

The Afghanistan Research and Evaluation Unit

Proceedings of a Roundtable Discussion on Planning New Afghan Cities

Can urban planning promote equitable growth and democratic governance?

AREU Boardroom, 1 June 2011



June 2011

A roundtable on urban governance was held at the Afghanistan Research and Evaluation Unit (AREU) on 1 June 2011, with approximately 20 participants. AREU researcher Tommaso Giovacchini made a presentation, which was followed by an open discussion. While AREU staff enjoyed hosting the event, the opinions expressed during the roundtable and summarised here do not necessarily reflect those of the organisation.

Presentation: Key findings and a further research agenda based on AREU urban governance research

Tommaso's presentation was based on the following notes, which were distributed to participants prior to the event.

The scoping and preliminary phase of an AREU urban governance research project was conducted in the cities of Herat, Charikar and Jalalabad between September 2010 and April 2011. A total of 82 structured and semi-structured interviews and 14 focus group discussions were conducted by an Afghan research team under the supervision of an international researcher. A specific participatory mapping methodology was developed for the research, as well as 15 guides for structured interviews and two templates for focus group discussions. The fieldwork included a three-week participant observation scheme, with the development of a research journal.

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1. The research rested on a hypothesis that urban transition in Afghanistan is unfolding in the context of a crisis of current local governance arrangements. Rapid urbanisation triggers a *crisis of representation* that involves new and old urban groups and interests. An important manifestation of the urban governance crisis is the incapacity of pre-existing regulatory mechanisms to address the new challenges associated with the urban expansion.

A specific research question was identified to narrow down the scope of the study. AREU specifically investigated “how the crisis of representation triggered by urban transition affects land use regulatory mechanisms, primarily city plans and processes for the implementation of urban planning provisions by local administrations.”

Evidence gathered from the first phase of the project allows us to present some preliminary findings as we as define a future research agenda of specific and interrelated hypotheses.

2. The fieldwork as well as previous research shows that expectations on access to services and livelihoods opportunities are behind most decisions by landless households, especially in areas affected by recurrent droughts, to resettle from provincial districts to urban areas. The *new urban constituencies* created by rapid urbanisation are particularly mobile, at provincial, national and international scales.

How these new mobile constituencies can represent their expectations on access to services and livelihoods opportunities is a policy issue for future research.

3. Critical *baseline knowledge gaps* were identified about urban populations, city boundaries, municipal finances and socio-economic data in the expanding urban areas studied. Incongruent and inconsistent available data may undercut policies designed to address the needs and demands of urban dwellers.

The question here is to what extent *missing baselines contribute to a democratic deficit* in Afghan cities, for instance undermining Article 141 of the Afghan constitution on the election of city mayors and municipal councils.

4. Initial findings refute the possibility of a neat divide between formal and informal settlements. As the city expands, *the demarcation between “formal” and “informal” dissolves*. Attempts to distinguish informally developed areas from urban settlements established in compliance with land use provisions generate unrealistic and unmanageable data on informality in the city.

Likewise, a distinction between portions of the city informally settled and others illegally grabbed is blurred as overlapping claims to the same parcel of land are commonplace across a vast majority of the new developments.

Finally, initial evidence indicates that uncoordinated delivery of urban services by local, national and international providers *invalidates the equation between informality and urban vulnerability*. In fact, settlements in breach of land use regulations may have gained relatively better access to urban water and electricity than other sections of a city.

Thus, research on urban vulnerability should *shift focus from informal settlements to insecurity of land tenure across the entire urban space*, encompassing the continuum from spontaneous settlements to formal developments.

5. Analysis of the field data points to a number of diverse factors that bring on tenure insecurity, or conversely enhance security of land tenure. Those factors include: effects from urban infrastructure projects wherever they are localised, provision of services through urban relief and development initiatives, urban politics, patronage networks, the quality of housing stock, titling documents available to a household, and land use regulations and planning instruments.

A research hypothesis from the first phase of the research is that *tenure insecurity is a multi-factor process, which operates in urban areas with different degrees of formality*. Security of land tenure cannot be reduced to the effects of land use regulations or to the provisions of the master plan.

