

**REPORT ON DEVELOPMENT OF HUMAN SETTLEMENTS
IN THE PEOPLE'S REPUBLIC OF CHINA**

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REPORT ON THE DEVELOPMENT OF HUMAN SETTLEMENTS IN THE PEOPLE'S REPUBLIC OF CHINA

Introduction

At the important historical moment when mankind will bid farewell to the 20th century and enter the 21st century, the United Nations has decided to convene the Second UN Conference on Human Settlements (Habitat II) in June 1996 in Istanbul, Turkey. This conference will be yet another world gathering designed to explore and address various issues of human settlements since Habitat I in 1976. This conference will formulate the "Habitat Agenda" aimed at promoting development and improvement of human settlements. This gives full expression to the purposes of UN Charter on the realization of social progress and better life for all, reflects the strong commitment of national governments throughout the world to bringing more and better shelter for their people and mirrors the popular aspirations of all lands for improved habitat, higher standards of living and social progress. This conference will go down as one of the most important global meetings in the remainders of this century.

With a view to supporting Habitat II and promoting the improvement of housing conditions in China, the Chinese Government has compiled this National Report on Human Settlements with the support of the relevant departments. This Report reviews the efforts China has made in the past 16 years in improving its shelter conditions and the experience it has gained, sets forth its Government's basic positions on human settlements issues and puts forward China's Program of Action for the Development of Human Settlements (1996-2010). The document will be the cross-century platform for the next 15 years in the area of human settlements development.

This report is prepared in accordance with the Chinese Government's policies and guidelines pertaining to sustainable development of human settlements and China's Agenda 21. The views and recommendations of China's non-governmental organizations, experts and scholars have been extensively solicited and incorporated into this report.

This report has been approved by the Government of the People's Republic of China.

It is hoped that this report will make a positive contribution to the successful convening of the Second UN Conference on Human Settlements.

1. China's Major Accomplishments in the Development of Human Settlements

1.1 Urban and Rural Housing Development

The Chinese Government attaches great importance to the question of housing effecting all the people in the country, and has adopted a series of policies and measures to accelerate housing development. With economic growth during the past 47 years since the founding of the People's Republic, especially since 1978 when China adopted the policy of reform and opening-up, housing development in China's urban and rural areas have achieved remarkable progress that has attracted worldwide attention. As a result, housing conditions and living environment of the Chinese people have improved noticeably.

From 1979 to 1994, a total of 12 billion square meters of housing were completed in China, including 2.3 billion in cities and 9.7 billion in the countryside. The achievement made in such short span of 15 years was unprecedented in China's history.

Chart 1. Housing Investment in China's Urban Areas

Time Period	Housing Investment in Urban Areas (in billions yuan)
1950-1965	14.075
1966-1975	14.006
1976-1985	130.203
1986-1994	695.871

During that period, investment in urban housing development totaled 826.074 billion yuan with 40 million housing units completed. Nearly half urban dwellers now live in newly-built quarters with a per capita living space

of 11.4 square meters (15 square meters in construction space). The government paid particular attention to the problems of the shelter needy, households living in very poor and crowded conditions. From 1986 to 1994, 8 million such households had their difficulties either resolved or alleviated.

Thanks to growing prosperity, China's countryside has seen a continued building boom. From 1979 to 1994, the aggregate size of rural housing production averaged 600 million square meters each year with 6.2 million households moving into new houses. As a result, the per capita rural housing space increased from 17.8 square meters of 1985 to 21.26 square meters of 1994, and the goal of "one person one room" was basically met. With 100 million units built in the countryside, nearly half rural families now live in new houses.

Chart 2. Housing Completion in China's Urban Areas

Time Period	Total Completion/period (in billion square meters)	Average Annual Completion (in million square meters)
1950-1965	0.26	17.466
1966-1975	0.18	18.000
1976-1985	0.92	91.534
1986-1994	1.42	157.719

Chart 3. Per Capita Living Space in China's Cities

Year	Per Capita Living Space (in square meters)
1977	3.6
1981	4.1
1985	5.2
1990	6.7
1994	7.7

Chart 4. Shelter Production in China's Rural Areas and Per Capita Construction Space (1984 -1994)

Year	Rural Shelter Production (in millions square meters)	Rural Per Capita Construction Space (in square meters)
1984	610	--
1985	718	17.80
1986	710	19.00
1987	694	19.26
1988	623	19.40
1989	527	19.59
1990	582	20.19
1991	660	20.33
1992	603	20.86
1993	567	21.19
1994	590	21.26

China boasts some fine examples of human settlements development. The reconstruction of Tangshan City after its devastating earthquake, the development of new residential zones in Shenzhen City and the shelter relief program in Shanghai have received the United Nations Habitat Award.

China owes its success in housing development to the following policies and measures:

(1) To replace the unitary investment mode in which the national government was the sole housing investor with a pluralistic investment structure featuring not only the national government but also the local government, the enterprises and individuals.

