



Comparative Research on Urban Development and Management Laws



INSTITUTIONAL STRENGTHENING AND CAPACITY BUILDING FOR SUSTAINABLE URBAN DEVELOPMENT IN VIETNAM (ISCB PROJECT)

Comparative Research on Urban Development and Management Laws

Australia • Brazil • Chile • Kenya • Panama • Peru • Philippines Rwanda • South Africa • South Korea • United Kingdom

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INTRODUCTION

Over the last three decades of economic growth, urbanization has been accelerating rapidly in Vietnam and this trend is set to continue. The level of urbanization is expected to rise from 33% in 2014 to 50% by 2030.1 Cities are major drivers of economic development and growth in Vietnam, as about 70% of Gross Domestic Product is generated in urban areas.² In relation to climate change, 70% or more of the carbon emissions and waste are generated in cities. Urban development has become an important priority for the Vietnamese government.3 The main challenges facing the urban sector arise from the absence of linkages between sectoral policies and urban policies, master plans and special plans. Efforts have been made to address shortcomings in urban planning and management, such as the drafting of the National Urban Development Strategy, enacting the Planning Law (issued in 2017) and the upcoming Law on Urban Development and Management.⁴ The aim is to encourage decentralization of urban planning and development responsibility to include all government administration levels and to require stakeholder consultation with respective organizations, individuals, and communities. However, a major challenge is the lack of capacity of subnational authorities to plan and manage urban growth and development in an integrated manner, plan and operate urban infrastructure, and efficiently deliver equitable urban/municipal services. While policy changes have been made to promote decentralization, institutional reforms and local capacity development have not kept pace.

UN-Habitat, through the Regional Office for Asia Pacific and the Vietnam country office, is implementing the Institutional Strengthening and Capacity Building (ISCB) project in Vietnam to strengthen capacities of national and local institutions to promote, plan and implement innovative and participatory solutions for urban development in Vietnamese cities.

ISCB Project Outcomes:

- I. Capacity of national and sub-national authorities to drive sustainable urban development improved.
- II. Policy and legal frameworks promote integrated and participative urban planning and management.
- **III.** Pilot projects contribute to the introduction of innovative approaches, promoting cross-sectoral strategic planning and participatory urban development.

Setting the Scene:

The Policy, Legislation and Governance Section (PLGS), UN-Habitat is supporting the project through technical legal assistance based on international tools and methodologies to ensure and promote rights-based legislation as well as functionally effective laws in Vietnam.

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¹ Institutional Strengthening and Capacity Building Project Document for Vietnam. https://fukuoka.unhabitat.org/en/projects/2599/

² Ibid.

³ Ibid.

⁴ Ibid.

The Vietnamese partner for this Technical Assistance is the Urban Development Agency (UDA), an Agency under the Ministry of Construction (MOC), which is the focal point for drafting the Urban Development and Management Law (Urban Law). The guiding principles for Vietnam's urban legal reform should be the UN international frameworks on sustainability: the Sustainable Development Goals (SDGs) and New Urban Agenda (NUA). The SDGs were adopted by all United Nations Member States in 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity by 2030. The 17 SDGs are integrated - that is, they recognize that action in one area will affect outcomes in others, and that development must balance social, economic, and environmental sustainability. SDG 11 (sustainable cities and communities) calls for inclusive access to land, infrastructure, housing and basic services. SDG 10 aims to reduce inequalities and exclusion within and among countries while SDG 16 is a universal call for effective, accountable, and transparent institutions at all levels as well as participatory and representative decision-making.

The NUA was adopted in the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) in Quito, Ecuador and endorsed by the United Nations General Assembly in 2016. It is universal in scope and represents a shared vision for a better and more sustainable urban future setting out priorities and actions at the global, regional, national, subnational and local levels that governments and other relevant stakeholders in every country can adopt based on their needs. The city it envisages offers a) the right to adequate housing as a component of the right to an adequate standard of living, without discrimination; b) universal access to safe and affordable drinking water and sanitation; c) equal access for all to public goods and quality services such as food security and nutrition, health, education, infrastructure, mobility and transportation, energy, air quality and livelihoods; d) participatory, civic engagement, social cohesion and inclusion; and e) marginalized communities' full and effective participation and equal rights in all fields and in leadership at all levels of decision-making; e) reduced disaster risk as well as sustained, inclusive and sustainable economic growth; and f) protection, conservation, restoration and promotion of their ecosystems, water, natural habitats and biodiversity.

Urban Area Definition⁵:

The Global Monitoring Framework of the 2030 Agenda for Sustainable Development includes several indicators that should be collected for urban and rural areas. However, since no method or international standard has been proposed at the global level to delineate these areas, indicators rely on national definitions, which vary considerably and thus limit international comparability. To facilitate international statistical comparisons, **the European Union, the Food and Agriculture Organization of the United Nations, the International Labour Office, the Organization for Economic Cooperation and Development, UN-Habitat and the World Bank,** worked together to develop a simple harmonized method that can be applied globally. The Degree of Urbanisation classifies local units as 1) "cities" or "densely populated areas", 2) "towns and semi-dense areas" or "intermediate density areas" and 3) "rural areas" or "thinly populated areas" based on population density, population size and contiguity using 1 km² grid cells. Each local unit belongs exclusively to one of these three categories. Local units can be administrative units - such as municipalities - or statistical units - such as census enumeration areas. The basis for the Degree of Urbanisation is a 1 km² population grid.

⁵ UN-Habitat, European Union, ILO, FAO, OECD and the World Bank, Applying the Degree of Urbanisation — A methodological manual to define cities, towns and rural areas for international comparisons — 2021 edition. https://unhabitat.org/applying-the-degree-of-urbanisation-a-methodological-manual-to-define-cities-towns-and-rural areas#:~:text=It%20presents%20a%20harmonised%20methodology,dense%20 areas%2C%20and%20rural%20areas.

Each grid cell has the same shape and size, thereby avoiding distortions caused by using units varying in shape and size. This is a considerable advantage when compared to methods based on the population size and density of local administrative or other statistical units.

There is an additional norm which is adding a commuting zone around each city to create a functional urban area or metropolitan area. This new method has several benefits. It can be applied in a very cost-effective manner. Existing data collections, such as household surveys, can often be aggregated by Degree of Urbanisation. By proposing three categories, it captures the urban-rural continuum. Because this method is based on a population grid, it reduces the distortions created by the variable size of statistical and administrative units. It improves global comparability by capturing the spatial concentration of people directly, instead of relying on proxies such as built-up areas or night lights. Finally, the method was explicitly designed to monitor access to services and infrastructure in areas with different population sizes and densities.



Step 1: grid classification

The Degree of Urbanisation identifies three types of grid cells:



 An urban centre (or a high-density cluster) consists of contiguous grid cells with a density of at least 1,500 inhabitants per km². An urban centre has population of at least 50,000. Gaps in this cluster are filled and edges are smoothed. If needed, cells that are 50% built-up can be added.



2. An urban cluster (or moderate density clusters) consists of contiguous grid cells with a density of at least 300 inhabitants per km² and has a population of at least 5,000 in the cluster. (The urban centres are subsets of the corresponding urban clusters).



3. Rural grid cells (mostly low-density cells) are cells that do not belong to an urban cluster. Most of these will have a density below 300 inhabitants per km². Some rural cells will have a higher density, but they are not part of cluster with a large enough population size to be classified as an urban cluster.



Step 2: classifying local units

Once all grid cells have been classified as urban centres, urban clusters and rural grid cells, the next step concerns overlaying these results onto local units, as follows:



 Cities (or densely populated areas): local units that have at least 50% of their population in urban centres.



2. Towns and semi-dense areas (or intermediate density areas): local units that have less than 50% of their population in urban centres and less than 50% of their population in rural grid cells.



3. Rural areas (or thinly populated areas): local units that have at least 50% of their population in rural grid cells.

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Therefore, **urban areas** consist of cities plus towns and semi-dense areas. As this method was developed to capture the urban rural continuum, the Report recommends reporting indicators for all three categories instead of only for the urban-rural dichotomy. This is important because towns and semi-dense areas may differ significantly from both cities and rural areas. Policies that are uniformly applied to these three categories may not be suitable and could benefit from being tailored for each of these types of areas. An important consequence of this new method is a call for more research on policies for those intermediate density areas, which could consider the complementarities and interdependencies among the three types of territories.

Definition on Urban Development and Urban Development Management

The premise of SDG 11 is promoting sustainable urban development in cities and human settlements. Therefore, **urban development** could be defined as the urban operations involving the formulation of laws and policies as well as the construction, improvement, rehabilitation, maintenance or any other operation for the purpose of land development under the approved spatial planning framework, in the interest of improving the quality of life as well as the advancement of the urban area in varying social, cultural, environmental and economic aspects.⁶

Given that many urban problems are the result of poor management, poor planning and absence of coherent urban policies rather than urbanization itself, sound management is an important driver of sustainable urban development. **Urban development management** in the international literature is seen to have a twin definition/objective: first to plan for, provide and maintain a city's infrastructure and services; and second to make sure that the city's government is in a fit state, organizationally and financially, to ensure that it can fulfill basic service provision and maintenance.⁷ With the onset of SDGs and NUA, an important **scope of urban development management** can be drawn as follows:

- **I.** Planning, implementation, monitoring of urban infrastructure and services. Effective and efficient delivery of urban services to raise the quality of living of people residing in urban areas.
- **II.** Effective and efficient management of projects and programmes for achievement of urban development goals.
- **III.** Promotion of intersectoral coordination in the urban sector. Coordination with sectors such as health, transport, education, women and child welfare, etc. for the holistic urban development.
- **IV.** Promoting community participation and involving NGOs and civil society organizations in the effective provision and management of urban services.
- **V.** Enhancing the capacities of state institutions, especially local authorities, in undertaking their legal duties and responsibilities.
- **VI.** Effectively implement urban policies to enhance the contribution of both formal and informal sectors towards urban development.

S0264275198000419

⁶ G. Kouamou and C. Pettang, What is Urban Development: A Federative Approach of Decision-Making Aid in Urban Development (2008).
7 Ronald McGill, Urban Management in Developing Countries (1998). https://www.sciencedirect.com/science/article/abs/pii/

Comparative Legal Research

To support the development of the Urban Development and Management Law and to modernize the urban legal system in Vietnam, an international benchmarking/comparative study of laws and how the key issues are addressed in other developed and developing countries can provide inspiring practices and recommendations to Vietnam. Therefore, PLGS analyzed the legal and institutional frameworks of 11 countries focusing on 7 thematic areas, resulting in a total of 41 case studies as shown in the table below.

The	ematic Area	Additional Country	Core Country List (used in all thematic topics)
1	Institutional functions and smart city governance in urban development (6 countries)	Australia	1. Chile
2	Public participation and involvement in urban development (6 countries)	Brazil	2. Kenya
3	Mechanisms for urban regeneration (6 countries)	Republic of South Korea	3. Panama
4	Climate-friendly urban development and green growth (6 countries)	Rwanda	4. Peru
5	Mechanisms for land-value capture and urban infrastructure financing (6 countries)	South Africa	5. United Kingdom
6	Mechanisms to upgrade informal settlements (6 countries)	The Philippines	
7	Mechanisms to resolve urban development disputes (5 countries)	N/A	

Brief descriptive note on the country selection

For the comparative analysis to produce meaningful results, the scope of selected case studies must be limited since certain legal systems or social contexts may simply be incommensurable with those in Vietnam. Thus, a methodology to identify urban development legal models that are relevant, successful and comparable to the Vietnamese context, was developed.

In brief, first, given the scope and thematic topics of the study, a long list of 19 developed and developing countries was created leveraging UN-Habitat's past experiences in countries having practical and innovative legislative best practices on urban development. These included **Australia**, **Bangladesh**, **Brazil**, **Chile**, **Egypt**, **Ghana**, **India**, **Indonesia**, **Kenya**, **Lao PDR**, **Morocco**, **Panama**, **Peru**, **Philippines**, **Republic of Korea**, **Rwanda**, **South Africa**, **Tunisia and the United Kingdom**.

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Second, a set of structural parameters covering the social, institutional, and economic aspects of Vietnam was developed and each country was ranked and awarded points according to these parameters below in comparison to Vietnam:

Vietnam Institutional framework



Form of State: Unitary.



Centralization of urban development mandates: mainly three tiers involved (national, provincial and local).

Socioeconomic variables of Vietnam (the World Bank Data Bank)8



• **Urban population:** 38 per cent (2021).



• **Urban population growth:** 2.7 per cent (2021).



• GDP per capita: US\$ 3,756.5 as of 2021 (lower middle income).



• **IHDI:** 0.6 as of 2021 (medium-low human development).



• The population living in informal settlements: 6 per cent of urban population, 2020.



• Individuals using the internet: 74 per cent of the total population, 2021.

After this, a thorough literature review was carried out to identify relevant and successful country examples in the field of urban development laws which resulted in the following 10 countries, forming the key dataset for country selection: Australia, Chile, Kenya, Morocco, Panama, Peru, Republic of Korea, Rwanda, South Africa, and the United Kingdom. After the evaluation process, the following five (5) countries scored the highest:



1.Chile







2.Kenya

3.Panama

4.Peru

In addition to this, UN-Habitat used some countries from the long list (Australia, Brazil, Philippines, Republic of Korea, Rwanda and South Africa), as they have interesting best practice examples for specific thematic topics. This working method ensured that the country selection is not only balanced, but also that the comparative analysis and recommendations are accurate, reliable and comprehensive.

⁸ https://databank.worldbank.org/



Figure 1. Illustration of the country selection process. Source: UN-Habitat.

To carry out the comparative analysis, UN-Habitat collaborated with a leading legal research institution Fordham University, Urban Law Centre, USA that developed the comparative analysis (discussed later in the document). The topic on urban classification has been included as a separate assessment in Annex I.

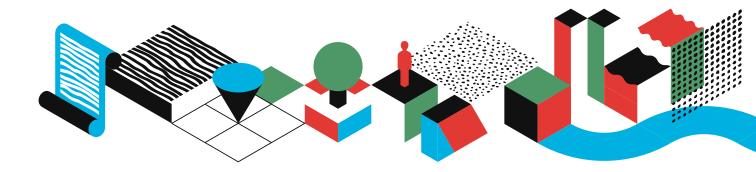
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The agreed thematic topics for the case studies include:9

Thematic Topic	Criteria and Definitions
1.Institutional Functions and Smart Governance	 Assess how cities can best use digital technology to embrace good government principles and achieve policy goals (smart cities/digital governance). Explore the various multilevel governance coordination mechanisms (vertical and horizontal coordination between national and subnational governments). Assess what mechanisms are in place to prevent or mitigate overlaps and duplication of urban management and spatial planning roles and responsibilities. Assess how urban laws include an adequate appraisal of the financial and human resources needed for implementation.
2.Public participation and involvement in urban development	 Assess meaningful public participation approaches in urban development, plan-making and planning mechanisms, with whole-society approach including participation by vulnerable groups (children/youth, women, elderly, disabled, minorities).
3.Climate-friendly urban development and green growth	Mechanisms on climate change mitigation and adaptation/green growth in urban laws and planning instruments (climate smart urban planning legislation, environmental impact assessments, mitigation and adaptation strategies in urban development).
4.Land-Value Capture and Financing for Urban Infrastructure	 Assess if local authorities/planning institutions can collect revenue on land, and property and developer's contributions to urban development (land-value capture). Assess urban financing infrastructure options such as: Public-Private-Partnerships, local government capital budget allocations; grants from national/central governments; bank and institutional loans; proceeds from pooled municipal bonds, community contracting, etc.
5.Mechanisms to upgrade informal settlements	Assess whether there are specific instruments to upgrade degraded and informal settlements, including planning instruments that consider informal contexts and needs in all stages of the planning process.
6.Mechanisms for urban regeneration	 Mechanisms for compact city development (including infill/brownfield urban regeneration including the scale and type of regeneration and limited greenfield) as well mixed-use land-use zoning.
7.Mechanisms to resolve urban development disputes	Mechanisms to resolve urban development disputes and alternative equitable dispute resolution.
8.Urban classification of cities	 Evaluate the urban classification of cities to understand the coherence of management and planning instruments (national, provincial, local and neighbourhood plans). This is discussed in Annex I.

⁹ Those topics highlighted in bold (in the second column) emerged as priority areas for the Urban Development Agency, Vietnam.

EXECUTIVE SUMMARY



The case studies in this report are meant to provide a spectrum of regulatory models and schemes for Vietnam's reform agenda to provide advice that will support the drafting of the Urban Development and Management Law (Urban Law). The following are some key lessons and takeaways:

- 1. Institutional functions and smart governance in urban development: Institutional roles and responsibilities should be concentrated in one efficient institution or in several well-coordinated institutions. The urban development legislation should promote multi-level governance and coordination amongst the institutions at all levels of government for the planning, implementation, approval, and oversight of development projects, plans and documents. For instance, in England, the Localism Act 2011 introduces the "duty to cooperate" to ensure that local planning authorities and other institutional actors work together in relation to the planning of sustainable development that extends beyond their own administrative boundaries. Local planning authorities must demonstrate their compliance with the duty to cooperate when their local plan is examined by the Planning Inspectorate. Human and financial resources should be adequate for the successful implementation of the urban law framework. A Smart City Plan, as seen from Australia, that brings together the private sector and government to maximize modern technology will be transformative for public service delivery.
- 2. Mechanisms for land-value capture and urban infrastructure financing: The legislative framework should encourage several mechanisms for land-based financing (such as planning gains, property taxes, infrastructure levy, land value sharing mechanisms triggered by planning decisions or public investments, charges for development rights, etc.), as well as encourage the adoption of legal instruments to share the increase in property values. This would mirror the South African approach where the Constitution of 1996 gives municipalities broad powers to impose rates on properties in their respective areas and collect revenues and develop their own fiscal by-laws to boost revenue collection. A property tax should exist with a large collection rate (more than 90 per cent), based on the value of land and development, with progressive increase for undeveloped, vacant land or empty houses. Section 106 of the Town and Country Planning Act 1990, England, requires developers to contribute all the infrastructure costs required by their development, where the building license is granted only after the contribution is paid or checked. The urban development legislative framework should encourage public authorities to develop a valuation roll, which is updated regularly, as a public legal document that consists of property information of all rateable properties within the boundaries of a rating authority. In addition, the Kenyan case study has shown that urban development legislative framework should ensure that the collected fiscal revenues (especially levies and planning gains) are ringfenced for infrastructure development and not used, for instance, on operational or staffing costs to promote accountable and transparent decision-making.

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- 3. Public Participation and involvement in urban development: Non-State actors should be allowed to engage and consult at all stages of urban development meaning the preparation and design, post-design (i.e., once plan is complete), the implementation, the monitoring/ evaluation and the post-implementation. The legislative framework should include the mechanisms, timeframes and modalities for public participation in a clear manner (such as town halls, public charrettes, questionnaires and interviews). In Chile, Law Decree No. 458 of 2023, which approved the general law on urban planning and construction, requires that the opinions of the community affected, and various stakeholders are paramount to the effect that, before the preparation of a preliminary draft of the plan, an executive summary of the plan must be prepared (in simple language) and two or more public hearings must be held with all stakeholders. Moreover, citizens should have the legal right to access information and the process should be easy, timely and cost-effective, subject to public interest exemptions. This could include access to government funded but independent Planning and Legal Aid services such as in the United Kingdom. Public information should be transparent and publicly available in several ways (including digital platforms, but also gazette notices, noticeboards in the city office). Citizens should receive training/civic education from the Government for participation to be informed and effective. In Brazil, in 2005, the country launched a national campaign titled "Participatory Master Plan: Cities for All", followed by the National Program of Capacity Building in Cities. The Capacity Building Program includes a myriad of actions, such as the publication of manuals, the promotion of courses, the training of professionals and direct fund transfers to municipalities preparing their plans. Finally, there should be tailored, targeted and specific mechanisms in legislation to allow for participation of priority groups and ensure inclusivity. This is exemplified by the Panama Constitution where the State is required to develop educational and promotion programs for indigenous groups to achieve their active citizen participation. Moreover, the State should give special attention to rural and indigenous communities to promote their economic, social, and political participation in national life.
- 4. Climate friendly urban development and green growth: Climate considerations must be embedded into urban development and planning at all stages, including through a coordinated national strategy. Panama exemplifies this through the Framework Law on Climate Change of 2018 which establishes the principles and general provisions to coordinate, articulate, design, execute, report, monitor, evaluate and disseminate public policies for the integral, participatory and transparent management of adaptation and mitigation to climate change. There should be a national agency responsible for coordinating climate-friendly cooperation and development, but the national agency should also delegate responsibility to other government actors focused on social and economic factors to ensure the climate is a crosscutting topic. National authorities should develop guidance for local governments to seamlessly integrate climate priorities into their local urban planning. In the United Kingdom, the Renewable and Low Carbon Energy guidance was adopted in 2015 to help local councils in developing policies for renewable and low carbon energy and identifies the planning considerations. Environmental impact analyses (EIAs) must be strengthened and aligned with development priorities like in Chile, where the Climate Change Framework Law, 2022, requires projects to describe how they would relate to sectoral mitigation and adaptation plans, as well as to regional and local climate change management instruments. To secure compliance with EIAs, Rwanda developed, in 2019, a point-based system called the Green Building Minimum Compliance System containing 29 indicators to assess building construction and construction projects. This Compliance System is annexed to the 2019 Ministerial Order determining Urban planning and Building regulation and the revised Rwanda Building Code of 2019.

- 5. Mechanisms to upgrade informal settlements: Specific tools should exist to deal with informal settlement upgrading, including planning instruments that consider informal contexts and needs in all stages of the planning process (land tenure, participation, enumeration, data collection, risk assessments, consideration of the informal economy, etc.). Kenya provides an innovative mechanism through the Physical and Land Use Planning Act of 2019, where the designated Director-General of Physical and Land Use Planning declares informal areas as a Special Planning Area, putting a stop to any further development in the area for a two-year period until an Integrated Development Plan is created. Land management instruments should be in place to consolidate, densify and readjust the land. Finally, the legal framework should have regulations to allow land consolidation and re-parceling in informal settlements as showcased by Chile, where Law Decree No. 1393 of 2006, which regulates the Neighbourhood Improvement Programme, requires municipalities to focus on prioritizing street and passage layouts with minimum paving and delivery of title deeds to each beneficiary. Financing for informal settlement is paramount as demonstrated by the Philippines approach, where the national housing authority must provide funding and secure tenure to individuals and families that live in informal settlements such as those living in Manila's danger zones. Further, the Settlements Upgrading Programme surveys individual lots for disposition to qualified individuals.
- 6. Urban regeneration and compact city development: All the comparator countries use some version of strategic plans at the national and local levels to support coordinated urban regeneration for compact city development. In Peru, urban regeneration has played a key role in preserving the ornamentation of the city/town centres, their monumentality and the environment due to the key role played by the objectives outlined in the Law on Sustainable Urban Development, 2021. Planning for urban regeneration should consider protecting cultural heritage and focus on areas of national, historical or cultural importance. Local plans, like in Santiago (Chile) and Nairobi City (Kenya), benefit from strategic vision and public participation. Urban regeneration for dense development in the study countries includes some room for public-private partnerships and developer partnerships to spark renewal.
- 7. Mechanisms to resolve urban development disputes: The urban development legislation should allow urban development decisions to be challenged with clearly defined procedures, and transparent decisions that are evidence-based and not discretionary. There should be clearly established special bodies in charge of determining the case including appeal, as well as timeframes and modalities as exemplified in all case studies. Timeframes should be short to allow the applicant to have a quick resolution of the case and certainty of his/her rights. Costs should be accessible or there should be support schemes for the poorest people like in Chile, where Law No. 6894 of 1941, as lastly amended in 1962, exempts the poor from the payment of judicial fees. In addition to the judicial system, there should be alternative dispute resolution mechanisms, possibly working in coordination with the judiciary, that are affordable and allow a fast resolution of the dispute. Kenya recognizes alternative forms of dispute resolution in the Constitution which also makes room for communities to settle land disputes through recognized local community initiatives.

Direct Recommendations:

These recommendations from the countries' best practices are meant to provide advice that will support the drafting of the Urban Development and Management Law (Urban Law). These approaches including the legal provisions should be contextualized to the Vietnamese social, cultural, economic, and environmental context.

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Thematic Topic

Gap identified in Vietnam's legal framework and practice

Recommendations on which laws/policies/ approaches from the comparative research should be customized for successful application in Vietnam

Urban Area Definition

Vietnamese cities are legally defined and classified hierarchically into six classes with this system having profound implications for administrative functions, tax collection and funding decisions. The greater autonomy and increased financial flexibility that comes with the higher classifications creates an incentive for attaining upward mobility within the scale. This may be seen as a positive factor in encouraging urban administrators to be ambitious on behalf of their cities and the provinces they serve, but it also carries certain disadvantages. For example, as the scoring system emphasizes infrastructure development and population growth, local infrastructure development is prioritized above adherence to other urban strategies which place stronger focus on sustainability.

The Degree of Urbanization Report (discussed above) classifies local units as 1) "cities" or "densely populated areas", 2) "towns and semi-dense areas" or "intermediate density areas" and 3) "rural areas" or "thinly populated areas" based on population density, population size and contiguity using 1 km2 grid cells. Each local unit belongs exclusively to one of these three categories. Local units can be administrative units - such as municipalities - or statistical units - such as census enumeration areas. The basis for the Degree of Urbanization is a 1 km² population grid. Each grid cell has the same shape and size, thereby avoiding distortions caused by using units varying in shape and size. This is a considerable advantage when compared to methods based on the population size and density of local administrative or other statistical units. There is an additional norm which is adding a commuting zone around each city to create a functional urban area or metropolitan area. This new method has several benefits. It can be applied in a very cost-effective manner. Existing data collections, such as household surveys, can often be aggregated by Degree of Urbanisation. By proposing three categories, this approach captures the urban-rural continuum. Because this method is based on a population grid, it reduces the distortions created by the variable size of statistical and administrative units. It improves global comparability by capturing the spatial concentration of people directly, instead of relying on proxies such as built-up areas or night lights. Finally, the method was explicitly designed to monitor access to services and infrastructure in areas with different population sizes and densities.

Institutional functions and smart governance in urban development

Limited institutional coordination framework to manage urban growth and development in an integrated manner to deliver equitable municipal services.

The Vietnam urban development legislation should promote multi-level governance and coordination amongst the institutions at all levels of government for the planning, implementation, approval, and oversight of development projects, plans and documents.

England UK: The Localism Act 2011 introduces the "duty to cooperate" to ensure that local planning authorities and other institutional actors work together in relation to the planning of sustainable development that extends beyond their own administrative boundaries. Practically, the National Planning Policy Framework and Planning Practice Guidance outline how local authorities can meet their legal obligations under this duty to ensure that any cooperation between parties leads to effective Local Plan policies which reflect strategic issues.

Support in the efficient implementation of smart cities and digitalization of public services to tackle several socio-economic problems which have arisen from rapid urban and demographic growth, such as heavy road traffic, environmental pollution etc.

Developing a Smart City Plan to provide strategic focus on the goals or function the city is planning to improve through digital technologies.

Australia: The 2016 Smart City Plan includes three pillars:

- Smart Investment (e.g., prioritizing projects that meet broader economic objectives such as public transport).
- Smart Policy (e.g., framework outlining the collaboration with subnational governments, communities, and the private sector to identify key city metrics and the data required to assess performance)
- Smart Technology (e.g., leveraging open and real time data to inform city planning and infrastructure investment).

The Plan introduced the 30-minute city initiative which has improved the transport sector. Residents can access employment, schools, shopping, services, and recreational facilities within 30 minutes from home.

Mechanisms for land-value capture and urban infrastructure financing Article 107 of the Land Law 2013 does not detail enough sustainable financing frameworks and instruments to strengthen local fiscal systems.

The Vietnam urban legislation should introduce a range of fiscal modalities to create, sustain, and share the value generated by urban development in an inclusive manner.

England UK: Section 106 of the Town and Country Planning Act of 1990 & the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019

- Capturing land value (planning obligations to capture the works, provisions, and contributions required from developers to mitigate the impact of the result). This could take the form of delivering a proportion of the planned units as affordable housing.
- Public land acquisition (local authorities have greater power to introduce incentives to require developers to build sites within an agreed timeframe and failure to do so, they will forfeit both their fee and their right to develop the land).
- Community Infrastructure Levy (locally determined, fixed-rate development charge of "£ per square metre" designed to help finance the infrastructure needed to deliver infrastructure to support the development of the affected area).

Such options would give greater powers to development authorities in Vietnam to assemble land to achieve a higher level of control over developments in their areas. This would lead to greater developer cooperation, higher levels of affordable housing, and faster build-out rates. On the management side, the urban development legislative framework should ensure that the collected fiscal revenues (especially levies and planning gains) are ringfenced for infrastructure development and not used, for instance, on operational or staffing costs to promote accountable and transparent decision-making. This could take the form of requiring urban development authorities to prepare formulas and guidelines on revenue expenditure that is approved by a central independent fiscal authority. Stringent penalties for violation would enforce this rule.

Public
Participation
and involvement
in urban
development

Limited opportunities for the public to participate in decision making on legislative and budgetary matters (Local Government Act 2015). Articles 16 and 17 of the Construction Law 2014 outline a detailed procedure on public participation, but they do not contain specific mechanisms tailored for vulnerable groups such as women and the indigenous communities.

The Vietnam urban development legislation should allow all non-state actors including marginalized communities to be meaningfully consulted at all stages of urban development, meaning the preparation and design, post-design, during implementation, monitoring/evaluation and the post-implementation. The legislative framework should include the mechanisms, timeframes and modalities for public participation in a clear manner.

Chile: Law Decree No. 458 of 2023, which approved the general law on urban planning and construction, contains clear timeframes for the public consultation and it requires that the opinions of the community affected, and various stakeholders are paramount to the effect that, before the preparation of a preliminary draft of the plan, an executive summary of the plan must be prepared (in simple language) and two or more public hearings must be held with all stakeholders.

At the local level, Law No. 18695 of 1988, which contains the organic constitutional law of municipalities on citizen participation, requires each city to consider the specific characteristics of each commune (e.g., location of human settlements, age of the population, economic activities, etc.) and any other element that requires a specific representation in the municipality guidelines for public participation. The guideline must indicate the type of organizations to be consulted, the dates or times at which such processes occur, and the modality for participation (e.g., participatory budgeting, consultation, etc.).

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Climate friendly urban development and green growth

There are positive changes in the implementation of the Green Growth Strategy, 2011. However, there are limited indicators and standards on green growth to guide the implementation and localization of the Strategy.

The Vietnam urban development law should be a frontrunner in issuing norms, standards and indicators of green growth especially for the built environment. This has the benefit of promoting effective use of natural recourses, environmental protection, green economic productivity, and greenhouse gas reduction.

Rwanda: The country developed a Green Building Minimum Compliance System in 2019 which is used to promote green growth by assessing building construction projects. This Compliance System is an Annex to the 2019 Ministerial Order determining Urban planning and Building regulation and the revised Rwanda Building Code of 2019. The green building minimum compliance system comprises of 5 modules targeting (energy efficiency, water efficiency, environmental protection, indoor environmental quality, innovation and other green technologies). In total, the system contains 29 green building indicators cutting across the above five modules and are weighed at 190 points. Each green building indicator is allocated points based on the relative importance of its contribution to green building goals. Points are allocated based on the environmental impact, efforts required for implementation, and the costs associated with implementation. The green building minimum compliance system is mandatory for Category 4 & 5 buildings (commercial, educational and health facilities), but there is a degree of flexibility for residential developers to choose green indicators based on the suitability to the building, location, usage, and the benefits associated.

Mechanisms to upgrade informal settlements

Vietnam's ongoing rapid urbanization has caused widespread informal settlement in major cities. City governments such as (Ho Chi Minh) have announced informal settlement renewal plans to achieve sustainable redevelopment with the relocation of residents. However, complex property ownership complicates resettlement choices and the upgrading process.

Vietnam urban legislation should contain a methodological approach to informal settlement upgrading that is less complex (in-situ slum upgrading or 'site-and-service' relocation) and which includes better housing quality and legal land tenure security.

Kenya: Section 52 of the Physical and Land Use Planning Act of 2019 establishes a methodological process for informal settlement upgrading in each region:

- The Director-General of Physical and Land Use Planning declares informal areas as a Special Planning Area (SPA); this declaration puts a stop to any further development in the area for a two-year period until an Integrated Development Plan is developed.
- 2. In the two-year period where development has been suspended, the regional government (i.e., county government), initiates a process to develop a Physical Development Plan; this process should be participatory, requiring engagement with the community to create an efficient plan for the impacted community.
- 3. Once the Plan is in place, the relevant regional government works towards implementation.

Urban regeneration and compact city development

Urban renewal has been undertaken in the form of "residentialization" which is synonymous with gentrification. The focus on "spaces" can be exclusionary to lowincome groups. The Vietnamese urban legislation should introduce a shift from gentrification to revitalization by requiring the development of strategic urban renewal plans that are visionary and participatory to allow inclusive regeneration for compact city development. The plans should give room for public-private partnerships and developer incentives to spark renewal.

Republic of South Korea: The Special Act on the Promotion of Urban Renewal as lastly amended in 2012, establishes an "urban renewal acceleration plan" (a plan for land use, installation of infrastructure, etc. in an urban renewal acceleration projects in a planned and systematic manner) and "urban renewal acceleration zone" (a zone determined for "urban renewal acceleration project"). The Act also promotes Public-Private Partnerships. The Act contains mechanisms to incentivize urban regeneration such as the reduction of or exemption from local taxes (e.g., acquisition tax, registration and license tax), for buildings such as hospitals or cultural facilities, which are built in urban renewal acceleration plans.

The 2014 <u>Cheonggyecheon stream revitalization project</u> in downtown Seoul is a best practice example of urban renewal. The aim of the project was to restore a dilapidated public space to create a waterfront downtown, improve the environment and restore historical value. Through a participatory process involving key stakeholders and the Seoul municipality, the heart of the city is now a green waterfront park complemented with improved public transport, giving citizens a better quality of life and attracting more private investment.