6. How to increase tenure security without strengthening mechanisms of patronage must be considered in areas where urban politics and patronage networks are assumed to sway security of land tenure.

An urban governance agenda could seek policies to *expand security of tenure without reinforcing patronage politics, while addressing urban vulnerability, enhancing social accountability and promoting citizens’ participation*.

Tenets of such a policy may include: *avoid a piecemeal regularisation process* of urban areas in breach of land use regulations, *establish city-wide regularisation mechanisms* not centred on individual settlements, and ensure *representation of residents in informal settlements* (i.e. outside the municipal tax-base) *within municipal councils* and in the choice of city mayors.

7. Initial data analysis does not indicate an increase in municipal revenues from tariffs and levies. Such an increase could have been anticipated, though, as a consequence of rapid urbanisation. Arguably, since cities grow by informal development there is *no significant expansion of their tax base*, as levies and tariffs are collected from areas that comply with regulatory instruments on land use.

Annual revenues from tariffs and levies are absorbed by operating budgets. Budgeting procedures discourage mid-term development projects, as they are rigid, centralised

and take a strictly annual horizon for financial planning. Connections between municipal budgets and Provincial Development Plans were not identified.

As a result, it appears that *fiscal constraints and budgeting procedures hinder the formulation of development budgets, infrastructure plans and investment plans.*

8. If claims to the contrary cannot be substantiated, by default any parcel of land is government land following Presidential Decree 83 (2004) and the Law on Land Affairs (2008). On the whole, the legislative framework has not yet proved capable of establishing a system of enforceable and transferable property rights to regulate real estate transactions between private citizens or to leverage capital for urban development. Housing finance is basically absent in Afghanistan, at less than one percent of GDP.

Conversion of farmland is explicitly discouraged by the current legislation. In theory, the Ministry of Agriculture cannot authorise the conversion of cultivated land of any type, and only barren and uncultivated soil can be turned to residential, commercial or industrial uses. The conversion procedure is cumbersome and includes a number of provincial and national line departments. It appears that *land grabbing* by local strongmen and politico-military entrepreneurs has proved *a common form of land conversion*, as they allocate farmland to their clients and headmen who often sell it as residential.

As a research hypothesis, we may suggest that the *preconditions to establish real estate markets consistent with the needs of urban transition have not been met yet.*

9. Initial evidence points to the emergence of a *new generation of master plans* (sometimes known as “strategic municipal action plans”) meant to replace the old ones outgrown by the urban expansion. Although their intended objective is to provide up-to-date land use regulations to promote urban development, their most immediate result may be to *legitimate conversion of land uses* via a less ponderous procedure.

However, despite the easier allocation of land to various urban uses, master-plan implementation is expected to remain piecemeal and fragmentary due to fiscal and procedural constraints in the budgets of the municipal administrations tasked with their execution. *Piecemeal implementation may become discretionary*, with a risk of *speculative manoeuvres on the real estate markets.*

Findings from the field research consistently supports the hypothesis that *sale of public assets* represent a significant—sometimes the most significant—source of revenue in a few municipalities.

It seems that municipal governments regulate the real estate market by *timing the implementation of the master plan* through the ad-hoc development of area-specific zoning plans (*tafsily* plans). Municipalities are then reported to purchase private land or acquire land from the Ministry of Agriculture. Finally, they return it to the real estate market as residential lots.

As a hypothesis, a few municipal administrations may combine the function of public regulator with that of private developer, through a complex multiple role of *regulator* of the real estate market, *buyer or acquirer* of raw land, and *seller* of residential lots.

10. Our preliminary findings relate to a limited sample of cities and further investigation is important. However, three questions for a research agenda stem from data collected on the role of local administrations in their relative real estate markets.

Firstly, there is a potential issue of *transparency and accountability* if local governments play the role of traders in market they regulate (or contribute to regulating) through the implementation of master plans.

