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Background Paper for Working Group 1: Community Participation in Planning and Governance

We underline the importance of community engagement and involvement in sustainable development at the local level. We realise that appropriate urban governance is essential to the quality of life in cities. We recognise the need to find appropriate means to empower cities, within the context of each country's circumstances, to deal with the sustainable development challenges facing them, including through capacity development. We believe that in order to meet sustainability challenges, local governments need to re-define their roles by providing an enabling local environment, promoting ethical conduct, transparency and accountability in city administration, fighting corruption and encouraging participation of citizens in policy discussion, decision-making and implementation, and raising awareness of sustainable development through education, taking into account the national and local circumstances. We underscore a functioning legal system as an essential component of effective urban governance and as a solid foundation for ensuring citizen participation.

Hong Kong Declaration on Sustainable Development for Cities

Adopted at the at the Asia and Pacific

Leadership Forum on Sustainable

Development for Cities, Hong Kong SAR,

China, 26 February 2004

1. Introduction

A lot of attention has been given to the economic and demographic dimensions of Asia-Pacific's urban transformation. Indeed, the region does have a more conspicuous prominence of large and vibrant cities, several of them reaching mega proportions. The number of people residing in cities and who are moving to urban destinations remains globally unsurpassed. The region is indeed a veritable power house that has succeeded in shifting and recreating key nodes of the global production system. This economic prominence has led to the over-emphasis given to

economic characteristics, including that of its urban population. Quite often it is needs and demands, often defined in terms of consumption and production, that are brought to the fore, highlighting their implications for investment, production- flows and markets. The rich cultural attributes, including long-standing traditions of hard work, diligence, solidarity, and discipline are often addressed mainly as considerations for the accumulation process.   Even the under-side of the region's vibrancy – high levels of poverty and increasing inequity in urban centres – tends to be projected more in economic terms.

Yet, for the past two decades, the Asia-Pacific region has also exhibited an equal measure of vitality and dynamism in promoting community participation and engagement in the process of urban development. As the above opening quotation attests, there has been a strong and proactive commitment to harness and deploy the socio-political power and energy of the people at the local level. Over the years, there has emerged a rich corpus of experience and insights on modalities, successes, and challenges of enhancing this critical dimension of urban development. It is acknowledged that the region is currently faced with the challenge of sustaining its current economic growth, coping with the demands of urbanization, overcoming the challenges of poverty, and more urgently tackling the imperatives of sustainable development. To succeed in all these, and as the recent publication of the Asia Development Bank observed:

> …. the path emerging Asian nations take in urban development will need to use all these factors: private sector financing, community support, technological advances, political will, and more, if Asia is to leverage its booming urban populations into prosperous participants in the global economy.

2. Community Participation for Sustainable Urban Development

Communities, neighbourhoods, non-governmental as well as civil society organizations constitute an essential part of the foundation for urban development. Communities provide the sustenance for the organizational and systemic framework of urban management. While government, at various levels, steers the processes of decision-making and policy implementation across the national territory, communities can ensure specificity of inputs and effectiveness of outcome on the ground. Indeed, the private sector does also play an important role, especially that of generating increased dynamism and availing its economic power. However, the profit-drive associated with business - needs the balancing role of community participation to ensure societal stability, broader inclusion and ecological integrity. The latter set of factors constitutes the key elements of sustainable urbanization.

Community participation increases reach of governance, improves efficiency and effectiveness, and also enhances citizenship. In the context of the Asia-Pacific region, the diversity of settings across national territories, and also within cities, can only be catered for through the involvement of communities. There are sprawling urban settlements in Asia-Pacific region, spatial entities which are now known as urban regions. The region also has a burgeoning population within them creating a large concentration of megacities globally. Both these factors make it unfeasible to rely only on government agents and political representatives for managing the process of urbanization. Indeed, the sprawling and expansion of cities tends to narrow the space where citizenship can be effectively exercised and enjoyed down to the immediate local level.

Similarly social-political identity in such urban settings and the articulation of interest can only be fully realized within the immediate precincts of the community level. In essence, the community constitutes the cells which shape and drive the city and providing the energy for the overall urban system to function effectively. And in the pursuit of sustainable urbanization, where the linkage between the economy, ecology, and equity has to be maintained, it is community participation which can provide the impetus for that mode of development.

3. Policy and Practice

Perhaps it is not a coincidence that it was in the 1980s and 90s, the beginning of major socio-economic and political reforms and transformations – when the role of communities became more prominent. Reforms were initiated in almost every country, from New Zealand, through the Pacific islands, to the many countries in Asia and the Arab world. Participatory institutions, legislations, and organizational structures were either revamped or newly introduced.

