1. Overview

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URBANIZATION AND SUSTAINABLE DEVELOPMENT

Urbanization—the spatial concentration of people and economic activity—is arguably the most important social transformation in the history of civilization since man changed from being a nomadic hunter-gatherer and adopted a settled, subsistence agricultural way of life. While the timing and speed of urbanization have varied and are varying between countries, regions, and continents, the urbanization process has taken hold everywhere. It has proven to be an unstoppable and a mostly desirable phenomenon. Cities are the foundation of modern civilization; they are the engine room of economic growth and the centers of culture, entertainment, innovation, education, knowledge, and political power.

While the antecedents of urbanization are long, contemporary urbanization is now predominantly a developing-country phenomenon, centered largely in Asia. Urbanization in Asia involves around 44 million people being added to the population of cities every year. To put this in perspective, each day a further 120,000 people are added to the populations of Asian cities, requiring the construction of more than 20,000 new dwellings, 250 kilometers (km) of new roads, and additional infrastructure to supply more than six megaliters of potable water.

Urbanization has bought enormous economic and social change and benefits to most Asian countries. It has been pivotal to economic development and the growing wealth of nations in the Asian region. Urbanization has been associated with the creation of jobs for millions of people and with reductions in absolute levels of poverty. Equally important, urbanization is changing the social fabric and culture of nations. It is redefining peoples' lifestyles, employment, welfare, social structures, and institutions and creating new power relationships in households, organizations, and government. It is changing peoples' lives.

Urbanization in Asia, however, is coming at a price. More than 12 km^2 of mainly productive agricultural land and foreshores are lost daily to generally poor-quality forms of urban development. Traffic congestion and pollution continue to grow, reducing the quality of life in many urban environments. Overcrowding has become endemic in many cities. Urban poverty,

associated with unemployment and the lack of access to adequate housing and services, is an increasing social problem. Urban governance—the institutions and arrangements for the planning, provision, and financing of urban infrastructure and services—has been swamped by the speed and magnitude of urbanization. There are major backlogs in the provision and maintenance of urban infrastructure and services and, if existing policy responses continue, these will worsen as urbanization continues.

Urbanization in Asia is associated with social, economic, political, and environmental transformations of unprecedented proportions. By necessity, it has elements of unpredictability and chaos. Nevertheless, as a matter of public policy, urban growth has been implemented haphazardly and inefficiently.

At best, such problems are slowing improvements in living standards and reducing the potential benefits of urbanization; at worst, they are undermining the economic, social, and environmental sustainability of Asian cities.

The urbanization process in Asia should and could be executed more efficiently and effectively. This would increase the benefits of urbanization by diminishing constraints on economic productivity and improving living standards and urban amenity. It would also reduce the human, economic, and environmental costs. Central to achieving this end is improvement in governance.

Improvements to the sustainability of Asian cities and the quality of life of their inhabitants will require nothing less than massive programs of public and private sector investments. The scale of such investments will dwarf those carried out through the Marshall Plan in the late 1940s and early 1950s or the urban public infrastructure projects in Europe in the 19th century. Central to undertaking these investments successfully is the capacity of urban governments and management to plan, implement, and finance infrastructure provision and service delivery both directly and through partnerships with the private sector. This will require political leadership and commitment to bold plans, as well as technical capacity and financial prudence. The continuation of present levels and systems of investment will see the sustainability of many Asian cities deteriorate and the gradual erosion of the quality of life for the urban population who are unable to insulate themselves from environmental problems through the private purchase of environmental goods.

In the absence of large-scale urban environmental improvement programs, the outlook for Asian cities is stark; many are reaching crisis points, as the Songhua River chemical spill in the northern People's Republic of China (PRC) in November 2005 demonstrated. While most cities will struggle to muddle through, history suggests that urban environmental crises are likely to eventuate before governments provide the leadership and focus necessary to address urban environmental degradation. The cholera outbreak in London in 1846 initiated the building of the world's first and largest urban sewer

system, involving more than 2,000 km of sewers, which were constructed between 1858 and 1865. The London Great Smog of 1952 was the precursor to the switch to cleaner fuels. In the late 1980s, the Han River, Republic of Korea, became so polluted that the city of Seoul was unable to maintain a potable water supply, forcing authorities to embark on one of the biggest environmental clean-up programs in Asia. While generalizations are hard to make and conditions vary between countries and cities, urban environmental crises are likely to continue to occur in Asia until large-scale urban environmental improvement programs are implemented.