Then, there is a question of *fiscal sustainability* should municipal administrations be financed mostly through sale of public assets. Returns can indeed be substantial but we gathered evidence that they are volatile and unpredictable too. Moreover, public assets are supposed to be limited in a given urban area and such a financing strategy could prove a short-term solution to structural financing challenges.

Finally, in such an approach to the real estate market, *access to information* on the master plan may be hampered and even denied, undermining citizens' ability to participate and preventing the establishment of social accountability arrangements. AREU field experience in the sampled cities clearly showed that a *city plan may in fact be considered a confidential document*, with restricted access.

11. The research project explored possible options and opportunities to address the crisis of representation associated with urban transition, with particular reference to territorial planning. The most relevant finding seems to be that *grassroots governance arrangements* may be in place, or rapidly evolving, in areas where important physical transformations of the urban space are projected or occurring. Those arrangements present a complex architecture on which urban development projects could rest and plans of action for the city could rely.

Generally, however, they are unable to address issues of gender based exclusion, as evidence of women's participation is limited.

Selected images from Tommaso's presentation

This is a caravanserai in Charikar: it represents the linkage between the rural and urban economies. Many such traditional structures are slated for demolition.



Photo by Wamiq Mumtaz

The following images juxtapose formal and informal settlements, demonstrating that the formal/informal label is insufficient for capturing the realities of urban development:



Informal (Jalalabad)



Informal (Jalalabad)



Informal (Charikar)



Formal (Charikar)



Sanitation, formal settlement (Charikar)



Water kiosk, informal settlement (Charikar)

Photos by Tamim Sharifzai and Zara Nezami

Charikar's Old City (left), slated for demolition, and the relocation site in the barren lands of Top Dara (right)

