

## Urbanization Trends in 2020: Mega Cities and Smart Cities Built on a Vision of Sustainability

With more than 60 percent of the world population expected to live in urban cities by 2025, urbanization as a trend will have diverging impacts and influences on future personal lives and mobility. Rapid expansion of city borders, driven by increase in population and infrastructure development, would force city borders to expand outward and engulf the surrounding daughter cities to form mega cities, each with a population of more than 10 million. By 2023, there will be 30 mega cities globally, with 55 percent in developing economies of India, China, Russia and Latin America. The mega cities from emerging economies will witness a Compound Annual Growth Rate (CAGR) of 4.4 percent in GDP (PPP) from 2009 to 2025, as compared to a CAGR of 1.63 percent for the same period in the mega cities from developed economies.

Convergence of two or more closely located mega cities will lead to the formation huge mega regions. For example, by 2020, Johannesburg and Pretoria in South Africa will converge to form one big mega region called "Jo-Toria." Another trend of urbanization will be the evolution of mega corridors. Infrastructure development, particularly transport corridors interconnecting two or more mega cities or regions, will lead to the expansion of these corridors. For example, the Hong Kong-Shenzhen-Guangzhou corridor in China is expected to house 120 million people by 2025.

The explosive population growth and dynamic shift in urban sprawl, coupled with the economic growth of mega cities in the emerging economies, will pose a variety of opportunities for companies operating in different sectors. The mega cities from the emerging economies will become the largest markets for existing premium products and technologies, while their developed counterparts will witness a trend of sustainable measures. This will also lead to the evolution of smart cities with eight smart features, including Smart Economy, Smart Buildings, Smart Mobility, Smart Energy, Smart Information Communication and Technology, Smart Planning, Smart Citizen and Smart Governance. There will be about 40 smart cities globally by 2025.

Frost & Sullivan has analyzed the top 20 mega cities of the future and ranked them based on population and economic growth factors.

**The top 20 mega cities by 2025 will be:**