Managing the urbanization process and its consequences has not, to date, gained a central position in national policy debate in Asian countries. Concerns about the costs of urbanization and the sustainability of Asian cities receive relatively little comment in public discussion compared to national economic, political, and security concerns. National governments have concentrated on growth, international competitiveness, the attraction of foreign investment, and the creation of jobs for the growing number of unemployed or underemployed persons in Asian cities. The deteriorating urban environment appears to have been viewed as the inevitable cost of international competitiveness and economic growth. There is also a tendency to look at particular sectors rather than at the totality of what is happening in cities. This is reinforced by the sectoral structure of the administration of national governments and local government boundaries that rarely facilitate citywide analysis. Whatever the reasons, the economic, social, and environmental costs of urban development in Asia are now reaching critical thresholds.

The focus on urban issues has also waxed and waned in international institutions like the Asian Development Bank (ADB), United Nations (UN) agencies, and World Bank. Urban issues have generally had a relatively low priority in country program strategies, which tend to focus on economic development and poverty reduction without considering its spatial dimension. This is puzzling because urbanization has been associated with the largest reductions in poverty in history and is an area where strengthening policy development and program implementation would result in major improvements in economic productivity and welfare. It is particularly ironic in the light of the otherwise rapidly expanding agenda for international development. The focus on urban issues appears to have been lost in the complex web of interrelationships that make up the urbanization process, such that priorities are difficult to determine. Also, international development agencies are most comfortable dealing with national governments and agencies, which tend to focus their attention on sectoral frameworks.

The result has been that national governments and international development agencies have made only a relatively modest effort in regard to urban

issues. Such efforts have usually involved tinkering with urban policies and programs; too little effort has been put into developing the enabling environment in countries for effective local government operation and into strengthening urban governance and local capacity building. As a result, few pilot urban programs demonstrate sustainability in terms of financing and affordability, size and capacity of local government, scaling-up capability, and provision for ongoing operations and maintenance. Many urban projects have been abandoned or have fallen well short of expected performance targets once support has ceased.

Recent years have seen a renewed interest in Asia in urbanization and the spatial dimensions of development. Two interrelated factors have brought this about. First, it has become increasingly difficult to ignore the social, economic, and environmental challenges associated with cities, which can only be efficiently addressed through local policies and programs. Second, national governments in Asia have increasingly recognized the political and financial benefits of decentralizing service provision to local governments and institutions. Decentralization policies of Asian governments are increasingly placing urbanization issues at the local government level with the expectation that these governments will play a more active role in managing urban development and financing urban services.

Across developing Asia, there is now an increasingly urgent need for large-scale urban environmental improvement programs and for strengthening urban governance and the capacity of local institutions to plan, implement, and finance infrastructure provision and service delivery. This is a potent mix. Both need to be achieved in concert, as one depends on the other, and the scale of the problem is continually increasing as urbanization continues. Time is critical. Probably at no time in history has so much infrastructure been required in such a short period.

There is no easy solution to this dilemma and approaches will vary between countries and cities, but there is probably no alternative to concerted, incremental efforts to strengthen urban governance and management. Within such an approach is an important role for central governments and international development agencies. Central government is particularly important in setting the enabling environment for local governments. Local governments will only be capable of meeting the challenges of urbanization if appropriate national administrative and financial arrangements enable them to match their service obligations with their financial resources. Much also needs to be done through institutional development and management and staff training to strengthen local authorities and institutions so they can fulfill their tasks more efficiently and effectively. There is also the need for increased research on urbanization and urban management, including that dealing with the interre-

lationships between infrastructure and service provision, capacity to pay, and the relative competitiveness and economic performance of cities.