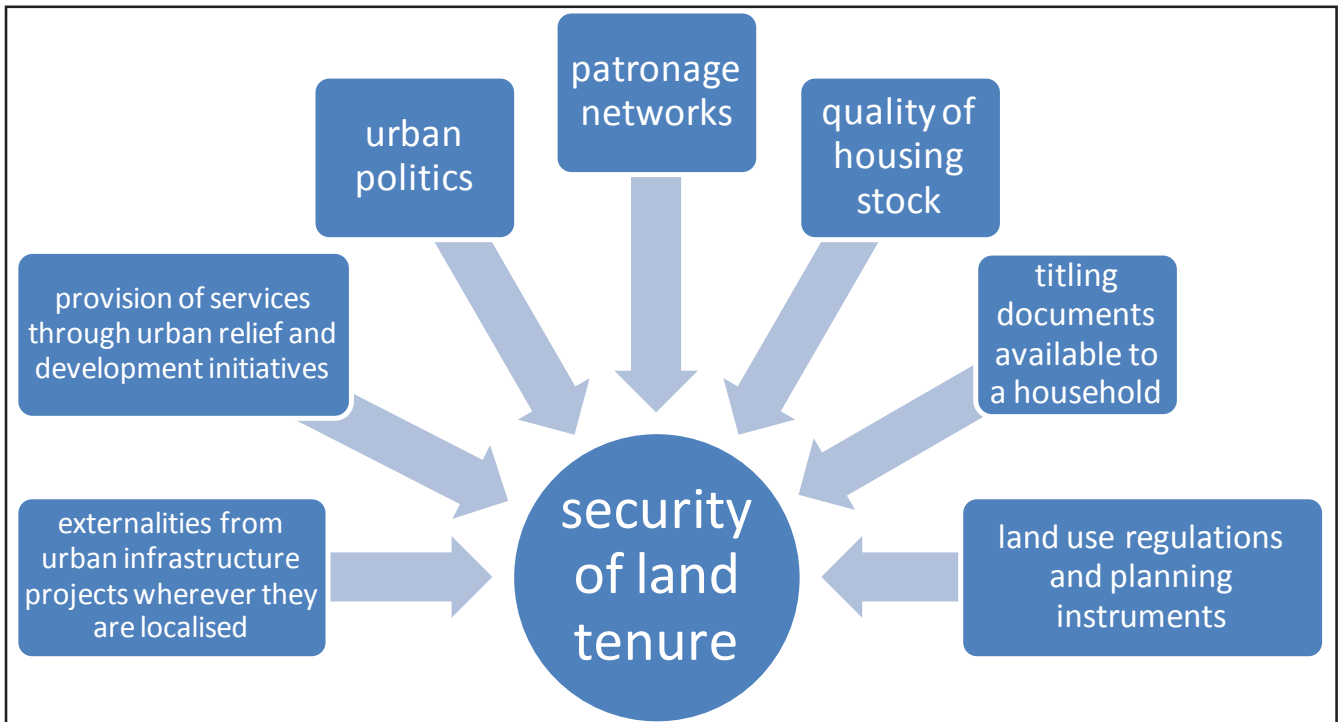


Photos by Wamiq Mumtaz, Ahmad Gul Asiar and Tommaso Giovacchini

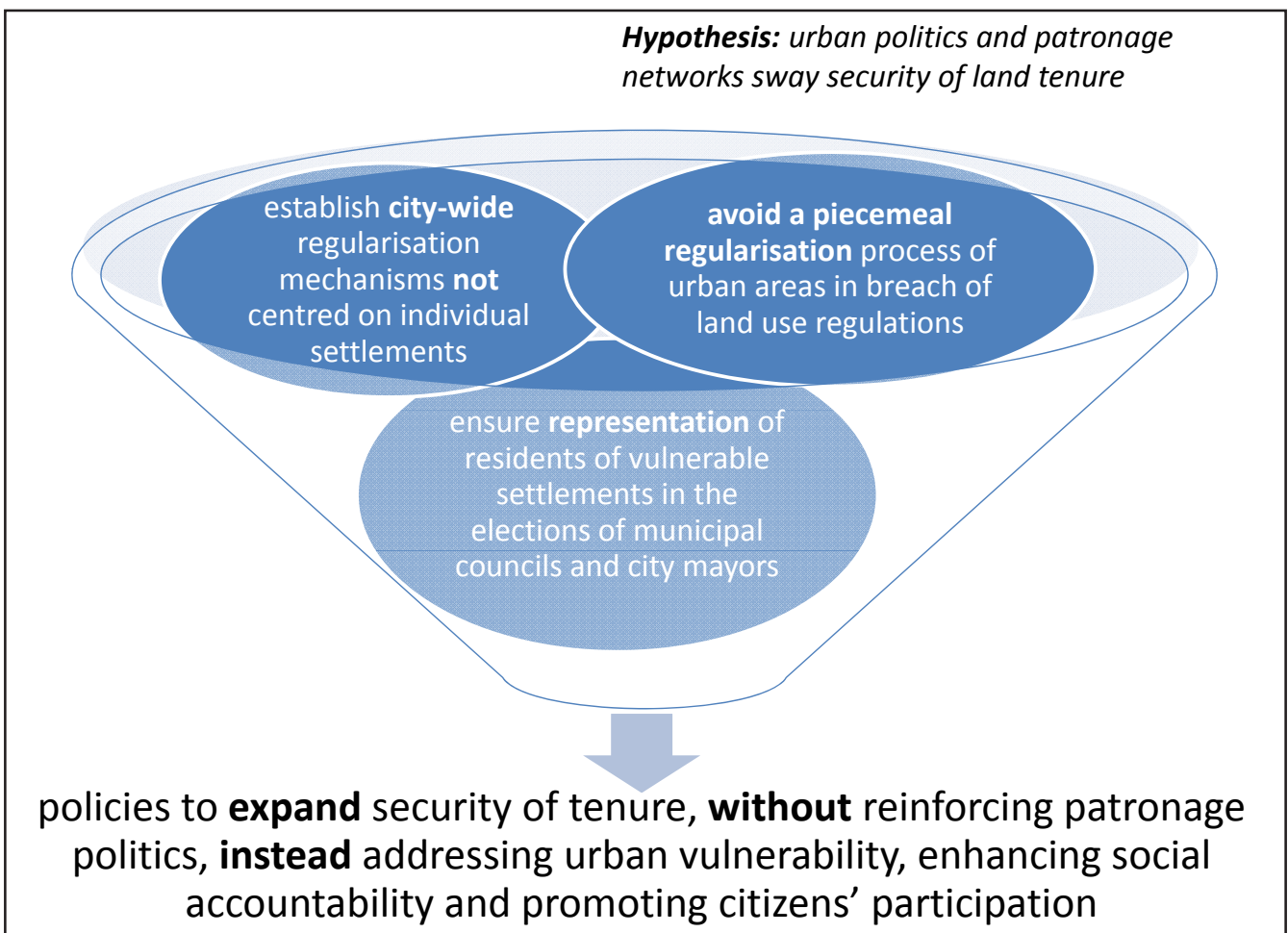
This is the Charikar master plan overlaid onto a satellite photo of the city:



