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1 Decentralized governance

Since the 90s, many central governments in Asia have decentralized fiscal, administrative and political responsibilities to lower units of government and to the private sector. In China, city officials are appointed by the local people's congresses, but higher levels of government appoint senior local officials. Vietnam is similar to China although major cities have been allowed greater autonomy. The 73rd and 74th Amendment Act of India in 1992 granted constitutional status to the local bodies as the third tier of government. Cities in the Philippines enjoy strong autonomy from the national government. Some countries found decentralization desirable as it brought positive results, eg fiscal reforms, government that is perceived closer to the people, improved delivery of public services and a more engaged citizenry. Decentralization can yield negative effects, however. To cite a few examples: donors' preference for vertical and centralized projects could limit their participation in health delivery services or; increased fiscal decentralization may increase intra-district disparities.

2 Local capacity and resources

Central and local governments have recognized that much of the success of decentralization depends on the capacity of the local institutions, central government's support, transfers of commensurate level of resources to the local units for service delivery and more importantly, local good governance. The aim may no longer be to decentralize just for the sake of it but to ensure good governance¹⁰ (Sharma, 2008).

Local authorities acknowledge that the decentralization process does not necessarily imply an abdication of the responsibilities of central government. Instead, it calls for a reorientation of the central government's role, away from one of direct supervision and toward one of environment-setting and general oversight. Central authorities should assume an enabling role and should pay closer attention to incentives, sanctions, tools and guidelines for local authorities. This approach is being adopted in India, the Philippines, Indonesia, for example.

As the different tiers of government deal with specific concerns there are urban management issues that can be addressed across borders. This is illustrated in the case of Batam which becomes more intertwined economically with the private sector and with other nations of Indonesia, Malaysia and Singapore to pursue a common objective.

3 Changing demands of devolved powers

Decentralisation is not a one-size fits all solution. The question that may be more relevant to ask therefore is *how* decentralization can work, rather than does decentralisation work. As the configuration of cities in Asia changes, governments are now evolving forms of cooperation and decentralization. Industrialization and economic growth tends to extend city boundaries as demonstrated by the expansion of villages into towns, cities into metropolis, and mega cities into mega regions, eg Jabodetabek, Seoul Metropolitan Government, Tokyo Metropolitan Government.

This poses a real challenge for authorities in devising appropriate decentralization strategies and cooperative arrangements to better integrate plans among clusters of cities, share responsibilities, enter into innovative cross-border institutional arrangements,

redesign coordinative structures and utilise new information technologies to facilitate citizens' participation and engagement.

4 New media

The emergence of new media signals provides both a challenge and opportunity to cities. Whereas public information was once mainly the government's domain, now almost everyone has the opportunity to inform themselves and influence others. The availability of vast amounts of data is rewriting how communities interact with organizations and participate in their cities and governments. Governments are increasingly under pressure to provide open access data services which are accurate and objective.

5 Comparison of urban planning systems in four Asian countries

Comparison of the planning systems and the emerging practices in four countries – China, Indonesia, Philippines and Vietnam – shows that there are two planning and implementation approaches that may be derived from the six cases and country trends. The first is a top-down, interventionist, and high public sector investments approach exemplified by China and Vietnam. The second is a bottom up, participatory approach in low to moderate growth economies with weak enforcement mechanisms such as in Indonesia, the Philippines and other developing Asian countries.

Similar to the experiences of China and Vietnam, the other developing countries espoused economic growth as a key planning goal. In the Philippines, the central government directed the establishment of special economic zones (SEZs) in the 80s in several growth centers on the outskirts of highly urban areas to promote industrialization and economic growth. Many countries used this strategy to pursue urban-led development. In China, the Shenzhen SEZ grew from a fishing village of 30,000 to a city of more than 10 million within 27 years.

In China and Vietnam, household registration systems were used in the 50s to control population movement from rural to urban areas. China and Vietnam relaxed the registration system and rights of residence and entitlements in urban areas in the late 80s. Both countries have adopted a highly interventionist approach which had a significant impact on urbanization. For instance, land is owned by the state in China and is considered a key factor in governing the urbanization process. The state has substantial powers to requisition land for urban development, to convert the land to urban or industrial use, and lease it to the private sector at a profitable market value.

In other developing countries such as Indonesia, India and the Philippines, the approach shifted from central planning to bottom up with oversight from central government. The local governments of Jakarta and Daegu, for example, affirmed that they need to align their programs with national plans to secure budget allocation for their projects.¹³ Central forms of government could be traced to the legacies left by colonial powers of centralized administrative rule which was more suited to maintenance of law and order and revenue extraction rather than governance and participation at local level. Several countries with strong traditions of central planning continue to adopt this system. But where self-government was an indigenous form of government, decentralisation became more discernible when countries gained their independence. Several countries decentralized many functions such as revenue collection, planning (including strategic planning), legislation, delivery of services and others to local authorities. Resources to provide infrastructures and services, however, was limited as local sources and transfers from central governments were insufficient. Cities are looking into adopting innovative forms of financing to counter this.

Governments pursued bottom up planning while retaining the oversight function of higher levels of government, ie provincial, regional and national. Participatory planning was encouraged and many cities have adopted strategy planning as an alternative to a deterministic and inflexible master planning approach. Strategy planning relies a great deal on stakeholders' participation and is the key to its success.

The focus of planning policy is also evolving. In some countries such as Vietnam, statutory master plans, mainly spatial, and often inflexible inflexible, were executed. For example, the central government prescribes compliance to the National Master Plan 1999, a national urbanization policy which designates Ha Noi, Ho Chi Minh, Hai Phong and Da Nang as metropolises. From 2004 there have been several attempts to introduce a strategic planning approach in Hanoi, Ho Chih Minh and Danang. Yet the integration of this approach into the business process of Vietnam had marginal success.

Plans prepared by countries with democratic systems of government, eg the Philippines and Indonesia, took a more sophisticated form and are not mainly spatial and land use plans. These plans were subjected to reviews by the higher levels of government and were received with fairly broad participation from various stakeholders. The enforcement of these plans, however, was weak. The absence of a clear urban policy and development regulations that were rigid and not tailored fit local conditions could be at fault.

The size and influence of cities in Asia have changed. The number of metropolises and mega cities in Asia will continue to increase. Several big cities such as Bangkok, Jakarta, Manila and Seoul extended their planning boundaries to cope with the pace and scale of urbanization. Many cities in the region face serious environmental problems and the effects of climate change. These have prompted governments and stakeholders to plan as

a city region, take action, enact laws and regulations to mitigate negative impacts, despite the pace seeming to be slow.

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