansion of equipment and urban service networks** to the most vulnerable and segregated portions of the city contribute to a more compact city model and to the reduction of socioeconomic and spatial inequalities.

The data and information developed by the products of Outcome 2 of this project - the Participatory Rapid Map, the Socioeconomic Profile of the Grotas of Maceió, the Report on the implementation of improvement projects implemented in the grotas, and other products and strategies - will be of great value to assist in this effort to seek a more inclusive, safe, resilient and sustainable Maceió.