A diagramme showing factors influencing security of land tenure in the studied cities:



Suggested policy steps to expand tenure security across a city, without reinforcing patronage networks:



Discussion

What follows is a lightly edited and abridged record of the discussion that followed Tommaso's presentation, based on realtime notes.

Q: Across the initial phase of the urban governance research, did you identify issues of institutional overlapping between provincial and municipal administrations? In particular, did you encounter cases where municipal revenues had been transferred to the provincial government?

A: There are cases of very tight coordination, if not actual overlapping, between the provincial and municipal tiers of sub-national governance. The upper-class residential development in Gulghondai, Charikar, was definitely conceived by the provincial administration, which led the initiative, although the municipality was fully involved. The whole process that resulted in the new master plan (or "municipal strategic plan of action") for the city of Charikar, ratified in January 2009, seems to have been set off by the provincial governor, even if the formal procedure was initiated by the municipality. Provincial governors carry soft, but meaningful, powers over any state agencies in the provinces, including the municipalities

However, in the initial stage of our research we did not gather any first-hand evidence of financial transfers from a municipality to the provincial government.

Nonetheless, a municipal administration or a mayor is very unlikely to have full control of the huge revenues accruing to the municipal bank account because of the role of a municipality in the real estate market. Those substantial financial resources are generated with critical assistance by the provincial governor for the realisation of residential development projects, and the management of those resources and bank accounts are most probably tightly coordinated and fully concerted between the governor and municipal administration.

In practice, a *tafsily* plan (detailed area plan) could not be developed in the current governance settings without a governor's approval. A governor's soft powers over the municipality and the concerted use of real estate revenues are not paralleled by a connection between provincial and municipal planning levels. For example, the Provincial Development Plans (PDPs) do not significantly affect urban planning, as PDPs operate as an interface with donors and not as a local development strategy or a planning instrument.

Q: Thinking about AREU's core objective to have policy impact, how can we take the urban governance research further and distil the findings into something of value to mayors, the Independent Directorate of Local Governance, etc? They may say, "we know all about this, we just don't talk about it." Should we recommend rationalising local urban governance and identify what is expendable: how could we rid planning processes of secrecy, hyper-centralisation of procedures and other identified limitations?

Also, is there any way to put forward policy recommendations about what to do with the revenue flows that were identified in the research? Everyone may agree with the findings, but then may ask how to rein in speculative behaviours by municipalities operating in the real property markets.

And, as cities grow, how can we promote representation? Could we turn to ID cards or family registration?

A: I'm refraining somewhat from detailed policy recommendations because the research is in its early stage. However, I will take a stance on fiscal transfers from central to municipal level: they are necessary to address at least some of the challenges and to reduce the risk of speculative conduct by municipalities in the real estate market. Whatever expansion in the municipal tax base can be generated in the course of the ongoing urbanisation—and this might be modest, because of its informal nature—it would not generate sufficient revenues to cover the expanding demands on municipalities and the needs for city-level services and infrastructures. Even if the municipal revenue base could encompass all the settlements, no matter how informal, municipal levies and tariffs would not produce sufficient resources. Rates are low and decided at the centre, while existing nuisance taxes should just be eliminated. So, transfers from the centre to the municipalities must happen, it seems.