Mechanisms to resolve urban development disputes

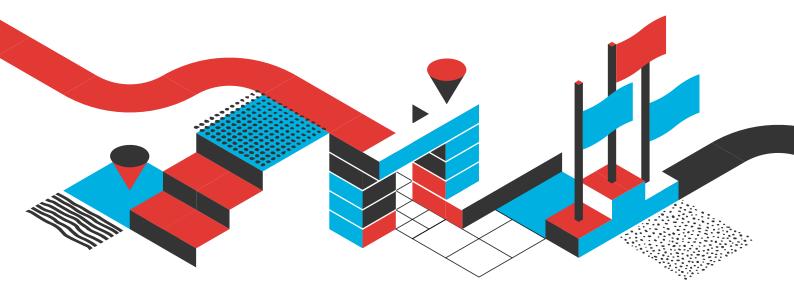
The Vietnam Land Law, 2013, addresses both alternative dispute resolution (ADR) and judicial mechanisms as redress mechanisms in the event of disputes. However, to incentivize ADR mechanisms, it will be important to make arbitral awards and mediation decisions to have a binding and enforceable force to ensure parties adopt such mechanisms.

The Vietnam urban development legislation should allow urban development decisions to be challenged with clearly defined procedures, and transparent decisions that are evidence-based and not discretionary. In addition to the judicial system, there should be ADR mechanisms, possibly working in coordination with the judiciary, that are affordable to allow fast resolution of disputes.

Kenya: Under the Physical Land Use Planning Act, 2019, the timelines and process for dispute resolution are clearly outlined. The County Physical and Land Use Planning Liaison Committee hears and determines complaints and claims made with respect to applications submitted to the regional planning authority. An appeal can be made to the Environment and Land Court. Moreover, the use of ADR mechanisms is established in the Kenyan Constitution of 2010 to enhance delivery of justice to all citizens. Namely, Article 159 of the Constitution mandates the Judiciary to use Alternative Dispute Resolution mechanisms including Mediation, while the Civil Procedure Act 2014, Section 59 (d), gives court the powers to refer disputes to Arbitration (the decisions from mediators and arbiters are binding on the parties).

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METHODOLOGY FOR COUNTRY SELECTION



1. Indicators for Country Selection

The selection of countries for the case studies was based on a weighting of the following indicators:

- **A. Feasibility and structural similarities with Vietnam:** This indicator ensures that selected countries are comparable to Vietnam's institutional and socio-economic context.
- **B.** Thematic relevance (urban development and management mechanisms): This indicator guarantees that the selected countries provide good examples of the thematic area, according to each parameter/topic identified.
- **C. Regional diversity:** This indicator aims to achieve regional diversity and balance in the country selection. The first two indicators have more weighting than the regional diversity indicator. However, based on the results from the feasibility indicator, the highest scoring country from each region (not already represented among pre-selected countries) will be given an additional point to ensure regional diversity in the pre-selection.

Table 1 summarizes what each indicator contains while **Table 2** shows the parameters and the evaluation grid for each indicator. The minimum requirement for the selection of a country is an overall score of 5/10 and a minimum of 50 per cent in indicators A and B. This result can be interpreted as a viable and relevant case study for Vietnam. If a country does not get at least 50 per cent in indicator A (2 points), the country will not be classified to be assessed under indicator B.

Table 1. Summary of Indicators

Indicators	Parameters	Type of	Weighting
A. Feasibility and structural similarity to Vietnam B. Thematic relevance	Institutional framework Form of State: Unitary State Centralization of planning mandates: mainly three tiers involved (national, provincial and local) Socioeconomic variables Urban population: 38% Urban population growth: 2.7% GDP per capita: US\$ 3,756.5 IHDI: 0.6 (medium-low human development) Population living in informal settlements: 6% of the urban population as of 2020. Individuals using the internet: Effective urban development and management legislation, from analyzing the following substantive criteria: Institutional functions and smart governance in urban development /4 Mechanisms for land-value capture and urban infrastructure financing /4 Public participation and involvement in urban development /4 Mechanisms to upgrade informal settlements /4 Mechanisms for urban regeneration for compact city development /4 Climate-friendly urban development and green growth /4	assessment Qualitative Qualitative and quantitative	4 3-4/4 The country has an institutional and socioeconomic context similar to Vietnam and is a good comparator. 1.75-2.75/4 The country has an institutional and socioeconomic context that is moderately similar to Vietnam and can be comparable. 0-1.5/4 The country does not have enough elements to be comparable to Vietnam. 5 4-5/5 The country provides excellent models of urban development and management mechanisms. 2.5-3.5/5 The country has several good examples of urban development and management mechanisms.
C. Regional diversity	Mechanisms to resolve urban development disputes /4 Geographical region* Vietnam Geographic region: Asia Vietnam Geographic sub-region: Southeast Asia	Qualitative	O-2/5 The country does not have good examples of urban development and management mechanisms to provide. 1 Based on the results from the first two indicators above, the highest scoring
Total	*According to the UN Statistics division		countries from each region are rewarded with an additional point to ensure regional diversity in the final selection.
Total			10

Table 2. Evaluation Grids for the Indicator

Indicator	Results
A. Feasibility and Structural Similarity to Vietnam	/04
B. Thematic Relevance	/05
C. Regional Diversity	/01
Total	/10

2. Structural (socio-economic) parameters

Table 3. Structural (socio-economic) parameters

Country	Form of State	Level of decentralization of urban development mandates	Urban population (Per cent of total pop., 2021)	Urban population growth (Annual per cent in 2021)	GDP per capita (Current US\$, 2021)	Inequality- adjusted Human Development Index (IHDI) (2021 value)	Population living in informal settlements (Per cent of urban population, 2020)	Individuals using the internet (Per cent of total pop., 2021)	Geographic region
Vietnam ★	Unitary State	3 tiers	38	2.7	3,756.5	0.6	6	74	Asia – Southeast Asia
Australia	Federal State	3 tiers involved, but mostly State/ Regional level	86	0.3	60,443.1	0.88 (Very high)	N/A	96	Oceania – Australia and New Zealand
Chile	Unitary State	4 tiers (National, Regional, Metropolitan and Local/municipal)	88	1.1	16,265.1	0.72 (High)	7 (2008)	90	Latin America and Caribbean (LAC) – South America
Kenya	Unitary State	2 tier- decentralized (National and Local, but mostly Country governments at the local level)	28	3.7	2,081.8	0.43 (Low)	51	29	Africa – Eastern Africa
Morocco	Unitary State	3 tiers – Decentralized but with strong oversight from national government. (Subnational, Regional and Local)	64	1.9	3,795.4	0.5 (Low)	11	88	Africa – Northern Africa
Panama *	Unitary State	3 tiers (National, Regional and Local)	69	1.8	14,617.6	0.64 (Medium)	16	68	Latin America and Caribbean (LAC) – Central America
Peru	Unitary State	3 tiers (National, Sub-national/ Intermunicipal and Local)	79	1.5	6,621.6	0.64 (Medium)	34 (2014)	71	Latin America and Caribbean (LAC) – South America
Republic of Korea	Unitary State	4 tiers (National, Provincial, Metropolitan and Local/Municipal)	81	- 0.2	34 757.7	0.84 (Very high)	N/A	98	Asia – Eastern Asia
Rwanda	Unitary State	3 tier – decentralized (National, Provincial/District and Local)	18	3.1	822.3	0.4 (Low)	38	30	Africa – Eastern Africa
South Africa	Unitary State	3 tiers (National, Regional/Provincial and Local)	68	1.7	7,055.0	0.47 (Low)	24	72	Sub-Saharan Africa – Southern Africa
United Kingdom	Unitary State	4 tiers (National/Federal, Sub-national, Sub-regional - Greater London and Local)	84	0.7	47,334.4	0.85 (Very high)	N/A	97	Europe – Northern Europe

3. Evaluation of Structural Parameters

Table 4. Evaluation of Structural Parameters

Country	Form of State	Level of decentralization of urban development mandates	Urban population (Per cent of total pop., 2021)	Urban population growth (Annual per cent, 2021)	GDP per capita (Current US\$, 2021)	Inequality- adjusted Human Development Index (IHDI), 2021 value	Population living in informal settlements (Per cent of urban population, 2020)	Individuals using the internet (% of total pop., 2021)	FINAL SCORE /16	FINAL SCORE /4 + Regional Diversity /1
	Baseline= Unitary Unitary=1 Other = 0	- Highly centralized = 0.5 - Centralized with some degree of autonomy, or decentralized but with control by central government= 1 - Highly decentralized= 0	+/- 10% = 2 +/- 20% = 1 +/- 30% = 0.5 Other= 0	+/- 1% = 2 +/- 1.5% = 1 +/- 2% = 0.5 Other= 0	+/- 3 000 = 2 +/- 5 000 = 1 +/- 10 000 = 0.5 + 30 000 = 0	+/- 0.1 = 2 +/- 0.2 = 1 +/- 0.25 = 0.5 Other= 0	< 10%= 2 < 5% = 1 > 20%= 0	> 65% = 2 > 90% =1 Other = 0	/16	/4
Vietnam ★	Unitary State	3 tiers	38	2.7	3,756.5	0.6	6	74	0	
Australia	0	1	0	0	0	0	2	1	4	1 (+1) = 2
Chile	1	1	0	0.5	0.5	1	2	2	8	2
Kenya	1	1	2	2	2	1	0	0	9	2.3
Morocco	1	1	0.5	2	2	2	1	2	11.5	2.9
Panama * *	1	2	0	2	0.5	2	1	2	10.5	2.6
Peru	1	2	0	1	0.5	2	0	2	8.5	2.1
Republic of Korea	1	1	0	0	0	0.5	2	1	5.5	1.4 (+1) = 2.4
Rwanda	1	2	1	2	2	1	0	0	9	2.3
South Africa	1	2	0.5	2	1	1	0	2	9.5	2.4
United Kingdom	1	2	0	0.5	0	0.5	2	1	7	1.75 (+1) = 2.8

4. Evaluation grid for the relevance indicator

Table 5. Evaluation grid for the relevance indicator

	0	1	2	3	4
Institutional Functions and Smart Governance in Urban	Several institutions have responsibilities in implementing the regulations and no coordination mechanism is in place.	Several institutions have responsibilities in implementing the regulations. Coordination mechanisms exist but they don't work.	Several institutions have responsibilities in implementing the regulations. Coordination mechanisms exist but they work only occasionally.	Institutional roles and responsibilities in this sector are concentrated in one institution that does not always work efficiently.	Institutional roles and responsibilities in this sector are concentrated in one efficient institution or in several well-coordinated institutions.
Development	Human and financial resources are completely inadequate to implement the legislative framework. No form of smart governance.	Human and financial resources are inadequate to implement the legislative framework but could be improved in several years (+5 years) with capacity development. Limited smart governance or digitalization of urban development services.	Human and financial resources are inadequate to implement the legislative framework but could be realistically improved in a few years (2-3 years) with capacity development. Policies and strategies include the digitalization of urban development services	Human and financial resources are somewhat adequate. Digital governance mechanisms are prevalent, and they are integrated in the legislative framework, but there is limited implementation.	Human and financial resources are adequate for the successful implementation of the spatial planning legislative framework. Digital governance mechanisms are prevalent, and they are integrated in the legislative framework with successful implementation.
Mechanisms For Land-Value Capture and urban infrastructure financing	No mechanisms exist to share the increase in land value. Or No property tax exists. Or No mechanisms exist to oblige developers to pay fees/contributions for urban infrastructure.	Simple mechanisms exist such as land value contribution or fees in case of land subdivisions or building license application. These are not commonly used and enforced. Or A property tax exists but it has less than 20% collection rate. It is based on the value of undeveloped land. Or Developers pay some administrative fees not proportioned to the scale and need of the development or infrastructure.	Simple mechanisms exist such as land value contribution in case of land subdivisions or building license application. These are commonly used and enforced. The revenue collected increases the service capacity of the local authority. Or A property tax exists but it has less than 50% collection rate. It is based on the value of undeveloped land. Or Developers contribute (in-kind or in cash) to some infrastructure costs, but they do not cover all the infrastructure costs required by their development. Some forms of private investment in infrastructure (such as planning concessions) are present.	Several, more complex mechanisms to share the increase in land value are present for planning decisions and public investments. The revenue collected increases the capacity of the local urban planning authority. Or A property tax exists, and it has more than 80% collection rate. It is based on the value of land and development. Or Developers contribute (in-kind or in cash) to all the infrastructure costs required by their development. Few forms of private investment in infrastructure (such as planning concessions, or PPPs) are present.	Several mechanisms to share the increase in land value are present for planning decisions and public investments. The revenue collected (or part of it) is allocated to be spent across the city to increase the supply of public goods and increase equitable urban development. Or Property tax exists with a large collection rate (more than 90%). It is based on the value of land and development. Progressive increase for undeveloped, vacant land or empty houses. Or Developers contribute (in-kind or in cash) to all the infrastructure costs required by their development. The building license is granted only after the contribution is paid or checked. Multiple forms of private investment in infrastructure (such as planning concessions, PPPs, municipal bonds, bank and institutional loans) are present.

	0	1	2	3	4
Public Participation and Involvement in Urban Development	Citizens are not involved in urban planning processes. Information on urban planning is not publicly available and citizens are completely excluded from decision-making.	Some rules on public participation in urban planning decision-making exist but they are not transparent and can be easily manipulated.	Public participation in urban planning is clearly established in law / regulations, although not in all stages of planning (e.g., usually, the public have a role in the post-design phase but do not participate in the initiation, preparation or design of the plan). Mechanisms, timeframes, and modalities for this participation to take place are not clear, not established or one of these components is entirely missing. Priority groups are not taken into consideration (i.e., women, young people, Indigenous People, people with disabilities, etc.). There is a right to access information, but in practice not all information is available or shareable.	Public participation in urban planning is clearly established and there are mechanisms in place that effectively allow the public to participate. Mechanisms, timeframes, and modalities are all clearly defined although the public has a role in some stages of the planning but not in all stages. Priority groups can be taken into consideration. There could be forms of public-private partnerships or other partnerships for service delivery among State and non-State actors. There could also be forms of civic education. Citizens have a right to access information which is publicly available and transparent.	Non-State actors are effectively involved in urban planning: they are required to engage and consult at all stages, meaning a) preparation and design; b) post-design (i.e., once plan is complete); c) implementation; d) monitoring/evaluation; e) post-implementation. Mechanisms, timeframes, and modalities for this participation to take place are all clearly established (these could range from town halls, public charrettes, questionnaires and interviews). Participation is effective because the public is well informed: citizens have the right to access information and the process is easy, timely and cost-effective. Public information is transparent and publicly available in several ways (including digital platforms, but also gazette notices, notice boards in the city office). Participation is effective because it is informed in the sense that citizens receive training/civic education from the Government. There are specific mechanisms in place to allow for participation of priority groups. There are mechanisms for non-State actors to be involved/partner with State actors in delivering urban services and implementing projects (e.g., public-private partnerships; service delivery partnerships).
Mechanisms to Upgrade Informal Settlements	No planning mechanisms exist to upgrade informal settlements and upgrading is dealt with on ad hoc basis (through projects).	No planning mechanisms exist to upgrade informal settlements and standard planning tools (detailed and neighborhood plans) are used across the city, including in areas containing informal settlements.	No planning mechanisms exist to upgrade informal settlements and standard planning tools (detailed and neighborhood plans) are used across the city, including in areas containing informal settlements. The legal framework has regulations to allow land consolidation and re-parceling in informal settlements.	Specific planning tools exist to upgrade informal settlements.	Specific planning tools exist to upgrade informal settlements, including planning instruments that consider informal settlements' contexts and needs in all stages of the planning process (land tenure, participation, enumeration, data collection, risk assessments, consideration of the informal economy, etc.), and land management instruments to consolidate, densify and readjust the land. The legal framework has regulations to allow land consolidation and re-parceling in informal settlements.
Mechanisms for Urban Regeneration for Compact City Development	No requirement for urban development (plans and strategies) to identify redevelopment of brownfields, densification, heritage preservation and infill, as well as inclusive mixed land-use. No incentives for urban regeneration exist.	Weak requirements for urban development (plans and strategies) to identify redevelopment of brownfields, densification, heritage preservation and infill, as well as inclusive mixed land-use. No incentives for urban regeneration exist.	Moderate requirements for urban development (plans and strategies) to identify redevelopment of brownfields, densification, heritage preservation and infill, as well as inclusive mixed land-use. Weak incentives for urban regeneration exist with no public participation.	Adequate requirements for urban development (plans and strategies) to identify redevelopment of brownfields, densification, heritage preservation and infill, as well as inclusive mixed land-use. Incentives for urban regeneration exist with limited public participation.	Urban development (plans and strategies) are required to identify redevelopment of brownfields, densification, heritage preservation and infill, as well as inclusive mixed land-use. There are several (and strong) incentives for urban regeneration with meaningful public participation.

	0	1	2	3	4
Climate- friendly Urban Development and Green Growth	No requirement for urban development (plans and strategies) to consider the protection of environmentally sensitive areas, conduct environmental impact assessment/climate vulnerability assessments or to contain climate adaptation and mitigation strategies. The local government has no funding sources to cover the mitigation and adaptation costs associated with climate change.	The urban development (plans and strategies) is required to consider the protection of environmentally sensitive areas, but not to conduct environmental impact assessments/ climate vulnerability assessments or contain climate adaptation and mitigation strategies. The local government has limited funding sources to cover the mitigation and adaptation costs associated with climate change.	The urban development (plans and strategies) is required to consider the protection of environmentally sensitive areas, conduct environmental impact assessments/ climate vulnerability assessments, but they are not required to contain climate adaptation and mitigation strategies. The local government has moderate funding sources to cover the mitigation and adaptation costs associated with climate change.	The urban development (plans and strategies) is required to consider the protection of environmentally sensitive areas, conduct environmental impact assessments/climate vulnerability assessments, but contain only either climate adaptation or mitigation strategies. The local government has adequate funding sources to cover the mitigation and adaptation costs associated with climate change.	The urban development (plans and strategies) is required to consider the protection of environmentally sensitive areas, conduct environmental impact assessments/climate vulnerability assessments, and contain both climate adaptation and mitigation strategies. The local government has enough funding sources to cover the mitigation and adaptation costs associated with climate change.
Mechanisms to Resolve Urban Development Disputes	There is no way to challenge urban planning decisions or there are complex and non-transparent processes that can be easily manipulated, leaving decisions at the discretion of public officials.	Challenging urban planning decisions is possible and procedures are partially defined. However, there is a fair amount of discretion in practice that could be given to lack of clear procedures or indication of responsible institutions.	Challenging urban planning decisions is possible and procedures are clearly defined. However: Timeframes are not clearly established, so there is discretion on the length of the procedure; the applicant has uncertainty on the deadline to solve the case. or Costs are not clearly established or are prohibitive, or there are important limitations on the possibility to appeal a decision (e.g., see the case of India).	Challenging urban planning decisions is possible and procedures are clearly defined. Special bodies are created and they are clearly in charge of determining the case/appeal. Timeframe, costs and modalities are clearly established. In particular, timeframes to decide the case are provided in the law or communicated at the beginning of the procedure. However, the stipulated time frame to decide an appeal is lengthy (more than 6 months) and/or costs are not accessible to everyone. In addition to the judicial system, alternative dispute resolution mechanisms are provided.	The planning system allows urban planning decisions to be challenged: procedures are clearly defined, transparent and the decisions are evidence-based and not discretionary. Special bodies in charge of determining the case/appeal are clearly established, as well as timeframes and modalities. Timeframes are short to allow the applicant to have a quick resolution of the case and certainty of his/her rights. Costs are accessible or there are support schemes for the poorest people. In addition to the judicial system, alternative dispute resolution mechanisms are provided: they are affordable and allow a fast resolution of the dispute.

5. Assessment of countries according to relevance

Table 6. Evaluation of countries according to the relevance indicator

Country	Institutional Functions and Smart Governance in Urban Development /4	Mechanisms for land-value capture and urban infrastructure financing /4	Public participation and involvement in urban development /4	Mechanisms to upgrade informal settlements /4	Mechanisms for urban regeneration for compact city development	Climate- friendly urban development and green growth /4	Mechanisms to resolve urban development disputes /4	Score /36	Score /5
Australia ≱K∵	4	3	4	N/A	4	4	3	22	3
Chile	4	3	4	4	4	4	3	26	3.6
Kenya	3	2	3	4	3	4	4	23	3.2
Morocco	3	2	2	3	3	1	3	17	2.4
Panama *	4	2	4	N/A	4	4	3	21	2.9
Peru	3	2	4	4	4	4	3	24	3.3
Republic of South Korea	3	2	3	N/A	4	3	3	18	2.5
Rwanda	2	3	3	3	4	4	2	21	2.9
South Africa	3	4	3	3	2	3	3	21	2.9
United Kingdom	4	4	4	N/A	4	4	4	24	3.3

6. Core Country Selection

Table 7. Evaluation of countries according to the three indicators

Country	Score for the structural parameters /4	Score for the assessment criteria /5	Final Score /10 (9 +1 for regional diversity)
Australia	2	2.9	5
Chile	2	3.6	5.6
Kenya	2.3	3.2	5.5
Morocco	2.9	2.4	5.3
* Panama	2.7	2.9	5.6
Peru	2.1	3.3	5.4
Republic of South Korea	2.4	2.5	4.9
Rwanda	2.3	2.9	5.2
South Africa	2.4	2.9	5.3
United Kingdom	2.8	3.3	6.1

Core Country List (for all seven indicators):

Table 8. Final selection

Ranking	Core Countries	
1	United Kingdom	
2	Chile	*
3	Panama	* *
4	Kenya	
5	Peru	@

Countries such as Australia, Republic of Korea, Rwanda, and South Africa, did not qualify for the final shortlist, while Brazil and Philippines were not included in the initial assessment. However, each country presents some interesting best practices in one thematic area/topic. They will be part of the comparative research.



Australia – Institutional Functions and Smart Governance in Urban Development:

In 2016, the Commonwealth of Australia launched the Smart City Plan, setting out the Australian Government's vision for cities, despite their size and location, and planning for maximizing cities' potential. The <u>Smart City Plan</u> includes three pillars: Smart Investment, Smart Policy, and Smart Technology.



Brazil - Public Participation and Involvement in Urban Development:

Article 2.IV of the Law No. 10257 of 2001 containing the City Statute establishes the cooperation between governments, private initiative and other sectors of society in the urbanization process, in service of the social interest as a principle of Brazilian urban policies. Moreover, the process of designing Master Plans should guarantee the promotion of public hearings and debates with the participation of the population and associations that are representative of the various segments of the community, publicity concerning the documents and information produced and access to the documents and information produced for anyone interested. According to Article 43 of the City Statue, the mechanism for public participation includes urban policy counsels, at the national, state, and municipal levels, debates, hearings and public consultations, conferences about subjects of urban interest, at the national, state and municipal level as well as popular initiative for proposed laws and plans, programs and urban development projects. A great example of public participation and involvement in urban development is given by the revision process of the Master Plan for Sao Paulo of 2014. In 2005, Brazil also launched a national campaign titled "Participatory Master Plan: Cities for All", followed by the National Program of Capacity Building in Cities.



Republic of Korea – Mechanisms for urban regeneration:

The Republic of Korea has a <u>Special Act of 2005 (latest amendment)</u>, on the <u>Promotion of Urban Renewal</u>. The Act, among other things, establishes the "urban renewal acceleration plan", "urban renewal strategic plan" and the "urban regeneration master plan." It also identifies "urban renewal acceleration zones."



Rwanda - Climate-friendly Urban Development and Green Growth:

Rwanda's National Environment and Climate Change Policy of 2019 promotes climate change adaptation, mitigation, and response, among others, by integrating weather and climate information into infrastructure planning and development or preparing plans to "slow down the increase of greenhouse gas emissions". Moreover, in 2019, Rwanda developed, a *Green Building Minimum Compliance System* containing 29 indicators to assess building construction and construction projects. This Compliance System is an Annex to the 2019 Ministerial Order determining Urban Planning and Building regulation and the revised Rwanda Building Code 2019.



South Africa – Mechanisms for land-value capture and urban infrastructure financing:

South Africa has a robust land value capture system through utilizing several mechanisms for development, planning decisions, and public investments at different levels of government such as developer charges or contributions, rates on properties, and public-private partnership which are regulated and implemented.



The Philippines – Mechanisms to Upgrade Informal Settlements:

The <u>Comprehensive and Integrated Shelter Financing Act. R.A. No. 7835 of 1994</u>, at the national level, put the onus of dealing with informal settlers mainly on the National Housing Authority (NHA) and the Housing and Urban Development Coordinating Council. The NHA and Social Housing Finance Corporation programs directly provide either secure tenure and basic services or financial assistance to eligible informal settler families, including those living in Metro Manila's danger zones. The Settlements Upgrading Program is intended to address the security of tenure and infrastructure requirements of informal settlements on government land and proclaimed or designated as socialized housing sites. The process covers survey and titling of individual lots for disposition to qualified occupants, infrastructure development, housing construction, and rehabilitation of existing project sites. The total countries included in this report include: Australia, Brazil, Chile, Kenya, Panama, Peru, Philippines, Rwanda, South Africa, South Korea and the United Kingdom.



Figure 2. Map showing the geographical location of study countries including Vietnam

Disclaimers

The designations employed and the presentation of material on this map do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

Dotted line represents approximately the Line of Control in Jammu and Kashmir agreed upon by India and Pakistan. The final status of Jammu and Kashmir has not yet been agreed upon by the parties. Final boundary between the Nepublic of Sudan and the Republic of South Sudan has not yet been determined.

A dispute exists between the Governments of Argentina and the United Kingdom of Great Britain and Northern Ireland concerning sovereignty aver the raldand Islands (Malvinas).

Source: United Nations Geospatial

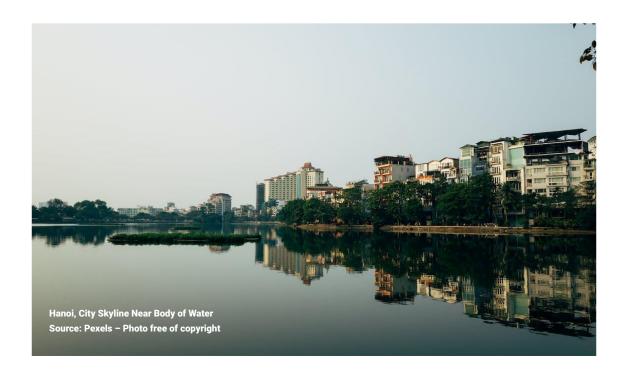
SUMMARY OF COUNTRY CONTEXTS



VIETNAM

Table 9. Socialist Republic of Vietnam country profile: quick facts

*	Vietnam country profile: quick facts		
P	Form of State	Unitary State	
	Form of government	Socialist republic	
	Surface area (2020)	331,340 km²	
\$	Gross domestic product (2022)	\$ 408.8 billion	
B	Gross domestic product per capita (2022)	\$ 4,163.5	
र्घर्ड ठेउ	Population (2022)	98,186,856	
	Population density (2021)	311 inhabitants per km²	
	Urban population (per cent of total population, 2022)	39	
級↑	Urban population growth (annual per cent, 2022)	2.6	
	Population living in informal settlements (per cent of urban population, 2020)	6	
A ^J A	Inequality-adjusted Human Development Index (2021)	0.6 (medium)	
	Individuals using the Internet (per cent of total population, 2022)	79	
	Geographic region and subregion	Asia – Southeast Asia	



General Country Background

The Socialist Republic of Vietnam is a unitary state located in Southeast Asia facing the South China Sea and its capital is Hanoi.

According to the Constitution of 2013,¹⁰ the government power is delegated to various state agencies which coordinate with one another in the exercise of the legislative, executive and judicial powers; through the National Assembly, People's Councils and the other state agencies. The public exercise their democratic rights through direct elections and representative democracy, with the Communist Party of Vietnam guiding the State and society. The Vietnam Fatherland Front, a political alliance and a voluntary union of the political organization, socio-political organizations and social organizations, and prominent individuals, constitute the political base of the people's administration. Among others, the Fatherland Front and its member organizations have the right to submit draft laws to the National Assembly and decide on the country's major goals, targets, policies and tasks for socio-economic development. The President is the Head of State. The Government, composed of the Prime Minister, Deputy Prime Ministers, Ministers, and Heads of ministerial-level agencies, is the highest state administrative body; it exercises the executive power, and is the executive body of the National Assembly. The head of the Government is the Prime Minister. Finally, the People's Courts, including the Supreme Peoples' Court, are the judicial bodies of the Socialist Republic of Vietnam and exercise the judicial power.

From an administrative point of view, the country is divided into provinces and centrally-run cities. The provinces are further divided into rural districts, towns, and provincial cities; while a centrally-run city is divided into urban districts, rural districts, towns, and equivalent administrative units. Finally, a rural district is divided into communes and townships; a town or provincial city is divided into wards and communes, while an urban district is divided into wards.

 $^{10 \}quad \text{Constitution of the Socialist Republic of Vietnam of 2013, English version provided by FAO: $https://faolex.fao.org/docs/pdf/vie127527.pdf and $https:$

Economically, Vietnam has a GDP of USD 408.8 billion with an annual growth of 8 per cent (2022)¹¹, which ranks third among all the case study countries after Panama (10.8) and Rwanda (8.2), while it's GDP per capita (USD 4,163.5) is almost the double of all the southern Asia region (USD 2,272.5).¹²

Among the case study countries, Vietnam's urban population is relatively low. As of 2022, the per centage of people living in urban areas over the entire population was 39 per cent.¹³ However, Vietnam has one of the highest rates of annual urban population growth (2.6) after Kenya (3.7) and Rwanda (3.2).¹⁴ Population density is also high (311 people per km² in 2021), especially if compared to the case study countries such as Australia, Brazil, Chile, Peru, South Africa, Panama and Kenya (presenting an average of 40 people per km².).¹⁵ Finally, the amount of people living in informal settlement in 2020 was around 6 per cent of the urban population.¹⁶



¹¹ The World Bank Data, overview of Vietnam, 2022: https://data.worldbank.org/country/vietnam

¹² The World Bank Data, comparison of GDP annual per centage growth, 2022: https://data.worldbank.org/indicator/NY.GDP.MKTP. KD.ZG?locations=VN-PE-AU-PH-PA-GB-KE-ZA-RW-BR-CL-KR-8S&most_recent_value_desc=true

¹³ The World Bank Data, Urban population, per centage over the total population, 2022: https://data.worldbank.org/indicator/SP.URB.TOTL.

¹⁴ The World Bank Data, comparison of urban population annual growth, 2022: https://data.worldbank.org/indicator/SP.URB.GROW?locations=VN-PE-AU-PH-PA-GB-KE-ZA-RW-BR-CL-KR-8S&most_recent_value_desc=true

¹⁵ The World Bank Data, comparison of population density, 2021: https://data.worldbank.org/indicator/EN.POP.DNST?locations=VN-PE-AU-PH-PA-GB-KE-ZA-RW-BR-CL-KR-8S&most_recent_value_desc=true

¹⁶ The World Bank Data, people living in informal settlement, per centage over the urban population, 2020: https://data.worldbank.org/indicator/EN.POP.SLUM.UR.ZS?locations=VN

Urban development and planning in the Socialist Republic of Vietnam is regulated through several instruments. These instruments are:

- 1. Law on Planning (Law No. 21/2017/QH14) which provides for formulation, appraisal, decision or approval, announcement, implementation, assessment and adjustment of the planning under the national planning system, responsibility for state management of planning. The Law applies to organizations and individuals involved in the formulation, appraisal, decision or approval, announcement, implementation, assessment and adjustment of the planning under the national planning system and other relevant organizations and individuals.
- **2.** Law on Urban Planning (No. 30/2009/QH12) which provides urban planning activities including elaborating, evaluating, approving and adjusting urban planning; organizing the implementation of urban planning and managing urban development according to approved urban planning. It applies to domestic and foreign organizations and individuals directly involved in or related to urban planning activities in Vietnamese territory.¹⁷
- **3.** Decree 37/2019/ND-CP which details implementation of some articles of the Planning Law such as Articles 15, 17, 19, 22, 23, 24, 25, 26, 27, 30, 40, 41 and 49.
- **4.** Land Law No. 45/2013/QH13 which prescribes the land ownership, powers and responsibilities of the State in representing the entire-people ownership of land and uniformly managing land, the land management and use regimes, and the rights and obligations of land users over the land in the territory of the Socialist Republic of Vietnam.
- **5.** Construction Law No. 50/2014/QH13 which prescribes the rights, obligations and responsibilities of agencies, organizations and individuals and the state management in construction investment activities.
- **6.** Law on Housing No.65/2014/QH13 which stipulates ownership, development, management, and use of housing; housing-related transactions; state management of housing in Vietnam. Transactions in sale, lease, and sublease on commercial housing conducted by real estate enterprises or cooperatives should comply with regulations of law on real estate trading.

Overall, Vietnam's spatial planning system is made up of different levels of planning, that include overall planning of socio-economic development at all levels with the management level operating under the Ministry of Planning and Investment; physical planning at all levels under control of the Ministry of Construction; land use planning under the Ministry of Natural Resources and Environment; special planning under the specialized Ministries. The different levels of plans include a) national comprehensive planning as well as national marine spatial planning; national land use planning; and national sector planning; b) regional Planning; c) provincial planning; d) special administrative-economic unit planning; and e) urban planning and rural planning.¹⁸

¹⁷ Law on Urban Planning, Art 1

¹⁸ Article 5 of the Law on Planning for Vietnam, 2017.

AUSTRALIA

Table 10. The Commonwealth of Australia country profile: quick facts

* *	Australia country profile: quick facts	
P	Form of State	Federal State
	Form of government	Constitutional monarchy
\Leftrightarrow	Surface area (2020)	7,741,220 km²
\$	Gross domestic product (2022)	\$1.68 trillion
B	Gross domestic product per capita (2022)	\$64,491.4
7555 20	Population (2022)	26 million
	Population density (2020)	3 inhabitants per km²
	Urban population (per cent of total population, 2022)	86
級	Urban population growth (annual per cent, 2022)	1.3
	Population living in informal settlements (per cent of urban population)	N/A
A ^J A	Inequality-adjusted Human Development Index (2021)	0.88 (very high)
	Individuals using the Internet (per cent of total population, 2021)	96
②	Geographic region and subregion	Oceania



Australia is a federal State constitutionally composed of six States (New South Wales, Queensland, South Australia, Tasmania, Victoria and Western Australia) and two self-governing territories (Northern Territory, and Australian Capital Territory), which have their own constitutions, parliaments, governments and laws¹⁹ as well as political culture. As a constitutional monarchy and representative democracy, the executive power of the Commonwealth is officially assigned by the Constitution to the Queen and exercisable by the Governor-General (Queen's representative). However, in practice, the executive power lies in the hands of the prime minister and Cabinet (although they are not mentioned in the Constitution: this system is inherited from the United Kingdom). In addition to custom and tradition, the prime minister and Cabinet derive their powers, constitutionally, from their membership in the Federal Executive Council and their status as advisers to the Governor General, as well as politically, from the people through the House of Representatives' elections.