The investment structure is the key link in any shelter strategy. Since 1949, China has gone through two phases in urban housing development in terms of investment and planning. The first phase, from 1950 to 1978, saw housing development in China's cities and towns depend entirely on unified investment by the national government in the centralized planned economy. Such a structure played a positive role in solving the housing problem at the time, but it failed to arouse the enthusiasm of individuals and enterprises in

housing investment and thus hampered shelter production in general. The second phase, which started in 1978, coincided with China's adoption of reform and opening-up policy. Housing investment mode was transformed, giving greater play to the initiatives of the national and local governments, enterprises and individuals. Sources of finance for housing were sought from all quarters of society. State-owned enterprises were allowed to use their self-possessed funds for housing projects. Individual investment for private homes was encouraged. These efforts led to important changes in the investment structure of the shelter sector and to a rise in both shelter investment volume and shelter delivery. From 1979 to 1994, enterprises contributed 60% of the total housing investment while individuals about 20%. The average annual housing space completed in cities was 17 to 18 million square meters from 1950 to 1975, 90 million square meters from 1976 to 1985, and 150 million square meters from 1986 to 1994. The year 1994 alone saw over 200 million square meters of housing completed.

(2) To promote practical and low-cost shelter production.

Practical and low-cost housing targeted for the middle and low-income families is developed following prescribed government guidelines. It is built with government auspices and treated preferentially in terms of development plans, city planning, relocation and taxation. Such housing products will be sold at construction cost. A system of shelter delivery to urban middle and low-income families will be established centering around this scheme.

(3) To develop housing co-ops.

The scheme, which came into being in 1986, is aimed at developing ordinary shelter projects with funds pooled from participating individuals with the support of preferential government policies. Members of the co-ops may acquire housing for their own use at the below market price. Such co-ops number more than 5000 at present.

(4) To adopt special policies in favor of the shelter needy.

The Chinese government is very concerned about the shelter needy. In its *Opinions on the Speedy Resolution of the Problems of the Urban Shelter Needy* of 1993, it defined the goals and plans for shelter relief towards 2000. The local governments also formulated their programs in response to the

requirements of the central government, including tax benefits, priority allocation of construction land and funding.

China in 1995 began to promote, on the basis of the original programs of housing development, the "National *Anju* Shelter Project", a program designed to accelerate production of practical housing and its delivery to the shelter needy in cities. Under this project, banks will provide loans and the local governments will furnish the required land, bear the cost of related infrastructure and organize the construction; the housing completed will be sold at cost directly to the middle and low-income earners with priority to the shelter needy.

(5) To promote urban housing reform.

The existing housing system characterized by low rent and free distribution as a form of welfare benefit must be reformed in keeping with the requirements of the socialist market economy and a new urban housing system should be explored and established. The Chinese government has already formulated guidelines for urban housing reform which is being promoted across the country. Among the measures are the establishment of public housing funds for urban dwellers, rental increases for public housing and sale at cost of the existing public housing stock.

(6) To change the ways of construction.

The extensive, scattered ways of housing construction should be reformed by introducing a new approach that emphasizes unified planning, rational distribution, comprehensive development and coordinated construction. More than 5000 residential zones have been developed following this new approach which has raised China's human settlements development to a new level. Beginning in 1986, China has conducted 67 pilot projects of residential zones in 56 cities with a combined housing space of over 10 million square meters. These zones have yielded new experience in terms of planning, designing, land and energy economy, housing functions, architectural style, construction quality, landscaping, service and facility coordination, as well as application of new housing technologies.

(7) To reinforce guidance for rural housing development.

The extraordinary housing boom in China's countryside where 900 million of its people live has lasted for more than a decade, and the central government has strengthened guidance in this regard. Some 638 thousand management and technical personnel have received training in the area of housing development. Housing planning at village and township level has been reinforced with a view to regulating rural housing development. New designs are made available to farmers, so are technical guidance, technical services and quality control inspections. The Chinese government pays particular attention to concentrating housing development in designated areas according to plans. In 1984, China began to enforce the policy of moving rural residents, on voluntary basis, into relatively concentrated communities and small towns. Nearly one million new rural residential centers have been established following plans:

Notwithstanding all these achievements in China's settlements development, many problems remain. Housing supply seriously lags behind demand. In 1994, 4.1 million urban families were characterized as shelter needy. Nearly half urban housing units have incomplete facilities and a large number of them need urgent upgrading. The functions of rural housing are mostly inadequate. Besides, there is still a large number of shanty houses in poor regions.