The idea of municipalities as self-financing units comes from Daoud Khan's legislation and has been retained by all administrations since. It is no longer a viable approach, though.

As for master plans, they must become accessible, and the right of information about their provisions needs to be asserted: they must hang on the walls of municipal offices for residents to consult them. But this is not enough. Even with maps made available to the larger public, their implementation may remain a mystery, consigned to secretive priorities and prone to speculative manoeuvres. So beside the master-plan map, its strategies on resource mobilisation, priorities and implementation timeframe must become fully accessible. Even a perfect looking map provides no relevant clue for the real development of a city, if, for instance, we don't know how the money to implement it will be generated, where the resources will come from.

While discussing about the centralised master-planning procedure a mayor commented, "I'm not too concerned about the city map drawn for the master-plan. I have the *tafsily* plans (detailed area plans) and the *sahawy* plans (detailed site plans) and it's me who decides what happens and when."

Q: Two aspects of the urban transition must be considered: rapidly expanding needs and demands within a rapidly growing urban population; and, on the other side, the question of urban planning and the strategies to set up city infrastructures. A gap exists between planning and new demands, between planning and the necessity of immediate answers and rapid implementation.

Regarding the considerations on land grabbing in Charikar, the problem here is more serious than in other countries, since people have gone off to do things themselves, to find solutions to their problems for themselves. 70% of Kabul is informal, which means that there were demands for housing, services and infrastructure, but planning instruments and processes were not there to accommodate those demands.

All the issues raised may be confirmed—a weak plan, lack of integration, absence of a comprehensive strategy—but what should we do? Should we wait for the organic and integrated development of urban areas to occur, ignoring pressing, urgent demands?

In Charikar, which is urbanising so fast, sometimes police have been used to prevent informal development. There is an identified need for a main transport artery, because Charikar lies on the route between 15 provinces and Kabul: traffic pressure on this route is heavy, it needs to be regulated, even if the route crosses Charikar old town, Shahr-i-Kohna. A bypass was considered, even elevation was considered, but these are expensive approaches and we cannot forget the cost of these infrastructures and whether we can

afford them. So we face the situation with inadequate financial resources and not many options. We must be concrete and think practically: what is the alternative to expanding the existing highway crossing Charikar? If we are critiquing, let's offer alternatives too.

We at the Ministry of Urban Development Affairs have started with 5 cities to update their master plans, despite the lack of data. We had to take some measures and the first planning steps; otherwise those cities will end up developing like Kabul.

When JICA (the Japan International Cooperation Agency) began the review of the master plan for Kabul, a large budget was allocated for the new planning. But in the government we can't spend anything near what they spent for that review. We can't pay a *per diem* to our engineers in the field, and forget about high technologies. But we must take concrete steps: better to take practical initiatives than just waiting. Come to MoUDA. We are now working on Jalalabad and Herat, two cities where you have started your research. Please come and take a look. You will be able to share your views with the planners in the ministry and they'll share theirs as they try to identify development solutions.

A: Preliminary findings do not lead us to conclude that the Ministry of Urban Development Affairs is the "bad guy" or a control-freak institution: I don't want to convey that message. You have drawn impressive city plans, and I was fascinated by a freehand map I saw in Jalalabad. There is no lack of master-planning skills. The problem is that while MoUDA concentrates on maps and focuses on the graphic representation of what a city should be, a lot of concrete decision-making power moves outside MoUDA and outside technically equipped bodies. Concrete decisions are then taken on non-technical grounds, with limited attention to planning strategies and planning coherence.

If you give me the map of a city as it should be, and all the rest is up to me—what to implement, how to implement and when to implement—you may end up giving me a lot of discretionary power.

In a sense, I'd like MoUDA to monitor more the implementation process: what, how and when a city plan is implemented. The key issue is probably timing. In shaping a real estate market—and markets in general—timing is crucial. And the choice on the implementation sequence through detailed area plans (*tafsily* plans) or detailed site plans seems to lie with the municipal government. This seems to happen also for small or medium cities, like Charikar, with small offices and limited professional resources to handle major urban interventions.