GOOD PRACTICE APPROACHES TO URBAN DEVELOPMENT

How to address the many issues associated with the growth of Asian cities is a difficult question. The answer of strengthening city governance and improving local resource mobilization is deceptively simple but involves many complex problems and will be very difficult to achieve in a timely manner. There is no alternative.

Vast amounts of capital, along with improved city planning and management, are required to address the health, sanitation, water supply, shelter, and transportation needs of cities. National governments in Asia are increasingly recognizing that they do not have the ability or the resources to efficiently provide the infrastructure and services necessary to make Asian cities more sustainable and livable. Development partners will play only a very modest role in addressing these problems: aid from developed countries to all developing countries totals only $79 billion per annum, around one quarter of Asia's annual infrastructure requirements—and there are many other competing priorities.

Increasingly across Asia, decentralization of urbanization issues from national to provincial and local governments is the approach being taken. Cities, if they are to become more competitive and able to provide necessary infrastructure and services in this decentralized environment, will need to become much smarter and more efficient. This will not simply evolve. It will require substantial investment in strategic planning, institutional development and capacity building, and management and financial systems development. The importance of human resource development in all areas of urban governance and across the various levels of management and staff cannot be overemphasized. It will involve city governments partnering with community groups and leveraging capital and resources with the private and international sectors to deliver the services that increasingly affluent urban communities have come to expect. It will also involve paying greater attention to environmental and social development issues.

Developing and applying "good practice" is one modest, relatively inexpensive, and effective approach to strengthening urban governance and management. City management needs timely information on approaches that have been successful elsewhere and can be applied locally. The success of adopting good practice as a strategy to achieve more sustainable development in Asian cities will depend upon the creation and building of networks and information systems to disseminate and share knowledge and ideas about

how good practices in fields of urban management and infrastructure and service provision can be applied more broadly.

The nature of urban development with its multiple stakeholders and complexity of issues mean that no strict blueprint for "good practice" can be identified. Good practice is relative to the cultural, administrative, economic, and environmental contexts. A general definition of best practice developed by the UN that adequately covers its key attributes is "Planning and/or operational practices that have proven successful in particular circumstances. Best practices are used to demonstrate what works and what does not and to accumulate and apply knowledge about how and why they work in different situations and contexts" (United Nations Development Program [UNDP] 2006).

Not all good or best practices will, by themselves, necessarily contribute to sustainability. A good practice measure aimed at increasing economic growth, for example, may come with significant environmental and social costs. In suggesting good practice for sustainable urban development, there is a need to consider the economic, environmental, and social dimensions. The wide variations between urban areas in these dimensions mean that it is often not possible to simply transfer, without adaptation or modification, approaches from one urban area to another. Some good practices may not be transferable at all and we are often not aware of the impacts some practices may have over time.

A further problem in considering the transferability of good practice is that there will always be inconsistencies in the data on urban areas and between regions and countries, which can influence the appropriateness of policies and programs. Also, data on most urban areas in Asia suitable for policy and planning are generally lacking, such that predicting the impact of policy changes becomes difficult. There is a critical need in Asian countries for increased investment in research and data on urbanization and urban management.

Despite the problems and limitations of the good practice approach, sharing knowledge is a fundamental tool for promoting improved approaches to sustainable urban development. This approach, however, must be applied prudently. The stamp of good practice is no substitute for critical assessment.

FRAMEWORK FOR ANALYZING GOOD PRACTICE IN ASIA

This book presents case studies of "good practice" urban region development from 12 countries in Asia. The aim is to highlight examples of urban development good practice that demonstrate elements of sustainability and that may be transferable in part, or as a whole, to other cities and countries. The book presents 36 case studies from Bangladesh, Cambodia, PRC, India,

Indonesia, Lao People's Democratic Republic (Lao PDR), Malaysia, Pakistan, Philippines, Sri Lanka, Thailand, and Viet Nam.