1.2 Sustainable Development of Human Settlements in Urbanization

1.2.1. Urban and rural population and urbanization

At heart of any human settlements is people. China is the most populous nation on earth, and its population policy and urbanization policy bear significantly on the sustainable development of human settlements. The Chinese government takes family planning as its basic state policy, the purpose of which is to bring about harmony between population growth and socio-economic development and raise people's living standards. China has scored noticeable success in its family planning efforts. Compare 1994 with 1970, China's natural population growth rate went down from 2.583% to 1.121%, and birth rate from 3.343% to 1.770%. Such success has helped China to maintain social stability and economic development and proved to be highly meaningful for its efforts to improve human settlements.

China's socialist modernization drive has accelerated its urbanization process. With the number of people living in cities and towns increasing from 134.719 million in 1980 to 343.01 million in 1994, China's urbanization level went up from 13.6% to 28.62%. The number of cities also went up from 223 to 622 and that of towns from 2874 to 16210.

In order to steadily improve human settlements, rationalize the lay-out of productive capability and urban population and promote a coordinated socio-economic development, the Chinese government has adopted the policy of strictly controlling the size of large cities, properly developing small and medium-sized cities and actively developing small towns and has achieved positive results. The rate of increase of small and medium-sized cities has been higher than that of large cities since 1980. During the past 14 years, the number of large cities each with a population of more than 500000 has increased 62.2% from 45 to 73, in which the number of megacities each with more than one million people increased 113% from 15 to 32; the number of medium-sized cities each with a population of 200000 to 500000 increased 153% from 70 to 177; and the number of small cities each with a population below 200000 increased 244% from 108 to 372. The total population of large cities went up 67.3% from 57.43 million to 96.072 million; that of medium-sized cities 151.5% from 21.28 million to 53.52 million; and that of small cities 254.5% from 11.87 million to 41.722 million. For more than a decade, China's rural and township industries experienced an extraordinary expansion. In 1994, the total output value they generated accounted for over 60% of the gross social product in the countryside, making them not only a major driving force for China's economy but also a huge employer of some 120 million surplus rural laborers. They also contributed to a dynamic growth of small towns, which lessened the population pressure on the large and medium-sized cities.

1.2.2 Planning of urban and rural human settlements

The Chinese government accords high priority to the planning work of cities, towns and villages with a view to rationalizing settlements development in urban and rural areas. In its *Law of City Planning and Provisions on the Planning, Construction and Management of Villages and Market Towns*, the local government is given the responsibility in the planning, construction and management of cities, towns and villages.

Since the beginning of reform and opening-up, China has strengthened formulation and implementation of development plans. By 1994, all Chinese cities and towns had completed the compilation of their overall plans with detailed plans being worked out at the city level. Large cities developed zoning plans at the district level. Inter-regional planning and inter-city system planning were also conducted. Most market towns and villages in rural China also finalized their construction plans. These plans have played a vital role in guiding settlements development in China.

In pursuing the policy of economical and rational use of land and of protecting agricultural land, the Chinese government exercises unified land allocation by taking into account all aspects of social and economic development. Moreover, it endeavors to preserve and promote China's proud cultural tradition by establishing, as it has since 1982, 99 heritage cities or towns at the national level, 82 at the provincial level and 34 protected historical sites at the provincial level.

The Chinese government has always attached importance to preventing pollution and protecting the environment. While striving for faster economic growth, it takes effective steps to address pollution problems and protect and improve the ecological environment for human settlements. Thanks to adjustment in industrial structure and production distribution as well as technological innovation for nearly 20 years, there has been a considerable improvement in China's production and technology standard. Its overall capacity to prevent and treat industrial pollution has also been raised. The relative level of discharge of industrial pollutants has gone down substantially. Between 1981 and 1994, the percentage of treated waste water went up from 17% to 55.5%. Now, 88.6% of industrial enterprises above the county level have installed smoke or soot eliminating devices. And 756 million tons of industrial waste residue has been put to productive use.

1.2.3 Human settlements infrastructure

Infrastructure is an essential component of human settlements, whose development has been given high priority by the Chinese government since the beginning of reform and opening-up. In particular, water supply, transport, public sanitation and other engineering projects are given close attention. In 1994, 91% of China's cities had running water with a total annual volume of 48.9 billion tons, averaging 217.5 liters per person per day, and 71.5% of

towns and market towns had running water. Thanks to steadily increased output of natural gas, more than 100 million urban residents now use gas for cooking and heating. Public transit in cities has made new progress. In 1994, the total number of public transit vehicles reached 100 thousand with a total traffic volume of 31.09 billion passenger-times. Road construction has been stepped up in both cities and countryside. In 1994, urban roads totaled 1.1524 billion square meters while rural roads 20.6 billion square meters. The development of environment-friendly projects in cities has been given close attention. Efforts to make cities greener have made new progress. In 1994, China's cities had 388.4 thousand hectares of green areas, averaging 4.6 square meters per person. Further improvement has been made in public sanitation in cities. In 1994, a total of 130.07 million tons of solid waste was removed from cities, with daily disposal more or less achieved in large and medium-sized cities.