The 73rd and 74th amendments to the Indian Constitution did not only decentralize authority and power to local government units – they also specified the key roles in governance of community-based organizations, women's groups, the urban poor and various arms of civil society. The revised Philippine Constitution of 1987 upheld the right of community-based, nongovernmental, and sectoral organizations to get directly involved in governance and to enable the people to pursue and protect, within the democratic framework, their legitimate and collective interests and aspirations through peaceful and lawful means (Article XIII, Section 15). In Pakistan, the law reorganizing urban local governments provides for non-elected citizens. The Citizen Community Boards (CCBs) are empowered to spend one fourth of the budget for community needs. The Constitution Act of 1997 in Thailand prescribed the establishment of local personnel committees with representatives not only from government agencies but "qualified persons" from communities. Articles 286 and 287 of the Thai Constitution also gave rights to residents to recall votes when elected officials are not trustworthy. (Amornvivat, 2004) In India, the programme for infrastructure funding of the Jawaharlal Nehru Urban Renewal Mission (JNNURM) requires state governments to enact citizen participation laws (Government of India, 2009).

In 1998, Vietnam adopted the Regulation on the Exercise of Democracy in the Communes. The provision defined a legal framework for consultative relations between local-level administration and the people, and affirms the role of citizens in local planning and decision making. It encouraged consultations, participatory decision making, and supervision by citizens. It also enhanced transparency of the plans, expenditures, and activities of People's Councils and People's Committees at the commune level. Similarly, while Indonesia's 1982 Ministerial decree on Guidelines for Local Development Planning and Monitoring (P5D system - Pedoman Penyusunan Perencanaan dan Pengendalian Pembangunan di Daerah) initiated the process of bottom-up planning, it was towards the end of the 1990s when substantive authority and power was transferred to urban local governments at the level of the kabupaten (regency), kota (town or city), kecamatan (sub-district), and kampung (village). The case of Solo (APMCHUD III host city) is among the best practices of process and outcomes in community participation. Starting with the Mayoral circular letter in 2001, the planning system has devolved to the lowest level thus fostering more stakeholder involvement as well as establishing a linkage between participatory planning and budgeting.

Similar references could be made to Sri Lanka's Community Development councils (CDCs) and Community Action Planning (CAP) process in which workshops are organized whereby community members discuss, consider, and take decisions on planning, implementing, and maintaining physical improvements to their settlements, as well as other useful developmental activities which affect them.

In New Zealand, the government initiated a programme of actions aimed at strengthening government engagement with citizens and communities. Among other things, it was agreed through an extensive consultation process that the Office for the Community and Voluntary Sector, assisted by the State Services Commission and Te Puni Kokiri, (Ministry of Māori Development) and in consultation with the Treasury and Office of the Auditor-General, will assess how community relationships can be included in wider work around improving and measuring government performance by 30 November 2010. Also agreed that the Office for the Community and Voluntary Sector and Cabinet Office work to clarify guidance in the Cabinet Guide regarding consultation with community and voluntary organisations on policy proposals

Countries that were coming out of natural disasters or conflict also demonstrated a strong inclination towards community participation. After two decades of war, Afghanistan's governance system has been completely decimated. In response the transitional government and UN-HABITAT has designed the National Solidarity Programme (NSP) which is aimed at strengthening the network of some 30,000 self-governing community institutions. The NSP has three objectives in empowering communities: (i) re-establishing relations between government and rural communities; (ii) providing grants for the reconstruction of physical and social infrastructure; (iii) empowering communities and establishing community-level governance structures. The programme establishes local community institutions and develops the ability of communities to plan, manage, finance and monitor their own development projects. Communities work with the government through elected representatives to their own Community Development Councils (CDCs), with regular consultations and consensus building among community members.

Similar initiatives have been documented for the Tsunami affected countries like Indonesia; for cities hit by ravages of floods and typhoons; as well as for those which are embarking on reconstruction programmes after devastating earthquakes.

On the whole, there is no doubt that, almost across the region the issue of community participation in Asia-Pacific has been mainstreamed in development management. With respect to the urbanization process, a regional overview highlights 4 areas where the process has been quite visible: in (i) sectoral projects and programmes – mainly shelter, environmental management, urban safety, and in service provision (ii) in vulnerability reduction as well as post-disaster and post-conflict reconstruction; (iii) in the day-to-day management of cities and (iv) in the activities of special interest non-governmental and non-profit organizations.