Australia has three levels of government: the national Government, usually called the Federal Government, Commonwealth Government or Australian Government; the State/Territory Governments, competent for matters like roads, housing, public transport, among others; the local councils, competent for local matters such as town planning, sewerage, local roads, etc. It is worth mentioning that the local level of government is not recognized in the Australian Constitution, but since 2005 it has been recognized in the State Constitutions. However, the lack of legitimate recognition at the national level has relegated local government to a "lesser" or subordinate level of government.²⁰

Geographically, Australia is located between the Pacific Ocean and the Indian Ocean, and it is the largest landmass on the continent of Oceania. The federal capital of Australia is Canberra. With

¹⁹ Parliament of Australia, Infosheet 20 – The Australian system of government, www.aph.gov.au/About_Parliament/House_of_Representatives/Powers_practice_and_procedure/00_-_Infosheet_20_-_The_Australian_system_of_government.

²⁰ Christensen, H. "Legislating community engagement at the Australian local government level", in Commonwealth Journal of Local Governance, April 2019, www.researchgate.net/publication/332129669_Legislating_community_engagement_at_the_Australian_local_government_level.

a population of about 26 million (2022)²¹, it is one of the less densely populated countries in the world²² averaging three people per km²; indeed, the population of Australia is concentrated in the major cities, which are home to 72 per cent of the total population out of the overall 86 per cent of the urban population²³. By contrast, 26 per cent live in inner and outer regional Australia, with the remainder (around 2 per cent) living in remote and very remote areas.²⁴ Additionally, in 2022 the annual urban population growth was of 1.3 per cent.²⁵

From an economic perspective, Australia is a highly developed country, with a gross domestic product of US\$1.68 trillion (2022).²⁶ Regarding overall human development, Australia is currently ranked fifth (United Nations Development Programme's Human Development Index, 2021) and has an Inequality-adjusted Human Development Index classified as "very high development".²⁷ A high per centage (96 per cent) of the total population uses the Internet (either via a computer, mobile phone, personal digital assistant, games machine, digital television, etc.)²⁸, and thus, many Australians have the potential to access digital information and existent digital governance mechanisms.

Urban Development and Spatial Planning System

Each of the three tiers of government have a role in urban planning: the Commonwealth Government can influence policies and outcomes at a national level; the State/Territory Governments have most responsibility for land-use planning and land management and have all the powers not specifically assigned to the federal Government by the Constitution (residual competence). For example, States/territories are competent for: allocation of infrastructure, management of the public estate, powers to control land use and design, etc. States/territories work together with local governments in the implementation of their planning and urban development responsibilities. Local governments regulate day-to-day land use and are primarily responsible for drawing up and approving local land-use plans. Each State/territory has its own legislation for urban planning as well as its political culture. For instance, in Western Australia, land-use planning is overseen by Planning Western Australia, which implements the Planning and Development Act 2005 while in New South Wales, land use planning is overseen by the Department of Planning and Environment, which implements the Environmental Planning and Assessment Act 1979.

²¹ The World Bank Data, Population total, 2022: https://data.worldbank.org/indicator/SP.POP.TOTL?locations=AU

²² The World Bank Data, Population density (people per km² of land area), 2020: https://data.worldbank.org/indicator/EN.POP.DNST?locations=AU

²³ The World Bank Data, Urban population (per cent of total population), 2022: https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=AU

²⁴ Remote and very remote areas are two categories of Remoteness Areas, which divide Australia into five classes of remoteness based on a measure of relative access to services. Remoteness Areas are intended for the purpose of releasing and analysing statistical data to inform research and policy development in Australia. Source: Australian Institute of Health and Welfare, Profile of Australia's population, 7 July 2022, www.aihw.gov.au/reports/australias-health/profile-of-australias-population

²⁵ The World Bank Data, Urban population growth (annual per cent), 2022: https://data.worldbank.org/indicator/SP.URB.GROW?locations=AU

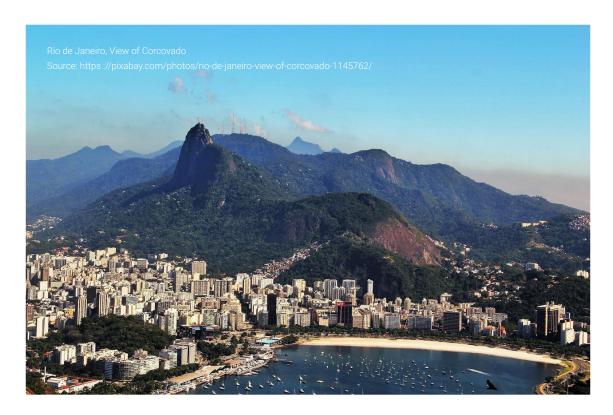
²⁶ The World Bank Data, GDP (current USD), 2022: https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=AU.

²⁸ The World Bank Data, Individuals using the Internet (per cent of population), 2021: https://data.worldbank.org/indicator/IT.NET.USER. ZS?locations=AU

BRAZIL

Table 11. Brazil country profile: quick facts

	Brazil country profile: quick facts	
P	Form of State	Federal State
	Form of government	Presidential constitutional republic
	Surface area (2022)	8,515,770 km².
\$	Gross domestic product (2022)	\$ 1.92 trillion
B	Gross domestic product per capita (2022)	\$ 8,917.7
रुरेर् <i>र</i> रुरेर	Population (2020)	215,313,498
	Population density (2020)	26 inhabitants per km²
	Urban population (per cent of total population, 2022)	88
<i>გ</i> გ↑	Urban population growth (annual per cent, 2022)	0.7
	Population living in informal settlements (per cent of urban population, 2016)	15
٨٦٩	Inequality-adjusted Human Development Index (2021)	0.58 (Medium)
	Individuals using the Internet (per cent of total population, 2021)	81
②	Geographic region and subregion	Latin America and Caribbean (LAC) – South America



Brazil is the largest and most populous country in South America and the fifth-largest country in the world.²⁹ It is located in the Eastern part of South America, facing the Atlantic Ocean—and its federal capital is Brasilia.

According to Article 1 of the political Constitution of 1988, as lastly amended in 2022, the Federative Republic of Brazil is a democratic state governed by the rule of law.30 The political and administrative organization of the Federative Republic of Brazil comprises the Union, the states, the Federal District and the municipalities and all of them are autonomous (Art. 18). Among others, the Union, regulated by chapter II of the Constitution, establishes directives for urban development, including housing, basic sanitation, and urban transportation (Art. 21.XX). The legislative power is exercised by the National Congress, which is composed of the Chamber of Deputies and the Federal Senate (Art. 44). Under Article 48 of the Constitution, the National Congress has the legislative power over all the matters within the competence of the Union which include expropriation and the judicial organization, as exclusive competences, system of taxation, collection of taxes and income distribution, national, regional and sectorial plans and programmes of development, as well as financial, economic and urban law, preservation of nature, defense of the soil and natural resources, protection of the environment, protection of the historic, cultural and artistic heritage as shared competences with the states and the Federal District. The competence of the Union shall be limited to the establishment of general rules (Art. 24.1). The legislative powers reserved to the states and municipalities are attributed to the Federal District (Art. 32.1). Among others, municipalities have the power to legislate upon matters of local interest and supplement federal and state legislations where pertinent as well as to promote adequate territorial ordaining by means of planning and control of use, apportionment

²⁹ CIA Government, The World Factbook, Brazil: https://www.cia.gov/the-world-factbook/countries/brazil/

³⁰ Political Constitution of the Federative Republic of Brazil of 1988, as lastly amended in 2022, English version, Art. 1: https://normas.leg.br/api/binario/e4a41982-7e50-4627-a65c-0d1b6eea7a69/texto

and occupation of the urban soil (Art. 30). The executive power is exercised by the President of the Republic assisted by the Ministers of State (Art. 76). The Judicial power is composed of several bodies including the Supreme Federal Court, the National Council of Justice, the Superior Court of Justice, the Federal Regional Courts and the Federal Judges and the Courts and Judges of the states, of the Federal District and of the territories (Art. 92).

Brazil is Latin America's largest economy.³¹ In 2022, Brazil's GDP grew by 2.9 per cent, largely propelled by household consumption, which advanced 4.3 per cent in the year.³² However, in 2023, real GDP growth is expected to slow to 0.8 per cent due to monetary tightening, high inflation, and subdued global demand.

Urban Development and Spatial Planning System

The spatial planning mandates are highly decentralized where there are four levels of planning at the National and Sub-national government, State level (States and Federal District), and the local level (municipalities).³³

The 1988 Federal Constitution has a section dedicated to urban development policy (Title VII, Chapter 2). According to Article 182, the urban development policy carried out by the municipal government aims to ordain the full development of the social functions of the city. The municipality is responsible for planning and implementation of urban policy; accordingly, the master plan, approved by the City Council, is the basic tool of the urban development and expansion policy (Art. 182.1). The Federal Law no. 10.257 of 2001, entitled The City Statute³⁴, aims to regulate the chapter on urban policy found in the 1988 Constitution. Overall, the City Statute provides elements for the interpretation of the constitutional principle of the social functions of urban property and of the city, identifies legal instruments for the comprehensive regularization of informal settlements in private and public urban areas, and sets the guidelines for urban and spatial planning which include the participation of the population and of the civil society in the formulation, execution and monitoring of urban development projects, plans and programs.

The main tool for local spatial planning in Brazil is the 'Participatory Master Plan', which has an eminently spatial character.³⁵ A Participatory Master Plan includes classic tools for urban management, such as a zoning plan and land use regulation. Furthermore, the specific regulations for participatory planning process are contained in the City Statute, while Article 10 establishes the National Urban Development Council (CNDU), a deliberative and consultative body within the structure of the Presidency of the Republic, which is responsible, among others, to propose guidelines, instruments, norms, and priorities for national urban development policy.

 $^{31 \}quad \text{The Heritage Foundation, 2023 Index of Economic Freedom, Brazil: https://www.heritage.org/index/country/brazil.} \\$

 $^{32 \}quad \text{The World Bank Data, overview of Brazil: } \\ \text{https://www.worldbank.org/en/country/brazil/overview} \\$

³³ Federal Constitution of Brazil of 1988

 $^{34 \}quad \text{Federal Law No. } 10.257 \text{ of } 2001 \text{ containing "The City Statue"}, \text{English version elaborated by UN-Habitat: } \text{https://www.wiego.org/sites/default/files/resources/files/Brazil-The-Statute-of-the-City-Law-No-10.257-of%20-2001.pdf}$

³⁵ Roberto Rocco, Characterization of Spatial Planning in Brazil: The Right to the City in Theory and Practice, 2019

CHILE

Table 12. Chile country profile: quick facts

*	Chile country profile: quick facts	
P	Form of State	Unitary State
	Form of government	Democratic Republic
♦	Surface area (2020)	756,700 km²
\$	Gross domestic product (2021)	317.1 billion
8	Gross domestic product per capita (2021)	16,265.1
555 550 50	Population (2021)	19,493,1844
	Population density (2020)	25.96 inhabitants per km²
	Urban population (per cent of total population, 2021)	88
<i>გ</i> გ↑	Urban population growth (annual per cent, 2021)	1.1
	Population living in informal settlements (per cent of urban population, 2020)	22.5
A ^J A	Inequality-adjusted Human Development Index (2021)	0.72 (high)
	Individuals using the Internet (per cent of total population, 2021)	90
	Geographic region and subregion	Latin America and Caribbean (LAC) – South America



Chile is a presidential republic and a unitary State located along the west coast of South America. The president of the republic is both the head of Government and head of State and appoints the Cabinet of ministers. The legislative branch is composed of a bicameral legislature, with a Senate and a Chamber of Deputies elected by proportional party lists in multi-seat constituencies.³⁶

In demographic terms, Chile has a population of 19 million, of which 88 per cent live in urban areas. The capital city, Santiago, is the most populated urban area in the country with almost 7 million inhabitants, representing more than a third of the country's total population.

Chile has one of the most prosperous economies in South America. It records the second highest gross domestic product per capita, in the region of US\$16,508.80,³⁷ and with an Inequality-adjusted Human Development Index of 0.722, Chile is also considered the country with the best quality of life in Latin America.³⁸

Urban Development and Spatial Planning System

Urban planning is a government competence operating at the three levels of public administration. At the national level, the main actor is the Ministry of Housing and Urban Development. It provides planning guidelines to the lower levels of government in accordance with the General Law on Urbanism and Construction of 1976 (last updated in 2022). At the subnational level, regional secretariats of the ministry are responsible for formulating the regional plans for urban development and the intermunicipal land-use plans, as well as for approving the local land-use plans developed by local governments. Municipalities are responsible for determining urban boundaries, preparing local land-use plans and participating in the drafting of intermunicipal land-use plans.³⁹

³⁶ CIA Government, The World Factbook, Chile: www.cia.gov/the-world-factbook/countries/chile/#economy

³⁷ The World Bank Data, overview of Chile: https://data.worldbank.org/country/chile?most_recent_value_desc=true

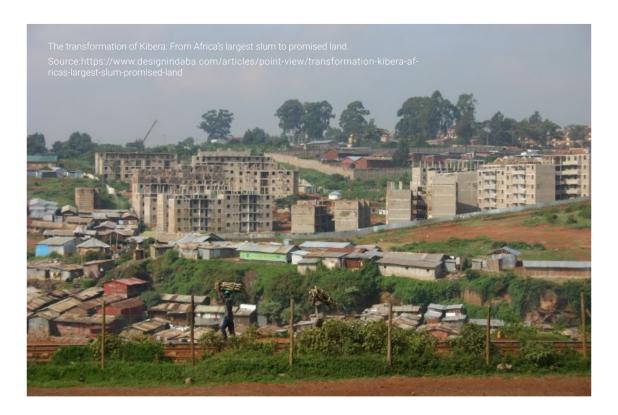
³⁸ UNDP, Exploring IHDI, 2021: https://hdr.undp.org/inequality-adjusted-human-development-index#/indicies/IHDI

 $^{39 \}quad \text{OECD, The Governance of Land Use, Country Factsheet Chile, 2017: } www.oecd.org/regional/regional-policy/land-use-Chile.pdf$

KENYA

Table 13. Kenya country profile: quick facts

	Kenya country profile: quick facts	
P	Form of State	Unitary State
	Form of government	Presidential Republic
\limits	Surface area (2020)	580,370 km²
\$	Gross domestic product (2022)	\$113.42 billion
B	Gross domestic product per capita (2022)	\$2,099.3
रुर्द्ध घर	Population (2022)	53,027,487
	Population density (2020)	91 inhabitants per km²
	Urban population (per cent of total population, 2021)	28
級↑	Urban population growth (annual per cent, 2022)	3.7
	Population living in informal settlements (per cent of urban population, 2020)	51
٨٩	Inequality-adjusted Human Development Index (2021)	0.43 (low)
	Individuals using the Internet (per cent of total population, 2021)	29
②	Geographic region and subregion	Africa - Eastern Africa



The Republic of Kenya is a sovereign Republic as well as a multi-party democratic state.⁴⁰ The President of the Republic is the Head of the State and of Government.⁴¹ The legislative power rests within the Parliament, composed of the National Assembly and the Senate.⁴² The territory of the Republic is divided into 47 county governments (provinces) and municipalities within these boundaries. The governments at the national and county levels are distinct and inter-dependent and conduct their mutual relations on the basis of consultation and cooperation.

Geographically, the Republic of Kenya is in East Africa with Nairobi as the capital and largest city. Kenya has an area of 580,370 km² and a population of 53,027,487, of which 28 per cent lives in urban areas. Out of the urban population, 51 per cent live in slums (2020). The population density is 91 people per km².

According to the World Bank⁴³, Kenya has a consistent GDP annual growth of 4.8 per cent (2022), a current GDP of USD 113.42 billion (2022) and a current GDP per capita of USD 2,099.3 (2022).

⁴⁰ Constitution of Kenya of 2010, Art. 4: http://kenyalaw.org/kl/index.php?id=398

⁴¹ Ibid. Art. 131

⁴² Ibid. Art. 93 and Art. 94

 $^{43 \}quad \text{The World Bank Data, GDP (Current USD), 2022: } \\ \text{https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?} \\ \text{locations=KE} \\ \text{The World Bank Data, GDP (Current USD), 2022: } \\ \text{https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?} \\ \text{locations=KE} \\ \text{The World Bank Data, GDP (Current USD), 2022: } \\ \text{https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?} \\ \text{locations=KE} \\ \text{The World Bank Data, GDP (Current USD), 2022: } \\ \text{https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?} \\ \text{locations=KE} \\ \text{The World Bank Data, GDP (Current USD), 2022: } \\ \text{https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?} \\ \text{locations=KE} \\ \text{The World Bank Data, GDP (Current USD), 2022: } \\ \text{https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?} \\ \text{locations=KE} \\ \text{The World Bank Data (Current USD), 2022: } \\ \text{https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?} \\ \text{locations=KE} \\ \text{The World Bank Data (Current USD), 2022: } \\ \text{https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?} \\ \text{locations=KE} \\ \text{The World Bank Data (Current USD), 2022: } \\ \text{https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?} \\ \text{locations=KE} \\ \text{The World Bank Data (Current USD), 2022: } \\ \text{https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?} \\ \text{locations=KE} \\ \text{loc$

At the national level, the Constitution of Kenya, 2010 contains several provisions that support local planning and development regulation. These provisions fall largely into three categories. First, there are those that give the state powers to regulate land use "in the interest of defence, public safety, public order, public morality, public health, or land use planning".⁴⁴ The second category of provisions are enshrined in the devolution mechanism; i.e., the sharing of responsibilities between the national government and county governments. The third category of provisions contain the principles and values that ought to guide planning and development control including the requirement for public participation.⁴⁵

One of the outcomes of the devolved structure of government is the division of responsibilities and functions between the national government and county governments.⁴⁶ This division of functions is better articulated in the Physical and Land Use Planning Act of 2019 (PLUPA)⁴⁷, County Governments Act of 2012⁴⁸ and the Urban Areas and Cities Act of 2011.⁴⁹ The PLUPA establishes a National Physical and Land Use Consultative Forum and County Physical and Land Use Consultative Forum meant to, inter alia, promote effective coordination and integration of physical and land use development planning and sector planning. Under Section 103 of the County Government Act of 2012, the objectives of county planning include, inter alia, facilitation of development of a well-balanced system of settlements to ensure productive use of scarce land, water and other resources for economic, social, ecological and other functions across the county. Further, county spatial plans are required to contain strategies and policies regarding desired patterns of land use and setting out guidelines for a land use management system.

Within urban areas, land use regulation is a function explicitly vested upon cities and municipal boards (yet to be operationalized). The Urban Areas and Cities Act, 2011 requires that every municipality established must operate within the framework of integrated development planning. ⁵⁰ An integrated development plan is binding, and there is a mandatory requirement to invite an urban planning process for every settlement with a population of at least 2,000 residents. ⁵¹ The contents of such a plan are prescribed and so is the process of its development. Beyond the elements of land use controls, the introduction of the 'development fees' in PLUPA requires fiscal interventions for a well-structured infrastructure financing mechanism. The authority to levy development fees for infrastructure development is vested into the County Governments which is among the new changes introduced by PLUPA.

⁴⁴ Constitution of Kenya (2010), Art. 66.

⁴⁵ Ibid. Art. 10.

⁴⁶ Ibid. Fourth Schedule.

⁴⁷ Physical and Land Use Planning Act No. 13 of 2019: https://landcommission.go.ke/download/physical-and-land-use-planning-act-13-of-2019/?wpdmdl=17862&refresh=6500856f01d4c1694532975

⁴⁸ County Governments Act No. 17 of 2012: http://www.parliament.go.ke/sites/default/files/2017-05/CountyGovernmentsAct_No17of2012 1 ndf

⁴⁹ Urban Areas and Cities Act No. 13 of 2011, http://www.parliament.go.ke/sites/default/files/2017-05/UrbanAreasandCitiesAct_No13of2011.pdf

⁵⁰ Urban Areas and Cities Act, S. 36

⁵¹ Ibid. S. 36.3

PANAMA

Table 14. Panama country profile: quick facts

* *	Panama country profile: quick facts	
P	Form of State	Unitary State
	Form of government	Presidential Republic
\limits	Surface area (2020)	75,320 km²
\$	Gross domestic product (2022)	\$76.52 billion
क्षि	Gross domestic product per capita (2022)	\$17,357.6
255g	Population (2022)	4,408,581
	Population density (2020)	58 inhabitants per km²
	Urban population (per cent of total population, 2022)	69
級	Urban population growth (annual per cent, 2022)	1.8
	Population living in informal settlements (per cent of urban population, 2018)	16
A ^T A	Inequality-adjusted Human Development Index (2021)	0.64 (medium)
	Individuals using the Internet (per cent of total population, 2021)	68
②	Geographic region and subregion	Latin America and Caribbean (LAC) – Central America



The Republic of Panama is a presidential republic, and its form of government is unitary, republican, democratic and Representative. ⁵² The President of the Republic, along with the Ministers of State, represents the executive power. ⁵³ The main legislative organ is the National Assembly ⁵⁴, while the Judiciary Branch ⁵⁵ is composed of the Supreme Court of Justice, tribunals and other lower courts. As part of the decentralization process, it's local government set-up is divided into ten provinces ⁵⁶ and three comarcas (indigenous sector, notably composed of Kuna Yala, Embera and Ngobe Bugle). The provinces are divided into municipal districts ⁵⁷ which are further subdivided into corregimientos (magistracies). ⁵⁸ The head of each province is the governor, appointed by the president, whereas the comarcas are semiautonomous reserves governed by caciques (tribal leaders).

Geographically, the Republic of Panama is located in Central America on the Isthmus of Panama, the land bridge between the Caribbean Sea and the Pacific Ocean that connects North and South America. The capital and largest city is Panama City. Panama has an area of 75,320 km² and a population of about 4.4 million, of which 69 per cent live in urban areas, out of which a relatively low per centage (16) live in informal settlements. Finally, the population density is 58 people per km².

According to the World Bank,⁵⁹ Panama ranks 75th in the world in terms of GDP (2022) with an GDP annual growth of 10.8% (2022), which is higher than the area median of 3.8% (2022) and a current GDP per capita of USD 17,357.6 (2022), which is slightly above the region average (USD 9,474.5 in 2022).

⁵² Constitution of Panama of 1972, as revised in 2004, Art. 1: https://www.constituteproject.org/constitution/Panama_2004

⁵³ Ibid. Art. 175

⁵⁴ Ibid. Title V, Articles 146-174

⁵⁵ Ibid. Title VII, Articles 201-224

⁵⁶ Ibid. Title VIII, Chapter 3, Article 252-256

⁵⁷ Ibid. Title VIII, Chapter 2, Articles 232-251

⁵⁸ Ibid. Title VIII, Chapter 1 Articles 225-231

⁵⁹ The World Bank Data, current GDP (2022) in Peru https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?most_recent_value_desc=true&locations=PE

Based on its decentralized systems, Panama has several regulations and policies on land use planning and urban planning systems which are undertaken and implemented at both national, provincial and municipality levels. The formalized land-use planning systems enable the State to develop its short, medium and long-term targets, objectives and policies.

The Urban Planning Law of 2006⁶⁰ establishes the institutional and regulatory framework for Land-use planning for urban development in Panama. The central authorities governing the urbanization process are the Ministry of Housing & Land Use Planning (hereinafter "the Ministry") and municipalities. The Ministry is responsible for inter alia: formulating and implementing the national land-use planning policy for urban development; drafting national and regional land use plans for urban development together with their respective standards and procedures; compiling and unifying the applicable norms for the execution of urbanization, subdivision and construction works dictated by the competent authorities; coordinating actions with other state and municipal entities, public service companies and international bodies; planning, guiding and facilitating the creation of new urban centres; and defining national and international financial mechanisms for self-management and fund-raising for land-use planning for urban development

The municipalities' function in urban development entails working in sync and coordination with the Ministry in the drafting and approval of land-use and urban development plans at the local level and in managing, executing and controlling the local land-use plans for urban development within their jurisdiction.

The Ministry of Housing and municipalities work in inter-institutional coordination with other institutions including the Ministry of Public Works, the Ministry of Environment, the National Council for Sustainable Development and the Urban Development Authority.

 $^{60 \}quad Urban \ Planning \ law \ No. \ 6 \ of \ 2006: \ https://observatorioplanificacion.cepal.org/sites/default/files/instrument/files/2006.%20Ley%20 \ OT%20Panama%202006.pdf$

PERU

Table 15. Republic of Peru country profile: quick facts

	Peru country profile: quick facts	
P	Form of State	Unitary State
	Form of government	Presidential Republic
	Surface area (2020)	1,285,220 km²
\$	Gross domestic product (2022)	\$242.63 billion
B	Gross domestic product per capita (2022)	\$7,125.8
5555 550	Population (2022)	34,049,588
	Population density (2020)	26 inhabitants per km²
F	Urban population (per cent of total population, 2022)	79
<i>5</i> 50 ↑	Urban population growth (annual per cent, 2023)	1.3
	Population living in informal settlements (per cent of urban population, 2014)	34
٨٦٩	Inequality-adjusted Human Development Index (2021)	0.64 (medium)
	Individuals using the Internet (per cent of total population, 2021)	71
③	Geographic region and subregion	Latin America and Caribbean (LAC) – South America



The Republic of Peru is a presidential republic, and its form of government is unitary, representative, and decentralized.⁶¹ The President of the Republic is the Head of the State and represents the executive power.⁶² The Peruvian Constitution calls for the legislative power to vest in the Congress, which has a single chamber made up of 120 members of Congress which is elected for a five-year period.⁶³ The judicial branch is represented by the Supreme Court Of Justice, a 16-member body divided into three supreme sectors: a) civil sector which presides over all topics relating to criminal law; and c) constitutional and social sector which presides over all topics relating to constitutional rights and labour law.⁶⁴

Geographically, the Republic of Peru is in Western South America. The capital, and largest city, Lima, is situated in the centre of the country on the Pacific Ocean. Peru has an area of 1,285,220 km² and a population of 34,049,588 (about twice the population of New York)of which 79 per cent live in urban areas. The population density is 26 people per km². The territory of the Republic is divided into regions, departments, 25 provinces⁶⁵, and districts, whereby within these boundaries, a government is exercised and organized at national, regional, and local levels.

According to the World Bank, Peru ranks 7th, right after Chile, in the Latin America & the Caribbean in terms of GDP (2022) with a GDP annual growth of 2.7 per cent (2022), which is lower than the area median of 3.8 per cent (2022) and a current GDP per capita of USD 7,125.8 (2022), which is slightly below the average of the region (USD 9,474.5 in 2022).

⁶¹ Constitution of the Republic of Peru of 1993, as amended in 2021, Article 43.3: https://www.constituteproject.org/constitution/Peru_2021.pdf?lang=en

Official text in Spanish https://www.congreso.gob.pe/Docs/DGP/Comisiones/files/constitucion_(mayo_2021).pdf

⁶² Ibid. Art. 110

⁶³ Ibid. Art. 90

⁶⁴ http://www.cidh.org/countryrep/peru2000en/chapter1.htm

 $^{65\} https://www.exteriores.gob.es/Documents/FichasPais/PERU_FICHA\%20PAIS.pdf$

⁶⁶ The World Bank Data, GDP (current USD), 2022: https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?most_recent_value_desc=true&locations=PE

Decentralization is a mandatory, continued policy of Peru.⁶⁷ The regional level of government consists of regions and departments, while the local level consists of provinces, districts, and villages.⁶⁸ Regional governments coordinate with municipalities without interfering with their functions and authorities.⁶⁹ The basic structure of a regional government is the Regional Council as the regulatory and oversight body, the Regional Governor as the executive organ, and the Regional Coordination Council formed of provincial mayors and representatives of civil society as a consultative body to coordinate with municipalities.⁷⁰ Regional governments, inter alia, are mandated to do the following:⁷¹

- Formulate and adopt a regional development plan, agreed to by the relevant municipalities and civil society.
- Administrate their property and revenue.
- Regulate and issue permits, licenses, and authorizations on the services under their responsibility.
- · Promote regional socioeconomic development and execute the corresponding plans and programs.
- Regulate agriculture, energy, roads, communications, and the environment, according to law.
- Encourage financing for the development of infrastructure projects and works at the regional level.

Provincial and district municipalities are local bodies with administrative autonomy. The organic structure of local governments consists of the Municipal Council as the regulatory and oversight body and the Office of the Mayor as the executive organ.⁷² Local governments deliver public services within their responsibility, in harmony with national and regional development plans and policies and, among others, they:⁷³

- Adopt a local development plan, agreed to by the civil society.
- Administrate their own property and revenue.
- Create, amend, and abolish municipal taxes, rates, duties, licenses, and levies, according to the law.
- · Organize, regulate, and manage local public services within their responsibility.
- Plan rural and urban development of their circumscriptions, including zoning as well as city and site planning.
- Encourage investments for the development of projects and works of local infrastructure.
- Regulate housing, sanitation, environment, sustainability of natural resources, public transportation and preservation of heritage, according to law.

⁶⁷ Ibid. Art. 188

⁶⁸ Ibid. Art. 189

⁶⁹ Ibid. Art. 191.1

⁷⁰ Ibid. Art. 191.2

⁷¹ Ibid. Art. 192.2

⁷² Ibid. Art. 194.2

⁷³ Ibid. Art. 195.1 and 195.2

PHILIPPINES

Table 16. The Republic of the Philippines country profile: quick facts

*	Philippines country profile: quick facts	
P	Form of State	Unitary State
	Form of government	Presidential constitutional republic
\Leftrightarrow	Surface area (2020)	300,000 km²
\$	Gross domestic product (2022)	\$404.28 billion
ŝ	Gross domestic product per capita (2022)	\$3,498.5
222	Population (2022)	115,559,009
	Population density (2020)	376 inhabitants per km²
	Urban population (per cent of total population, 2022)	48
級↑	Urban population growth (annual per cent, 2022)	2.1
	Population living in informal settlements (per cent of urban population, 2020)	37
A ^A	Inequality-adjusted Human Development Index (2021)	0.57 (Medium)
	Individuals using the Internet (per cent of total population, 2021)	53
②	Geographic region and subregion	Asia - Southeastern Asia



The Republic of the Philippines has a presidential form of government where power is equally divided among its three branches: executive, legislative, and judicial. The legislative power belongs to the Congress, divided into Senate and House of Representatives, while the executive branch is composed of the President and the Vice President who are elected by direct popular vote and serve a term of six years. The Constitution grants the President authority to appoint his Cabinet. The Judiciary is made up of a Supreme Court (which has the power of judicial review) and lower courts.

Philippines is an archipelagic nation made up of more than 7,000 islands, with a surface area of 300,000 km². It is one of the most urbanized developing countries in Asia with about half of the population currently living in urban areas (48 per cent in 2022) and a population density of 376 inhabitants per km². 37 per cent of the urban population live in informal settlements.

The Constitution of 1987⁷⁴ vests administrative devolution and autonomy in local government units. The local government administrative system in the Philippines is three-tiered, consisting of: 1) provinces and highly urbanized cities, 2) cities as "component cities" and municipalities, and 3) barangays as the smallest administrative unit.

With a current GDP of USD 404.28 billion and GDP per capita of USD 3,498.5, the Philippines is a fast-growing emerging market; in 2022 its GDP annual growth was of 6 per cent, above the median of both South Asia and East Asia, ranking 39th in the world.

 $^{74 \}quad \text{Constitution of the Republic of the Philippines of 1987: } \text{https://www.officialgazette.gov.ph/constitutions/1987-constitution/learned-philippines of 1987: } \text{https://www.officialgazette.gov.ph/constitutions/1987-constitution/learned-philippines of 1987: } \text{https://www.officialgazette.gov.ph/constitutions/1987-constitution/learned-philippines of 1987: } \text{https://www.officialgazette.gov.ph/constitutions/1987-constitutions/learned-philippines of 1987: } \text{https://www.officialgazette.gov.ph/constitutions/1987-constitutions/learned-philippines$

The National Economic Development Authority (NEDA) is primarily responsible pursuant to the Presidential Decree No. 107 of 1973, for socioeconomic and spatial planning at the national and regional levels. There is also a National Housing Authority, and a Department of Human Settlements and Urban Development, mandated by the Republic Act No 11201 of 2019 to be the primary national government entity responsible for the management of housing, human settlement and urban development and act as the key institution for planning and policymaking, regulation, and program coordination.

At the national level, the planning system entails a spatial plan called National Framework for Physical Planning (currently the "National Framework for Physical Planning, 2001-2030", or NFPP). The NFPP lays out policies and initiatives related to the distribution, utilization, management, and development of land and material resources. The NFPP was established through the office of NEDA by the National Land Use Committee, which consists of related ministries and is one of the subordinate committees of the NEDA committee.

At the regional level,⁷⁵ the creation of Regional Physical Framework Plans is directed by regional NEDA offices. Each RPFP is approved by the Regional Development Council concerned.

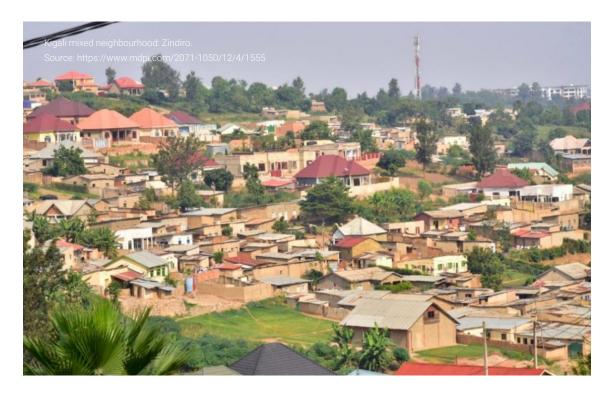
The Local Government Code of 1991 provides Local Government Units, LGUs (municipalities) with the mandate of land use planning and management in their jurisdiction (Section 20). LGUs are required to devise 10-years long Comprehensive Land Use Plans embedded in a robust multi-level governance framework, and Comprehensive Development Plan; with the former, Comprehensive Land Use Plans, seeking to manage territory and the latter seeking to promote the improved general welfare of inhabitants.