2. China Plan of Action for the Development of Human Settlements (1996-2010)

From now to year 2010 is the critical period in China's socio-economic development, a transition in which the country must build on the past achievements and open up a road to future. During this period, China will establish and steadily perfect its socialist market economic structure, focus on economic growth and achieve sustainable growth by bringing about a coordinated socio-economic development. On the basis of steady economic growth, the Chinese people will live a more comfortable life that will continue to improve. The development of human settlements in China, consequently, will attain the following goals: formulating and enforcing by government agencies and legislative mechanisms such policies, laws, regulations, strategies, programs and plans that can promote a sustainable development of human settlements, mobilizing maximum popular participation in the efforts and striving to construct in China's cities and countryside clean, quiet, elegant and comfortable human settlements that have complete facilities and are rationally planned and well-serviced for work and daily living.

2.1 Urban and Rural Shelter Development

. Goals

By 2000, every urban household will have one housing unit, 70% of the families will have units complete with basic facilities, and the per capita living space will reach 12-14 square meters. There will be additional upgrading in the functions of rural housing. The construction quality of both urban and rural housing and their capacity to resist natural disasters will register new improvement.

By 2010, every urban household will have one housing unit complete with basic facilities, the per capita living space will reach 15-18 square meters with one room for each person and the living environment will be considerably improved. Rural housing will be equipped with basic facilities and enjoy better environment. The efforts to improve the shanty houses in poor regions will be basically completed. There will be a substantial upgrading in the quality of urban and rural housing and their capacity to resist natural disasters.

.Policies and Actions

(1) Keep shelter investment and production at an appropriate level. Urban shelter investment during 1996-2000 will account for about 4% of the gross domestic product with a total production of 1.2 billion square meters, averaging no less than 240 million square meters per year. In the countryside, the five years will see completion of 2.8 billion square meters of housing, averaging no less than 560 million square meters per year. During 2000-2010, China's cities and towns will build 3.35 billion square meters of housing, averaging 335 million square meters per year, and its countryside 5 billion square meters, averaging 500 million square meters per year.

(2) Give priority to the shelter needy and increase the share of apartment in housing units delivered. Urban households with per capita living space below 4-6 square meters before 2000 will enjoy priority access to shelter relief products. Efforts should be redoubled to upgrade the existing housing units so that they will be equipped with basic facilities. The share of apartment in total housing units available will reach 70% by 2000 and over 85% by 2010.

(3) Continue to promote urban housing reform and gradually establish a new housing system characterized by commercialization and socialization of housing. Housing investment will be the responsibility shared properly by the national and local governments, enterprises and individuals. Housing

products, which used to be treated as a kind of welfare benefit, will be distributed chiefly on the basis of transaction by money, remuneration for one's work or service. A supply system of practical and low-cost housing as a form of social security targeted for low and middle-income families, and a supply system of commercial housing targeted for high-income families, will be established. Also established will be the institution of public housing funds with contributions from both employers and employees according to prescribed percentages, which will be used to finance individual purchase of housing products. Housing finance and insurance will be developed with a view to achieving a benign cycle in housing production.

(4) Establish a system of guarantees for housing strategies. Long and intermediate housing strategies as well as yearly ones must be incorporated into national and local economic programs so as to ensure a proper scale of housing production.

(5) Establish a housing investment structure featuring proper burden-sharing by the national and local governments, enterprises and individuals with a view to stabilizing sources of finance in shelter sector. The central government and the local government at various levels should allocate funds from their annual budget to be used for civil servant housing projects. Enterprises should retain a portion of their earnings every year to subsidize housing of their employees. Incentives should be given to channel more financial resources from all quarters of society into housing production. Preferential policies including tax benefit will be adopted by government to award real estate enterprises with investment in ordinary housing projects. Housing development funds will be established. Such funds at the national level are designed to improve macro control of housing production, encourage ordinary shelter delivery and support housing schemes in economically poor regions. Through establishment and perfection of the institution of public housing funds, the accumulation of housing capital from individuals will be gradually increased.

(6) Accelerate the establishment and development of a housing finance system. While giving play to the role of existing banks, efforts will be made to gradually establish a housing savings bank as a specialized financial institution to actively engage in housing-related insurance business and provide a whole range of financial services for the production of housing, ordinary housing in particular, and for individual purchase of housing. A

system of long-term mortgage by individual buyers of housing will be perfected. The mortgage payment will be exempt from taxes and the term of mortgage will be extended gradually from the current 10 years to 15 years.

(7) Establish a housing pricing system that is suited to China's socialist market economy. The commercial housing produced by developers will use market prices determined by market supply and demand under the supervision and guidance of the government. The commercial housing produced with benefits from central or local government policies will use prices fixed by the local government allowing a modest profit margin. The ordinary shelter constructed either directly by the government or with its support, or housing built by individuals under a cooperative scheme, will use prices at construction cost. Purchases by individuals of public housing already under their occupation will use prices as provided for in relevant government guidelines.