The case studies are classified under broad fields or headings. This provides the framework for systematically documenting, comparing, and deriving lessons of good practice for sustainable urban development. Each good practice is assessed on how it contributes to one or more of

- good governance,
- improved urban management,
- effective and efficient infrastructure and service provision,
- financing and cost recovery,
- social and environmental sustainability,
- innovation and change, and
- leveraging international development assistance.

The case studies were chosen by the authors of the country chapters. They were asked to select case studies that demonstrate innovative and successful approaches to urban issues and problems and that can be replicated in other urban areas. The authors were also asked to pick examples at different levels of urban development to avoid focusing only on large metropolitan centers. Unfortunately, time, resources, and the need to limit the length of the book meant that case studies from other Asian nations could not be included.

Many good practices cited in the case studies were developed under projects and programs involving assistance from ADB, World Bank, UN agencies, other international development assistance agencies, nongovernment organizations, and private sector organizations.

A large body of literature and numerous websites describe examples of good practice used to support sustainable urban development.[1] Their quality varies widely and some are little more than project descriptions attached to a search engine. The relevance and usefulness of information on good practices are questionable in the absence of analytical and contextual content.

In preparing the case studies for this book, the authors have responded to this problem by placing the good practice examples within an analysis of the countries' decentralization policies and programs. While the central subject is good practice, a large part of each chapter is devoted to exploring the country context. Lessons learned from each good practice example are then identified and their relevance discussed in relation to improving the overall development of the region concerned. In conclusion, the authors draw together the information on national decentralization policies and lessons learned to identify any key strategies that the country concerned could implement to improve urban development.

GLOBAL GOOD PRACTICE CASE STUDIES

To balance the discussion on the Asian case studies, a chapter on global good practice case studies of urban development has been included. The global case studies are presented as small vignettes. Five cities have been selected from five continents—Curitiba, Brazil; Vancouver, Canada; Brisbane, Australia; Singapore; and Manchester, United Kingdom. These cities have all won international awards or are recognized as leaders in developing and applying sustainable urban management practices. While other cities could have been selected for inclusion, the case studies provide a broad cross-section of good practice approaches to good governance, urban management, infrastructure provision, sustainability, innovation and change, and leveraging of capital and other resources.

Caution is necessary when comparing the global and Asian case studies presented. The former are generally set in the context of more advanced economies where governance systems are more highly developed, resource constraints are of a much lower order of magnitude, well-developed instruments of resource mobilization and urban infrastructure exist, and housing is of a much higher quality. Also, these cities are not generally facing the pressures of very rapid urbanization. Although these global case studies may not be transferable now, they provide a guide to future directions and approaches in Asian cities.

CONCLUSION

The case studies presented in this book draw upon a wide range of urban development experiences. Table 1.1 provides a quick summary of the 36 good practice case studies for the 12 Asian countries and of the 5 global good practice case studies. It is recognized that many Asian city case studies are not global good practice. They are, however, considered national good practice. The content and scope of the case studies vary significantly from modest examples of local government leadership and community action to major reforms of tax bases.