⁷⁵ A region is a division created to bunch multiple provinces together for nominal administrative purposes

RWANDA

Table 17. Rwanda country profile: quick facts

6	Rwanda country profile: quick facts	
P	Form of State	Unitary State
	Form of government	Presidential Republic
	Surface area (2020)	26,338 km²
\$	Gross domestic product (2022)	\$13.31 billion
Ş	Gross domestic product per capita (2022)	\$966.3
રહ્યું જુલ	Population (2022)	13,776.698
	Population density (2020)	533 inhabitants per km²
	Urban population (per cent of total population, 2022)	18
級↑	Urban population growth (annual per cent, 2022)	3.2
	Population living in informal settlements (per cent of urban population, 2020)	38
A ^T A	Inequality-adjusted Human Development Index (2021)	0.4 (low)
	Individuals using the Internet (per cent of total population, 2021)	30
%	Geographic region and subregion	Sub-Saharan Africa – Eastern Africa



Rwanda is a presidential Republic, the President acts as head of state and is elected for a 5-year term, who in turn selects the Prime Minister who acts as head of government. Legislative power is exercised by a bicameral parliament consisting of an indirectly elected Senate and a directly and indirectly elected Chamber of Deputies. It is a unitary country that for administrative purposes is divided into 4 Provinces (North, East, South, West) and a City (Kigali), each headed by a governor. The judicial system is based on German and Belgian civil law and customary law. The Supreme Court is the highest court in the country.

Geographically, Rwanda is a landlocked country in east-central Africa. Its capital is Kigali, located in the centre of the country on the Rugambwa River. Rwanda has an area of 26,338 per km², that makes it the eighth smallest country in sub-Saharan Africa. It has a population of 13,776.698, of which only 18 per cent live in urban areas. Thus, Rwanda is the second most densely populated and third least urbanized country in the region, with 533 inhabitants per km². Out of the urban population, 38 per cent live in slums.

Rwanda is a relatively small economy that, according to the World Bank, ranks 26th in Sub-Saharan Africa in terms of GDP, and with only USD 966.3 of GDP per capita, the country is also well below the average for the region (USD 1,690.4). However, the country stands out for its GDP growth, which at an annual 8.2 per cent (2022) is among the ten largest in the region.

The government of Rwanda is divided into national government and local governments (Districts and City of Kigali). Pursuant to the National Land Policy of 2019, land use planning consists of the National Land Use and Development Master Plan, the Kigali City Master Plan, and the District Land Use Plans. The local governments are responsible for the development and implementation of their respective land use plans, in-line with the National Land Use and Development Master Plan.

Institutions in charge of developing these plans are set by the Law Governing the Urban Planning and Building of 2012. The Ministry of Infrastructure and the National Housing Authority are responsible for the national level; likewise, the district councils (as local governments) are responsible for the district land use plans. The national land authority (NLA) has been assigned the task to support the district councils with the development of district land use plans. Another important responsibility of NLA is the monitoring and evaluation of land use change and its alignment with the spatial plans.

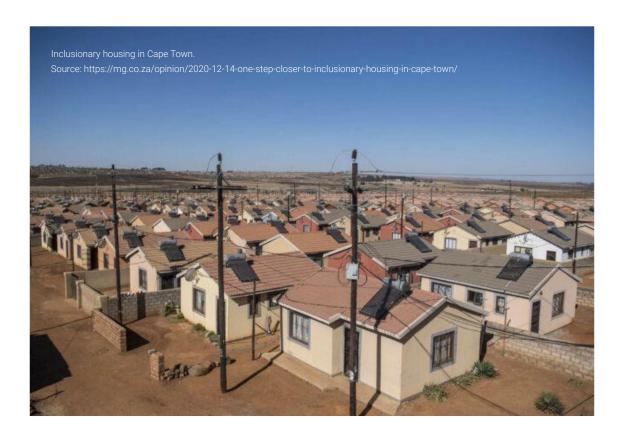
As mentioned, the provisions of the local and specific development plans shall be compatible with those of the master plan for land management and urban planning.⁷⁶

 $^{76 \}quad Law \ No.\ 10 \ of \ 2012 \ Governing \ the \ Urban \ Planning \ and \ Building \ in \ Rwanda \ Art.\ 14: \ https://rema.gov.rw/fileadmin/templates/Documents/rema_doc/Laws%20 and \ %20 \ Rwanda \ Model \ Rwanda \ Model \ Mo$

SOUTH AFRICA

Table 18. South Africa country profile: quick facts

	South Africa country profile: quick facts	
P	Form of State	Unitary State
	Form of government	Presidential and Parliamentary Republic
\Leftrightarrow	Surface area (2020)	1,219,090 km²
\$	Gross domestic product (2022)	\$405.87 billion
ß	Gross domestic product per capita (2022)	\$6,776.5
ર્પ્યુલ જુલ	Population (2022)	59,893,89
	Population density (2020)	48 inhabitants per km²
	Urban population (per cent of total population, 2022)	68
級	Urban population growth (annual per cent, 2022)	1.6
	Population living in informal settlements (per cent of urban population, 2020)	24
A ^{JA}	Inequality-adjusted Human Development Index (2021)	0.47 (low)
	Individuals using the Internet (per cent of total population, 2021)	72
②	Geographic region and subregion	Sub-Saharan Africa – Southern Africa



The Republic of South Africa is a constitutional presidential and multiparty democracy. The president serves as both the head of the State and the head of the national executive. The Cabinet, which consists of the president, the deputy president, and the elected ministers, constitutes the country's executive authority. The legislative authority is vested in the Parliament at a national level, in the provincial legislatures at a regional level, and in the municipal councils at a local level. The municipal council, which is responsible for appointing the mayor, is locally elected.

Geographically, South Africa is in sub-Saharan Africa and has one of the most developed economies in the sub-region. South Africa has three capitals, the administrative capital is Pretoria, the legislative capital is Cape Town, and the judicial capital is Bloemfontein.

As of 2022, the country recorded a gross domestic product of USD 405.87 billion, an annual per centage growth rate of 2.0 per cent, and a GDP per capita of USD 6,776.5, which has been experiencing a sharp increase since 2020.⁷⁷ Demographically, the country has a steadily growing population (0.8 per cent per annum as of 2022) of almost 60 million people.⁷⁸ A majority (68 per cent) of the population lives in urban areas, and 24 per cent of the urban population lives in slums (2020).

⁷⁷ The World Bank Data, Overview of South Africa: https://data.worldbank.org/country/south-africa 78 Ibid.

There are three main spheres of government in South Africa: the national, the provincial and the local. All three spheres have spatial planning mandates, although the local level of government is entrusted with the greater share of responsibilities in this area. As such, spatial planning can be considered decentralized in South Africa, but with a certain degree of control maintained by the national Government. The Spatial Planning and Land Use Management Act No. 16 of 2013 is the main legislative instrument regulating spatial planning, while the Local Government Municipal Systems Act No. 32 of 2000 regulates the process of assigning powers and functions to local government and plays an important role in defining spatial planning at a local level.

Development principles and standards for land use and management are set at the national level to promote the normative basis for spatial planning, land-use management and the land development system. These principles apply to all the spheres of government, state organs and other agencies involved in spatial planning. The national Government is also responsible for issuing development plans, including the National Spatial Development Framework, a long-term national spatial planning instrument that must be aligned with the National Development Plan.80 The National Spatial Development Framework is prepared by the Ministry of Rural Development and Land Reform and approved by the Cabinet. At the provincial level, the premier of each province must draft and publish the Provincial Spatial Development Framework that is then adopted by the Provincial Executive Council. The framework defines provincial development policy and integrates national policies and plans at the geographic scale of the province. At the local level each municipal council must adopt an integrated development plan, which includes a municipal spatial development framework and a land-use scheme. The municipal spatial development framework is a strategic and flexible policy instrument that guides and informs all decisions of the municipality relating to the use, development and planning of land, and it further determines the purpose, desired impact and structure of the land-use scheme. The land-use scheme is a binding legal instrument, implemented through by-laws, that zones areas to allow or restrict certain types of land uses. It records the rights and restrictions applicable to erven (land plots), and sets regulations according to the vision, strategies, and policies of the integrated development plan and spatial development framework prepared at all levels. Lastly, each district municipality must prepare a framework for integrated development planning in the relevant district. The framework, approved by the municipal council, binds both the district municipality and the local municipalities in the district.

⁷⁹ South African Government overview: www.gov.za/about-sa

⁸⁰ The National Development Plan is a vision for 2030 that serves as an action plan for securing the future of the people of South Africa as charted in the Constitution by eliminating poverty and reducing inequality

SOUTH KOREA

Table 19. Republic of Korea country profile: quick facts

	South Korea country profile: quick facts	
P	Form of State	Unitary State
	Form of government	Presidential Constitutional Republic
\limits	Surface area (2020)	100,210 km²
\$	Gross domestic product (2022)	\$ 1.67 (trillion)
B	Gross domestic product per capita (2022)	\$ 32,254.6
ર્પ્યુલ ૧૧૧	Population (2022)	51,628,117
	Population density (2020)	531 inhabitants per km²
	Urban population (per cent of total population, 2022)	81
級	Urban population growth (annual per cent, 2022)	- 0.2
	Population living in informal settlements (per cent of urban population, 2020)	N/A
A ^A	Inequality-adjusted Human Development Index (2021)	0,84 (high)
	Individuals using the Internet (per cent of total population, 2021)	98
②	Geographic region and subregion	Asia – Southeast Asia



The country is a republic with a presidential system. The Government is divided into three branches: legislative, judicial and executive. The president represents the nation and heads the executive branch. The executive branch has 17 ministries whose ministers are appointed by the president and report to the prime minister. The State Council is the highest body for policy deliberation and resolution in the executive branch. The government system has three hierarchical divisions: the central, provincial and municipal governments. The provincial division has five types: provinces ("Do"), a special autonomous province, the Special City of Seoul, metropolitan cities and a special autonomous city. Hereinafter, province refers to both province and special autonomous province, while metropolitan city refers to the Special City of Seoul, a metropolitan city and the special autonomous city.

The Republic of Korea constitutes the southern part of the Korean Peninsula which is approximately 1,100 km long from north to south and 300 km wide from east to west. The country is in East Asia and shares a land border to the north with the People's Democratic Republic of Korea. It lies in the north temperate zone with a predominantly mountainous terrain.⁸¹

The Republic of Korea is a very densely populated country with more than 50 million residents distributed over roughly 100,000 km² (in 2020, the population density was 531 inhabitants per km²).8² It is also a highly urbanized country – 81 per cent of its population live in cities.83 The capital and largest city is Seoul, with a population of almost 10 million.84

The Republic of Korea has a strong economy with a gross domestic product of USD 1.67 trillion, over the total USD 4.36 trillion of all the region, and a gross domestic product per capita of USD 32,254.6 as of 2022.85

⁸¹ Lim, S. H. (2014, May). Planning Practice in South Korea

⁸² The World Bank Data, Population density (people per km² of land area), 2020: https://data.worldbank.org/indicator/EN.POP.DNST?locations=KR

⁸³ The World Bank Data, Urban population (per cent of total population), 2021: https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=KR.

⁸⁴ Lim, S. H. Ibid

 $^{85 \}quad \text{The World Bank, Open Data, GDP (2022): https://data.worldbank.org/indicator/NY.GDP.MKTP.CD} \\$

In the Republic of Korea, the significance of spatial planning is supported by the 1987 Constitution. Paragraph 2 of Article 120 describes spatial planning as follows: "the national territory and natural resources shall be protected by the State, and the State shall establish a plan necessary for their balanced development and utilization". The basic framework of the country's spatial plan comes from two documents: the 2009 Framework Act on the National Land that focuses on the inclusion of the fundamental concept and philosophy of land management, and the 2002 National Land Planning and Utilization Act, which ensures all lands and territories are managed based on planning concepts. These two Acts were made to be linked at the city and county level to integrate the spatial development plan and the land-use plan. The 2009 Framework Act on the National Land stipulates the fundamental ideology and philosophy of the land management. Its basic goals are to seek balanced land development, enhance the competitiveness of the land and pursue environmentally friendly management of the land. To achieve these goals, the Act proposes the establishment and implementation of the spatial plan. According to Article 6, national land plans are classified as:

- Comprehensive national land plans, which set basic and long-term policy direction on land development, such as spatial structure of national land, use of national land resources, housing, environmental protection, socioeconomic development, etc.). It is legally binding.
- **Do (province) comprehensive plans,** which set the long-term direction for development of the jurisdictional area of a special self-governing province, covering the entire area of the relevant region.
- Si (cities) / gun (counties) comprehensive plans which form basic spatial structure and long-term direction for development of the jurisdictional area of a special metropolitan city, a metropolitan city, a si, or a gun. It is formulated for land use, traffic, environment, safety, industry, information and communications, health, welfare, culture, etc. as a part of an urban plan under the National Land Planning and Utilization Act.
- **Regional plan** aims to achieve the objectives of special policies in a specific region, covering the entire area thereof.
- Sector plans aim at development of a specific sector, covering the entire area of the national land.⁸⁸

⁸⁶ Korea Research Institute for Human Settlements and Global Development Partnership Centre (2013). A Primer on Korean Planning and Policy. Spatial Planning System

⁸⁷ Constitution of the Republic of Korea of 1948, as revised in 1987: https://www.constituteproject.org/constitution/Republic_of_Korea_1987 88 National Land Framework Act No. 9774 of 2009, Art. 6: https://www.law.go.kr/LSW/lsInfoP.do?chrClsCd=010202&lsiSeq=94607&view-Cls=engLsInfoR&urlMode=engLsInfoR&lsId=null#0000

The second document, 2002 National Land Planning and Utilization Act, is the supreme law that governs the land-use planning system. It proposes the planning tools to realize the principle of "plan first, develop later" stating that the use, development and maintenance of the land territory should be based on established plans.⁸⁹ The plans stipulated by this Act are as follows:

- **Area-wide plan** which aims at long-term development of the areas made up of two or more special/metropolitan cities and/or provinces.
- City/county master plan which presents the basic spatial structure and the sustainable long-term (20 years) development direction. It incorporates spatial structure, land use, infrastructure, park green space, landscape, etc. and needs to conform to higher tier plans.
- **City/county management plan** which is a detailed, local zoning, long-term (10 years) plan that presents the specific ways to translate the direction presented by the city/county master plan in the urban space. It incorporates urban development, location of land use, designation of zones and districts, etc. and needs to conform to higher tier plans.
- **District unit plan** (applicable only in Seoul Special City and in six metropolitan cities) which aims at specific arrangement and management of the part of the land to be used in the target city/county. It needs to conform to higher tier plans.

⁸⁹ Korea Research Institute for Human Settlements and Global Development Partnership Centre (2013). A Primer on Korean Planning and Policy. Spatial Planning System

UNITED KINGDOM

Table 20. United Kingdom country profile: quick facts

	United Kingdom country profile	: quick facts
P	Form of State	Unitary State
	Form of government	Presidential Republic
< >	Surface area (2020)	75,320 km²
\$	Gross domestic product (2022)	3.07 trillion
ß	Gross domestic product per capita (2022)	45,850.4
5555 5555	Population (2022)	66,971,411
	Population density (2020)	277 inhabitants per km²
	Urban population (per cent of total population, 2022)	84
級↑	Urban population growth (annual per cent, 2022)	0.2
	Population living in informal settlements (per cent of urban population, 2020)	N/A
A ^A	Inequality-adjusted Human Development Index (2021)	0.85 (high)
	Individuals using the Internet (per cent of total population, 2021)	97
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The United Kingdom of Great Britain and Northern Ireland is a constitutional monarchy and parliamentary democracy, where elected ministers govern in the name of the sovereign, who is the head of State and Government. The sovereign appoints the prime minister, who leads the executive together with the Cabinet. The Constitution is unwritten and relies on a combination of statutes, common law and customs/conventions. The United Kingdom is a unitary State formed by four separate "home countries": England, Scotland, Wales and Northern Ireland. From 1998, the political governance structure has undergone a longstanding process of devolution of powers, which led to asymmetrically devolved administrations (Northern Ireland, Scotland and Wales have their own elected assemblies and Governments).

With a population of about 67 million (2022)⁹¹, it is one of the most densely populated countries in the world averaging 277 people per km².⁹² Its population is annually decreasing at a rate of (-) 0.1 per cent (2022). Out of the total population, 84 per cent live in urban areas and, in 2022, the country had an annual urban population growth of 0.2 per cent.⁹³ Looking specifically at England, both rural and urban areas saw an increase in population between 2011 and 2019. In 2021, the rural population increased by 5.2 per cent while the urban population did so by 6.2 per cent. In 2019, 56.3 million people lived in urban areas (82.9 per cent of the population of England).⁹⁴

From an economic perspective, the United Kingdom remains one of the top economies in the world, with a GDP of \$3.07 trillion (2022). 95 Concerning overall human development, the United Kingdom is currently ranked eighteenth in the United Nations Development Programme's Human Development Index of 2021 96 and has an Inequality-adjusted Human Development Index classified as "very high development". 97

⁹⁰ Commonwealth of Nations, United Kingdom Government www.commonwealthofnations.org/sectors-united_kingdom/government/; Britain's unwritten constitution, www.bl.uk/magna-carta/articles/britains-unwritten-constitution

⁹¹ The World Bank Data, Population, total, 2022: https://data.worldbank.org/indicator/SP.POP.TOTL?locations=GB

⁹² The World Bank Data, Population density (people per km² of land area), 2020: https://data.worldbank.org/indicator/EN.POP.DNST?locations=GB

⁹³ The World Bank Data, Urban population (per cent of total population), 2022: https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?locations=GB

and, Urban population growth (annual per cent), 2022: https://data.worldbank.org/indicator/SP.URB.GROW?locations=GB.

⁹⁴ Government Office for Science, Urbanisation Trends, 2021 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/994570/GO-Science_Trend_Deck_-_Urbanisation_section_-_Spring_2021.pdf

⁹⁵ The World Bank Data, GDP (current USD), 2022: https://data.worldbank.org/indicator/NY.GDP.MKTP.CD?locations=GB.

⁹⁶ UNDP, Human Development Index (2021). https://hdr.undp.org/data-center/human-development-index#/indicies/HDI

⁹⁷ UNDP, Inequality-adjusted Human Development Index, 2021, https://hdr.undp.org/inequality-adjusted-human-development-index#/indicies/IHDI

In the United Kingdom, there are four planning systems given that there are four devolved Governments: England, Scotland, Wales and Northern Ireland. This case study focuses solely on England and it will explore legislation and governance arrangements on public participation in spatial planning for this nation. Planning objectives are achieved in the United Kingdom through two main levels: the national level and the local level. This is a relatively new structure as the intermediate tier (the regional scale) was abolished as recently as 2012. However, the regional level still exists in England, only for the Greater London area, where the Greater London Authority maintains planning powers and develops the London Plan, which is a spatial development strategy for London.

At the national level, the United Kingdom Government is responsible for preparing the National Planning Policy Framework,⁹⁸ containing policy priorities and principles for spatial development and guidance to the local planning authorities.

The preparation of spatial plans and decision making are left to the planning departments of local planning authorities (Localism Act of 2011). Many parts of England have three tiers of local government, indicating that spatial planning is administratively highly decentralized. These are: county councils; district, borough or city councils; and parish or town councils. However, whilst there is a great deal of autonomy at the local level to prepare the local development frameworks (meaning the local land-use plans and local core strategies) and make decisions regarding whether development should occur or not, processes and procedures are heavily regulated by the national Government. The scrutiny is done to ensure that local plans, before they are adopted, are in accordance with national policies (and with the London Plan, if the city is under the jurisdiction of the Greater London Authority). The scrutiny is performed by an inspector appointed by the Secretary of State for Levelling Up, Housing and Communities and this process is dealt with by the Planning Inspectorate. Hence, there is significant central control and scrutiny but local plans and decisions to a large extent are managed at the local level.

Since 2011, a sub-national like structure, called "Combined Authorities", was introduced in England, by the Local Democracy, Economic Development and Construction Act 2009. This type of legal body is emerging as a coordination mechanism between two or more local authorities, which are being offered the opportunity to reconfigure themselves based on the idea of more functional city regions. Local planning authorities work together on a voluntary basis, collaborating and taking decisions across local councils' boundaries; in the area covered by a combined authority, the city region would prepare a structure plan for the whole region within which the local plans for the metropolitan boroughs would be expected to fit.

Lastly, in England, communities have a direct power to develop a shared vision for their neighbourhood and shape the development and growth of their local area through neighbourhood planning. This is not a legal binding requirement, but more a framework for English communities to adopt planning decisions at the lowest level possible.⁹⁹

⁹⁸ National Planning Policy Framework of 2012: www.gov.uk/government/publications/national-planning-policy-framework--2

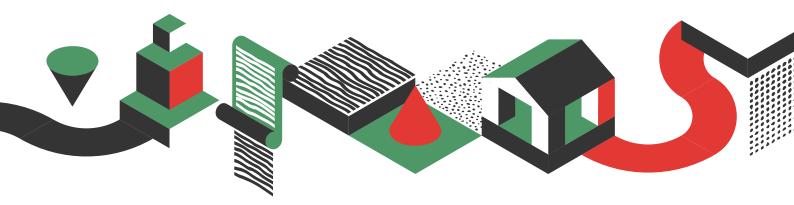
⁹⁹ For the definitions of neighbourhood plan and neighbourhood order, please see the following: Neighbourhood Planning Guidance, www.gov.uk/guidance/neighbourhood-planning--2#What-is-Neighbourhood-Development-Order

COMPARATIVE RESEARCH



1

Institutional functions and smart governance in urban development



Vietnam is aiming to encourage decentralization of urban development responsibility to include all government administration levels and to require stakeholder consultation with respective organizations, individuals, and communities. However, a major challenge is the lack of capacity of subnational authorities to plan and manage urban growth and development in an integrated manner, plan and operate urban infrastructure, and efficiently deliver equitable municipal services. It is also encouraging to see Vietnam undertaking a policy shift towards digitalization of public services. The 2030 Agenda for Sustainable Development, through the Sustainable Development Goals (SDGs), represents the main global framework addressing the critical global challenges, represents the universal norms, values, and basic rules of the game for urban development. SDG 16 includes a specific focus on effective, accountable, and inclusive institutions as an intrinsic component of sustainable development processes. The New Urban Agenda localizes the SDGs, by appreciating the role of multilevel urban governance in sustainable and inclusive cities. It calls for stronger coordination and cooperation among national, subnational and local governments, including through multi-level consultation mechanisms and by clear definition of mandates (para 87); coherence between goals and measures of sectoral policies at different levels of administration (para 88). The Agenda, in para 66, expresses the commitment by states to adopt a Smart city approaches that make use of opportunities from digitalization, clean energy and technologies, as well as innovative transport technologies, thus providing options for inhabitants to make more environmentally friendly choices and boost sustainable economic growth.

Effective urban governance is dependent on legislation that establishes a coordinated and integrated institutional framework with clear competencies, roles and mandates for public authorities responsible for implementing urban development functions. Otherwise, it can result in the duplication of roles and a lack of policy coordination and integration which lead to institutional overlaps and sectoral fragmentation with adverse consequences, for example for public service delivery. On the other hand, digital tools provide innovative solutions to pressing issues by delivering services better, establishing cutting edge systems of procurement, advancing fiscal openness, enabling effective and cost-efficient approaches to capacity-building that are easy to monitor, and fighting fraud and abuse. Digital technologies can also help governments at all levels to reach a wider set of the population, given that the population has the necessary financial means, skills, Internet access and access to devices to use digital solutions, and that significant investments are made to fully harness smart governance. This section will look at the approaches in these areas in the five primary subject countries—Chile, Kenya, Panama, Peru, and the United Kingdom. Australia was also included for its unique advancements in smart urban governance.

Table 21: Summary of approaches on institutional functions in the study countries

Country	Coordination of Institutional Functions
Chile	Law Decree No. 78 of 2013, as amended by Law Decree No. 49 of 2018 approves the National Policy on Urban Development Decentralizing urban and territorial decisions. Reorganization of public powers on four territorial scales: communal, metropolitan, regional and national. Effective citizen participation. Unique and complete territorial information system. Developing a system for measuring the quality of urban development. Developing systems for approval of public and private initiatives.
Kenya	Constitution of Kenya, 2010 Devolution of urban development functions. Physical and Land Use Planning Act No. 13 of 2019 (PLUPA) Preparation of the National Physical and Land Use Development Plan Creation and functions of National Physical and Land Use Planning Consultative Forum (NPLUPCF) Creation of National Land Commission Establishes the County Physical and Land Use Planning Consultative Forum. Urban Areas and Cities Act 2011 Aligning city development plans with county government plans.
Panama *	Political Constitution of the Republic of Panama of 1972 (Amended 2004) Provides for a Municipality as the fundamental entity of the political-administrative division of the State. The Urban Planning Law of 2006 Regulatory framework for land-use planning for urban development. Provides for the planning instruments (formal and operational instruments).
Peru	Legislative Decree No. 1088 of 2008 Creates a technical institution National Center of Strategic Planning that oversees strategic development. Regulation on Land Use Planning and Sustainable Urban Development (RATDUS, 2016) Applies for local level institutions. Harmonizes technical procedures carried out by local governments on urban planning, land management and urban development.
United Kingdom	Localism Act, 2011 Introduces the "duty to cooperate" to ensure that local planning authorities and other institutional actors work together in relation to the planning of sustainable development that extends beyond their own administrative boundaries. National Planning Policy Framework Formulates policy priorities and principles for spatial development and guidance to local planning authorities. National Infrastructure Delivery Plan 2016-2021 Outline priorities for investing in infrastructures. Greater London Authority Act of 1999 (amended in 2007) Formulation of a spatial development strategy for London. Neighbourhood Planning and Infrastructure Bill 2016-17 Provides for the local government to support neighbourhood groups to be more transparent by improving the process for reviewing and updating plans.

Institutional Functions



Chile

In Chile, the Ministry of Housing and Urbanism (the Ministry) is responsible for urban development at the national level and establishing the legal framework for urban planning at the national level that is also legally binding for public agencies. Law Decree No. 78 of 2013, as amended by Law Decree No. 49 of 2018¹⁰⁰, approves the National Policy on Urban Development (NUDP) and creates the National Council on Urban Development. According to Article 1 of NUDP, the central objective is to generate conditions for a better quality of life for people. The agency also recognizes guiding principles of graduality, decentralization, equity, social integration, participation, identity, commitment, quality, efficiency, adaptability, resilience, and security. It also formulates general objectives within five thematic areas, such as Social Integration, Economic Development, Environmental Balance, Identity and Heritage, and Institutionality and Governance. On Institutionality and Governance, the following are mentioned: decentralizing system of urban and territorial decisions; reorganization of public powers on four territorial scales: communal, metropolitan, regional and national; effective citizen participation; unique and complete territorial information system; developing a system for measuring the quality of urban development; developing systems for approval of public and private initiatives. Recently, Law Decree No. 458 of 2023¹⁰¹ approved the new general law on urban planning and construction. The law has three levels of actions: I. the general law sets the principles, functions and capacity, as well as responsibilities and rights regulating, among others, the institutions and authorities responsible for urban planning, urbanization and construction. II. the general regulation sets the urban planning, urbanization and construction process as well as the technical standards for constructions. III. technical dispositions for the regulation of projects, materials and methods of construction and urbanization, in accordance with the mandatory requirements established by the General Ordinance. According to Art. 27, the objectives and goals of the national policy must guide and orient every level of urban planning.

Chile has three urban planning levels, including National, Intercommunal (inter-municipal), and Communal (Municipal) (Art. 28). The Municipality or the Regional Ministerial Secretariat of Housing and Urban Planning prepares, respectively at the communal or inter-communal level detailed plans (Art. 28-bis.2). The interested municipalities and the Secretariat must consult with each other while preparing the plans. Then, the project is submitted to the Municipal Council or the Regional Council for approval and promulgated by the Mayor or the Intendant (Art. 28-bis.3). In every municipality, there is an Assessor/Councillor for Urbanism (among others, who oversees and updates the Urban-Communal Regulatory Plan and prepares the Detailed Sectional Plans) and a Director of Works (among others, who issues subdivision, re-parcellation and building permits) (Art. 10).

Concerning the Intercommunal Regulatory Plan and the Metropolitan Regulatory Plan, the Regional Secretariat of the Ministry develops them in consultation with the relevant municipalities and the State administration agencies (Art. 36). Intercommunal Urban Planning regulates the physical development of the urban and rural areas of communes which, due to their relations, are integrated into an urban unit (Art. 34.1). When this unit exceeds 500,000 inhabitants, it is classified as a metropolitan area for planning purposes (Art. 34.2).

¹⁰⁰ See (Chile) Law Decree No. 78 of 2013: https://www.bcn.cl/leychile/navegar?i=1059974&f=2018-12-05

 $^{101 \}quad See \, (Chile) \, Law \, Decree \, No. \, 458 \, of \, 2023; \, https://www.bcn.cl/leychile/navegar?idNorma=13560\&idVersion=2023-07-07\&idParte=100. \, Authors \, Author$

The Inter-municipal Regulatory Plan or the Metropolitan Regulatory Plan guide and regulate the physical development of the corresponding area as well as safeguard and promote social integration and equitable access to relevant urban public goods and services (Art. 34.3); including ensuring that public infrastructure on an inter-communal scale is used efficiently and equitably, while promoting social and urban integration around public transport axes or relevant facilities (Art. 34.4). The inter-communal or metropolitan regulatory plans can establish incentives in the urban development regulations applicable in sectors that such plans identify as areas of good accessibility to relevant urban public goods and services (Art. 34.5). Communal (Municipal) Urban planning (defined by Article 41) promotes the harmonious development of the communal territory in accordance with the regional goals of social, economic, cultural and environmental development and incorporates provisions that safeguard and promote social integration and equitable access to urban goods and public services. The Communal Regulatory Plan oversees communal urban planning. The Communal Regulatory Plan contains, among others, a set of rules on adequate hygiene and safety conditions in buildings and urban spaces. Its provisions refer to land use or zoning, location of community facilities, parking, the hierarchy of the road structure, establishment of urban limits, densities, and determination of priorities in the urbanization of land for the expansion of the city, according to the feasibility of expanding or providing sanitary and energy networks, and other urban planning aspects and promote urban integration and inclusion.

Article 43 sets the procedure to draft and approve the Plan. The municipality prepares the preliminary draft of the Plan that must contain the environmental report and authorization through an effective participative process in all stages, similar to the Intercommunal or Metropolitan Regulatory Plan.



Pursuant to the Fourth Schedule of the 2010 Constitution, urban development functions are devolved to the local level, county governments. The national government prepares the National Physical and Land Use Development Plan (Part III of the Physical and Land Use Planning Act No. 13 of 2019 (PLUPA), Section 21 regards preparation; Section 22 is about purpose and objects, Section 24 is about content). Section 6 (1) of the PLUPA creates the National Physical and Land Use Planning Consultative Forum (NPLUPCF), which must meet at least four times yearly. Section 7 PLUPA sets out the functions of the NPLUPCF, which broadly sets policy on the national physical and land use development plan to create effective planning mechanisms. Section 9 PLUPA creates the National Land Commission that seemingly carries out the day-to-day and administrative work necessary for land management. Section 14 PLUPA establishes the County Physical and Land Use Planning Consultative Forum, which operates at the county level to make planning policy. The executive committee in an urban area or city planning should facilitate the coordination and alignment of integrated development plans of different cities or municipalities within the county and national and county governments' plans, strategies, and programmes (Art. 37 County Governments Act). 102 Also, the Urban Areas and Cities Act of 2011 requires city development plans to align with county government plans. These plans include a vision for the urban area's long-term development.

¹⁰² See (Kenya) Constitution of Kenya and the Physical Land Use Planning Act 2019

NATIONAL GOVERNMENT

- 1. Formulating general principles, policies, standards and guidelines of land planning
- 2. Preparation and approval of National Physical Development Plan
- 3. Coordination of Regional Spatial Plans
- 4. Capacity building and technical support to counties





COUNTY GOVERNMENT

- 1. Implementing national policies, standards and guidelines
- 2. Formulating County specific policies
- 3. Preparation, approval and implementation of:

County Spatial Development Plans, Local Physical Development Plans, Development Control and Enforcement

Figure 3. Illustration of the institutional spatial development framework in Kenya.

Source:https://countytoolkit.devolution.go.ke/sites/default/files/resources/County%20Spatial%20Planning%20Guidelines%202018.pdf



Panama

According to Art 233 of the Political Constitution of the Republic of Panama of 1972, as lastly amended in 2004103, the Municipality is the fundamental entity of the political-administrative division of the State, with its own democratic and autonomous government. Municipalities are responsible for, among others, developing their territory. The Executive Body of the Municipality is responsible for fulfilling the purposes of the Municipality within the process of decentralization of the competence and public function that the Panamanian State promotes and carries out. The Municipal Council is responsible for, among others, the supervision of the Municipal Administration, approving contracts on concessions and other modes of public service provision, as well as for construction of public works, approving or abrogating taxes, contributions, duties, and fees. (Art. 242 Const.). The Urban Planning Law of 2006¹⁰⁴ establishes the regulatory framework for land-use planning for urban development. Urban planning authorities are the Ministry of Housing and the municipalities (Art. 7). According to the definitions set by Art. 5, planning instruments include formal (national, regional, local, and partial urban development plans) or operational (action programs and urban projects) instruments. Together with other tools such as promotion and development, financing, redistribution of costs and benefits of urbanization, and citizen participation, these support the land-use planning process for urban development. The National Plan is the planning instrument that determines the broad guidelines for territorial planning; the Regional Plan is the planning instrument governing the physical, environmental, social, and economic development of an area defined as a region by the Ministry of Housing; the Local Plan is the municipal planning instrument for the achievement of a balanced development of the municipal territory, per national and regional plans; the Spatial Planning Scheme sets the primary conditions of growth in terms of defining the domain in urban and rural land; the Partial Plan is a detailed planning instrument which main objective is the management, creation, defense or improvement of a particular sector

¹⁰³ See (Panama) Political Constitution of the Republic of Panama of, 1972: https://pdba.georgetown.edu/Constitutions/Panama/vigente.pdf 104 See (Panama) Urban Planning Law No. 6 of 2006: https://observatorioplanificacion.cepal.org/sites/default/files/instrument/files/2006.%20Ley%200T%20Panama%202006.pdf

of the city, especially areas of historical, monumental, architectural or environmental conservation, informal settlements, areas of progressive urbanization, etc.

Within the context of urban development, according to Article 8, the Ministry of Housing (the Ministry) assumes a central role with various responsibilities. Among others, these include, formulating and implementing the national land-use planning policy for urban development, drafting national and regional land-use plans for urban development together with their respective technical standards and procedures, compiling and unifying the applicable norms for the execution of urbanization, subdivision, and construction works dictated by the competent authorities, coordinating actions with other state and municipal entities, public service companies, and international bodies. Planning, guiding, and facilitating the creation of new urban centres, acquiring land or specific areas for land-use planning for urban development, defining national and international financial mechanisms for self-management and fund-raising for land-use planning for urban development, regulating citizen participation, overseeing compliance with laws, regulations, policies, and plans for urban development, and establishing technical norms and procedures for elaborating local plans.