(8) China encourages production of ordinary housing. Ordinary housing refers to housing units constructed in accordance with standards issued by the national or local government. The government shall revise the standards of ordinary housing in accordance with the needs of housing and overall economic development. The government will give priority consideration to the request for land for ordinary housing development. The "National *Anju* Shelter Project" will continue.

(9) Encourage cooperative efforts in housing development. Preferential policies will be adopted by the government in favor of housing co-ops, self-financed housing schemes by low and middle-income workers and participation in cooperative housing schemes.

(10) Apply different land provision policies and methods to different types of housing development schemes. For economical shelter, individual or cooperative housing schemes, land will be allotted by the government free of charge. For ordinary commercial housing sold at prices with very small profit margin, land will be made available through agreement at a preferential price. For commercial housing sold at market prices, land will be offered by way of tender, auction or agreement.

(11) Accelerate modernization in housing industry. Development strategies and related policies on modernizing the housing industry will be formulated after careful study with a view to upgrading the overall standard of

China's housing industry. Higher standard of industrialization in shelter sector will be pursued, and the standardization, serialization and diversification of housing products promoted. Property management of residential zones already commissioned will be strengthened and fine community services provided.

(12) Ensure the quality of urban and rural housing products. The designing and construction of housing will be upgraded, the application of new materials and new technologies promoted, labor productivity and building quality brought to a new level.

(13) Promote a technologically advanced housing industry consistent with the requirement of the "comfortable life". Efforts should be made to speed up the application of R&D results with a view to raising the level of industrialization of housing products and increasing the technology content of housing with particular emphasis on saving water, energy and land, so as to improve the people's living standards. A number of residential zones corresponding to the projected level of economic development between 2000 and 2010 will be built to serve as a model or guide. These zones will demonstrate, in a forward-looking manner, the new technologies, new materials and new products to be used in future housing in keeping with international standards in the field.

(14) Continue to provide effective guidance and management of housing development in the rural areas. The training of large numbers of technical personnel must be stepped up and technical services ranging from strategic planning, designing, construction to maintenance and management provided.

(15) Promote, through preferential government policies supplemented by support measures, mutual assistance among citizens and individual funding schemes, the reconstruction and overhaul of the shanty housing in poor regions.

2.2 The Sustainable Development of Human Settlements in Urbanization

2.2.1 Urban and rural population and urbanization

The very purpose of human settlements development is to serve the needs of the people. The enormous population size and its increment have

brought a heavy pressure to bear on China's housing production. At present, China's population has exceeded 1.2 billion, and with over 20 million new births, it continues to grow by some 14 million every year. Therefore, to stabilize population increase is not only an important condition for China's socio-economic development but also a basic precondition for the sustainable development of its human settlements. The Chinese government will endeavor, through continued implementation of the family planning policy, towards the following goals: keeping the average annual natural growth rate during 1990s below 1.25% and China's total population below 1.3 billion by 2000 and below 1.4 billion by 2010.

While striving for a planned population growth, China will endeavor to make urban population shift and distribution more rational and the urbanization process in greater harmony with the country's overall socio-economic development.

.Goals

Greater harmony between urbanization and socio-economic development. By 2000, China's urban population will reach 430 million give and take, and an urbanization level of 33%. By 2010, the figures will respectively be 560 million and about 40%. The establishment of additional cities and towns will be brought in harmony with and in service of the country's economic and social development. By 2000, China will have approximately 800 cities and 20 thousand towns, and by 2010, 1200 cities and 25 to 30 thousand towns. This will lead to a more rational distribution of productive forces as well as urban population and create favorable conditions for human settlements.

.Policies and Actions

(1) At heart of China's urbanization is the issue of how to handle large numbers of rural surplus labor becoming non-agricultural population, and their distribution. The Chinese government is of the view that the future of rural surplus labor lies, in the main, in the countryside rather than cities of large or medium size. Diversified agriculture, rural and township industries and small towns may absorb most of them, with the rest moving into the cities. Such a basic principle in China's urbanization is determined by its very national conditions.

(2) Continue to carry out the policy of strictly controlling the size of large cities, properly developing small and medium-sized cities and actively developing small towns. Economic growth of large cities must rely, first and foremost, on proper adjustment in the industrial structure, improved efficiency, higher population quality and an intensive growth pattern. Large cities will, through market forces, government macro control and the shift towards an intensive way of economic growth, develop mechanisms that offer a combination of incentives and disincentives for the factor market so as to avoid a blind population explosion and deterioration of urban habitat. Satellite towns around large cities will be developed. There is a considerable potential in land and infrastructure in small and medium-sized cities which should be put to sufficient and rational use in the development of new projects under appropriate city plans.

(3) An appropriate concentration of rural and township enterprises will be encouraged so that their development and the development of small towns will go hand in hand. Additional enterprises of this kind must be built in designated areas in accordance with town development plans.

