



New Cities Foundation Reaches out to  
Companies and Experts in China

Against the backdrop of unprecedented, rapid urbanization around the globe, the Geneva-based New Cities Foundation (NCF) is reaching out to companies, public sector institutions, the research community and civil society to explore smart and sustainable urban development models. As part of MSL China's ongoing Editors-in-Chief Discussion Program, Mathieu Lefevre, Executive Director of the New Cities Foundation, was invited to Beijing to discuss potential opportunities and challenges for global urban development in the 21st century. Participants of the panel discussion included experts from China's private sector and academia, including: Deng Qun, Director of Ecomagination, GE; Zhu Xuedong, Chief Editor, China Weekly; Liu Jian, Associate Professor, Tsinghua University; Wu Bofan, Chief Editor, 21st Century Business Review and Sam Huang, Director of China Business Development, Cisco; the panel was moderated by Catherine Cao, director at MSL China. The conversation provided a unique insight on China's current urban planning model and the challenges Chinese cities face every day.

## Urbanization in the 21st Century: Unprecedented in Scale and Scope

According to Mathieu Lefevre, approximately 55% of all humankind lives in an urban environment and more people are migrating toward cities every minute. It is predicted that by 2050, 6-7 billion people will live in cities across the globe and by 2025 there will be 2.5 billion urban inhabitants in Asia alone; and China is moving fast towards the 1 billion urban mark. Zhu Xuedong notes that in China, more than 13 million people move from the countryside to the city each year. Moreover, cities are gradually expanding into the surrounding countryside and taking the local residents and farmland with it. It is also projected that cities will account for over 70% of human energy consumption. With these trends in mind, NCF was founded with the support of corporations, public institutions and research bodies across the globe to work collectively to ensure that cities of the future are developed in a smarter, greener way and provide a better standard of living for all urban residents. According to Mathieu Lefevre, one reason why cities are attractive is because they are natural clusters for businesses and innovation since they pool talent together and provide more lifestyle opportunities for residents. Cities are major potential sources of wealth creation. In China, for each 1% of urban growth, there is a correlating GDP growth of 0.4%. Also, cities can be built to be more environmentally and socially sustainable as well as improve the quality of life for residents with the introduction of technological innovations.

- » The center of the global urbanization story is here in China
- » China's urban population is growing rapidly
- » 2008: 600 million
- » 2030: 1 billion
- » Between 1998 and 2009, China had 225 Million new urban dwellers including:
  - 85 Million through migration
  - 97 Million through the redrawing of city limits
  - 43 Million through natural population growth

## Opportunities and Challenges in Urbanization

However, the downsides to urban development are apparent. Wu Bofan, Chief Editor of 21st Century Business Review commented that while cities provide many advantages and opportunities for its residents, residents can be worse off than their rural counterparts if city infrastructure is not effectively implemented. Cities must constantly monitor and manage its air and water quality as well as process large quantities of garbage. As urbanization accelerates, cities will need to find more effective ways to deal with pollution and waste. Additionally, cities tend to be inefficient, while they consume high levels of energy and require the support of outside resources for sustenance. Cities are also faced with a number of social issues. While cities provide opportunities for its residents, divides in economic status, healthcare and education levels are also increasingly prominent with urbanization.

"Urbanization is China's next gold mine" Wang Jian, Chinese Society of Macroeconomics

- » Cities can create growth: 1% increase in urban population = 0.4% GDP growth
- » Cities are new markets for key industries: transportation, energy and water, infrastructure, real estate, retail, healthcare
- » Cities are natural clusters for creativity and innovation
- » Green cities are possible



## What Can We Do to Build Smarter Cities?

NCF is focused on developing sustainable urban development models that provide a higher quality of life, reduce consumption and protect the environment. Mathieu Lefevre says that adopting IT technology in cities can make cities smarter by helping them more effectively monitor and control transportation, resources and waste management. Also, the benefits of IT on urban development are far reaching and disproportionate to the costs of implementation. Cities also need concepts and innovations to resolve problems created by ineffective urbanization models. Industries can provide innovations and new ideas that benefit urban development. According to Sam Huang, Director of Cisco's China Business Development, Cisco recently launched a pilot program in the city of Chengdu in Southwest China. The program uses advanced technology to improve networks supporting a broad range of public programs, including rapid response to natural disasters.

## From Green to Gold: Business Opportunities in Green Technology

Incorporating new technological innovations, particularly IT, into cities improves the efficiency of cities and makes life more convenient for its residents. IT technologies provide customers with new products and cities with real solutions to the downsides of urban development. According to Deng Qun, GE China Director of Ecomagination, green technology was initially seen by companies as unprofitable, but has been proven to lower costs over time and maintain sustainable growth. In 2005, Ecomagination was initially developed as a part of GE's re-branding; however, GE found that green technology over time reduced production and operations costs and maintained high levels of growth that far exceeded expectations.



## Urban Spirit: Developing Cities for Quality of Life

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Tsinghua University Associate Professor Liu Jian says that cities are built on similar principles, but possess different personalities that mold the lives of each of its residents. However, if urban planning is approached with a top-down model, cities lose the qualities that make them unique. If a city is built from the bottom-up, it provides more space for special characteristics to develop and more room for companies and citizens to participate. Zhu Xuedong, Chief Editor of China Weekly, says that urbanization forces cities to lose their “urban spirit”, the characteristics that make each city unique. Zhu says that China and other countries should consider history and identity when planning urban development and avoid a simple focus on “internationalization” and “modernization”. Instead, well-planned, unique cities that maintain special characteristics provide citizens with more interesting life experiences and encourage city pride.

## Cooperation and Future Events with New Cities Foundation

Led by forward-thinking enterprises and experts, NCF provides a platform for the public and private sector to meet and discuss urbanization on a global stage. New Cities Foundation will host the New Cities Summit in May 2012 in Paris with the support of the Paris municipal government, multinational corporations and the academic sector and in cooperation with MSLGROUP. Company representatives, research organizations and public policy experts will provide insight on smart and sustainable urban development, discuss opportunities and challenges, and share research. NCF hopes to have a very strong Chinese delegation in Paris.

Smart and sustainable urban development requires the participation of governments, companies and citizens. Current energy usage habits are unsustainable and the current living model must change. Together we can realize smart, sustainable urban development models.



For more information, please visit New Cities Foundation at [www.newcitiesfoundation.org](http://www.newcitiesfoundation.org)



Following the union with Eastwei MSL, MSL China is now a top 5 international strategic communications agency in Mainland China. With 200 colleagues across 4 offices, MSL China brings together over 20 senior consultants with more than 12 years of strategic communications experience in this key global market. Part of MSLGROUP Greater China, the largest PR & social media network in the region today, MSL China provides knowledge driven, integrated campaigns and advisory services spanning nearly every industry and communications discipline. MSL China has received recognition from the International Business Awards, The Holmes Report's "PR Agency of the Year," the China International PR Association and China's New Media Festival for its creativity and effectiveness in strategic communications and industry-leading social media offering.

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