EXECUTIVE SUMMARY

Up to the end of 2009, there were 654 cities in China. With an urbanization rate of 46.59%, there were 621.86 million people living in cities and towns.

With the gradual increase of urbanization level, the position and role of urban economy are becoming more important in the national economic development. Today, urbanization has already become an important force to encourage the new-type industrialization, create jobs and expand domestic demand. It has promoted the economic development, social progress, cultural prosperity, and comprehensive strength of China.

In 2009, the Gross Domestic Product (GDP) of China was 34050.7 billion Yuan, and the per capita GDP 25,511 Yuan (US\$3,735). At the end of 2009, the number of employed people was 779.95 million, of which 311.20 million worked in cities and towns. The unemployment rate registered in cities and towns was 4.3%. On the basis of the booming development of urban economy, people's livelihood was improved gradually. The consumption market was prosperous. The living standards of the people were obviously improved. The social environment was stable and harmonious. In 2009, the per capita disposable income of residents in cities and towns reached 17,175 Yuan (US\$2, 515).

REGIONAL AND SPATIAL DISTRIBUTION OF CITIES AND TOWNS

China has formed an urban system in which large and medium-sized cities develop harmoniously with small towns, with the spatial structure becoming rational. The urban system mainly includes three metropolitan areas with densely distributed cities and towns, such as the Yangtze River Delta, the Pearl River Delta, and the Beijing-Tianjin-Hebei region.

URBAN HOUSING DEVELOPMENT AND REFORM

In 2008, the per capita living space was 23 square meters for urban residents (with per capita floor space approaching 30 square meters). The housing quality and living environment were also greatly improved. The supporting infrastructures and public service facilities were improved. The quantity of houses with independent kitchens and toilets accounted for over 80% of the total. The rate of urban housing ownership was 87.8% in 2008.

URBAN ENVIRONMENT AND INFRASTRUCTURE

In saving energy in urban areas and coping with global climate change, the Chinese Government has released a 📑 series of polices and regulations to facilitate energy-saving and emission reduction. It is stipulated that by 2020, China's carbon dioxide emissions per unit GDP will have been reduced by 40% to 45% from that in 2005; and the non-fossil energy consumption will have reached 15% of the total primary energy consumption. TOTAL POPU

FLOATING POPULATION AND RURAL MIGRANT WORKERS

From 1979 to 2009, China's floating population increased from 6 million to 211 million, constituting the largest population move and migration in its history. In the upcoming 20 to 30 years, the floating population is expected to remain over 200 million, posing a serious challenge to the national strategic planning, government's social administration and public services.

In 2009, the total number of rural migrant workers was 230 million. The number of rural migrant workers who left their hometowns to work in cities and towns was 150 million, of which 61.6% were the new generation of rural migrant workers between the ages of 16 to 30.

SOCIAL ASSISTANCE AND CHARITY

At the end of 2009, there were a total of 11.411 million families, 23.456 million persons who received basic living allowances in cities in China. The average standard for basic substance allowances was 227.75 Yuan in cities, and the average monthly basic substance allowances standard was 172 per capita in cities.

In 2008, after the Wenchuan massive earthquake on May 12 in the west of China, the money and materials donated for earthquake resistance and disaster relief received in the country and from overseas totaled the value of 76.7 billion Yuan. After a 7.1-grade- Richter earthquake occurred on April 14, 2009, in Yushu, Qinghai Province, the social donation reached more than 10 billion Yuan.

URBAN PLANNING AND ADMINISTRATION

In 2007, The Urban and Rural Planning Act of the People's Republic of China was promulgated and implemented. This Act has clearly specified the urban planning functions of the central government and local governments, which include these aspects of compilation, implementation and supervision.

CHALLENGES AND OPPORTUNITIES

The population living in cities and towns in China will outnumber the population living in rural areas in the next five years. In 2030, the urbanization rate will reach about 65%. There will be a newly increased population of 300 million living in various types of cities and towns.

Strategies need to be developed for facilitating the development of medium and small cities and small towns, relaxing the restriction of residential registration in cities and towns, stimulating employment, and upgrading the living standard. The priority should also be placed on improving the quality of urban planning, strengthening the construction of housing and municipal infrastructure, promoting the urban governance, and narrowing the urban-rural divide, so as to enhance the development level of urbanization in an all-round way.