(4) Further strengthen inter-regional planning and develop inter-city system planning to guide the development of cities of all sizes, with a view to bringing about, step by step, a rational system of cities.

(5) Improve the management of migrant population in cities. Delivery of necessary and appropriate services for the floating population particularly in large cities and their management should go together.

2.2.2 Planning of urban and rural human settlements

.Goals

The development plans, whose intensity, scope and depth should serve the needs of China's urban and rural development into the next century, will be formulated with extra care with a view to providing a reliable guidance. A planning structure consistent with the socialist market economy will be explored and established. A legal framework on planning will be perfected and planning management strengthened. While allowing a full play of market forces, efforts will be made to achieve an orderly development by providing a sound regulatory and administrative basis for rational development of human settlements in cities and countryside. Environmental pollution to human

settlements will be brought under basic control and environmental quality in major cities will be considerably improved.

. Policies and Actions

(1) Planning must stress coordination between economic and social development and serve the sustainable development of human settlements. The basic task of planning is to handle and coordinate, while promoting economic development in general, the relationship between economic development and social development in the areas of land use and construction so as to integrate the economic, social and environmental benefits in the development of cities and villages and ensure a sound and sustainable environment for human settlements.

(2) Allocate and manage land for shelter development in a rational and scientific manner. Land is the material basis for any human settlement and its proper management occupies a pivotal position in strategic planning. Land management must follow strategic plans which must contain land management plans. Such state policies as economical and rational use of land resources and protection of agricultural land must be given expression in strategic planning. Any waste of land must be avoided. Provision of land for shelter purposes and infrastructure development must be ensured.

(3) Promote environmental protection and disaster reduction. The fundamental task of any planning is to ensure a sustainable development of cities and villages. In formulating and implementing such plans, it is crucial to follow the principle of protecting and improving the environment and preventing pollution. By way of rational planning, environmental pollution to human settlements will be avoided or minimized.

The prevention and reduction of disasters in urban and rural human settlements should be given adequate attention. Emphasis should be put on preventing and fighting such natural calamities as earthquakes and floods. At the same time, efforts should be made to prevent and cut down such man-made disasters as fire.

(4) Preserve and promote cultural heritage in human settlements. As a country with a time-honored past, China faces a task of protecting its proud cultural tradition during drastic social transformation. Such cultural legacies as heritage sites, historical buildings and traditional customs must be

protected so that tradition and modernity can be harmoniously integrated to give its human settlements unique Chinese characteristics.

(5) Upgrade the quality of planning. The overall plans of cities should be deepened and amended from time to time with detailed regulatory planning and village planning improved. In making city plans, it is necessary to avoid both undue pursuit of enlargement and overuse of land to the point of causing environmental degradation in human settlements. Planning of residential zones must be given special attention. Attention should also be given to post-disaster reconstruction plans and their implementation. Training of planning personnel should be strengthened and efforts should be made to train still more planning personnel serving rural programs. Scientific and technological level of city planning should be improved.

2.2.3 Human settlements infrastructure

.Goals

By 2000, the infrastructure in China's human settlements must meet the requirements of its social and economic development and higher standards of living. Clean water supply, transport and public sanitation are the highlighted areas for development. Cities with running water will account for 96% of the total with per capita daily water consumption reaching 230 liters. Great efforts will be made to upgrade urban road systems and increase road mileage to 8 square meters per capita. Public green areas will increase to 6 square meters per capita. Urban sewage treatment rate will reach 25%. Over 42% of China's villages and rural towns will have running water, with per capita water consumption reaching 120 liters in small towns and 80 liters in villages. Over 55% of rural roads will be paved.

By 2010, while bringing about an overall improvement in the infrastructure, greater attention will be focused on environmental improvement and reforestation. All cities will have running water with a per capita consumption of 270 liters. Gas use for cooking and heating will reach 90%. The number of public transit vehicles per 10 thousand people will reach 9 and per capita road mileage 14 square meters. An urban road system consistent with the traffic volume will be established. The solid waste disposal rate will reach 85%, and urban sewage treatment rate over 40%. Green coverage will increase to 35% with 7 square meters per capita. Rural running water rate will reach 65% with per capita water consumption

reaching 180 liters in small towns and 110 liters in villages. Over 70% of rural roads will be paved.

.Policies and Actions

(1) The national government will provide full and long-term policy support for the development of urban infrastructure, particularly water, transport, environment and public sanitation facilities, making it its basic task of strategic importance in the modernization drive. The government must maintain a steady investment level to this end.

(2) Reform the investment system of urban development. While retaining government policy-lending as the basis, efforts must be made to open other financial sources and bring about a multi-channeled investment pattern for the development of urban infrastructure. Earnings from transfers of state-owned land in cities must be used primarily on public projects and land development.