Regarding matters related to urban development, municipalities are responsible, among others, for (Art. 9):

- 1. Drafting and approving land-use and urban development plans at the local level under the guidance of the Ministry and in coordination with other competent entities.
- 2. Cooperating to ensure that national and regional plans are complied with within their territory.
- 3. Managing, executing, and controlling the local land-use plans for urban development within their jurisdiction. Regulating public participation.
- 4. Exercising all other powers related to the urban local sphere and territorial planning not expressly reserved by the law to other entities.

To coordinate all of this, land-use plans for urban development are elaborated through interinstitutional coordination, allowing the Ministry and the municipalities to request technical reports and studies relevant to the goals of all competent agencies and entities. These agencies and entities must participate and collaborate with the urban development authorities. (Art. 10).



At the national level in Peru, a technical institution, the National Center of Strategic Planning, under the Legislative Decree No. 1088 of 2008¹⁰⁵ oversees strategic planning. The main instrument is the Strategic National Plan, which is not specific to land use planning. The Ministry of Housing, Construction, and Sanitation formulates the National Housing and Urban Planning Policy that defines priorities and strategies at all levels of government. 106 At the local level, the Regulation on

¹⁰⁵ See (Peru) Legislative Decree No. 1088 of 2008: https://observatorioplanificacion.cepal.org/es/marcos-regulatorios/decreto-legislativo-1088-ley-del-sistema-nacional-de-planeamiento-estrategico-y

¹⁰⁶ See (Peru) National Housing and Urban Planning Policy 2021-2030: https://plataformaurbana.cepal.org/es/pnu/politica-nacional-de-vivienda-y-urbanismo-de-peru

Land Use Planning and Sustainable Urban Development (RATDUS, 2016)¹⁰⁷ is a legal mechanism that harmonizes technical procedures carried out by local governments in terms of urban planning, land management and urban development.

The United Kingdom

In the United Kingdom, spatial plans are not legally binding as they only guide individual decision-making. There are four planning systems related to the four devolved governments: England, Scotland, Wales, and Northern Ireland. Taking England as an example, the primary legislation governing urban planning is the following:

- A. Planning and Compulsory Purchase Act, 2004¹⁰⁸
- **B.** Planning Act, 2008¹⁰⁹
- **C.** Localism Act, 2011¹¹⁰
- **D.** Housing and Planning Act 2016¹¹¹

According to the 2012 National Planning Policy Framework (published by the Ministry of Housing, Communities, and Local Government)¹¹², the planning system has three main objectives to achieve sustainable development (economic, social, and environmental). The Central Government heavily regulates the process and procedure of planning and development; local plans are scrutinized before adoption to ensure they are in line with national policies. In the event of refusal, project applicants have the right to appeal to the Secretary of State (central Government). Thus, there is significant central control and scrutiny, but plans and decisions maintain most of the grunt work at the local level.

England achieves planning objectives at two primary levels: the national level and the local level; however, an intermediate level still exists for the Greater London Area, where the Greater London Authority maintains planning powers at the regional scale. At the national level, the National Planning Policy Framework of 2012 formulates policy priorities and principles for spatial development and guidance to local planning authorities. Rather than containing legally binding elements on planning outcomes, material considerations that local governments must consider are included. The Localism Act of 2011 leaves it to the regional scale regarding plan-making and decision-making. Even if this policy and overall plans are not legally binding in England, the rules of plan-making and the principles established at the national level are prescribed, scrutinized, and enforced by the central government. Nationally significant infrastructure projects (e.g., power stations, airports, intercity rail, and road networks) are the subject of separate legislation, such as the National Infrastructure Delivery Plan 2016-2021, outlining the priorities for investing in a

¹⁰⁷ See (Peru) Regulation on Land Use Planning and Sustainable Urban Development No. 22 of 2016: https://busquedas.elperuano.pe/dispositive/NJ /146636-3

 $^{108 \}quad See \ (United \ Kingdom) \ Planning \ and \ Compulsory \ Purchase \ Act \ No. \ c. 5 \ of \ 2004: \ https://www.legislation.gov.uk/ukpga/2004/5/contents$

¹⁰⁹ See (United Kingdom) Planning Act No. c.29 of 2008: https://www.legislation.gov.uk/ukpga/2008/29/contents

¹¹⁰ See (United Kingdom) Localism Act No. c.20 of 2011: https://www.legislation.gov.uk/ukpga/2011/20/contents/enacted

 $^{111 \}quad See \ (United \ Kingdom) \ Housing \ and \ Planning \ Act \ No. \ c. 22 \ of \ 2016: \ https://www.legislation.gov.uk/ukpga/2016/22/contents/enacted$

¹¹² See (United Kingdom) National Planning Policy Framework of 2012: https://www.gov.uk/government/publications/national-planning-policy-framework-2

whole range of infrastructures or the National Infrastructure Strategy of 2020. At the sub-regional level, the Greater London Authority Act of 1999, amended in 2007, requires the city mayor to formulate a spatial development strategy for London. The London plan develops a cross-sectoral plan that focuses on, among others, transport, economic development, housing, and culture and includes opportunity areas for growth and planning standards such as minimum space standards and minimum floor-to-ceiling heights. The London Plan can be independent of the national policy framework. However, its scrutiny by the Central Government (Planning Inspectorate) regarding nationally established principles and rules is high. Additionally, local governments and neighbourhoods must conform to the strategic and land-use orientations contained in the London Plan.

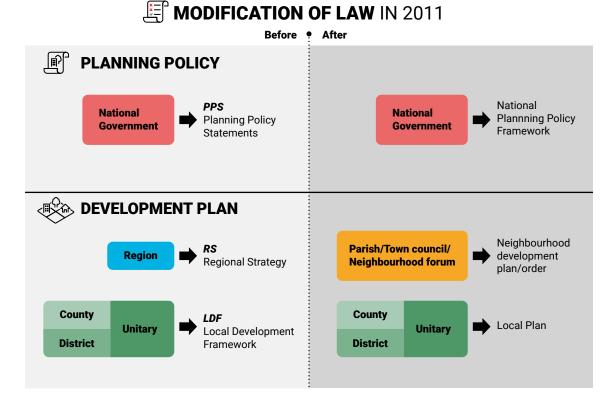


Figure 4. Local Governments and Spatial Planning System in the UK.

Source: https://www.mlit.go.jp/kokudokeikaku/international/spw/general/uk/index_e.html

The Secretary of State oversees the planning system and has a direct role in several decisions through the appeals system, the call-in process, and decisions on nationally significant infrastructure projects. Apart from ministerial departments, there are several public bodies called executive agencies and executive non-departmental public bodies (quangos) which are wholly or partially funded by the central Government and have various responsibilities with a direct impact on urban development and might have the power of statutory consultees who local planning authorities must consult in preparing plans or concerning considering whether particular planning projects should be approved or not. For example, the Planning Inspectorate is tasked with scrutinizing and overseeing planning matters to ensure that planning rules are all in accordance. District councils are responsible for most of the planning matters.

¹¹³ See (United Kingdom) The Greater London Authority Act No. c.29 of 1999, as amended in 2007: https://www.legislation.gov.uk/ukpga/1999/29/contents

At the local level, the development framework contains the following:

- **A.** The core strategies, including general policy guidelines.
- **B.** Local land-use plans for cities and neighbourhoods. These plans set out a vision and framework (including strategic priorities and policies) for the future development of an area, addressing issues such as housing, infrastructure, the economy, the environment, and sound design.

Permission is a requirement before construction. Local plans should be in broad consistency with national policy but have a legal obligation to conform only to the London Plan if they refer to an area within the Greater London Authority. The local plan undergoes examination by an independent inspector who assesses whether the plan aligns with the relevant legal requirements, including public participation through discussion and debate between stakeholders at various stages in the process.

Local governments also determine planning applications and carry out enforcement against unauthorized development. Where they exist, parish and town councils play an essential role in commenting on planning applications that affect their area. Specific Development Corporations deliver large-scale strategic projects, including developing new towns and cities, regenerating particular regions, and creating a free-standing location. These statutory bodies act akin to planning authorities. Regarding coordination mechanisms, the Localism Act of 2011 introduces the "duty to cooperate," ensuring that local planning authorities and other public bodies work together to plan sustainable development beyond their administrative boundaries. Upon examination, local planning authorities must comply with the duty to cooperate. Suppose a Planning inspector from the Government Planning Inspectorate has significant concerns about a local project concerning the "duty to cooperate" or other procedural requirements. In that case, the inspector will inform the local planning authority and may suspend the examination process until the local authority has addressed the issue. The duty to cooperate applies to other public bodies interested in a particular plan. Another mechanism for coordination is the possibility of creating "combined authorities" (although none of these have been prepared yet). These are combinations of local authorities working together voluntarily, which will have an elected mayor oversee the powers and competencies they have been given/negotiated. In these areas, the city region would prepare a structured plan for the whole region within which the local plans for the metropolitan boroughs would fit. Moreover, the Neighbourhood Planning and Infrastructure Bill 2016-17 has provisions to strengthen neighbourhood planning by making the local government's duty to support neighbourhood groups more transparent by improving the process for reviewing and updating plans.

Neighbourhood-level planning gives communities direct power to develop a shared vision for their neighbourhood and shape the development and growth of their local area. Neighbourhood planning is not a legal requirement, but a right that community in England can choose to exercise according to two options:

- **A.** They can set planning policies through a neighbourhood plan (introduced by the Localism Act of 2011 and regulated also by the Neighbourhood Planning (General) Regulations 2012);
- **B.** They can grant planning permission through neighbourhood development orders for specific developments, which can be used to permit building operations, material changes of use of land and buildings, and/or engineering operations.

The objective of neighbourhood plans is to set out opportunity areas for new development. Among the main institutions dealing with planning at the national level, the following have coordination functions: The Department for Levelling Up, Housing and Communities, responsible for ensuring local government works effectively to meet the needs of their communities.



Table 22: Summary of approaches on digital governance in the study countries

COUNTRY	DIGITAL GOVERNANCE TOOLS
Australia	Smart Cities Plan, 2016 The Smart Cities Plan is made up of three components: Smart Investment, Smart Policy and Smart Technology. The main objectives are to prioritize projects that meet broad economic objectives such as public transport, funding for infrastructure under an infrastructure financing unit, conducting early involvement development studies and increasing investment in infrastructure through value capture mechanisms.
Chile *	ChileAtiende (digital platform) citizens can access multiple services. Law No. 21180 of 2019 regulates state's digital transformation.
Panama *	Digital Strategy 2014-19 PANAMA 4.0 recognizes the role of digital technologies in supporting a government driven by users' needs, building a competitive and inclusive economy, and encouraging sustainable societal well-being.
Kenya	Ardhisasa (digital platform) discloses land information and Government processes regarding spatial development to citizens, stakeholders, and interested parties.
Peru	Digital Government Law (DL N° 1412) establishes the governance framework of digital government for the proper management of six components: digital identity, digital services, digital architecture, interoperability, digital security, and data, as well as the legal regime applicable to the transversal use of digital technologies. Legislative Decree No. 149724 establishes the obligation for public entities to convert their administrative procedures to digital platforms or services.
United Kingdom	Transforming for a Digital Future: Government's 2022-25 Roadmap for Digital and Data It outlines the digital transformation of the country to build a more inclusive, competitive and innovative digital economy. Transformed public services that achieve the right outcomes. One Login for Government. Better data to power decision-making. Secure, efficient, and sustainable technology. Digital skills at scale. A system that unlocks digital transformation

Australia

Australia is noteworthy for its role in enacting smart investments in all parts of the country. For example, in 2016, the national government launched the Smart Cities Plan, which aims to maximize the development of its cities despite their size and location.¹¹⁴ The Smart Cities Plan is made up of three components: Smart Investment, Smart Policy and Smart Technology. Regarding Smart Investment, the main objectives are to prioritize projects that meet broad economic objectives such as public transport, funding for infrastructure under an infrastructure financing unit, conducting early involvement development studies and increasing investment in infrastructure through value capture mechanisms. Smart Policy has three subcomponents. First, "City Deals," which invest in cities and are structured around national and local informed objectives with a focus on economic growth, job creation, affordable housing and environmental outcomes. The goal of "City Deals" is for governments, industries and communities to develop collective plans. Second, Smart Policy is focused on leading regulatory reform in partnership with governments to improve regulation in several key areas such as housing supply and affordable housing, better governance and environmental protections. The third subcomponent of Smart Policy stresses collaboration with the states, territories, councils, communities and the private sector to identify key city metrics and the data required to assess performance. For Smart Technology, the Smart City Plan places immense weight on using technology to find solutions such as utilizing data and analytics to customize transportation. Further, open and real time data is leveraged to inform city planning and investment in infrastructure. Smart Technology also utilizes energy efficient technologies such as green roofs and solar energy. For more details, please see Box 2.

*

Chile

In Chile, promoting transparency in the land market is a critical objective of the Ministry of Housing and Urbanism. As such, the Ministry has created a Unified Information Portal with several functionalities. The portal has an urban land market observatory that provides information on the evolution of prices per square meter of real estate in national, regional, communal, and other specific geographic areas, an information system of the processes of drafting territorial planning instruments to make all the planning related information efficiently and promptly open to the public and an information system on the processing status of building permits in each municipality that enables the respective municipal works departments to carry out the procedures electronically.

In 2016, Chile developed a study for digital governance in the framework of the modernization of the public sector.¹¹⁵ In the same year, Chile collaborated with OECD to establish a solid governance framework for digital governance.¹¹⁶ Chile developed ChileAtiende, a multi-service network that seeks to make people's lives easier through channels of care and guidance in which citizens can access multiple services. Coordinated by several organizations, the portal publishes information (e.g., transports, sanitary authority, etc.).¹¹⁷ Finally, Law No. 21180 of 2019¹¹⁸, and its

¹¹⁴ See (Australia) Smart Cities Plan, https://www.infrastructure.gov.au/sites/default/files/migrated/cities/smart-cities/plan/files/Smart_Cities_Plan.pdf

¹¹⁵ See (Chile) Study for Digital Governance in Chile: https://digital.gob.cl/biblioteca/estudios/estudio-para-una-gobernanza-digital-en-chile/
116 See (Chile) OECD, Digital Government Studies, Digital Government in Chile: Strengthening the Institutional and Governance Framework, 2016: http://dx.doi.org/10.1787/9789264258013-en

See also OECD, Digital Government Studies, Digital Government in Chile – Improving Public Service Design and Delivery, 2020: https://doi.org/10.1787/b94582e8-en

¹¹⁷ See (Chile) What is Chile Atiende?: https://www.chileatiende.gob.cl/que-es-chileatiende

¹¹⁸ See (Chile) Law No. 21180 of 2019: https://www.bcn.cl/leychile/navegar?idNorma=1138479

latest amendment, regulates the state's digital transformation. Recently, in December 2023, Chile hosted the "30 ideas for change" Smart City Summit to present ideas and solutions for the cities of the future, presenting technological projects, innovative solutions, and collaborative networks that represent the best way to turn cities into smart and sustainable environments. A leading example in Chile is the Santiago smart city project. Commenced in 2017, this project is in its third triennium – the institutionalization phase (2023-25).

Kenya

Kenya launched the online platform "Ardhisasa", designed to disclose land information and Government processes regarding spatial planning to citizens, stakeholders, and interested parties. Additionally, the National Titling Centre is a comprehensive one-stop facility that provides land surveys, adjudications and registration services to the public. This integrated approach effectively reduces processing time. Additionally, the National Lands Commission and the Kiambu County Government have launched a mass titling program for market centres and townships in Kiambu County.

* *

Panama

Panama has a rich history of championing the value of digital governance, demonstrating a broad national consensus on seizing the opportunities brought by new technologies to make the public sector more efficient, responsive, and sustainable. The country has laid solid foundations for equipping the public sector to tackle broader strategic goals for Panama's digital economy and society. Panama's digital government strategy (Digital Strategy 2014-19 PANAMA 4.0) provides a collective vision for the future of the country's public sector, recognizing the critical role of digital technologies in supporting a government driven by users' needs, building a competitive and inclusive economy, and encouraging sustainable societal well-being. The National Authority for Government Innovation (Autoridad Nacional para la Innovación Gubernamental) has provided a clear vision and setting a strategy for implementation. The national government and the National Authority for Government Innovation elaborated Panama's National Digital Agenda of 2022.



Peru

According to the OECD Digital Government studies, since the early 2000s, Peru has been gradually laying the foundations for e-government and, subsequently, for the transition to digital government. Since then, the Peruvian government has adopted numerous provisions. In

¹¹⁹ See (Chile) Summit Smart City: https://www.bcn.cl/leychile/navegar?idNorma=1138479

¹²⁰ See (Chile) Santiago Smart City: https://www.google.com/url?q=https://www.sesantiago.cl/&sa=D&source=docs&ust=1693854806107124&usq=AOvVaw0IzBT4L8v0Yqvs5l8Q_kKe

¹²¹ See (Kenya) Ardhisasa online platform: https://ardhisasa.lands.go.ke/home

¹²² At the city level, examples of cities using technology for better quality of life can be found here: https://konza.go.ke/smart-city/

¹²³ See (Kenya) Kenya News Agency Information for development, NLC Titling Program To Boost Urban Centers Development: https://www.kenyanews.go.ke/nlc-tilling-program-to-boost-urban-centers-development/

¹²⁴ See (Panama) OECD, Digital Government Review of Panama: Enhancing the Digital Transformation of the Public Sector, Executive summary, 2019: https://www.oecd.org/countries/panama/digital-government-review-of-panama-615a4180-en.htm

¹²⁵ See (Panama) Official website of the National Authority for Government Innovation: https://aig.gob.pa/

¹²⁶ See (Peru) Presidency of the Council of Ministers, Digital Transformation Regulation, https://www.gob.pe/institucion/pcm/colecciones/147-normativa-sobre-gobierno-digital

September 2018, the Executive Power approved the Digital Government Law (DL N° 1412), which aims to establish the governance framework of digital government for the proper management of six components: digital identity, digital services, digital architecture, interoperability, digital security, and data, as well as the legal regime applicable to the transversal use of digital technologies. In January 2020, the DU 006-202022 of 2020 was enacted, which created the National Digital Transformation System.¹²⁷ As part of the Government's actions to face COVID-19, the Executive Power promulgated the Legislative Decree No. 149724, in 2020, which establishes, among other provisions, the obligation for public entities to convert their administrative procedures to digital platforms or services. Along with this, the Government announced the prioritization of 100 public services to be digitized. 128

The United Kingdom

The UK has published a new digital and data strategy (updated in 2022), Transforming for a Digital Future: Government's 2022-25 Roadmap for Digital and Data, representing the government's vision for harnessing digital transformation and building a more inclusive, competitive and innovative digital economy. This roadmap sets out a shared cross-government vision for digital and data by 2025. It contains six missions the government must deliver against to achieve the vision: 1. Transformed public services that achieve the right outcomes. 2. One Login for Government. 3. Better data to power decision-making. 4. Secure, efficient, and sustainable technology. 5. Digital skills at scale. 6. A system that unlocks digital transformation. The Government Digital Service (GDS) is part of the Cabinet Office aiming to make digital government simpler, clearer and faster. 129

Conclusion

All five primary subject countries - Chile, Kenya, Panama, Peru, and the United Kingdom - rely on all levels of government to develop spatial plans and digital governance tools to make life easier for their citizens. However, the countries vary significantly in the amount of national and regional oversight over this process. Chile has the most comprehensive scheme of the five countries, with collaboration at the national, inter-municipal, and municipal levels. At the same time, Panama leaves more power to the national government. The United Kingdom, Kenya, and Peru follow a two-prong approach in which the subnational government oversees most of the substance, with the central government having the final say. Australia's unique practice of launching a smart city initiative in every city, regardless of size and location, to maximize efficient development is worth mentioning. Remarkably, the Australian government has done this through the Smart City Plan, which is made up of three components: Smart Investment, Smart Policy, and Smart Technology. The Smart City Plan is interesting because it brings together the private sector and government to maximize modern technology to develop urban planning and businesses across every city in Australia.

¹²⁷ Ibid.

¹²⁸ See (Peru) At the city level, examples of cities using technology for better quality of life can be found at Kapsch, First Smart City project in Peru relies on Kapsch TrafficCom, 2022: https://www.kapsch.net/en/press/releases/ktc-20220720-pr-en#:~:text=Lima%2C%20July%20 20%2C%202022%20%E2%80%93,making%20the%20district%20more%20sustainable

¹²⁹ At the city level, examples of cities using technology for better quality of life can be found here: https://www.apm.org.uk/blog/five-ofthe-uk-s-most-exciting-smart-city-projects/

General Regulatory Best Practice Recommendations

- Institutional roles and responsibilities should be concentrated in one efficient institution or in several well-coordinated institutions.
- Human and financial resources should be adequate for the successful implementation of the urban law framework.
- The urban development legislation should promote multi-level governance and coordination amongst the institutions at all levels of government for the planning, implementation, approval, and oversight of development projects, plans and documents.
- The regulatory framework should create specialized institutions to address complex subject matters such as housing, infrastructure, and transportation.
- A Smart City Plan that brings together the private sector and government to maximize modern technology will be transformative for public service delivery.



Box 1: Smart governance in Chile according to Law Decree No. 458 of 2023 regulating urban planning, urbanization and construction

Chile has the most comprehensive digital governance strategy among the five selected countries. Overall, the Law Decree No. 458 of 2023 regulates the digital transformation of the state.

- · To promote transparency in the land market, the Ministry maintains in a Unified Information Portal:
 - An urban land market observatory providing information on the evolution of prices per square meter of real estate.
 - ii. An information system of the processes of drafting and approval of territorial planning instruments including all the information available on the websites of the authorities responsible for territorial planning to make all the planning related information easily and promptly available to the public.
 - iii. An information system on the processing status of urbanization and building permits in each municipality, enabling the respective municipal works departments to carry out the procedures electronically.
- ChileAtiende is an online platform and a multi-service network allowing citizens to access multiple services
 through a single channel and governments to increase the efficiency and coherence of service delivery. The
 portal is coordinated with several public institutions that publish their information in the portal.
- A leading example in Chile is the Santiago smart city project and its overall objective is to activate and articulate the generation of solutions around mobility, security, and environment for Greater Santiago, using digital technologies in a Smart City framework.
 - In the first three years (2017-19), efforts were focused on strengthening the ecosystem of innovation and technology-based entrepreneurship, in addition to promoting the efficient use of city resources.
 - In the second three-year period (2020 to 2022), many projects were developed to support the management and articulation of solutions around mobility, safety, environment and enabling resources in Greater Santiago.
 - The project is now in its third three-year period (2023-25), dedicated to the institutionalization. This
 phase is characterized by seven thematic projects focusing on waste management, water, circular
 economy, internationalization, digital data, electromobility and quality delivery.

Box 2: Smart Cities Plan in Australia

Australia provides an excellent model of digital governance because of its intersection of the private sector and government to utilize technology to maximize urban planning and operation.

 In 2016, the Commonwealth of Australia launched the Smart Cities Plan, setting out the Australian Government's vision for cities, despite their size and location, and planning for maximizing cities' potential. The Smart City Plan includes three pillars: Smart Investment, Smart Policy and Smart Technology.

Smart Investment

- Prioritizing projects that meet broader economic objectives such as public transport.
- Establishing an infrastructure financing unit to work closely with the private sector (by creating integrated project teams with the private sector and key agencies) in developing financing solutions to fund key government projects.
- 3. Getting involved early to ensure rigorous planning and business cases by undertaking project development studies.
- Increasing investment in infrastructures through value capture mechanisms that already include developer charges, stamp duty, land tax and local rates.

Smart Policy

- Delivering 'City Deals' through coordinated investment in cities. City Deals will be structured around nationally and locally informed objectives, with a focus on economic growth, jobs creation, housing affordability, and environmental outcomes and will allow governments, industries and communities to develop collective plans.
- 2. Leading regulatory reform in partnership with governments to improve regulation in several key areas such as housing supply and affordability, better governance, environmental protection, etc.
- Working with the states and territories, councils, communities and the private sector to identify key city metrics and the data required to assess performance.

· Smart Technology

- Thinking of technology solutions first. As an example, this will include informing transport with open data and analytics and other innovative technology to customize the service.
- Leveraging open and real time data. For example, data and analytics can inform city planning and infrastructure investment. The National Innovation and Science Agenda is already releasing more non-sensitive public data helping the Government to improve service delivery and to inform policy.
- 3. Driving use of energy efficient technologies. This will also include innovating the building stock using new materials, green roofs and walls, modular construction and solar energy with battery storage. These efforts are underpinned by the Cooperative Research Centre (CRC) for Low Carbon Living and supported through the Clean Energy Finance Corporation and Emissions Reduction Fund.

A good example of how the Smart City Plan is improving the transport sector is the 30 minutes city initiative. The idea is to plan cities where residents can access employment, schools, shopping, services and recreational facilities within 30 minutes from home.¹³⁰

¹³⁰ Several Australian cities are working towards this outcome. For example, Sydney's metropolitan plan, A Plan for Growing Sydney, seeks to create 30-minute cities based around the city's existing structure. The strategic vision for Plan Melbourne includes an even more ambitious goal of 20-minute neighbourhoods.

Mechanisms for land-value capture and urban infrastructure financing



Paragraph 15 of the New Urban Agenda, contains a commitment by States to support effective, innovative and sustainable financing frameworks and instruments enabling strengthened municipal finance and local fiscal systems to create, sustain and share the value generated by sustainable urban development in an inclusive manner. One of these approaches, is land-based finance, which refers to the various ways in which land and property development are used to raise revenue for local authorities or other public entities.¹³¹ Effective harnessing of landbased financing has the potential to generate adequate revenue to support and sustain urban development as well as contribute to positive socio-economic changes in the society.¹³² The rationale is to implement a land-based financing system that guarantees tapping on the value of land to ensure local authorities' accessibility to financial resources for local development and the public accruing a benefit through improved infrastructure, service delivery etc. Article 107 of the Land Law of Vietnam details some of the mechanisms within which revenue from land-based financing is raised. Financial revenues from land include: a) Land use levy upon land allocation by the State; b) Land revenue from permission for change of land use purpose; b) Land rental upon land lease by the State (land rent fee); c) Land use tax (land rates); d) Income tax on transfer of land use rights (capital gains tax, stamp duty); Revenue from sanctions of administrative violations of the land law; and e) Charges and fees in land management and use. However, there is scope to expand these mechanisms, especially to generate revenue for capital intensive infrastructure development projects. The five study countries have implemented land taxes and other innovative land-value capture mechanisms to ensure that the financing is directed towards land development projects. In addition, South Africa, will also be mentioned as it broadly authorizes local municipalities to execute taxes for urban development projects.

¹³¹ UN-Habitat, Planning Law Assessment Framework, Urban Law Tools; Vol.1 2018 pg 58.

¹³² Ibid.

Table 23: Summary of land-value capture mechanisms in the study countries

Country	Financing Options for Public Infrastructure
United Kingdom	Section 106 of the Town and Country Planning Act of 1990 & the Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 • Capturing land value (planning obligations to capture the works, provisions, and contributions required from developers to mitigate the impact of the result). This could take the form of delivering a proportion of the planned units as affordable housing. • Public land acquisition (local authorities have greater power to introduce incentives to require developers to build sites within an agreed timeframe with options to develop and forfeitable fees). • Community Infrastructure Levy (locally determined, fixed-rate development charge of "£ per square metre" designed to help finance the infrastructure needed to deliver infrastructure to support the development of the affected area).
South Africa	 Local Government Municipal System Act 2000 & by-laws such as the Cape Town Municipal Planning By-Law, 2015 Fees for services, imposing surcharges on fees or property rates. Land value capture instruments (like planning gains, which are used for urban renewal, redevelopment, and brownfield regeneration, to guide spatial planning, and to provide affordable housing and local service delivery). Developer obligations (cities can impose certain conditions arising under proposed land use from the developer).
Kenya	Constitution 2010 & Finance Act of 2019 Land value contribution in the case of land subdivisions. Property taxes, parking fees, business licences, and fees for providing services, such as a building permit fee. Developer collections (when developers submit building plans, they must pay 0.05% of property value as a development cost in the form of an infrastructure levy).
Peru	The Constitution of Peru of 1993 • Property taxes. • Developer obligations (although not regulated). The cities of Lima, Arequipa, Trujillo, and Cusco), exceptionally charge for development rights, infrastructure levies or land readjustment.
Chile	Law No. 18695 of 1988 & Law Decree No. 2385 of 1996 Income that derives from municipal property funds from leading or concessions of movable and immovable property owned by municipalities. Municipal taxes include vehicle circulation permits and municipal patent taxes for the exercise of any profession, trade, industry, commerce, art etc. Municipal Common Fund which is composed of the land tax from fiscal properties.
Panama	Constitution, 1972 (revised in 2004) • Municipal revenues composed of sale or fees imposed on goods and services.

The United Kingdom

Regarding land-value-capture and urban infrastructure financing mechanisms, the United Kingdom, raises revenue for specific purposes in several niches. For example, public land acquisition is used to capture the works, provisions, and contributions required from developers to mitigate the impact of a development. On publicly owned land, local authorities have greater power to introduce incentives to require developers to build sites within an agreed timeframe with options to develop and forfeitable fees. Section 106 of the Town and Country Planning Act of 1990 regulates legally enforceable planning obligations. 133 These are agreements between a developer and the local planning authority (LPA) designed to meet the authority's concerns about covering the cost of providing the new infrastructure necessary for the development. Planning obligations can be used to capture the works, provisions, and contributions required from developers to mitigate the impact of the result. They are site-specific and utilized to meet prescribed outcomes (e.g., deliver affordable housing at rates set out in the local plan), for compensatory payments to overcome loss or damage because of the development (e.g., to open space or biodiversity assets), or mitigation to help alleviate the negative impacts of the development through the provision of road infrastructure, support for public transport or cycle infrastructure. The National Planning Policy Framework (NPPF)134 requires that a planning obligation must only be sought where: it is necessary to make the development acceptable in planning terms; it is directly related to the development, and it is fairly and reasonably related in scale and kind to the development. Community infrastructure levy (CIL)135 is a locally determined, fixed-rate development charge designed to help finance the infrastructure needed to deliver infrastructure to support the development of the affected area. The levy was brought into force on April 6, 2010, by the Community Infrastructure Levy Regulations of 2010 which was revised by The Community Infrastructure Levy (Amendment) (England) (No. 2) Regulations 2019 136, under Section 206 of the Planning Act of 2008.¹³⁷ In contrast to Section 106, which raises revenue for infrastructure associated with specific development, the community infrastructure levy was intended to address the cumulative impact of development in an area. The levy is set in terms of "£ per square meter" rather than based on the increase in land value. It is a wider contribution to a local authority's broader infrastructure needs and is a payment based on most development. The fee can be pooled and used for delivering critical local infrastructure at the local authority's discretion. The levy charge is based on an audit and costing of infrastructure needs at the scale of the local authority. As an example, if collected community infrastructure levy payments for a development fall within the boundary of a neighbourhood plan, the local community will receive 25 per cent of the charge, and they can use this resource for their community benefit. It has the function of raising revenue arising from development gains. Tax levels on landowners can derive from what is needed to encourage the release of land, and this would vary depending on the land use, with residential use taxed at a higher rate than industrial use. The Land Compensation Act of 1961¹³⁸ mandates the payment of compensation to landowners, determined by the potential

¹³³ See (United Kingdom) Town and Country Planning Act No. c.8 of 1990, https://www.legislation.gov.uk/ukpga/1990/8/section/106

¹³⁴ See (United Kingdom) National Planning Policy Framework of 2023: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1005759/NPPF_July_2021.pdf

¹³⁵ See (United Kingdom) Community Infrastructure Levy: https://www.gov.uk/guidance/community-infrastructure-levy#: \sim :text=What%20 is%20the%20Community%20Infrastructure,support%20development%20in%20their%20area

¹³⁶ See (United Kingdom) The Community Infrastructure Levy Regulations, Act No. 948 of 2010, as revised by Act No. 1103 of 2019: https://www.legislation.gov.uk/uksi/2010/948/contents

See as well (United Kingdom) Valuation Office Agency, Community Infrastructure Levy, Manual, Section 2: The Community Infrastructure Levy, 2021: https://www.gov.uk/guidance/community-infrastructure-levy-manual/section-2-the-community-infrastructure-levy#:~:text=The%20 CIL%20Regulations%202010%20allow,2010)%20(as%20amended

¹³⁷ See (United Kingdom) Planning Act No. c.29 of 2008, Section 206: https://www.legislation.gov.uk/ukpga/2008/29/section/206#:~:-text=206The%20charge&text=(1)A%20charging%20authority%20may,charging%20authority%20for%20its%20area.&text=(c)the%20Council%20of%20the,for%20the%20Isles%20of%20Scilly

¹³⁸ See (United Kingdom) Land Compensation Act No. c. 33 of 1961: https://www.legislation.gov.uk/ukpga/Eliz2/9-10/33/contents

value the land could achieve in an open market sale by a willing seller. This valuation includes any reasonable anticipation of receiving planning permission for development on the specific site or other lands, both granted on or after the acquisition date.



In Kenya, simple mechanisms exist, such as land value contribution in the case of land subdivisions or building license applications. Specifically, the 2010 Constitution and national legislation (such as the Finance Act of 2019)¹³⁹ empower local revenue collection. This legal framework allows local governments to raise revenue through property taxes, parking fees, business licenses, and fees for providing services, such as a building permit fee. There is no requirement, however, that locally raised taxes be used for affordable housing or slum upgrading, and thus, these initiatives vary per county.

Regarding developer collections, in Kenya, when developers submit building plans, they must pay 0.05% of property value as a development cost in the form of an infrastructure levy, an application fee, and a set fee for a change of land use in an up-market area. These collections are not apportioned for infrastructure development and are instead used for operations and recurrent costs.



According to the Global Compendium of Land Value Capture Policies developed by OECD and the Lincoln Institute of Land Policy in 2022¹⁴⁰, while in Peru there are some developer obligations, there is no legal framework for strategic land management, with challenges including lack of political will, technical capacities, and budget constraints.¹⁴¹ Some of Peru's main cities (Lima, Arequipa, Trujillo, and Cusco), exceptionally apply mechanisms such as charges for development rights, infrastructure levies, or land readjustment.¹⁴² The Constitution of Peru of 1993¹⁴³ contains several provisions governing taxation and property and revenue of regional and municipal governments; for example, property and revenue of provincial governments are listed by Article 193 (including, among other things: their own chattels and real property; economic benefits originated in privatizations, concessions, and services they offer, according to law; taxes created by law in their favour, etc.). Property and revenue of municipalities are listed by Article 196 (including, among other things: their own chattels and real property; taxes created by law in their favour; municipal taxes, rates, duties, licenses, and levies made by municipal ordinances, according to law, etc.). At the regional and local level, governments may create, modify, and eliminate taxes and rates or exempt the same within their jurisdiction and limits defined by law (Art. 74.2). Moreover, the Constitution requires that taxes should not be "confiscatory" (Art. 74) and outlines a series of measures to ensure regional and local governments' autonomy and accountability over its property and revenue (Art. 199).