Table 1.1: Summary of Asian and Global Good Practice Case Studies

Urban and Heritage Conservation, Luang Prabang, Lao PDR

Asian Case Studies	Good Governance	Urban Management	Infrastructure and Service Provision	Financing and Cost Recovery	Social and Environmental Sustainability	Innovation and Change	Leveraging ODA
Bangladesh							
Chittagong: Dynamic and Innovative Leadership	✓		✓				
Shakti Foundation: Microcredit Program				✓			
Bangladesh Environment Movement (BAPA)		✓				✓	
Cambodia							
Phnom Penh: "Planning for All"	✓	✓	✓	✓	✓	✓	
Battambang Town Study	✓	✓	✓	✓	✓	✓	
Growth Pole Strategy for Kratie	✓	✓	✓	✓	✓	✓	✓
People's Republic of China							
Nanjing: Revitalizing the Inner City	✓	✓	✓		✓		
Shenzhen: Building a City from Scratch	✓	✓	✓	✓	✓	✓	
Liaodong Peninsula: Reviving Rustbelt Industries	✓	✓	✓		✓	✓	
India							
Ahmedabad: Issuance of Municipal Bonds	✓	✓	✓	✓		✓	
Andhra Pradesh: Reform of Property Taxation	✓	✓		✓		✓	
The National Urban Renewal Mission (NURM)				✓		✓	
Indonesia							
Tarakan: East Kalimantan: Balanced Development	✓	✓	✓	✓	✓	✓	
Sleman: Managing Rapid Urbanization	✓	✓	✓	✓	✓	✓	✓
Jembrana, Bali: Community Improvement Program	✓			✓	✓	✓	
Lao PDR							
Vientiane: Urban Region Village Area Improvements		✓	✓	✓	✓		
Luang Prabang: Urban Improvements and Heritage Conservation		✓	✓			✓	
Savannakhet: East-West Economic Corridor	✓					✓	✓

Asian Case Studies	Good Governance	Urban Management	Infrastructure and Service Provision	Finance and Cost Recovery	Social and Environmental Sustainability	Innovation and Change	Leveraging ODA
Nhieu Loc – Thi Nghe Canal Improvement Project, Viet Nam							
Malaysia							
Petaling Jaya: Local Agenda 21 Implementation	✓		✓		✓	✓	
Putrajaya: Model City					✓	✓	
Cyberjaya: Multimedia Super Corridor	✓				✓	✓	
Pakistan							
Lodhran: Community-based Sanitation Pilot Project		✓	✓	✓			✓
Faisalabad: Community-based Water and Sanitation Project		✓	✓	✓		✓	
Lahore: Solid Waste Management		✓	✓	✓	✓		
Philippines							
Bacolod City Study	✓	✓	✓		✓		
Naga City Study	✓	✓	✓	✓	✓	✓	
Iloilo City Study	✓	✓	✓		✓		✓
Sri Lanka							
Colombo: Community-based Solid Waste Management	✓	✓	✓		✓	✓	
Colombo: Health and Environment Management	✓	✓	✓			✓	
Colombo: Clean Settlements Program	✓	✓	✓	✓			
Thailand							
Muang Klaeng Municipality: Sustainable City Initiative	✓	✓			✓		
Phichit Municipality: Waste Recycling	✓	✓			✓	✓	
Songkhla Municipality: Waste Management and Education	✓	✓			✓		
Viet Nam							
Phu Thuong, Hanoi: Institutional Building in Urban Upgrading	✓	✓	✓		✓		✓
Nhieu Loc-Thi Nghe Basin: Environmental Improvement	✓	✓	✓		✓		✓
Nam Dinh City: Urban Upgrading	✓	✓	✓		✓		

Global Case Studies	Good Governance	Urban Management	Infrastructure and Service Provision	Finance and Cost Recovery	Social and Environmental Sustainability	Innovation and Change	Leveraging ODA
City of Brisbane, Australia							
Curitiba Brazil: Sustainable Transport and Environment	✓	✓	✓	✓	✓	✓	
Vancouver Canada: Regional and Environmental Management	✓	✓				✓	
Brisbane Australia: Management Model and Infrastructure Plans	✓	✓	✓	✓		✓	
Singapore Housing, Logistics and Environmental Management	✓	✓			✓	✓	
Manchester United Kingdom: Environmental Management	✓	✓	✓		✓	✓	

ODA = official development assistance.

Notes

[1] Websites on sustainable regional development and best practice include Sustainable Regions: www.sustainableregions.net/site/index.php?article=1; Asia Foundation: www.asiafoundation.org/Locations/taiwan.html; Good Practices UNDP: www.undp.org/rbap/BestPrac/surf_guidlines.htm; United Nations Centre for Human Settlements: www.bestpractices.org/ and sustainabledevelopment.org/; UN Center for Regional Development: www.uncrd.or.jp; and Institute for Management Development: www02.imd.ch/wcy/fundamentals.