(3) Establish and perfect channels of investment for rural development. While necessary government input is ensured, funding of rural infrastructure projects must rely mainly on collective and individual initiatives. The enthusiasms of rural people should be fully mobilized from whom funds for development raised through various ways. At the same time, farmers are encouraged to move into market towns or administrative towns with their savings and to participate in infrastructure schemes.

(4) Accurately define the nature of a finished infrastructure and form economic policies accordingly. If it is entirely or mainly a commodity, it should then be allowed to operate on the market basis under necessary macroeconomic regulation by the government. If it is a public utility, then it should be given economic protection as may be necessary under government policies.

(5) Strengthen technology policy on urban and rural development. Management of water resources and protection of city water sources should be strengthened. Overall planning and rational development of water based on river systems should be carried out. Surface and underground water of the best quality should be used first and foremost for drinking purposes in both cities and countryside. Water economy should be practiced and multiple use of water encouraged. Large cities should stress public transit system while

allowing a coordinated development of other means of transportation. Use of gas fuel in cities, including greater use of coal gas, priority use of natural gas, rational use of liquefied petroleum gas and use of recovered exhaust gases in industrial production, will be strengthened. Efforts will be made to increase the disaster preventing and resisting capacity of urban infrastructure, particularly water, electric power, telecommunications and other facilities. Development and use in rural areas of solar energy, biogas and new, more fuel-efficient stoves must be promoted vigorously.

(6) Improve the cost-effectiveness of infrastructure investment, reinforce the management and maintenance of public facilities and raise their operational efficiency and dependability.

3. The Basic Positions of the Chinese Government on Global Issues of Human Settlements

Shelter is the most basic human need for survival, whereas access to adequate housing is the most fundamental human right for all. This has become the consensus opinion in the international community. Notwithstanding the worldwide improvement in human settlements since Habitat I in 1976, there has not been a fundamental solution to the problem. As things stand now, more than 1 billion people in the world have not had adequate housing with more than 100 million of them having no shelter at all. The problem is even more serious in developing countries. Should this problem remain unresolved, economic development and social stability in all countries will be adversely affected. There are only 4 years left before mankind enters into a new century. How to realize the objective of "shelter for all" as set forth in the "Shelter Strategy 2000" has become an urgent and important issue before the international community. It is also the very purpose of the Habitat II. Bearing in mind the above understanding, the Chinese government wishes to share its basic positions on global issues of human settlements;

3.1 Economic Growth and Poverty Eradication Hold the Key to Solving Human Settlement Issues

The main root cause of deteriorating human settlements in developing countries is poverty and underdevelopment. The question of human habitat is,

in essence, a question of development. Any solution to this problem must first and foremost address the issue of economic development and ways to eradicate poverty. Only when sustained and all-round economic development is attained, can it be possible to end poverty and lay the foundation for a fundamental solution to the problems of human settlements.

Since the issue of habitat is a major component of the development issue, it is necessary to take it into full consideration in formulating developing strategies so as to ensure a coordinated development between economic expansion and shelter improvement.

Governments at all levels should, while formulating their human settlements strategies, adopt policies where appropriate to care for and support the poor, protect women and children and safeguard the interests of the most vulnerable social groups. This is essential to an overall improvement in human settlements.

3.2 There Should Be a Sustained and Harmonious Development Among Population, Environment and Human Settlements

Population growth, environmental protection and human settlements development are interrelated. Excessive population growth will mount pressure on human settlements, whereas the two will affect the environment directly. Environmental degradation will lead to deterioration in both living standards of the population and the quality of their settlements. A proper handling of the relations among the three is therefore crucial to bring about their sustained and harmonious development.

3.3 Solutions to Human Settlements Issues Require Extensive Participation of Entire Society

Extensive participation by all quarters of society is an indispensable condition for improving human settlements. As settlements development involves many aspects of society and requires sizable investment and long construction cycles, it is essential to give play to the leadership role of the central and local government. At the same time, it is necessary to bring into play the role of the marketplace. Moreover, both the public sector and the private sector, as well as non-governmental organizations such as youth and

women groups should be invited to involve in the development of human settlements.

3.4 Cities and Countryside Should Be Given Equal Emphasis in Addressing Issues of Human Settlements

In addressing human settlements issues, it is essential to treat cities and countryside with equal emphasis. With rapid urbanization, governments of many countries are seized all the more frequently on urban settlements problems. Yet one must pay nearly as much attention to improving settlements conditions in the countryside while working to improve settlements conditions in the cities. By 2015, according to one forecasting, people living in the countryside will still account for over 40% of the global population. Shelter conditions in rural areas are generally not up to the standards of the cities, particularly in the developing countries. This has already become a weak link in the global efforts of shelter improvement. Therefore, only by giving cities and the countryside equal emphasis in human settlements development can there be a general and balanced improvement in global habitat.