¹³⁹ See (Kenya) Finance Act No. 23 of 2019:

http://kenyalaw.org/kl/fileadmin/pdfdownloads/AmendmentActs/2019/FinanceAct_No23of2019.PDF

¹⁴⁰ See OECD Regional Development Studies and the Lincoln Institute of Land Policy, Global Compendium of Land Value Capture Policies, 2022: https://www.oecd-ilibrary.org/urban-rural-and-regional-development/global-compendium-of-land-value-capture-policies_4f9559ee-en

¹⁴¹ See (Peru) OECD Regional Development Studies and the Lincoln Institute of Land Policy, Global Compendium of Land Value Capture Policies, Land value capture in Peru, table 2.44, 2022: https://www.oecd-ilibrary.org/sites/4f9559ee-en/1/3/2/44/index.html?itemId=/content/ $publication/4f9559ee-en\&_csp_=e9e013985ff13882693db496c7ab50b2\&itemIGO=oecd\&itemContentType=bookitemContentCon$

¹⁴³ See (Peru) the Constitution of Peru of 1993, as revised in 2009: https://www.constituteproject.org/constitution/Peru_2009#

Chile

Chile emphasizes land-value-capture and infrastructure financing through regional mechanisms. In Chile, Law No. 18695 of 1988144 and its latest amendment establishes that municipalities should enjoy autonomy in their finances (Art. 14). Art. 13 enumerates the components of the municipalities' fiscal assets, including real estate property. Additionally, several regulations govern municipal revenue, including Law Decree No. 2385 of 1996¹⁴⁵ and its latest amendment and those contained in special laws (Art. 1 of L.D.2385/1996). Municipal income stems from several sources, such as income that derives from municipal property funds from leading or concessions of movable and immovable property owned by the municipality (Art. 3) and those from the establishments and operations generated by municipal enterprises and public services (Art. 5) (e.g., solid household collections services, sanitation services, or drinking water). Meanwhile, municipal taxes include vehicle circulation permits (Art. 12). Municipal patent taxes for the exercise of any profession, trade, industry, commerce, art, or any other secondary or tertiary profitable activity (Art. 23). Apart from these taxes, there is a Municipal Common Fund. This fund is composed of the land tax from fiscal properties where the transfer of the land tax is remitted completely to the Common Fund. According to Article 14.5 of Law 18695/1988, the Common Fund receives an annual contribution equivalent to 218,000 monthly tax units. The distribution of the Common Fund is as follows (Art. 39):

- **A.** 25 per cent equally among the country's communes.
- **B.** 10 per cent concerning the number of poor people in the commune, weighted concerning the nation's low-income population.
- **C.** 30 per cent in direct proportion to the number of properties exempted from land tax in each commune, with the number of exempted properties in the country.
- **D.** 35 per cent in direct proportion to the number of properties exempted from land tax on each commune, about the number of exempted properties in the country.
- **E.** 35 per cent in direct proportion to the municipalities with the lowest municipal income during the year preceding the calculation, which is determined based on the lowest permanent municipal own income per inhabitant of each commune, concerning the national average of such income per inhabitant.

Regarding real estate, Law No. 17235 of 1969¹⁴⁶ establishes a real estate tax that divides land into agricultural and non-agricultural categories. The former includes any property, irrespective of location, whose land is predominantly used for agricultural or forestry production or is economically susceptible to such production on a predominant basis. Use assessment is based on the income agricultural activity produces or is likely to make and the other purposes for which the land may be used. The tax on agricultural real estate is levied upon the appraisal of the land and on the value of the owner's houses more than US\$289,644 and on the assessment of all the property for the real estate that not being agricultural land are destined to the production of primary agricultural products, plants, or animals.

 $^{144 \}quad See \ (Chile) \ Law \ No. \ 18695 \ of \ 1988: \ https://www.bcn.cl/leychile/navegar?idNorma=30077\&idVersion=1988-03-31$

¹⁴⁵ See (Chile) Law Decree No. 2385 of 1996 on the Law of Municipal Income (as amended in 2011): https://www.icnl.org/research/library/chile rent/

¹⁴⁶ See (Chile) Law No. 17235 of 1969: https://www.bcn.cl/leychile/navegar?idNorma=28849&idVersion=1998

▲ Panama

Under the Panamanian Constitution,¹⁴⁷ regional governments hold greater responsibility for financing. For example, the Provincial Council is responsible, among others, for the annual preparation for the Executive body's consideration, the plan of public work investments and services of the province and monitoring its execution (Art. 255). Meanwhile, the Municipal Council approves and abrogates taxes, contributions, duties, and fees. (Art. 242) while the Mayor presents the Revenue and Expenditure Budget (Art. 243).

According to Art. 243 of the Constitution, municipal revenues are composed of the product of its areas or agricultural communal land and own property, fees for the use of municipal goods or provision of services, fees for public spectacles, taxes on the sale of alcoholic beverages, duties (as determined by law) on the extraction of sand, quarried stone, tuff, clay, coral, rubble, and limestone, fines imposed by the municipal authorities, state subsidies and donations, fees for timber extraction, exploitation and cutting of forests, tax on the slaughter of cattle and pigs, and any other revenue established by law.



While South Africa is not part of the five principal subject countries, its land-value capture system is particularly noteworthy through its utilization of several mechanisms for planning decisions and public investments at different levels of government that gives local municipalities the ability to set their own rates to collect revenue and utilize that revenue to develop land and provide affordable housing. Specifically, Section 229 of the South African Constitution of 1996 at the national level empowers municipalities to impose rates on properties in their respective areas and collect revenues.¹⁴⁸

There are also mixed approaches between the government and private developers concerning land-value capture to boost revenue collection at different levels of government. For example, in Cape Town, developer contributions are levied under section 100 of the Municipal Planning By-Law of 2015, which allows the city to impose certain conditions arising under the proposed land use from the developer. South Africa also utilizes additional land value capture instruments, like planning gains, which are used for urban renewal, redevelopment, and brownfield regeneration, to guide spatial planning, and to provide affordable housing and local service delivery. The main obstacles that limit the broader use of land value capture include a lack of legal framework or administrative capacity, landowner resistance, inadequate resettlement sites, and the need to protect vulnerable populations.

¹⁴⁷ See (Panama) Constitution of 1972 as revised in 2004: https://www.constituteproject.org/constitution/Panama_2004

¹⁴⁸ See (South Africa) Municipal Finance Management Act No. 56 of 2003: https://www.gov.za/documents/local-government-municipal-finance-management-act-0

¹⁴⁹ See (South Africa) City of Cape Town Municipal Planning By-law of 2015: https://www.capetown.gov.za/work%20and%20business/planning-portal/regulations-and-legislations/planning-by-law

²⁷ OECD/Lincoln Institute of Land Policy, PKU-Lincoln Institute Center (2022), Global Compendium of Land Value Capture Policies, OECD Regional Development Studies, OECD Publishing, Paris, https://doi.org/10.1787/4f9559ee-en

Conclusion

For land-value capture and urban infrastructure financing, all countries have systems in place with varying degrees. England, UK has the most robust land-value-capture system followed by South Africa; Chile and Kenya have moderately sophisticated frameworks in place, but the latter's approach requires more enforcement mechanisms to be effective. Panama and Peru have simple tools in place, with Peru's approach largely unregulated and applying in an ad hoc manner.

General Regulatory Best Practice Recommendations

The legislative framework should encourage several mechanisms for land-based financing (such as planning gains, property taxes, infrastructure levy, land value sharing mechanisms triggered by planning decisions or public investments, charges for development rights, etc.), as well as encourage the adoption of legal instruments to share the increase in property values; the revenue collected should be spent across the city for infrastructure development and to increase the supply of public goods and increase equitable urban development.

A property tax should exist with a large collection rate (more than 90 per cent), based on the value of land and development, with progressive increase for undeveloped, vacant land or empty houses.

Developers should contribute to all the infrastructure costs required by their development, where the building license is granted only after the contribution is paid or checked.

The urban development legislative framework should encourage public authorities to develop a valuation roll, which is updated regularly, as a public legal document that consists of property information of all rateable properties within the boundaries of a rating authority.

The urban development legislative framework should ensure that the collected fiscal revenues (especially levies and planning gains) are ringfenced for infrastructure development and not used, for instance, on operational or staffing costs to promote accountable and transparent decision-making

Box 3: Land-Based Financing in England, United Kingdom

Among the five selected countries, the example of England, United Kingdom represents the most comprehensive system for land-based financing, as the approaches include developers' obligations as well as mechanisms to ensure that the collected revenue are reinvested across the city for infrastructure development and to increase the supply of public goods and equitable urban development. The present box summarizes the main land-value capture mechanisms that are used across the country.

- Section 106 of the Town and Country Planning Act of 1990 regulates legally enforceable planning
 obligations which are agreements made between a developer and the local planning authority designed
 to meet the cost of providing new infrastructure made necessary by the development. Thus, planning
 obligations are site-specific and used to meet prescribed outcomes related to urban development.
- According to the National Planning Policy Framework (NPPF) planning obligations must only be sought
 if necessary to make the development acceptable in planning terms and they are directly and reasonably
 related in scale and kind to the development.
- Community infrastructure levy (CIL), established by the Community Infrastructure Levy Regulations of 2010, is a locally determined, fixed-rate development charge designed to help finance the infrastructure needed to deliver infrastructure to support the development of the affected area. CIL aims to address the cumulative impact of development in an area and they are set in terms of "£ per square metre" rather than being based upon the increase in the value of land.
- Taxation on landowners depends on what is needed to encourage the release of land and can vary depending on the land use, with residential use taxed at a higher rate than industrial use.
- The Land Compensation Act No. c. 33 of 1961 requires the payment of compensation to landowners.
 The amount is calculated on the base of the open market value of the interested land and considers the
 reasonable anticipation of receiving a planning permission for development on the specific site or other
 lands on or after the acquisition date.

Public Participation and involvement in urban development

Participation, in political and cultural life, is a fundamental human right recognized in several international human rights treaties, starting with Universal Declaration of Human Rights, which provides for example, for the right to participate in government and free elections and the right to peaceful assembly and association. Within the framework of SDGs, participation is also a core principle of human rights and a condition for effective democratic citizenship for all people. In the context of urban development, the New Urban Agenda recognizes that rather than a technical tool, spatial planning is first and foremost a cross-sectoral and multi-stakeholder participatory decision-making process. It also encourages effective and meaningful participation as crucial to ensuring that policies are designed in a socially just manner that respects the rights of communities and builds resilience (para 91).

In Vietnam, the Local Government Act of 2015 has limited opportunities for the public to participate in decision making on legislative and budgetary matters. For example, in Article 19 (3)(b), the provincial People's council decides on government revenues in the province without any input from the public. The public are mainly involved in the voting of delegates. Articles 16 and 17 of the Construction Law outline a detailed procedure on public participation in the preparation of construction planning requiring agencies and project owners to collect, summarize and assimilate comments of individuals and communities on construction planning and decision making. However, this needs to be followed through within the life cycle of the entire process as well as designing specific mechanisms for vulnerable groups such as women and the indigenous communities.

The case studies outline how the five study countries are reaping the benefits of enhanced government efforts to involve their citizens in urban development across its many stages from making information public on the internet to collaborating with the private sector to address business needs.

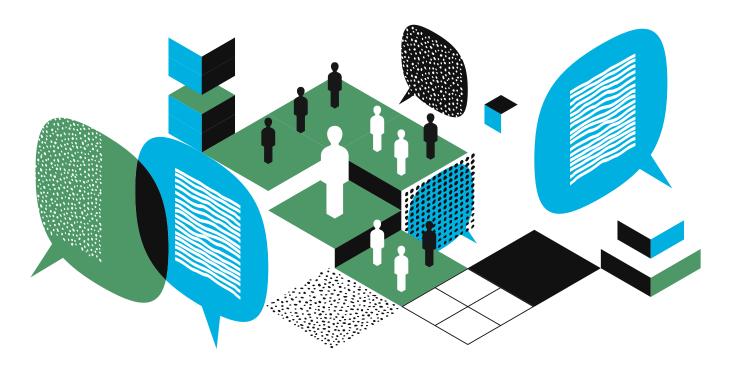


Table 24: Summary of approaches on public participation and involvement in urban development in the study countries

Country	Public Participaton Mechanisms in Urban Development
Chile	Law Decree No. 458 of 2023
*	 community participation must be guaranteed in incorporating safeguard or incentive regulations in regulatory plans.
	drafting intercommunal or metropolitan regulatory plans and sectoral plans must transparent and participatory, requiring the opinion of the community affected and the plann territory's foremost actors.
Kenya	Constitution of Kenya 2010
	Public participation is provided as a national value and principle of governance.
	County Government Act 2012
	Counties (regional governments) should establish mechanisms to facilitate public communication and access to information with the widest public outreach using media.
	Urban Areas and Cities Act 2011
	 Outlines the modalities for participation by the residents in the governance of urban areas a cities.
	Physical and Land Use Planning Act, 2019,
	The governance and management of urban areas is based on institutionalized act participation by residents in the management of its affairs.
Panama	Constitution of Panama 1972 (amended 2004)
* * *	 Citizens have the right of initiative and referendum on matters attributed to the Munici Councils.
	The State must develop educational and promotion programs for indigenous groups to achie their active citizen participation.
Peru	Constitution of Peru 1993
(e)	Citizens should be engaged in local and regional spatial development initiatives throu specific citizen councils that contribute to local and regional planning meetings.
	Sustainable Urban Development Law of 2021 Local governments should ensure that all citizens can participate in the preparation and the property of the Plane for Tamitarial Conditioning and Urban Development.
	approval of the Plans for Territorial Conditioning and Urban Development. Supreme Decree No. 012 of 2022
	Approved the Regulation on Territorial Conditioning and Urban Planning for Sustainable Urban
	Development - citizen participation is a requirement for the decision-making processes of Land Use and Urban Development Plans.
I luite d	The United Kingdom Planning & Compulsory Purchase Act No. 5 of 2004
United Kingdom	Six weeks' public consultation is required for local development.
	The Town and Country Planning Local Development Regulations No. 2204 of 2004
	Community involvement is required for local development plans.
	Freedom of Information Act of 2000
	 Provides for a general right of access to all types of recorded information held by most put authorities in the United Kingdom.
Brazil	Constitution of the Federative Republic of Brazil of 1988 (amended 2020)
	Societal participation is required in the process of formulation, monitoring, control, a evaluation of social planning policies.
	Law No. 10257 of 2001
	 Public debate is encouraged in the cooperation between the government and private secto the urbanization process in service of social interests.
	"Gestão Urbana" (online platform)

· Launched in 2014 to revise the Master Plan for Sao Paulo providing participatory tools that

included an online proposal form.

Chile

In Chile, the law heavily emphasises public participation and involvement in urban development at every process stage. Recently in Chile, Law Decree No. 458 of 2023¹⁵⁰ approved the general law on urban planning and construction, stating that community participation must be guaranteed in incorporating safeguard or incentive regulations in regulatory plans (Art. 27.6). As per Art. 28-octies, drafting intercommunal or metropolitan regulatory plans and sectoral plans must be transparent and participatory, requiring the opinion of the community affected and the planned territory's foremost actors. As such, before the preparation of a preliminary draft of the plan, the desired design of the urban development must be under the following procedure:

- 1. The Mayor or the regional secretary of the Ministry (depending on whether it is a communal or inter-communal instrument) will formulate a proposal for the desired design of the urban development of the planned territory, which will be set in an executive summary with clear and straightforward language. The summary will also include the technical foundations, general objectives, and proposed territory structure alternatives. Further, the executive summary must state cases in which the urban boundary will be modified.
- 2. The municipal council or regional council must approve the executive summary and its plans within fifteen days of receipt. If this period ends without any approval or rejection from the council, it is assumed that the executive summary and its plans have been approved. Once approved, they will be published on the municipality website or the regional ministerial secretariat. They will be exhibited to the community in visible places and freely accessible to the public. Interested parties may make well-founded observations by electronic means or paper for up to thirty days, extendable for up to forty-five days after publication of the executive summary and its plans. The competent authorities must inform the communal council of civil society organisations, affected neighbours, and other interested parties.
- 3. During the first fifteen days of the publishing period, two or more public hearings must also be held to present the desired design to the community, inviting the communal council of civil society organisations, civil society organisations, affected neighbours, and other interested parties as indicated in the ordinance. In the event of communal instruments, it must be presented to the communal council of civil society organisations.
- 4. The place, date, and time of the public hearings, as well as the availability of the background information on the Internet, must be previously communicated through two notices published in different weeks, in one of the most widely circulated newspapers in the commune or communes involved and by displaying them in places where there are large numbers of people.
- 5. At the end of the observations period, the authority in charge of drawing up the plan should issue a report summarising all the observations submitted to the Regional Council or Municipal Council, which, within thirty days of receipt of the report, must agree on the terms to prepare the preliminary draft plan. The competent body must give a reasoned reply to each of the observations made, indicating whether it accepts or rejects them. Both the report and the adopted agreement must be available on the competent authority's website. If the agreement implies a modification of the urban limit, the same authority must inform the Internal Revenue Service of this fact within five days, indicating the area considered for these purposes.

 $^{150 \}quad See \ (Chile) \ Law \ Decree \ No. \ 458 \ of \ 2023: \ https://www.bcn.cl/leychile/navegar?idNorma=13560\&idVersion=2023-07-07\&idParte=1000 \ Authors \ Author$

6. If the authority competent for final approval of the territorial planning instrument rejects or alters a proposal for modification of the urban boundary contained in the agreement, the authority in charge of its preparation must inform the communal councils of civil society organisations, civil society organisations, affected neighbours and other interested parties who have made well-founded observations, the Ministry and the Internal Revenue Service, identifying the interested zones. Moreover, individuals can propose new spatial planning instruments or modifications of the existing ones by exercising the right to a petition granted by Articles 14 and 19 of the Constitution (Art. 28-nonies).

Art. 28 regulates access to information on spatial planning instruments. The Article establishes that all administrative acts approving or modifying spatial planning instruments must be published on the authority's website, promulgating them with the ordinance/decree. The availability of the documents as mentioned above must be advertised in a local or regional newspaper or on a local or regional radio station. For this purpose, the enacting authority must inform the Internal Revenue Service within five days, indicating whether the plans involve modifications of urban limits and in which zones. These documents, along with their explanatory memorandum and the environmental report, must be available on the authority's website, promulgating them per the provisions of Article 7 of Law No. 20285 of 2008¹⁵¹ on Access to Public Information. An executive summary of the planning instrument should also be published on the website in clear and simple language, including its description and the main expected effects.

Article 43 defines the procedure to draft and approve the Communal Regulatory Plan that also follows an effective participatory process allowing citizens to participate in all the process phases, similar to the process set by Article 28, to approve intercommunal or metropolitan regulatory plans.

Public participation is also present at the municipal level. At the municipal level, title IV of Law No. 18695 of 1988¹⁵², as amended, contains the Organic constitutional law of municipalities regulating citizen participation. According to Art 93, each city must establish the modalities of the involvement of citizens, considering the specific characteristics of each commune (e.g., location of human settlements, age of the population, economic activities, etc.) and any other element that requires a specific representation in the definition of the guidelines governing the municipality. The ordinance must indicate the type of organisations to be consulted, the dates or times at which such processes occur, and how participation will occur (e.g., participatory budgeting, consultation, etc.). In each municipality, there is a communal council of civil society organisations (Art. 94.1). The mayor must inform the council about investment budgets, communal development plans, and modifications to the regulatory plan to allow the council to formulate observation within fifteen working days (Art. 94.8). Each municipality must set up an information, complaints, and suggestions office open to the community. The participation ordinance should establish a public procedure for the treatment of submissions or complaints, as well as the deadlines within which the municipality must reply, which cannot exceed thirty days (Art. 98).

¹⁵¹ See (Chile) Law No. 20285 of 2008: https://www.bcn.cl/leychile/navegar?idNorma=276363

¹⁵² See (Chile) Law No. 18695 of 1988: https://www.bcn.cl/leychile/navegar?idNorma=251693

Kenya

Public participation has been expressly provided for under Kenya's statutory framework. Article 10.2 of the Constitution of Kenya 2010 indicates that public participation is among the national values and principles of governance. This has the effect that citizens have the right to have their opinion heard on matters of national importance. Article 69 (d) states that the State shall encourage public participation in the management, protection and conservation of the environment. Article 118.b states that Parliament will facilitate public participation and involvement in the legislative and other business of Parliament and its committees. Article 196.b states that a County Assembly should facilitate public participation and involvement in the legislative and other business of the assembly and its committees. Article 201.a states that there should be openness and accountability, including public participation in financial matters in all aspects of public finance in the Republic.

The County Government Act 2012, in sections 94 and 95 provide that counties are to establish mechanisms to facilitate public communication and access to information with the widest public outreach using media. As per Section 30.3.g of the County Governments Act, the Governor should promote and facilitate citizen participation in the development of policies and plans, and service delivery in the county. Additionally, Section 46.2.g of the County Governments Act provides that the county executive committee should bear in mind the need to all participatory decision making. Section 70 of the County Governments Act also provides that a county government may conduct a local referendum on among other local issues, county laws and petitions or planning and investment decisions affecting the county for which a petition has been raised and duly signed by at least twenty five per cent of the registered voters where the referendum is to take place. Section 115 states that public participation in the county planning processes is mandatory and be facilitated through mechanisms provided for in the Act and provision to the public of clear and unambiguous information on any matter under consideration in the planning process. This information includes clear strategic environmental assessments, clear environmental impact assessment reports, expected development outcomes, and development options and their cost implications.

The Urban Areas and Cities Act, 2011 also provides for public participation. Under the Act, the overarching theme is participation by the residents in the governance of urban areas and cities. The Second Schedule of the Act provides for the rights of, and participation by residents in affairs of their city or urban areas. The Act also provides for avenues of public participation such as citizen's fora, development pacts and Memorandum of understandings signed between public service providers and representatives of citizens. These laws including the Physical and Land Use Planning Act, 2019, provide that the governance and management of urban areas should be based on several principles, most notably, institutionalized active participation by residents in the management of its affairs. This is more clearly enunciated in the Second Schedule of the Urban Areas and Cities Act, which is titled "Rights of, and Participation by Residents in Affairs of their City or Urban Area." It provides that residents of a city or urban area have the right to contribute to the decision-making processes of the city or urban areas.



Panama

In Panama, citizen participation is more focused at the local level. Under Article 233 of the Constitution, the municipality is also responsible for promoting citizen participation. Citizens have the right of initiative and referendum on matters attributed to the Municipal Councils (Art. 239).

The State must develop educational and promotion programs for indigenous groups to achieve their active citizen participation (Art. 108). Moreover, the State should give special attention to rural and indigenous communities to promote their economic, social, and political participation in national life (Art. 124). Within the matters related to land-use planning for urban development, the Ministry of Housing and the municipalities are responsible, among others, for regulating citizen participation (Art. 7.10 and Art 8.5). Article 35 regulates public participation and establishes that citizen participation must be guaranteed in the elaboration and modification of spatial planning and urban matters, as well as in any other act affecting citizens' interests and rights. Urban authorities are therefore obliged to allow public participation to promote the coordination of social, economic, and urban planning interests under the provisions of the law on the subject. The urban planning authorities may regulate the modalities of participation.



Specifically, Peru's Constitution of 1993 has several provisions requiring public participation, which includes allowing citizens to engage in local and regional spatial planning and including specific citizen councils that contribute to local and regional planning meetings.¹⁵³ Other legislation such as the Sustainable Urban Development Law of 2021154, also establishes that local governments are required to ensure that all citizens can participate in the preparation and approval of the Plans for Territorial Conditioning and Urban Development (Article 7-5). To this end, Supreme Decree No. 012 of 2022 approved the Regulation on Territorial Conditioning and Urban Planning for Sustainable Urban Development¹⁵⁵ which states that citizen participation is a requirement for the decisionmaking processes of the Land Use and Urban Development Plans. In the elaboration of these plans, minimum parameters must be met, such as: identification of social actors; mapping of social actors' initiatives; approval of the participation component, etc. A definition of effective citizen participation is also given by Article 8 of the Regulation: citizens, without any exclusion, intervene in proposals regarding actions and interventions related to the physical, socio-economic, environmental and perceptual components of urban and rural centres that affect them/their environment. Importantly, the Regulation has some provisions aimed at ensuring inclusiveness of priority groups such as indigenous people: it requires that in areas where indigenous or native peoples are present, participation mechanisms should consider cultural and geographic criteria and linguistic diversity, ensuring the participation of interpreters and translators. 156

It is also worth mentioning that Article 8 of the Regulation clearly identifies each step of the planning process ("Plan's Work Plan") where public engagement must be considered (e.g., public exhibition of the Plan proposal on the websites, social networks, institutional premises, among others; submission of the proposal to the corresponding Regional Government, and holding of a public hearing to provide observations, contributions and/or recommendations, duly substantiated). 157

157 Ibid, p. 33

¹⁵³ See (Peru) Constitution of Peru of 1993, Articles 197, 195.2, 199, 191.2, and 192.6

¹⁵⁴ See (Peru) Sustainable Urban Development Law No. 31313 of 2021: https://busquedas.elperuano.pe/normaslegales/ley-de-desarrollo-urbano-sostenible-ley-n-31313-1976352-2/

¹⁵⁵ See (Peru) Supreme Decree No. 012-2022: https://busquedas.elperuano.pe/normaslegales/decreto-supremo-que-aprueba-el-reglamento-de-acondicionamien-decreto-supremo-n-012-2022-vivienda-2112560-6/

See (Peru) Instruments for urban and territorial planning, October 2022: https://cdn.www.gob.pe/uploads/document/ file/3787549/%22Presentaci%C3%B3n%20de%20instrumentos%20de%20planificaci%C3%B3n%20territorial%20y%20urbana%22%20Daisuke%20lzumi%20%28Director%20de%20la%20Direcci%C3%B3n%20de%20Urbanismo%20y%20Desarrollo%20Urbano%29.pdf

The United Kingdom

The United Kingdom Planning & Compulsory Purchase Act No. 5 of 2004¹⁵⁸, related to England, Wales, and Scotland, requires that local planning authorities state their "promise to consult" in a statement of community involvement; this commonly implies a six-week public consultation. Since 2012, English local authorities must also prepare a report of consultation, which sets out how they have undertaken community participation and stakeholder involvement in the production of their local development plan. The Town and Country Planning local development Regulations No. 2204 of 2004¹⁵⁹ divide the preparation process for local development plan documents into four stages and envisages community involvement from the first phase of pre-production (conducting surveys). The public is consulted on planning issues to be addressed and policy options available to deal with those issues for typically six weeks; then, during the preparation of the plan and before its approval, the public is consulted for another six weeks on preferred options. Before the support, the project is submitted to the Secretary of State for independent examination, which is preceded by the possibility to "make representations" (e.g., written representations, representations by way of electronic communications) within the period of six weeks from the submission to the Secretary of State (Article 29 of the Regulations of 2004). Regulations No. 2203 of 2004 sets out, among others, the criteria for the recognition of a Regional Planning Body ("RPB") and regulate its preparation of an annual monitoring report and regional participation statement. According to the Planning Policy Statement 12 on Local Development Frameworks¹⁶⁰, local planning authorities must fulfil several obligations regarding openness and transparency in the plan-making process. Mechanisms for public participation include a public consultation on issues and options paper (six weeks) and a pre-submission consultation on preferred options (a formal process of around six weeks to give people the opportunity to comment on how the local planning authority is approaching the preparation of the development plan document). After the Planning Inspectorate reviews the plan, there is an examination in public and a hearing of evidence by the Planning Inspectorate (several days usually). Neighbourhood planning is produced by local communities that are invited to develop their statutory plan and curate the process. They define problems and set agendas, organize public consultations, develop policies and actions for the neighbourhood, and enable the program to pass through its local referendum. If the plans pass the referendum, it is approved by the local planning authority (a simple majority is required).

In addition to the right to be heard, the public can access information, some feedback mechanisms, and e-governance tools that allow citizens to participate. Specifically, the Freedom of Information Act of 2000¹⁶¹ creates a general right of access to all types of recorded information held by most public authorities in the United Kingdom, with an obligation to respond to requests within 20 days. Finally, planning applications are available online for consultation so that individuals can respond to public consultation and see the decisions and the reasons for the findings when they are made. Most local authorities have interactive maps where key policies and planning applications can be explored on a spatial basis. Crucially, Planning Aid services operate in England, Wales and Scotland, providing advice and support to help people engage with the planning system and get involved in planning their local area. Planning Aid England (PAE) is part of the work of the Royal Town Planning Institute. Launched in 1973, PAE is built on the principle that that everyone should have access to the planning system, regardless of their ability to pay. 162

 $^{158 \}hspace{0.2cm} \textbf{See (Kenya) Planning and Compulsory Purchase Act No.\ c.5\ 2004, \ https://www.legislation.gov.uk/ukpga/2004/5/contents.pdf.} \\$

¹⁵⁹ See (United Kingdom) The Town and Country Planning Regulations No. 2203 of 2004, England: https://www.legislation.gov.uk/uksi/2004/2203/note/made

¹⁶⁰ See (United Kingdom) Planning Policy Statement 12: https://files.cambridge.gov.uk/public/ldf/coredocs/RD-GOV-140.pdf

¹⁶¹ See (United Kingdom) Freedom of Information Act No. c. 36 of 2000; https://www.legislation.gov.uk/ukpga/2000/36/contents

¹⁶² https://www.rtpi.org.uk/planning-advice/about-planning-aid-england/

Brazil

While Brazil is not included in the principal study countries, it employs a balanced national and regional public participation scheme that is notable for its constitutional mandate that the government encourages the participation of the public and private actors in every stage of urban planning to ensure that societal interests are met. Article 193 of the Constitution of 1988, as amended in 2020¹⁶³, states that the central government should exercise the function of social planning policies and ensure societal participation in the process of formulation, monitoring, control, and evaluation of these policies. Article 2.IV of Law No. 10257 of 2001¹⁶⁴ establishes cooperation between the government and private sector in the urbanization process in service of social interests. As per Article 43, public debate is highly encouraged. In 2005, Brazil launched a national campaign titled "Participatory Master Plan: Cities for All", followed by the National Program of Capacity Building in Cities. The Capacity Building Program includes a myriad of actions, such as the publication of manuals, the promotion of courses, the training of professionals and direct fund transfers to municipalities preparing their plans. It also includes funding to academic research and consulting activities offered by research teams located at public universities.

Conclusion

Each study country encourages public participation and involvement in urban development in some capacity, with Chile and the United Kingdom following more comprehensive schemes with public participation at every level of government. At the same time, Kenya, Panama, and Peru have public participation enshrined into their Constitutions but emphasize citizen participation at the regional level. Brazil, provides a strong approach to public participation, with several national campaigns launched by the central government in the past couple of decades aimed to involve citizens in the implementation of urban development projects.

¹⁶³ See (Brazil) Constitution of the Federative Republic of Brazil of 1988: https://www.planalto.gov.br/ccivil_03/constituicao/constituicao.

¹⁶⁴ See (Brazil) Law No. 10257 of 2001: https://www.planalto.gov.br/ccivil_03/LEIS/LEIS_2001/L10257.htm#art35

General Regulatory Best Practice Recommendations

- In the legislative framework, non-State actors should be allowed to engage and consult at all stages of planning meaning the preparation and design, post-design (i.e., once plan is complete), the implementation, the monitoring/evaluation and the post-implementation.
- The legislative framework should include the mechanisms, timeframes and modalities for public participation in a clear manner (such as town halls, public charrettes, questionnaires and interviews);
- Citizens should have the legal right to access information and the process should be easy, timely and cost-effective, subject to public interest exemptions. This could include access to government-funded but independent Planning and Legal Aid services.
- Public information should be transparent and publicly available in several ways (including digital platforms, but also gazette notices, noticeboards in the city office);
- Citizens should receive training/civic education from the Government for participation to be informed and effective.
- There should be tailored, targeted and specific mechanisms in legislation to allow for participation of priority groups and ensure inclusivity.
- There should be mechanisms for non-State actors to be involved/partner with State actors in delivering urban services and implementing projects (e.g., people-public-private partnerships; service delivery partnerships).



Box 4: Public Participation in Brazil

Brazil has established several mechanisms for public participation.

The Constitution of 1988 states that the central government should ensure the participation of the society in the process of formulation, monitoring, control, and evaluation of social planning policies.

Cooperation between the government and private sector in the urbanization process to guarantee social interests is required by Law No. 10257 of 2001 containing the Statute of the City.

In 2005, Brazil launched a national campaign titled "Participatory Master Plan: Cities for All", followed by the National Program of Capacity Building in Cities, including several actions, such as the publication of manuals, the promotion of courses, the training of professionals and direct fund transfers to municipalities preparing their plans.

Brazil has also several municipal tools allowing public participation in urban matters such as:

- The digital platform called "Gestão Urbana" was launched in 2014 to revise the Master Plan for Sao Paulo providing participatory tools that included an online proposal form.
- The digital participatory budget process of Belo Horizonte providing a website containing information
 on each project and its benefits, rendered visualizations and virtual maps, a toll-free phone hotline to
 cast the vote of voters without internet access, and online communication channels with municipality
 officials to resolve doubts and provide feedback.

Climate friendly urban development and green growth

SDG 13 calls for urgent and transformative climate action including environmental conservation, going beyond mere plans and promises. It requires countries to raise ambition, move towards climate-resilient development and achieve net-zero emissions. Paragraph 65 of the New Urban Agenda contains a commitment by governments to facilitate the sustainable management of natural resources in cities and human settlements in a manner that protects and improves the urban ecosystem and environmental services, reduces greenhouse gas emissions and air pollution through environmentally sound urban and territorial planning, infrastructure and basic services.

Vietnam has introduced energy efficiency into the Building Code through Decree No. 102/2003/ ND-CP. In 2011, the government developed a climate change strategy - the Vietnam Green Growth Strategy. The strategy is driven by the national policy agenda and Vietnam's desire to support international efforts to combat climate change. More can be done through the legislative framework to require spatial plans to conduct climate risk and vulnerability assessments as well as strengthening environmental impact assessments for development projects.