Much of the government reporting and academic literature confirms the extensive application of community participation practices and its contribution to achieving programme goals. The UN-HABITAT portfolio in the region, taken on its own, provides ample proof of this success. Other interventions in the areas of education, health, environment, micro-finance, entrepreneurship and even historical preservation attest to this achievement. The same applies to reconstruction processes whereby both at the level of mitigation and response the role of communities has been quite prominent. There seems to be a sound body of knowledge, tools, and impressive

organisatioinal capacities on community participation in the planning and governance of disaster related interventions.

On the whole, at the local level, community-driven development approaches are being pursued in a number of countries. These involve participatory, demand-driven support to defined communities, in which poor people and their organisations are treated as active partners in development and communities are usually solely responsible for the planning, implementation, monitoring and management of the projects. For example, community-driven approaches have been used in post-disaster areas, such as the North Java Flood Control Sector Project, Indonesia, reconstruction after the 2006 earthquake in Yogyakarta, Japan and rehabilitation and reconstruction and coordinated by government agencies, communities have been able to contribute information, voice their opinions and make decisions pertaining to such projects. In Cambodia, Thailand and the Philippines, federations of the urban poor made up of community-managed savings and credit groups have worked with national and local governments to design and implement programmes to provide housing and sanitation to slum dwellers.

It is the overall mainstreaming of community participation that has remained a challenge, despite the laudable reforms initiated in the 1990s. Most of those reforms were undertaken within the framework of promoting decentralization – whose effectiveness is dependent on a number of related factors. For instance, despite the enactment of decentralization and local autonomy measures, most urban local government officials are vested with only limited authority and power. As a result, the actual influence and power of local officials depend on linkages with national structures such as the executive branch, the national legislature and central government ministries and departments. In almost all Asian cities, governance structures include a policy making body such as a town or city council and an executive arm like a mayor. Because of the dominant power and influence of central governments, however, holders of such offices are often mere appendages of individuals and groups at the national level.

Furthermore, a key factor in the governance of towns and smaller cities is the inability of local urban governments to raise financial resources through taxation, borrowing, collecting user charges for urban services, and imposing fees and fines. On paper, some decentralisation measures specify allocation of funds to urban local governments. In the Philippines, for example, the Local Government Act of 1991 entitles local government units to 40 per cent of their internal revenue allotments and in Thailand, the Decentralisation Act of 1999 mandated that by 2006, locally derived revenues should be at least 35 per cent of total local government revenues. In practice, however, central government fund transfers are subject to arbitrary action by national officials. The lack of financial resources and unpredictability of fund releases make fiscal planning difficult.

It is however acknowledged that some parts of the region have a very vibrant civil society – which organizes itself in various organizational forms, including non-governmental organisations, non-profit organisations, cooperatives, neighbourhood and community based organisations. Many of these tend to be issue based and may work with government while maintaining autonomy. Their impact has gradually been increasing, particularly with the expanding democratic space in the region.

4. The Way Forward

Community participation in planning and governance in the Asia-Pacific seems to be predominantly project and programme based ; also extensively deployed in reconstruction undertakings. The impetus of the 1990s that was aimed at mainstreaming the process in day-to-day management of urban systems has not ground. Success stories are in many instances at the city level. For many countries Master planning seems still to hold sway – a practice which is technocratic and alienating to communities. Furthermore, while there are isolated cases of promoting participatory governance- by fostering accountability, transparency, civic engagement at the local level – the practice has not fully gained ground across the region. More urgently, the notion of sustainable urban development, which calls for more holistic and integrated urban development, and ensures an effective linkage between the economy, society and environment, is not fully operationalized.

While the above challenges obtain, the region is also endowed with a diverse range of experiences on community participation and also with a dynamic set of institutions for capacity building as well as for backstopping joint initiatives. The latter category includes regional economic communities which are increasingly paying attention to the urban agenda. It is highly recommended that steps be taken to jointly deploy these facilities with a view to consolidating the practice of community participation in planning and governance, with specific attention given to the imperatives of sustainable urban development.

Some of the areas which can generate such joint activities include: knowledge exchange, also facilitated by information and communication technology; legislative reforms; capacity building; the development of tools; as well as development of organizational systems to foster deeper subsidiarity and decentralization. In developing these joint and collaborative undertakings, apart from responsible government Ministries, the prominent institutions that are spread across the regions can serve as anchors for such initiatives. Among these, can be universities as well as research and training institutions, umbrella organisations of cities; professional bodies; bilateral and multilateral institutions such as UN agencies, ADB, ASEAN, APEC, SARC, JICA, AusAid, as well as other development institutions.

APMCHUD III **needs to come up with an action plan on how to deploy the regional assets and facilities for developing collaborative undertakings aimed at promoting community participation in planning and governance**.