Q: Thanks for the presentation. I work on Kabul, but am familiar with other cities. I was happy with the way you started, as I found interesting your consideration that there is no evidence to support a correlation between formal and informal settlements and levels of services. But then some of your comments and analyses seemed biased in favour of informal settlements.

I prefer city-wide funding for services and infrastructure, but in fact a number of donors concentrate their funds on informal areas, as you showed in the presentation. Instead, I'd rather go for a different framework, focusing on a city-wide approach to service delivery, which is what I advocate for. Understandably we all want to help the poor, but here in Kabul there are blocked drains in Wazir Akbar Khan and in formal suburbs, which deserve services too.

On the combined role of municipal government in regulating city development and generating revenues, this can be considered a blessing in disguise. In India, service

delivery and urban development are separated. So development makes the real money, but it doesn't always make it to the service wing. So the fact that Afghan municipalities can control revenues, while being in charge of services, has some major advantages. I agree, though, that there is a sustainability problem. It would be best if we could earmark resources generated through urban development for infrastructure, because income from sales of public assets is public money and should go to enduring benefits.

A: Urban vulnerability must be addressed: my point is that vulnerability is not determined by whether urban residents live in a formal or informal settlement. We found no significant relation between the various degrees of formal compliance to planning instruments, and urban vulnerability.

Presence of essential infrastructures is key instead to the profile of urban vulnerability. And attention to infrastructure doesn't mean that formal settlements should be ignored, since adequacy of infrastructures is generally unrelated to whether a settlement was formally or informally developed. Indeed there are areas developed in reasonable compliance with planning instruments which are less provided than informal settlements in terms of infrastructure.

I think we need a mid-term planning horizon to engage concretely with urban development and allocate consistently the resources required by Afghan rapid urbanisation. But a mid-term planning timeframe is undermined by the rigidity of the annual budgeting process. So, right now we may have resources—although generated through a mechanism which is unsustainable in the long term—but we have not the development budgets and infrastructural plans to invest those resources on an appropriate timeline.

Let's take Jalalabad, where the population is probably closer to 1 million. Its electricity demand is 150 megawatts and the local hydro-electric plant (Darunta Dam) can hardly generate 10. What is more important: improving the titling in a single *guzar* (urban ward or neighbourhood), or the infrastructure for generation and distribution of electricity for the city? A piecemeal approach is bound not to work: it will likely be captured by patronage networks. Perhaps, key infrastructure to ensure power supply may reduce urban vulnerability across the whole city, even if not specifically targeted on a precise group. Among other things, this would require removing the stranglehold on urban development represented by exclusive annual budgeting procedures.

As to blessings in disguise, they may be two, double-edged and ambivalent both. One could be the chance to combine revenues from the real estate markets with service delivery. The other might be that land grabbing does lead to conversion of land to meet demands by urban users. I am aware that such a statement is more of a provocation; but in a context where land conversion is all but precluded, land grabbing becomes the inevitable recourse in some way, because the current legislative framework on land use just can't keep up with urban population growth.

Q: Following up on the informal/formal debate, millions have been invested in informal settlements. From a donor point-of-view, they have gone where resources are most needed. Besides, it may be considered that formally developed areas are government's responsibility.

Q: Thanks for the presentation, this AREU research is useful. A problem is that presently mayors are appointed, so they are often not aware of what's going on locally. Land tenure security is very important, but it all depends—based on my experience—on general security. Once the security conditions improve, a large part of those who currently live

in urban settlements characterised by insecurity of land tenure may return to their villages because cities can't provide jobs. Maybe people will re-ruralise.

Talking of master plans and farmland conversion to urban uses, governance settings seem to encourage abuse and land grabbing. There is barren land around Charikar which could be developed. In Mazar, the mayor and the governor ignore central planning and do convert agricultural land instead of barren land. So how can we encourage development on barren lands? In Kabul, development goes toward Dehsabz, which is good productive farmland, while instead could move elsewhere. So how can we stop land grabbing? Did that come up in the research?