Indeed, the five core countries aim to highlight the mechanisms that they have adopted in their legal framework to reduce the carbon footprint as well as ensure that communities are well adapted to the negative effects of climate change. The example of Rwanda has been included below to show how a compliance system can be used to assess the environmental friendliness of construction projects.



Table 25: Summary of approaches on climate friendly urban development and green growth in the study countries

Country	Transformative Climate Action Measures and Green Growth
Chile	Climate Change Framework Law No. 21455 of 2022 Provides for climate mitigation and adaptation strategies making climate change a national crosscutting concern. Law No. 21455 Regional Climate Change Action Plans must consider strategic plans for water resources in watersheds where appropriate. Law Decree No. 458 of 2023 Urban plans to consider and pursue environmental preservation.
Panama *	Environment Act of 1998, National Climate Change Strategy to 2050 and the National Climate Action Plan • Sets a national strategy for climate action.
Peru	Framework Law on Climate Change of 2018 • Outlines national environmental policy priorities – reducing vulnerability of the country to climate change.
Kenya	Physical and Land Use Planning Act, No. 13 of 2019 • Provides for environmental planning to combat climate change.
United Kingdom	National Planning Policy Framework (updated in 2021) • Sets out the environmental objective of planning: to protect and enhance the natural, built and historic environment; make effective use of land, helping to improve biodiversity, use natural resources prudently, minimize waste and pollution, and mitigate and adapt to climate change including moving to a low carbon economy.
Rwanda	 The Rwanda National Environment and Climate Change Policy of 2019 Promotes climate change adaptation, mitigation and response. Environmental Law of 2018 An obligation on sectors to mainstream climate change within their policies and strategies, public education, climate mitigation policy development and reporting. Develop policies and plans aimed at "slowing down the increase of greenhouse gas emissions." Green Building Minimum Compliance System Targets energy efficiency, water efficiency, environmental protection, indoor environmental quality, innovation and other green initiatives.

Urban Planning



Chile

Chile has multiple laws that contribute to strategizing for climate friendly urban development. As an example, the Climate Change Framework Law No. 21455 of 2022 defines climate mitigation and adaptation strategies and decentralizes climate action from the Ministry of the Environment to other governmental authorities, making climate change a national crosscutting concern. 165 Additionally, Law No. 21455 requires that Regional Climate Change Action Plans must consider strategic plans for water resources in watersheds where appropriate.166 Likewise, such strategic plans should be considered in the elaboration and updating of applicable spatial planning instruments and regional land-use plans (Art. 13.4). According to Art. 27 of the Law Decree No. 458 of 2023, all urban planning must consider and pursue environmental development according to national, regional and communal policies.¹⁶⁷ Likewise, communal (municipal) urban planning must promote environmental development (Art. 41). 168



Panama

Panama's strategic approach is multifaceted, building on the Environment Act of 1998 with the National Climate Change Strategy to 2050 and the National Climate Action Plan. 169 The plans are less concrete than the Chilean plans discussed above, but they do seek to set a national strategy.



Peru's Framework Law on Climate Change of 2018 adopts a similar approach as Panama: outlining national environmental policy priorities. The Framework establishes the principles and general provisions to coordinate, articulate, design, execute, report, monitor, evaluate and disseminate public policies for the integral, participatory and transparent management of adaptation and mitigation to climate change. 170 The law aims at reducing the vulnerability of the country to climate change, and to take advantage of the opportunities of low carbon growth. It requires government planning aimed at preventing and addressing forced migration and temporary displacement due to climatic changes and other environmental impacts. 171

¹⁶⁵ See Climate Change Framework Law No. 21455 of 2022.

¹⁶⁷ See Law Decree No. 458 of 2023.

¹⁶⁸ See Id.

¹⁶⁹ See National Climate Action Plan.

¹⁷⁰ See Framework Law on Climate Change of 2018.

¹⁷¹ Columbia law school, climate school Sabin Centre for climate change law, Peru Passes New Framework Climate Change Law: Top Nine Developments, 2018, link: https://blogs.law.columbia.edu/climatechange/2018/04/26/peru-passes-new-framework-climate-change-law-topnine-developments/

Kenya

In Kenya, the Physical and Land Use Planning Act, No. 13 of 2019 includes on its second schedule [s. 48] that "combating climate change" is a matter which can be dealt with in a local physical and land use development plan. 172 Moreover, several further articles under the same Act suggest environmental planning, including: Article 5 ("Principles and norms of physical and land use planning", development activities shall be planned in a manner that integrates economic, social and environmental needs of present and future generations); Article 22 (the National Physical and Land Use Development Plan is the basis for (a) environmental conservation, protection and improvement); and Article 37 (the objects of a county physical and land use development plan shall be, among others, (e) to enhance environmental protection and conservation).

The United Kingdom

The United Kingdom also adopted a multifaceted strategic approach with the National Planning Policy Framework (updated in 2021).¹⁷³ The framework sets out the environmental objective of planning: to protect and enhance the natural, built and historic environment; and, as part of this, make effective use of land, helping to improve biodiversity, use natural resources prudently, minimize waste and pollution, and mitigate and adapt to climate change including moving to a low carbon economy. Additionally, the Royal Town Planning Institute and its 27, 000 members are way ahead in promoting climate action through local and regional planning. Through their outreach and advocacy work, they are pushing for UK planning systems to support the rollout of smart energy grids, helping cities to develop strategic climate resilience policy, and supporting the UN's campaign for the SDGs.¹⁷⁴ Their work is guided by the concept of 'climate justice'; to ensure that the diverse needs and voices of the communities are considered.¹⁷⁵

Objectives

In Chile, According to Art. 28-decies of Law Decree No. 458 of 2023, urban planning must, among other things, comply with the principle of energetic efficiency and be consistent with technical study on natural protection.¹⁷⁶

Kenya's objectives for climate planning are included in Article 3 of the Climate Change Act of 2016, which lays out important principles for environmental development. Article 3 calls for the development, management, implementation and regulation of mechanisms to enhance climate change resilience and low carbon development for the sustainable development of Kenya. The law aims to mainstream climate change responses into development planning, decision making and implementation and integrating climate change into the exercise of power and functions

¹⁷² See Physical and Land Use Planning Act, No. 13 of 2019.

¹⁷³ See National Planning Policy Framework (updated in 2021)

¹⁷⁴ https://www.rtpi.org.uk/policy-and-research/topics/climate-change-and-energy/

¹⁷⁵ Ibid.

¹⁷⁶ See Law Decree No. 458 of 2023

¹⁷⁷ See Climate Change Act of 2016.

of all levels of governance, and to enhance cooperative climate change governance between the national government and county governments. Peru's Framework Law on Climate Change of 2018, plays a similar role in defining the country's goals for climate protection.¹⁷⁸

Responsible Parties

Panama builds climate responsibility into the duties of the State. Under Article 118 of the Panamanian Constitution, the State has the fundamental obligation to guarantee that its population lives in a healthy environment, free of contamination (pollution), and where air, water, and food satisfy the requirements for proper development of human life.¹⁷⁹ Additionally, there is institutional accountability through the Ministry of Environment, created in 2015. The Ministry ensures compliance and application of laws, regulations and the National Environmental Policy in terms of protection, conservation, preservation, restoration, sustainability and rationality in the use of natural resources.

In Chile, the Climate Change Framework Law No. 21455 of 2022 decentralizes climate action from the Ministry of the Environment to other governmental authorities, making climate change a national crosscutting concern rather than a purely environmental one. Article 36 regulates the Environmental Protection Fund established by Title V of the Law No. 19300 of 1994, as lastly amended. The purpose of the Fund is to finance climate mitigation and adaptation projects and actions. These projects and actions may include, among others: Climate change adaptation actions, prioritizing those that favour the population or areas most vulnerable to climate change, in accordance with the priorities of the Long-Term Climate Strategy, the Nationally Determined Contribution or other climate change management instruments.

Chile's Ministry of the Environment is responsible for Strategic Environmental Assessments, which incorporate climate change in land use and territorial planning instruments, the application of which is mandatory. According to Article 43 of the Climate Change Framework Law No. 21455 of 2022, land use and territorial planning must incorporate environmental considerations related to mitigation and adaptation to climate change, which must be evaluated through the Strategic Environmental Assessment.¹⁸²

Chile is also required, under Article 4 of the Law 19300 of 1994, to facilitate citizen participation, allow access to environmental information and promote educational campaigns aimed at environmental protection.¹⁸³

Like the Chilean multilevel approach, the United Kingdom's main legal and policy framework for environment and climate action is also established at the national level with guidance and requirements for governmental entities at all levels. First, the Climate Change Act of 2008 requires the Government to assess the risks and opportunities from climate change for the United Kingdom by producing a United Kingdom Climate Change Risk Assessment, and to adapt to them through

¹⁷⁸ See Framework Law on Climate Change of 2018.

¹⁷⁹ See Article 118 of the Constitution.

¹⁸⁰ See Climate Change Framework Law No. 21455 of 2022.

¹⁸¹ See Title V of the Law No. 19300 of 1994.

¹⁸² See Climate Change Framework Law No. 21455 of 2022.

¹⁸³ See Law 19300 of 1994.

a National Adaptation Programme. ¹⁸⁴ The Committee on Climate Change's Adaptation Committee advises on these climate change risks and assesses progress towards tackling them. Second, the Renewable and Low Carbon Energy guidance was adopted in 2015 to help local councils in developing policies for renewable and low carbon energy and identifies the planning considerations.

Economic Instruments

Supplementing Chile's Environmental Protection Fund, Article 37 of the Climate Change Framework Law No. 21455 of 2022 creates additional economic instruments to manage climate change. These fiscal, financial or market-based instruments/mechanisms allow the internalization of environmental, social and economic costs associated with the emission of greenhouse gases or short-lived climate forcings or reduce risks that contribute to climate change adaptation. The economic instruments for the management of climate change should promote, directly or indirectly, the execution of actions aimed at complying with the objectives established in the Long-Term Climate Strategy, in the Nationally Determined Contribution and in the Climate Change Financial Strategy. Articles 51, 52, and 52 of the 2022 Act require the inclusion of environmental impact considerations in investment policies. 186

Environmental Impact Assessments

In Chile, the Environmental Impact Assessment (EIA) is regulated by Article 40 of the Climate Change Framework Law No. 21455 of 2022, establishing that the projects or activities that are submitted to environmental impact assessment according to the law must consider climate change. The projects or activities must describe how they would relate to sectoral mitigation and adaptation plans, as well as to regional and local climate change management instruments. The environmental report of the Regional Government and the corresponding Municipality is always required. Likewise, the climate change variable must be considered for the purposes of the provisions of Article 25-quinquies of Law No. 19300 of 1994.

Per Decree 123 of 2009 on Environmental Assessment and EIAs, Panama also requires that all urbanization projects must be accompanied by a study on their influence on the natural environment (Art 12). Peru has a similar policy captured in Law No. 31313 of 2021 on Sustainable Urban Development. Art. 5.2.a establishes that policies, plans, programmes or projects that may generate significant environmental implications in urban spaces are subject to the provisions established in Law No. 27446 of 2011, on the National System of Environmental Impact Assessment – SEIA and its Regulations as well as the complementary environmental rules in force.

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184 See Climate Change Act of 2008.
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¹⁸⁵ See Climate Change Framework Law No. 21455 of 2022.

¹⁸⁶ See Id.

¹⁸⁷ See Id.

¹⁸⁸ See Law No. 19300 of 1994.

¹⁸⁹ See Decree 123 of 2009 on Environmental Assessment.

¹⁹⁰ See Law No. 31313 of 2021.

¹⁹¹ See Law No. 27446 of 2011.

In the United Kingdom, the Town and Country Planning Regulations No. 571 of 2017¹⁹² set the procedure for identifying which projects should be subject to an environmental impact assessment and for assessing, consulting and coming to a decision on those projects which are likely to have significant environmental effects.

Other National Mechanisms

Chile considers exceptions to the application of urban development and planning legislation to mitigate the adverse environmental impacts. As an example, according to Article 62.1 of Law No. 19,300 of 1994, land whose use does not comply with the relevant spatial planning instruments should be deemed to be unutilized. Consequently, the existing building volume for such land use may not be increased. However, increases whose precise purpose is to mitigate the adverse environmental impacts caused by their productive activity are not subject to the above. In Panama, policy formation around urban planning must consider environmental impacts. According to Article 3 of the Urban Planning Law of 2006, policy formulation will be based, among others, on the recognition of the social and environmental function of property. The Partial Plan is the detailed planning instrument responsible for the management, creation, defense or improvement of areas of environmental conservation (Art. 5.12).

General Regulatory Best Practice Recommendations

- Climate considerations should be embedded into urban development and planning at all stages, including through a coordinated national strategy.
- There should be a national agency responsible for coordinating climate-friendly cooperation and development, but the national agency should also delegate responsibility to other government actors focused on social and economic factors to ensure the climate is a crosscutting topic.
- National authorities should develop guidance for local governments to seamlessly integrate climate priorities into their local urban planning.
- Environmental impact analyses must form the basis for project approval and aligned with development priorities.

Conclusion

The subject countries vary in the depth and breadth of their environmental planning for urban development. Kenya's planning is the least robust, while Chile, Panama, Peru and the U.K. have multifaceted approaches. The approaches vary from regulatory frameworks to economic mechanisms. Chile, Panama and the United Kingdom require environmental impact analyses of varying strength for development planning. Rwanda has an innovative green building minimum compliance rating system to assess the environmental friendliness of construction projects (see Box 7).

¹⁹² See (United Kingdom) Town and Country Planning Regulations No. 571 of 2017: https://www.legislation.gov.uk/uksi/2017/571/contents/made

¹⁹³ See Law No. 19,300 of 1994.



Box 5: Climate friendly urban development and green growth in Rwanda

Rwanda represents a good practice that is worth mentioning with its comprehensive approach to climate change adaptation and mitigation.

The Rwanda National Environment and Climate Change Policy of 2019 promotes climate change adaptation, mitigation and response. The policy aims to strengthen adaptation mechanisms in planning and implementation by integrating weather and climate information into infrastructure planning and development.

Rwanda's environmental law of 2018 includes an obligation on sectors to mainstream climate change within their policies and strategies, public education, climate mitigation policy development and reporting. The law also requires the State of Rwanda to develop policies and plans aimed at "slowing down the increase of greenhouse gas emissions."

In 2019 Rwanda, developed a Green Building Minimum Compliance System which is used to assess building construction and construction projects. This Compliance System is an Annex to the 2019 Ministerial Order determining Urban planning and Building regulation and the revised Rwanda Building Code of 2019. The green building minimum compliance system comprise of 5 modules or focus areas targeting

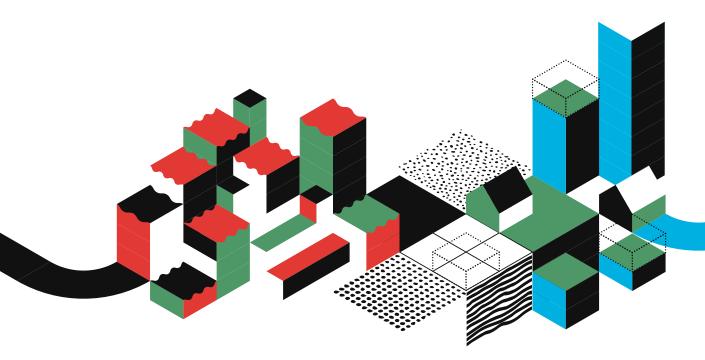
- 1. Energy efficiency This module focuses on the approach that can be used in the building orientation, design, material and equipment selection to optimize the energy performance in a building.
- Water efficiency This module focuses on rainwater harvesting, selection of water efficient fittings, wastewater treatment and other features that would reduce the use of potable water during building operation.
- Environmental protection This category focuses on the design, practices and selection of materials and resources that would reduce the environmental impacts of built structures.
- 4. Indoor Environmental Quality This category focuses on the design strategies that would enhance the indoor environmental quality which includes fresh outdoor air provision, thermal comfort, noise and selection of non-toxic paints in buildings.
- 5. Innovation and Other green features This category focuses on the adoption of green practices and new technologies that are innovative and have potential environmental benefits.

The system contains 29 green building indicators cutting across the above five modules and are weighed at 190 points. Each green building indicator is allocated points based on the relative importance of its contribution to green building goals. Points are allocated based on the environmental impact, efforts required for implementation and the costs associated with implementation. The green building minimum compliance system is mandatory for Category 4 & 5 buildings (commercial, educational and health facilities), but there is a degree of flexibility for residential developers to choose green indicators based on the suitability to the building, location, usage and the benefits associated.

Mechanisms to upgrade informal settlements

Informal settlements normally differ from formal settlements because of unclear, often illegal, land occupation, or the settlement and its buildings do not have official permission, or because the site layouts and structures contravene regulations (for instance, plot sizes are smaller than the minimum specified by planning regulations). In many cities, informal settlements are so common and house such a high proportion of the population and workforce that they cannot be an exception but are the rule. Paragraph 77 of the New Urban Agenda makes an explicit commitment by governments to support the upgrading of informal settlements as well as measures for strengthening and retrofitting all risky housing stock, including in informal settlements, to make it resilient to disasters, in coordination with local authorities and stakeholders.

In Vietnam, the concept of "slum upgrading" is not provided for in the law, however there have been efforts to deal with the growing population and rural to urban migration with regards to housing. Foreign investment and development efforts focusing on industrialization of the major cities have resulted in increased rural-urban labor flows to the large cities and a strengthening of the informal economy which provides jobs for immigrants. This, however, has further increased demand for housing and there is an urgent need for low-cost housing for the poor. The government, since 2013, has been implementing several pilot projects to renovate degraded areas, changing them into commercial areas and relocating squatters. ¹⁹⁴ The study countries have varied approaches showcasing how upgrading of informal settlements can be undertaken in a sustainable manner. The United Kingdom was excluded from the analysis as informal settlements are not prevalent and it has been replaced by the Philippines.



 $^{194 \}qquad \text{https://www.mypsup.org/library_files/downloads/Slum\%20upgrading\%20and\%20urban\%20governance-\%20Case\%20studies\%20in\%20three\%20South\%20East\%20Asian\%20cities.pdf$

Table 26: Summary of approaches on mechanisms to upgrade informal settlements in the study countries.

Country	Informal Settlements Upgrading Mechanisms
Chile	Supreme Decree No. 14, of 2007, Neighbourhood Recovery Program Implement a model that combines comprehensiveness, intersectionality, and citizen participation to achieve greater social and urban integration at the neighborhood scale with recovered public spaces and better environmental conditions. Law Decree No. 829 of 1998, amended by Law Decree No. 1393 of 2006 Reduce marginal differences in sanitary conditions. Build clean infrastructure and transfer ownership.
Kenya	Physical and Land Use Planning Act of 2019 Director-General of Physical and Land Use Planning declares informal areas as a Special Planning Area (SPA), putting a stop to any further development in the area for a two-year period until an Integrated Development Plan is created.
Peru	Agency for the Formalization of Informal Property (COFOPRI) Institution that governs informal settlement upgrading. Decentralizes the informal settlement upgrading process through transfer of information and knowledge to local governments.
Panama *	Urban Planning Law of 2006 Partial Plan is responsible for the management, creation, defence, or improvement of specific sectors of the urban area. Requires local plans to identify informal settlements.
The Philippines	Comprehensive and Integrated Shelter Financing Act. R.A. No. 7835 of 1994 National Housing Authority and the Housing and Urban Development Coordinating Council required to coordinate on upgrading informal settlements.

Chile

In Chile, the national government has targeted informal settlements across the country to develop. Under the Supreme Decree No. 14, of 2007, the Neighbourhood Recovery Program of the Ministry of Housing and Urbanism was created to begin its implementation of an interventionist model that combines comprehensiveness, intersectionality, and citizen participation.¹⁹⁵ The program focuses on 200 barrios located in 80 communes in every region of the country. The program aims to achieve greater social and urban integration at the neighborhood scale with recovered public spaces and better environmental conditions.

Before the Neighbourhood Recovery Program, Law Decree No. 829 of 1998196, amended by Law Decree No. 1393 of 2006, was established to regulate the Neighbourhood Improvement Programme. Under Article 1, the Program is aimed to reduce marginal differences in sanitary conditions through a deficit of essential services. As Article 2 explains, the Program seeks to build clean infrastructure and transfer ownership utilising a contract of sale to natural persons living in conditions of sanitary marginality. Further, under Article 2, the Program aims to execute necessary urbanisation works such as drinking water, sewage, electricity, and in some cases, rainwater and gas sewage networks. There is also a focus on regularising street and passage layouts with minimum paving and delivery of title deeds to each beneficiary. Regarding qualifying projects, the Neighbourhood Improvement Programme is also governed by the National Investment System (Art. 4), which states that all projects must meet the requirements including, among others: at least 90 per cent of the families likely to benefit are low-income, the projects are framed within the guidelines of the communal development plans, communal regulator and other instruments of territorial planning, that the respective Municipality undertakes to adopt adequate measures to provide essential urban equipment services when they do not exist totally or partially for a reasonable period that may not exceed two years from the date of the work's reception. (Art. 8).



Informal settlement upgrading is governed under the Physical and Land Use Planning Act of 2019¹⁹⁷, where the designated Director-General of Physical and Land Use Planning declares informal areas as a Special Planning Area (SPA), putting a stop to any further development in the area for a two-year period until an Integrated Development Plan is created. This aligns with how Kenya has historically undertaken informal settlement upgrading, even prior to the 2019 Act. For example, in February 2017, Nairobi County announced the creation of a special planning area (SPA) in Mukuru slums. Developments were suspended for two years while the Nairobi County Government initiated a participatory process to develop a Physical Development Plan.¹⁹⁸

¹⁹⁵ See (Chile) Government of Chile, GIZ and City Alliance, Catalogue of Occupational Profiles for the MINVU's Neighbourhood Neighbourhood Recovery Programme of MINVU, 2009: http://www.old.citiesalliance.org/sites/citiesalliance.org/files/CA_Docs/resources/Catalogo_MINVU_200Barrios_April09.pdf

¹⁹⁶ See (Chile) Law Decree No. 829 of 1998: https://www.bcn.cl/leychile/navegar?idNorma=123593&idParte=&idVersion=2006-03-07

 $^{197 \}quad See \ (Kenya) \ Physical and \ Land \ Use \ Planning \ Act \ No. \ 13 \ of \ 2019: \ http://kenyalaw.org/kl/fileadmin/pdfdownloads/Acts/2019/PhysicalandLandUsePlanningAct_No13of2019.pdf$

¹⁹⁸ See (Kenya) Slum Dwellers International. "Citizen Led Slum Upgrading: The Mukuru Special Planning Area". GOLD VI Pathways to Equality Cases Repository: Democratizing (2022). United Cities and Local Governments, https://www.gold.uclg.org/sites/default/files/2022-06/ch9_democratizing_56.ndf

See also https://www.muungano.net/mukuru-spa and Horn, P. (2021). Enabling participatory planning to be scaled in exclusionary urban political environments: lessons from the Mukuru Special Planning Area in Nairobi. Environment and Urbanization, 33(2), 519–538. https://doi.org/10.1177/09562478211011088

Peru

In Peru, informal settlement upgrading is governed under an institution known as the Agency for the Formalization of Informal Property (COFOPRI), which controls property ownership, the reorganisation and titling of property, and the formulation of property. This institution also decentralises the informal settlement upgrading process through transfer of information and knowledge to local governments. Peru has demonstrated a strong performance in increasing water, sanitation and electricity access in informal settlements in the last decades.¹⁹⁹



Panama

According to the Urban Planning Law of 2006, the Partial Plan is the detailed planning instrument responsible for the management, creation, defence, or improvement of specific sectors of the urban area that whose specific conditions require a separate treatment within the land-use plan for local urban development, this includes informal settlements.²⁰⁰ Moreover, Article 14.2 requires local plans to consider the delimitation of areas of possible expansion of cities or populated centres, of deferred development, of priority development, as well as the identification of informal settlement areas to incorporate them into the urban structure.



The Philippines

Despite not being part of the five subject countries, regarding upgrading informal settlements, the Philippines is notable because the national government directly provides financial assistance to upgrade, relocate and support those living in informal settlements. In the Philippines, mechanisms to upgrade informal settlements are largely centralised with the national government under the National Housing Authority (NHA) and the Housing and Urban Development Coordinating Council. These organisations provide financial assistance for essential services to gualified individuals in informal settlements. At the national level, the Comprehensive and Integrated Shelter Financing Act. R.A. No. 7835 of 1994201 places the onus of dealing with informal settlements on the NHA and the Housing and Urban Development Coordinating Council. These organisations provide funding and secure tenure to individuals and families that live in informal settlements such as those living in Manila's danger zones. Further, the Settlements Upgrading Programme surveys individual lots for disposition to qualified individuals.

¹⁹⁹ See (Peru) USAID, Country Profile on Land Tenure and Property Rights: Peru, 2016, https://www.land-links.org/wp-content/uploads/2016/09/USAID_Land_Tenure_Peru_Country_Profile.pdf

²⁰⁰ See (Panama) Urban Planning Law of 2006, Art. 5.12

²⁰¹ See (The Philippines) Comprehensive and Integrated Shelter Financing Act of 1994: https://republicact.com/docs/statute/7218/ ra-7835-comprehensive-integrated-shelter-financing-act-1994

Conclusion

Each of the subject countries except for the United Kingdom have mechanisms in place to upgrade informal settlements. Of the four subject countries that have enacted mechanisms for upgrading informal settlements, Chile holds the most robust mechanisms while Kenya has moderate systems in place, and Panama and Peru with modest measures to upgrade informal settlements. Given the limited information available from the subject countries in this area, the Philippines was included because it has comprehensive mechanisms to upgrade informal settlements by offering financial assistance and secure tenure to those living in informal settlements through agencies within its national government.

General Regulatory Best Practice Recommendations

- Specific planning tools should exist to deal with informal settlement upgrading, including planning
 instruments that consider informal contexts and needs in all stages of the planning process
 (land tenure, participation, enumeration, data collection, risk assessments, consideration of the
 informal economy, etc.);
- · Land management instruments should be in place to consolidate, densify and readjust the land; and
- The legal framework should have regulations to allow land consolidation and re-parceling in informal settlements.



Box 6: Informal Settlements Upgrading in Kenya

Kenya has a clear methodological approach to upgrade informal settlement that can be summarized as follows:

The Physical and Land Use Planning Act of 2019 (S. 52) establishes a methodological process for informal settlement upgrading in each region:

- The Director-General of Physical and Land Use Planning declares informal areas/slum areas as a Special Planning Area (SPA); this declaration puts a stop to any further development in the area for a two-year period until an Integrated Development Plan is developed.
- In the two-year period where development has been suspended, the regional government, such as the
 county government, initiates a process to develop a Physical Development Plan; this process should
 be participatory, requiring engagement with the community to create an efficient plan for the impacted
 community.
- 3. Once the Plan is in place, the relevant regional government works towards implementation.

Mechanisms for urban regeneration for compact city development

Paragraph 97 of the New Urban Agenda outlines the promise by governments to promote planned urban extensions and infill, prioritizing renewal, regeneration and retrofitting of urban areas, as appropriate, to avoid spatial and socioeconomic segregation and gentrification, while preserving cultural heritage and preventing and containing urban sprawl. Urban regeneration aims to bring back underutilized assets and redistributes opportunities, increasing urban prosperity and quality of life. Urban regeneration initiatives are complex, lengthy and run the risk of gentrifying private space or privatize public one. The aim of urban regeneration is to ensure affordability, access to services and involvement of local residents to promote local economic development, where public space is a key element of interventions, and cities reduce environmental impact and greenhouse gas (GHG) emissions. The preservation and valorisation of historic and cultural heritage is a key opportunity for urban regeneration as well.

In Vietnam, urban renewal has been undertaken through "residentialization" which is synonymous with gentrification, which is often translated into Vietnamese as urban improvement which is a process of renewal of residential neighborhoods already depreciated or replaced by those which are more affluent (to ensure that there will be financially viable and profitable returns on such investment). A participatory urban regeneration approach is needed in Vietnam where policies at the national and local levels allow inclusive regeneration for compact city development. The five study countries provide nuanced approaches on urban regeneration, while the Republic of South Korea, given its sound policies on this topic, is included as a supplemental case study.

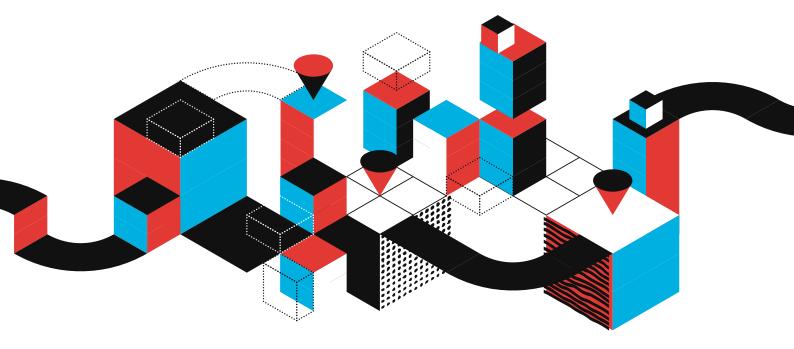


Table 27: Summary of approaches on mechanisms for urban regeneration for compact city development in the study countries

Country	Urban Regeneration Mechanisms
Chile *	 Law Decree No. 458 of 2023 Municipalities are responsible to develop the needed action for the rehabilitation and renovation of deteriorated or unhealthy settlements within the commune. Urban development must enhance territorial cohesion, ensuring that land is used efficiently. Spatial planning must be consistent with technical study on cultural heritage and natural protections. National Urban Development Policy on Social Integration Guarantees equitable access to urban public goods, reversing current situations of urban social segregation, avoiding the development of new situations of urban social segregation and implementing a land policy to promote social integration. Law No. 21450 of 2022 Social integration in urban planning, land management, and housing emergency plan. Law Decree no. 18 of 2017 Regulates the programme for regeneration of social housing estates. Plan for the Renovation of Santiago
	To restore the residential character of the district, strengthen the commercial, industrial, and service activities; and improve the quality of life by providing better public spaces, redesigning private and public transport, increasing residents' security, and protecting the environment
Panama * *	Praft Bill 865, 2022 Establishes the Urban Regeneration Plan for Chorrillo, Santa Ana and Curundú, approved in October 2022. Focuses especially on environmental conservation, areas of tourist or landscape interest, informal settlements, areas of progressive urbanisation, or any other areas whose specific conditions merit separate treatment within the land use plan for local urban development plan. Strategic Plan for the Revitalisation of Calidonia (2015) Includes a regulatory framework and financing implementation tools.
Peru	Law No. 31313 of 2021 Land readjustment to optimise the profitability of the land and the distribution of urban development charges and benefits, establishing a new urban structure in accordance with urban planning; Land readjustment for urban development, urban renewal, urban regeneration, among others.
Kenya	Physical and Land Use Planning Act, No. 13 of 2019 Renewal and re-development plans. Nairobi City County, Urban Housing Renewal and Regeneration Policy of 2018 Projects for urban renewal and densification, must include public participation, environmental consideration, preservation of heritage, public-private partnership (PPP) and diverse mixed land-use projects.
United Kingdom	Housing and Regeneration Act 2008 Regulates agency responsible for urban regeneration. National Planning Policy Framework of 2012 Establishment of policies for relevant areas including town centres and regeneration frameworks.
Republic of Korea	Special Act on the Promotion of Urban Renewal (amended in 2012) Establishes an "urban renewal acceleration plan." Provides for Public-Private Partnership Projects. Mechanisms to incentivize urban regeneration such as the reduction of or exemption from local taxes. Local governments to create their own urban regeneration strategic plan, as it sets the basic policy for national urban regeneration.

Defining Urban Renewal

Out of the study countries, Peru provides a useful and comprehensive definition of urban renewal. In Law No. 31313 of 2021 on Sustainable Urban Development, Peru defines urban renewal/ regeneration as the permanent and coordinated process of preventive and corrective actions, of urban improvement, in terms of the transformation of uses, physical security, disaster risk management and environmental compatibility, aimed at counteracting the physical deterioration of buildings and infrastructure, the degradation in urban areas identified in a given locality, favouring the recomposition of the economic fabric and the improvement of social conditions for its residents; acting within the general framework of Urban Development Plans or Metropolitan Development Plans, as appropriate.²⁰² Each of the study countries uses some combination of these core principles in their urban regeneration planning.

Responsible Parties across Comparator Countries

Some of the comparator countries assign national administrative agencies the responsibility of creating the master/strategic plans. For example, in Chile, the plan is initiated and prepared by the Ministry of Housing and Urbanism and drafted together with the municipality and the citizens and it can exceptionally derogate to urban planning regulations contained in the municipal master plan. Similarly, in the United Kingdom, the Housing and Regeneration Act 2008, the Homes and regulates an agency, the Homes and Communities Agency (HCA), to be responsible for urban regeneration. The HCA may regenerate or develop land, enable a more effective use of land, as well as facilitate the regeneration or development of land, or the more effective use of land.

Other countries, such as Kenya and Peru, delegate their planning responsibilities to county governments²⁰⁶ and Provincial Municipalities,²⁰⁷ respectively. In addition, Peru authorizes local governments to carry out conservation works at the owner's expense, in cases where the owner of a property located in an urban regeneration area, declared uninhabitable or declared part of the National Cultural Heritage, fails to carry out such conservation works.²⁰⁸ This applies whenever the situation poses an imminent risk to the public or to the property declared part of the National Cultural Heritage.

Even those subject countries with national agencies partake in some local level planning processes. In Chile, according to Art. 79 of Law Decree No. 458 of 2023, municipalities are responsible to develop the needed action for the rehabilitation and renovation of deteriorated or unhealthy settlements within the commune, in coordination with plans of the same nature and housing plans of the Ministry.²⁰⁹

²⁰² See (Peru) Law No. 31313 of 2021 on Sustainable Urban Development, Art. 70.1: https://busquedas.elperuano.pe/dispositivo/NL/1976352-2

²⁰³ See (Chile) Law No. 21450 of 2022: https://www.bcn.cl/leychile/navegar?idNorma=1176603

²⁰⁴ As amended in 2023.