3.5 Issues of Human Settlements Should be Resolved in Light of Specific National Conditions

As countries differ from one another in development level, geographical features, cultural legacies and human settlements conditions, it is not advisable for them to adopt a single model. Instead, they should be encouraged to formulate their own strategies, plans and policies on human settlements development while committed to the common objective of better habitat for all. This is the only feasible way to solve human settlements issues.

3.6 Strengthened International Cooperation is Essential in Addressing Human Settlements Issues

The question of human settlements is global in nature, whose solution also requires global actions. International cooperation in this respect is critical. Although the developing countries are chiefly responsible for solving their respective settlements problems, the international community, the developed countries in particular, have a duty to bring about an international

environment favorable to the efforts of the developing countries by providing them with new and additional financial resources and technology transfers at preferential terms.

The United Nations should play an important role in the follow-up actions of "Habitat Agenda". The United Nations Habitat Commission and its Habitat Center should be the main agency supervising the implementation of "Habitat Agenda". Their role should be strengthened and mandate expanded. Other UN agencies should also make their contributions, within their respective mandates, to the implementation of "Habitat Agenda".

4. The Chinese Government's Contributions to and Hopes for the Second United Nations Conference on Human Settlements (Habitat II)

China's shelter issue is a part and parcel of the global shelter issue. The Chinese government is keenly aware of its responsibility for and the efforts it should make in global shelter improvement. China makes up one fifth of the world's population and remains quite backward in both housing standards and living environment. It will make an important contribution to global shelter improvement if it can upgrade its settlements conditions steadily. The Chinese government is working persistently towards this end.

4.1 The Chinese Government Actively Supports the Second United Nations Conference on Human Settlements and Has Done a Great Deal of Preparatory Work for Its Successful Convocation.

(1) On 18 March 1995, the China National Preparatory Committee for Habitat II was established. The minister of construction served as its chairman and officials with vice-ministerial rank from the State Science Commission, the Ministry of Foreign Affairs, the Ministry of Finance and the State Administration of Environmental Protection served as deputy chairmen, with leading officials from relevant central government agencies and municipal governments serving as members. Preparatory work was set in motion immediately under the committee's able and active leadership.

(2) The Chinese government has taken an active part in various preparations for Habitat II, including, *inter alia*, sending representatives to attend three preparatory meetings, participating in the drafting and

negotiations of the Conference's main document entitled "Habitat Agenda" and playing an important part in these activities. It also sent delegations to the "International Seminar on City Communications and Telecommunications" in Singapore and the "International Workshop on the Best Examples of Human Settlements Management" in Dubai.

(3) To greet Habitat II and increase its publicity among the Chinese people, highlight the importance of the shelter issue in social and economic development, demonstrate China's accomplishments in this regard and heighten public awareness of this issue, the Chinese government has conducted a number of activities. They are: 1. submitted to the Habitat II Secretariat some good examples of shelter improvement in China and expressed readiness to put up a display about them; 2. compiled publicity materials on China's achievements in shelter development to be distributed domestically; 3. published a picture album on a comprehensive introduction of shelter conditions in China; 4. produced and showed television programs on shelter improvement; 5. showed on CCTV at prime time special Habitat programs; 6. held with auspices of Ministry of Construction and World Bank in October 1995 the "International Seminar on China's Small Cities and Towns"; 7. conducted in major cities in October 1995 activities marking the World Day of Shelter; 8. held in Beijing the "Seminar on City Communications" and the "Seminar on the Water Issue" in conjunction with the UN Habitat Center; 9. opened the "Exhibition on the Achievements of Habitat Development in China", the "Exhibition of Housing Industrial Products" and the "Exhibition on the Achievements of Small Town and Village Development"; and 10. held photo displays and children's painting contests on Habitat subject.

4.2 Chinese Government's Hopes for Habitat II

The Chinese government attaches great importance to Habitat II and hopes that the Conference will succeed in:

(1) Producing a "Habitat Agenda" acceptable to all;

It is our hope that the Conference will reach consensus on some major issues pertaining to the improvement of human settlements and adopt a "Habitat Agenda" that gives expression to the interests of all sides, particularly those of the developing countries, and that is acceptable to all, so

as to serve as a common commitment to better human settlements by all countries and a set of guiding principles for the formulation of their respective national goals and strategies.

(2) Arousing further interest in the international community for human settlements development;

The issue of shelter touches everyone in his immediate personal interest and may generate a powerful driving force behind economic growth and social advancement. It is our hope therefore that Habitat II will call upon the international community and governments of all countries to give greater care and attention to the issue and galvanize greater community involvement and popular participation in settlements development, for this is the fundamental way to a comprehensive solution to the Habitat issues.

(3) Taking effective steps to realize the two objectives of Habitat II.

It is the hope of the Chinese government that the international community and governments of all countries will take concrete steps to give effect to the "Habitat Agenda" and devote themselves to realizing its two objectives: "shelter for all" and "sustainable development of human settlements during urbanization".