A: If the process of land conversion shows so many challenges and flaws—to the point that it seems to promote land grabbing, as well as other forms of abuse—we cannot elude a question about the current legislation, the 2008 law on land affairs in particular. Speaking as an outsider, the 2008 law should probably be revised, even if it might have been an improvement from previous legislation.

A massive return of recently urbanised population to the rural districts is very unlikely, and strategies to “re-ruralise” urban population won't work. Likewise, policies to stall conversion of farmland to urban uses are difficult to implement and may in fact hinder sustainable urban planning.

Instead, keeping rural-urban linkages is still possible and could be key to sustainable urban growth. The caravanserais in Charikar are a possible symbol of this connection between rural and urban economies, between rural and urban societies. Retaining this connection and the physical spaces where it occurs—such as the caravanserai—may be a viable approach to balanced local development.

To go back to the issue of service delivery to vulnerable urban populations, initial evidence points to a lack of coordination between city planners and public utilities in charge of essential service infrastructure. Public utilities must be integrated in the planning process, not just at cabinet level, but also at sub-national level, and city level in particular.

Q: But urban planners sit on the board of the Afghan Urban Water Supply and Sewerage Company (AUWSSC), so integration is part of AUWSSC policies.

A: In the first stage of AREU research on urban governance, we found little in terms of coordination and integration between public utilities and urban planning.

One of the most advanced and better equipped strategic business units (SBU) of AUWSSC is in Herat: the Herat Water Supply (HWS). Even in Herat, though, where urban planners seem to promote the concept of satellite towns to reduce congestion, we saw scant planning coordination with public utilities, for instance with reference to sewerage. Possibly, this may lead to urban developments in line with regulatory instruments, and therefore “formal,” but still vulnerable in terms of service delivery and key urban infrastructures. Apparently, the presence of MoUDA on the board didn't change that.

Moreover, often international agencies and donor policies add to an uncoordinated offer of urban services and somehow chaotic provision of urban infrastructures. This may be a serious blow to coherent planning as a few international actors are very influential. Take the case of industrial areas in Charikar. Plants and factories in Totum Dara, an industrial estate to the north of the urban agglomeration, are severely affected by the

vastly inadequate power supply. When rumours of sufficient power supply in Senjet Dara spread in the city—allegedly because of an offer by the PRT in Bagram—150 companies rushed to register with the Chamber of Commerce to move their plants beside the military base. However, that additional and critical energy supply seems to have been announced without prior coordination with local planners, and the procedure to establish an industrial park resulted more confused and troublesome than probably necessary.

Q: 90% of households in Herat have access to the water supply network (it is not yet known how many are actually connected), and—as you said—a survey of the customer base is ongoing to improve supply and quality of the service.

Water is given priority over sewerage, as this is a decision taken also at national level, which makes some sense since most houses in Afghanistan have at least some kind of latrine. On the other hand, the urban supply of safe drinking water is still insufficient across the country. Besides, sustainable alternatives to large-scale/centralised sewerage do exist, alternatives which may require fewer investments in infrastructures than large-scale sewerage systems.

I want to add a corollary observation: I understand that at the level of SBU (strategic business unit) in Herat and Mazar, experiments of inclusive urban planning have already started. The SBU Directors explained that in the recent initiative of making new urban plans, they have been made a part of the planning and data collection process. However, these urban plans cannot include detailed master plans for water supply and any sewerage networks unless a donor funds the required feasibility studies.

Q: In my opinion there is a gap between what is outlined in policy papers and the reality in the field. In Herat, for instance, if you go to a provincial department and it's hard to find any data. So inclusive planning and coordination might happen, but most likely over a tea, and not based on specific information. Even with an issue as simple as drainage the urge is often to go back to the office instead of going and asking people about problems and solutions.

A: Thank you very much for attending our discussion. We will carefully consider your ideas and opinions while defining a future research agenda on urban governance. All the best