²⁰⁵ See (United Kingdom) Housing and Regeneration Act No. c.17 of 2008, Art. 6: https://www.legislation.gov.uk/ukpga/2008/17/body

²⁰⁶ See (Kenya) Physical and Land Use Planning Act, No. 13 of 2019: http://kenyalaw.org:8181/exist/rest/db/kenyalex/Kenya/Legislation/English/Acts%20and%20Regulations/P/Physical%20and%20Land%20Use%20Planning%20Act%20-%20No.%2013%20of%202019/docs/PhysicalandLandUsePlanningAct13of2019.pdf

²⁰⁷ See (Peru) Law No. 31313 of 2021 on Sustainable Urban Development, Art. 33: https://busquedas.elperuano.pe/dispositivo/NL/1976352-2

²⁰⁸ Ibid. Art. 51.1

UN-Habitat desk research on Panama's urban laws did not ascertain with clarity who is responsible for the country's master planning.

Objectives

In this section, the selected countries' stated objectives with respect to urban regeneration are analysed.

Recently, **Chile** has focused on reforming its planning efforts. They passed a new general law on urban planning and construction, Law Decree No. 458 in 2023 and Law No. 21450 of 2022²¹⁰ on social integration in urban planning, land management, and housing emergency plan in 2022. Art. 28-decies of the **Chilean Law** Decree No. 458 of 2023 states, among other requirements, that urban planning must enhance territorial cohesion, ensuring that land is used efficiently and combines uses. Planning must also be consistent with technical study on cultural heritage and natural protections. In addition, the first thematic area of the National Urban Development Policy on Social Integration recognizes, among other things, guaranteeing equitable access to urban public goods, reversing current situations of urban social segregation, avoiding the development of new situations of urban social segregation and implementing a land policy to promote social integration, which entails the need to take advantage of well-located areas in cities that allow for greater densification and thus reduce the housing deficit, as stated in Objective 1.4 of the Policy, through the implementation of projects that promote the settlement of families living there.²¹¹

Panama is also developing new regeneration plans with Draft Bill 865, which establishes the Urban Regeneration Plan for Chorrillo, Santa Ana and Curundú, approved in October 2022.²¹² This detailed planning instrument focuses especially on environmental conservation, areas of tourist or landscape interest, informal settlements, areas of progressive urbanisation, or any other areas whose specific conditions merit separate treatment within the land use plan for local urban development plan. Each local plan must include the location of areas for the conservation of historical, architectural and cultural heritage.²¹³

Peru's objectives are laid out in Law No. 31313 of 2021 on Sustainable Urban Development. Regional and local governments and other public and private entities involved in land development, urban planning and urban management, land use, and the general public, should promote sustainable, efficient, equitable, safe and rational land use, allowing for safe, accessible, fair, sustainable and diverse cities, while protecting the landscape, heritage and natural values of the territory. According to Article 45.2, the purpose of land readjustment is to optimise the profitability of the land and the distribution of urban development charges and benefits, establishing a new urban structure in accordance with urban planning; land readjustment is applicable in the processes of urban development, urban renewal, urban regeneration, among others. The purpose of urban renewal and regeneration is to generate greater efficiency in the use of land and reducing informal settlements overcrowding and other situations of inhabitability, as well as preserving the ornamentation of the city or town centre, its monumentality and the environment and other purposes determined by the special regulations on the matter.²¹⁴

²¹⁰ The Law modifies Law No. 16.391, creating the Ministry of Housing and Urbanism.

 $^{211 \}quad See \ (Chile) \ National \ Urban \ Development \ Policy \ on \ Social \ Integration: \ https://www.patrimoniourbano.cl/wp-content/uploads/2014/06/L4-Politica-Urbana-ingles_baja.pdf$

²¹² See (Panama) Draft Bill 865, which establishes the Urban Regeneration Plan for Chorrillo, Santa Ana and Curundú: https://www.asamblea.gob.pa/APPS/SEG_LEGIS/PDF_SEG_2020/PDF_SEG_2022/2022_P_865.pdf

²¹³ See (Panama)Urban Planning Law of 2006, Art. 14.6

²¹⁴ See Law No. 31313 of 2021 on Sustainable Urban Development, Article 70.2.

The United Kingdom's Homes and Communities Agency (HCA) has similar objectives to that of Peru. The main objectives of the HCA are, among others, to improve the supply and quality of housing, secure the regeneration or development of land or infrastructure, and support in other ways the creation, regeneration or development of communities.²¹⁵ In addition, Specific Development Corporations²¹⁶ are responsible for the delivering of large-scale strategic projects including the development of new towns and cities or the regeneration of certain areas and the creation of a free-standing location. These statutory bodies act like planning authorities, set up to regenerate a designated area, bringing land and buildings into effective use, and often have control over the land. Planning policies and decisions should consider the social, economic, and environmental benefits of estate regeneration.²¹⁷

Selecting Areas for Regeneration

Each study country's objectives for urban regeneration inspire how the country selects and prioritizes areas for urban regeneration.

Peru's focus for renewal is "transformation of urban land."²¹⁸ This refers to an urban area that for various reasons has obsolete uses, infrastructure and buildings that do not respond to the current needs of the city or town centre or suffer substantial physical, social, economic or environmental deterioration that makes it difficult to achieve adequate conditions of habitability for its residents or require transformation actions that may include renovation or regeneration. In Peru, if chosen areas include properties that are part of the Cultural Heritage of the Nation, the corresponding sectorial authorization will be required prior to the commencement of the urbanization, renovation or urban regeneration processes.²¹⁹ Urban renewal and regeneration should be applied as a priority in areas classified as Urban Land for Transformation, according to the classification contained in the Urban Development Plan or, in the case of metropolitan areas, in the Metropolitan Development Plan.²²⁰

According to Panama's Urban Planning Law of 2006, urban regeneration is undertaken through detailed planning, and it can interest areas of historical, monumental, architectural or environmental conservation, areas of tourist or landscape interest, informal settlements, areas of progressive urbanization, or any other areas whose specific conditions merit separate treatment within the land use plan for local urban development plan.²²¹

The U.K. also focuses on urban areas. The United Kingdom's National Planning Policy Framework of 2012, establishes, among others, that policies for relevant areas include town centre and regeneration frameworks (Art. 97).

²¹⁵ See Housing and Regeneration Act 2008, Article 2.1.

²¹⁶ See (United Kingdom) Ministry of Housing, Communities & Local Government, Development Corporation Reform, 2019, introduction, 1.1: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/841908/_Development_corporation_reform_technical_consultation.pdf

²¹⁷ See National Planning Policy Framework of 2012, Article 94.

²¹⁸ See Law No. 31313 of 2021 on Sustainable Urban Development, Article 33.

²¹⁹ See Law No. 31313 of 2021 on Sustainable Urban Development, Article 48.4.

²²⁰ See Law No. 31313 of 2021 on Sustainable Urban Development, Article 71.

 $^{\,}$ 221 $\,$ See (Panama) Urban Planning Law of 2006, Art. 5.12 $\,$

Chilean urban regeneration has a specific focus on highly segregated or deteriorated neighbourhoods according to Law No. 21450 of 2022, on social integration in urban planning, land management, and housing emergency plan. Additionally, Chapter VI of the Law Decree No. 458²²³ is dedicated to Urban regeneration (Art. 72 and following) and Law Decree no. 18 of 2017 regulating the programme for regeneration of social housing estates.

Other National Mechanisms

Chile also has programs devoted to "establish mechanisms to facilitate the densification of land ownership and the possibility of individual title deeds for each household."²²⁵ Law Decree No.32 of 2019, modified the supreme law decree No. 47 of 1992 (on urban planning and construction) to adjust the special regulation on affordable housing to foster the implementation of the state housing program aiming to support the settlement of families in small-scale projects. The sole aim of the decree is to establish the application of special regimes for projects on land with affordable housing or on lots from Site Operations, built with total or partial financing from the Housing Programmes in urban areas. On such plots, it is possible to derogate the parcelling, plot subdivision, heights dispositions/standards.

Peru executes urban renewal projects through urban renewal or regeneration programmes, as appropriate, which include the development and execution of works through real estate and infrastructure projects.²²⁷ To carry out urban renewal or regeneration programmes, Urban Management Units may be established.²²⁸

One unique mechanism suggested by Kenya's Physical and Land Use Planning Act, No. 13 of 2019 is mixed land-uses.²²⁹ Renewal and re-development plans are regulated by Part C of the Physical and Land Use Planning Act, No. 13 of 2019.²³⁰

In addition, Chile has programs for the redevelopment of brownfields and green areas, as does the United Kingdom.²³¹

Local Initiatives

Santiago, Chile provides a robust example of local level planning for urban regeneration for compact city development. In 1990, the Municipality of Santiago developed a clear strategic vision with the goal of recovering the prominent residential role of Santiago's municipal district (SMD). In

²²² See Law No. 21450 of 2022.

²²³ See Law Decree No. 458 of 2023.

 $^{224 \}quad \text{See (Chile) Law Decree no. 18 of 2017: https://www.bcn.cl/leychile/navegar?idNorma=1116421}$

²²⁵ See Objective No. 1.4.5 of the National Policy on Urban Development

²²⁶ See Law Decree No.32 of 2019.

²²⁷ See Law No. 31313 of 2021 on Sustainable Urban Development, Article 70.2.

²²⁸ See Law No. 31313 of 2021 on Sustainable Urban Development, Article 70.3.

²²⁹ See Physical and Land Use Planning Act, No. 13 of 2019.

²³⁰ See id

²³¹ See National Planning Policy Framework of 2012, Article 97, Section 11 and Article 138, Section 13.

this framework, the Plan for the Renovation of Santiago²³² was developed through a participatory process led by the municipality. The plan had three components: (i) restoring the residential character of the district, (ii) strengthening the commercial, industrial, and service activities; and (iii) improving the quality of life by providing better public spaces, redesigning private and public transport, increasing residents' security, and protecting the environment. The implementation of the Plan for the Renovation of Santiago resulted in the creation of two programs, namely the Santiago Repopulation Program (SRP)²³³ and the Housing Rehabilitation Program (REHA).²³⁴ The Mayor assigned the responsibility of these programs to the newly created Santiago Development Corporation (SDC).²³⁵

One mechanism for urban regeneration used in Santiago is housing subsidies. In 1992, the Ministry of Housing and Urban Development (MHUD) designed and implemented a program to subsidize purchase of housing units in priority renovation areas by middle-income buyers called the Subsidy for Urban Renovation (SUR) to support the Santiago Repopulation Program.

In Kenya, the Nairobi City County, Urban Housing Renewal and Regeneration Policy of 2018 addresses various projects for urban renewal and densification, including public participation, environmental consideration, preservation of Heritage, public-private partnership (PPP) and diverse mixed landuse projects. These local projects are directed by a comprehensive plan. The plan should have three main components, namely: framework plan, master plan and institutional arrangements.

In Panama, the Strategic Plan for the Revitalisation of Calidonia (2015) includes a regulatory framework and financing implementation tools. The regulatory framework includes zoning codes; historic landmark designation and preservation of buildings of architectural value; urban development code (including pavement construction and road safety); building and parking regulation codes; design codes for public areas and park; integrated and simplified building permit approval process; and licensing and guidelines for street vending activities. To implement the regulatory framework, the financing mechanisms include Cadastre: property taxes and developers' contribution; transparent capital investment budgeting; project-based finance; liquidation of obsolete assets; strategies for social housing; strategy for cultural institutions; heritage preservation strategy; tourism development strategy; and public-private partnerships at local level.

Examples of development corporations in the United Kingdom include: the Ebbsfleet, designed to create a new garden city on the edge of London²³⁷; the London Legacy Development Corporation²³⁸, originally designated to develop the Olympic Park at Stratford, West London and now ensuring that the whole site fulfils its regeneration potential. Among their responsibilities, there are: (a) drafting proposals for the new developments which the oversight authority can approve; (b) master planning and project development; (c) bringing on board private investment; (d) partnering with developers; and (e) overseeing completion.

²³² Plan for the Renovation of Santiago: https://www.munistgo.cl/rac/#:~:text=El%20Plan%20de%20Regeneraci%C3%B3n%20de,urbanos%20que%20cuentan%20con%20gran

²³³ The SRP's goal was to attract new residents and activate the housing market in the municipal district by utilizing a public-private partnership (PPP) structure.

See The World Bank, urban regeneration, case studies, Santiago: https://urban-regeneration.worldbank.org/Santiago

²³⁴ The REHA's aim was to reconstruct 500 tenement halls comprising 7,500 housing units. These tenements are old collective condominiums that were originally built to serve the housing needs of the most vulnerable population.

²³⁵ Source: The World Bank, urban regeneration, case studies, Santiago: https://urban-regeneration.worldbank.org/Santiago

²³⁶ See Strategic Plan for the Revitalisation of Calidonia.

²³⁷ See Ebbsfleet Development Corporation: https://ebbsfleetdc.org.uk/

 $^{238 \}quad \text{See London Legacy Development Corporation: https://www.queenelizabetholympicpark.co.uk/our-story.} \\$

Conclusion

The objectives of each country's urban regeneration programs vary slightly, but each is targeting improving the quality of life for residents, preserving the environment and cultural heritage. Most of the countries partake in spatial planning at the national level and strategic/detailed urban regeneration planning at the local level.

Best Practice Recommendations

- All the comparator countries use some version of master plans at the national and local levels to support coordinated urban regeneration for compact city development.
- Central planning agencies or authorities can help coordinate planning on a national and regional level.
- Planning for urban regeneration should consider protecting cultural heritage, improving impoverished areas as well as areas of national, historical or cultural importance.
- Local plans, like that in Santiago and Nairobi City, benefit from strategic vision and public participation. Santiago's plan as well as Nairobi's was developed through a participatory process.
- Urban regeneration for dense development includes some room for public-private partnerships and developer partnerships to spark renewal.



Box 7: Mechanism for urban regeneration for compact city development in the Republic of Korea

Special Act on the Promotion of Urban Renewal as lastly amended in 2012.

Among other things, the Act establishes an "urban renewal acceleration plan" (a plan for land use, installation of infrastructure, etc. in an urban renewal acceleration district under Article 9 to promote urban renewal acceleration projects in a planned and systematic manner) and "urban renewal acceleration zone" (a zone determined for "urban renewal acceleration project") (Art. 2 – definition).

The Act also provides for Public-Private Partnership Projects (Art. 16).239

The Act contains mechanisms to incentivize urban regeneration such as the reduction of or exemption from local taxes (e.g., acquisition tax, registration and license tax), pursuant to the Restriction of Special Local Taxation Act and ordinances of local governments for buildings including hospitals or cultural facilities, which are built in urban renewal acceleration districts in accordance with urban renewal acceleration plans (Art. 22, see also articles 23), or the establishment of special accounts for urban renewal acceleration (Art. 24).

Finally, the national government supports local governments to create their own urban regeneration strategic plan, as it sets the basic policy for national urban regeneration. The Special Act stipulates that regional governments have responsibility for the Urban Regeneration Strategic Plans, whereas local governments are responsible for the Urban Regeneration Master Plans.²⁴⁰

Projects: Cheonggyecheon restoration project in Seoul.²⁴¹

²³⁹ See the Act on Public-Private Partnerships in Infrastructure for PPP

²⁴⁰ See OCED, the Governance of Land Use in Korea: Urban Regeneration: https://www.oecd-ilibrary.org/sites/dd27ae75-en/index.htm-l?itemId=/content/component/dd27ae75-en

²⁴¹ See The World Bank, urban regeneration, case studies, Seoul: https://urban-regeneration.worldbank.org/Seoul

7

Mechanisms to resolve urban development disputes

Disputes are inevitable especially while dealing with culturally sensitive matters such as land, housing, building and construction. It is important to have a robust system of dispute resolution that is fair, affordable and efficient to ensure that justice is dispensed at the earliest opportunity. States have committed in paragraph 109 of the New Urban Agenda, to provide measures for conflict prevention and mediation. This is reiterated by SDG 16 which calls for peaceful and inclusive societies as well as providing access to justice for all. The Vietnam Land Law, 2013, addresses both alternative dispute resolution (ADR) and judicial mechanisms as redress mechanisms in the event of disputes. However, to incentivize ADR mechanisms, it will be important to make arbitral awards and mediation decisions to have a binding and enforceable force to ensure parties adopt such mechanisms. For judicial redress, the Land Law needs to outline the hierarchy and functional composition of the People's Courts mapping its competencies and jurisdiction. It could be beneficial to establish a fully-fledged Environmental & Land Court that has both professional and technical expertise to handle land disputes.

The case studies outline the mechanisms to achieve a fair, affordable and efficient dispute resolution system and the positive impact of alternative dispute resolution (ADR).

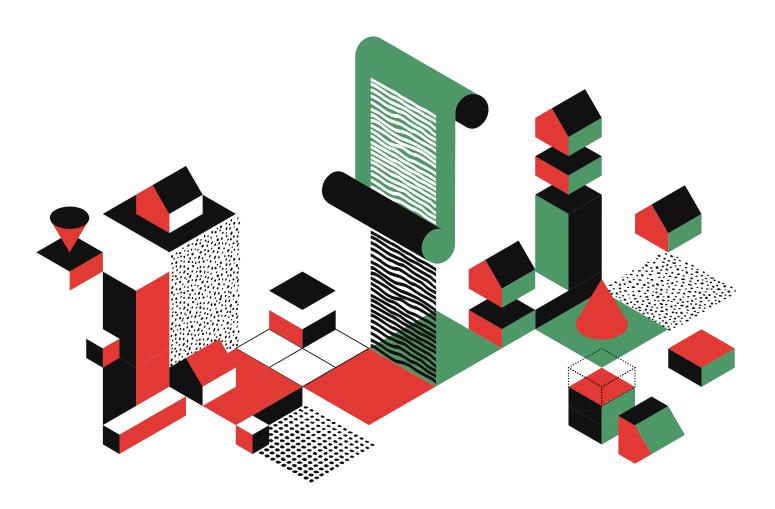


Table 28: Summary of approaches on mechanisms to resolve urban development disputes in the study countries

Country	Dispute Resolution Mechanisms
Chile	Law No. 20600 of 2012 Created the Environmental Courts that resolves environmental disputes. Law on Urban Planning and Construction of 2023 Governs the processes for dispute resolution. Law No. 18.287 of 1984 Provides for liability of persons. Establishes proceedings in front of local police judges. Law No. 7421 of 1943 Regulates Arbitration.
Kenya	Constitution of Kenya 2010 Created the Environmental and Land Court. Provides for alternative forms of dispute resolution. Physical and Land Use Planning Act of 2019 Process for the County Physical and Land Use Planning Liaison Committee to hear and determine complaints and claims made in respect to applications submitted to the planning authority in the county; hear appeals against decisions made by the planning authority with respect to physical and land use development plans in the county.
Panama *	Judicial Code of the Republic of Panama • Divides the territory into four (4) judicial circuits. Constitution of Panama • Supreme Court of Justice has jurisdiction over the administrative matters. • Arbitration tribunals to hear and determine matters in their jurisdiction. • All pleadings and action of all Court proceedings are not subject to any tax. Laws No. 135 of 1943 and 33 of 1946 • Judicial administrative issues to apply to the Supreme Court.
Peru	Constitution of Peru of 1993 (amended in 2021) • Divides the judicial system into different jurisdictional bodies. Unified Text of Law, 2019 • Outlines the process for administrative litigation.
United Kingdom	Civil Procedure Rules • Judicial review to be exercised by the High Court. Town and Country Planning Act 1990 (England) • Right to appeal planning decisions to the Secretary of State (central Government).

Responsible Parties



Chile

In Chile, the Judiciary is made up, for example, of courts of mixed jurisdiction, civil courts, Court of Appeal and the Supreme Court. There are also other courts that are not part of this administrative structure, such as the Environmental and the Local Police Courts.²⁴² There seems to be no administrative courts or other ad hoc tribunals in charge of urban development dispute resolution. The Regional Secretariat of the Ministry of Housing and Town Planning also plays a role according to Art. 12 of the Law on urban planning and construction.²⁴³ Finally, Law No. 20600 of 2012, as lastly amended, created the Environmental courts which are special jurisdictional bodies subject to the superintendence of the Supreme Court, whose function is to resolve environmental controversies and other matters that the law submits to their knowledge (Art. 1).²⁴⁴ According to Art. 5, there are three Environmental courts across the country. The competences of the Environmental Courts are established by Article 17.245



Kenya

Likewise, Kenya's dispute resolution system has multiple levels, depending on the complexity of the dispute. These levels include National Land Commission; District/Community Land Boards; Land Arbitration Tribunals; Land Disputes Tribunals; and Land Courts. There are also special courts dealing with land issues and tenants-landlord disputes. While the Environment and Land Courts do not consider informal property rights, the Rent Tribunals covers all dwellings in both formal and informal areas.



Panama

Panama also has a multilevel system where the judiciary is composed of the Supreme Court of Justice, the courts and tribunals established by law. The territory of the Republic of Panama is divided into four judicial districts which are divided in Judicial Circuits further divided into Judicial Municipality according to article 65 of the Judicial Code of the Republic of Panama.²⁴⁶ The administration of justice may also be exercised by the arbitration jurisdiction.

²⁴² See (Chile) Judicial power of the Republic of Chile official website - courts of the country: https://www.pjud.cl/post/tribunales-del-pais

²⁴³ See (Chile) Law on urban planning and construction.

²⁴⁴ See (Chile) Law No. 20600 of 2012.

²⁴⁶ See (Panama) Judicial Code of the Republic of Panama.

Peru

Peru's judicial system is generally divided similarly to the other study countries: the jurisdictional bodies are the following: the Supreme Court of Justice and the other courts and tribunals as determined by their organic acts (Article 143 of the Constitution of Peru of 1993 as lastly amended in 2021).²⁴⁷ Further, the Ministry of Housing, Construction and Sanitation regulates the sanctions and urban infractions derived from the non-application of the Law on Sustainable Urban Development.²⁴⁸ As well as determining the administrative responsibility of the officials of the Regional Governments and Local Governments who incur infractions to the provisions established in this Law. Finally, local governments under their jurisdiction establish the legal responsibility of natural and legal persons, public or private, who incur in infractions of the Law on Sustainable Urban Development and of the Plans for Land Development and Urban Planning.

The United Kingdom

In the United Kingdom, Judicial review, under Part 54 of Civil Procedure Rules, can only be exercised by the High Court and applies to decisions by public authorities, including planning decisions by local planning authorities, statutory agencies, as well as appeal decisions of the Secretaries of State.²⁴⁹ Another key mechanism is civil planning aid institutions mediating between government and citizens on urban development related issues.²⁵⁰



Procedure



Chile

In Chile, the Law on Urban Planning and Construction of 2023 governs the processes for dispute resolution. First, the Regional Secretariat of the Ministry of Housing and Town Planning may resolve the claims lodged against the resolutions issued by the Directors of Works (e.g., construction permits).251 The claim must be lodged within 30 days of the administrative notification of the claimant, in which case the procedure provided for in Article 118 applies. 252 Article 118 establishes that the Municipal Works Directorate will have 30 days, from the presentation of the request, to decide on the building permits or 15 days if the request is accompanied by a favourable report from an independent reviewer or the architect.²⁵³ If no decision on the permit has been issued within the deadlines or if the permit is refused, the interested party may lodge a complaint with the corresponding Regional Secretariat of the Ministry of Housing and Town Planning. Within three

²⁴⁷ See (Peru) Constitution of Peru of 1993.

²⁴⁸ See (Peru) Law No. 31313 of 2021 on Sustainable Urban Development: https://busquedas.elperuano.pe/dispositivo/NL/1976352-2

²⁴⁹ See (United Kingdom) Civil Procedure Rules.

²⁵⁰ https://www.rtpi.org.uk/planning-advice/about-planning-aid-england/

²⁵¹ See (Chile) Law on urban planning and construction.

²⁵² Ibid.

²⁵³ Ibid.

working days from receipt of the complaint, the Regional Secretariat must request the Municipal Works Directorate to issue its decision or, in the event of refusal, to issue the corresponding report within 15 days. If within the new deadlines no decision is taken, the permit is refused. If the permit is expressly or presumptively denied, the Regional Secretariat, within 15 working days should rule on the claim and, if appropriate, should order the permit to be granted, after payment of the municipal fees.

Chilean local police judges come into play where there are infringements of the provisions of the Law on urban planning and construction, of its general ordinance and of the territorial planning instruments, according to Article 21 of the aforementioned law.²⁵⁴ Infringements must be brought to the attention of the respective Local Police Judge. In the case of liability of a legal person, the provisions of Article 28 of Law No. 18.287 of 1984 applies.²⁵⁵

Chilean Law No. 18.287 of 1984, as lastly amended, establishes the proceeding in front of the local police judges. Art. 11 regulates the conciliation mechanisms during the hearing.²⁵⁶ According to the disposition, at the hearing and after hearing the parties, the judge will call them for conciliation on all matters relating to the civil actions. This can happen frequently during the proceeding. Once the conciliation has taken place, the case will continue its course in the contravention proceedings. However, if a total or partial conciliation is reached, it will be an enforceable judgement. The sentence shall be delivered within fifteen days of the date on which the judgement is ready (Art. 17).²⁵⁷ Against final sentence, or against those decisions that make it impossible to continue the trial, it will be possible to lodge an appeal to the Court of Appeal within 5 days from the notification of the respective decision (Art. 32).²⁵⁸ The time limit for ruling on the appeal is six days, which should be counted from the date on which the case is ready for judgement (Art. 36).²⁵⁹ The Supreme Court is the court of last resort.

For cases in the Chilean Environmental Courts, an appeal may only be lodged against decisions that, for instance, declare the claim inadmissible, or make it impossible to continue. This appeal is heard by the Court of Appeal (Art. 26.1).²⁶⁰ The appeal is lodged before the Environmental Court that issued the decision appealed against or before the Supreme Court and must have preference for its hearing and ruling. The time limits and procedures for hearing the cassation appeal are set by the Code of Civil Procedure (Art. 26.5).²⁶¹



Like the Chilean process for planning dispute resolution by the Regional Secretariat of the Ministry of Housing and Town Planning, Kenya's Physical and Land Use Planning Act of 2019 includes a process for the County Physical and Land Use Planning Liaison Committee to hear and determine complaints and claims made in respect to applications submitted to the planning authority in the county; hear appeals against decisions made by the planning authority with respect to physical

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254 Ibid.
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²⁵⁵ See Law No. 18.287 of 1984.

²⁵⁶ Ibid.

²⁵⁷ Ibid.

²⁵⁸ Ibid.

²⁵⁹ Ibid.

²⁶⁰ See (Chile) Law No. 18.287 of 1984: https://www.bcn.cl/leychile/navegar?idNorma=29705

and land use development plans in the county.²⁶² An appeal can be made to a County Physical and Land Use Planning Liaison Committee, who shall hear and determine an appeal within thirty days of the appeal being filed and should inform the appellant of the decision within fourteen days of making the determination.²⁶³ Any person aggrieved by a decision of the County Physical and Land Use Planning Liaison Committee under this section may appeal to the Environment and Land Court against such decision in accordance with the rules of procedure for the time being applicable to the High Court.²⁶⁴ Further, any party aggrieved with the determination of the county physical and land use planning liaison committee may appeal to the court only on a matter of law and the court shall hear and determine the appeal within thirty days.²⁶⁵

* *

Panama

In Panama, under Article 206 of the Constitution, the Supreme Court of Justice has jurisdiction, among others, over the administrative matters including acts, omissions, deficient provision of public services, resolutions, orders or provisions executed, adopted, issued or incurred by public officials, national, provincial, municipal authorities as well as those of autonomous or semi-autonomous public entities in the exercise of their functions or under the pretext of exercising them. To this end, the Supreme Court of Justice may, after hearing the Public Prosecutor, annul the acts accused of illegality; re-establish the private right that has been violated; establish new provisions to replace the contested ones; and make preliminary rulings on the meaning and scope of an administrative act or its legal value. Administrative contentious jurisdiction may be invoked by the persons affected by the act, decision, order or provision in question. The related decisions of the Court are final, definitive, binding and must be published in the Official Gazette (Art. 206.2).

The third chamber of the Panamanian Supreme Court is dedicated to administrative dispute resolution. This chamber is competent for the proceedings related to those indicated by Article 206 of the Constitution. Article 97.2 further enumerates the administrative matters of competence of the third chamber that as an example includes appeal against the denial of the construction permit. According to Article 99, it is not possible to appeal against a decision of the third chamber of the Supreme Court as the sentences emitted are final, definitive and mandatory. However, it is possible to ask for a review procedure before addressing the Supreme Court. According to Article 98, Laws No. 135 of 1943 and 33 of 1946 on the judicial administrative disputes should apply to the third chamber unless incompatible with the disposition of the Judicial Code.²⁶⁶

Article 33, as amended, regulates the governmental remedies/appeals on national administrative matters which includes the following: Appeals for review, proposed in front of the administrative officer of first instance for clarification, amendment or revocation of the resolution; and appeal to the next higher authority for the same reasons. Both appeals must be issued within five working days from the personal notification or from the public posting of the notice (Art. 34). Governmental remedies are considered exhausted if (Art. 36): the appeal is denied because no

 $^{262\ \} See\ (Kenya)\ Land\ Use\ Planning\ Act\ 2019,\ Art.\ 78:\ http://kenyalaw.org:8181/exist/rest/db/kenyalex/Kenya/Legislation/English/Acts%20\ and %20Regulations/P/Physical%20and%20Land%20Use%20Planning%20Act%20-%20No.%2013%20of%202019/docs/PhysicalandLandUsePlanningAct13of2019.pdf$

²⁶³ Ibid. Art. 80

²⁶⁴ Ibid. Art. 40

²⁶⁵ Ibid. Art. 72

²⁶⁶ Similarly, Art. 65 of the Executive Decree No. 36 of 1998 approving the National Regulation on Urban Planning establishes that In matters of administrative procedures, the provisions of Law No. 135 of 30 April 1943, as amended by Law No. 33 of 11 September 1946, apply

decision is reached after two months; the two-month period has passed without a decision on any request addressed to a public official or public body, provided that the request is one of those which give rise to an appeal before the contentious-administrative courts; or it is fully established that the memorial in which the application was made was not admitted. It is not possible to appeal in front of the administrative judicial tribunal (Third Chamber of the Supreme Court), until the governmental remedies/appeal are exhausted, except for cases of acts or resolution that are excluded from the governmental remedy/appeal procedure, or in case the governmental resolution must be considered definitive (Art. 42). The action of nullity may be brought at any time. (Art. 42-bis). The prescription time for an action for compensation for an infringement of subjective rights expires after two months (Art. 42-ter).

According to the Panamanian laws on judicial administrative disputes, it seems possible to obtain a sentence within a couple of months. An appeal for review of its orders and judgments which are final may be brought before the administrative court itself in the following cases (Art.100bis²⁶⁷): when the decision the revision of which is requested has been issued on the basis of false documents or on the assumption of false documents; when one of the parties has prevented the presentation of documents considered by the other party to be of decisive value in the trial and as a result the order or judgement rendered is contrary to what the other party considers to be of decisive value; or when an order of expiry of the instance has been issued due to an error of law. The appeal for review must be issued within ten days from the notification of the order or sentence (Art. 100-ter). A decision must be reached within 20 days, that can be reduced to 10, after the 5 days' notice from the issuing of the appeal has expired (Art. 100-quinquies). This decision is final with no right of appeal (Art. 100-sexies).



There is also a Peruvian process for administrative litigation. First, administrative resolutions are susceptible to challenge through administrative action (Art. 148). The process is regulated by the Unified Text of Law, 2019 regulating the administrative litigation.²⁶⁸,²⁶⁹ Art. 3 clarifies that the actions of the public administration (thus, including urban planning decisions) can only be challenged in the administrative litigation. The administrative actions that may be challenged in this process are among others (Art. 4):

- **1.** Administrative acts and any other administrative declaration.
- **2.** Administrative silence and any other omission of the public administration.
- **3.** The action that is not supported by administrative acts.
- 4. The action of execution of administrative acts that transgress principles or norms of the legal system.

²⁶⁷ New Title III-bis added by the Law No. 33/1946, Art. 51

²⁶⁸ See (access from Kenya block): https://cdn.gacetajuridica.com.pe/laley/LEY%20N%C2%BA27584_LALEY.pdf

²⁶⁹ See (Peru) Supreme Decree No. 011 of 2019: https://www.caeperu.com/noticias/pdf/texto-unico-ordenado-de-la-ley-27584-ley-que-regula-el-proceso-contencioso-administrativo.pdf

The Peruvian Specialized Judge and the Specialized Chamber for Administrative Proceedings, in the first and second degree, respectively, are competent to hear the administrative litigation process (Art. 11.1). In places where there is no judge or Chamber Specialized in administrative litigation, the Civil Judge, the Mixed Judge, or the corresponding Civil Chamber, has jurisdiction (Art. 11.3). Article 25 defines the cases in which an urgent trial may be held. Timeframes for administrative proceedings are defined by Art. 27-2; the time frame to issue a sentence is fifteen days counted from the hearing of the case. The Supreme Court may decide on judicial rulings as the court of last resort, when the action is filed with a Superior Court or before the Supreme Court itself, as provided by law (Article 141 of the Constitution).

The United Kingdom

In the United Kingdom, under section 78 of the Town and Country Planning Act 1990 (England) project applicants have the right to appeal planning decisions to the Secretary of State (central Government), for example, in case a planning permission is refused or in case of non-determination (application has not been determined within the relevant statutory period).²⁷⁰ The planning inspectors decide most appeals on behalf of the Secretary of State. The Planning Inspectorate will be responsible for setting the hearing or inquiry date. This should occur between 10 and 14 weeks from the start date (although for the inquiry there is flexibility for within 13 and 16 weeks). There are strict timeframes and procedures in place to ensure that relevant information is submitted in a timely manner and to enable all parties the opportunity to comment. The whole process from submission to decision should take around three months. There is no opportunity for public/objectors to have the merits of a statutory planning document or a planning decision reconsidered. This would involve an appeal and only an applicant can appeal for a public inquiry on the grounds of planning merit making a subsequent appeal to the High Court. Aggrieved members of the public/objectors have no right of appeal.

🔎 Arbitr

Arbitration and Alternative Dispute Resolution

In Chile, Title IX of Law No. 7421 of 1943, as lastly amended, containing the organic code of courts, regulates arbitration.²⁷¹ The arbitrator may be appointed either as an arbitrator at law or as an arbitrator (or amiable compositeur). The arbitrator at law rules in accordance with the law and is subject to the rules established for ordinary judges; while the arbitrator rules according to what his prudence and equity dictate (Art. 223). Local police cases cannot be submitted to an arbitrator (Art. 230).

Kenya also recognizes alternative forms of dispute resolution in Article 159(2) of its Constitution. These include reconciliation, mediation, arbitration and traditional dispute resolution mechanisms. Also, under Art. 60, the Constitution makes room for communities to settle land disputes through recognized local community initiatives. The Land Act reiterates these principles under S 4 (2) where encouragement of communities to settle land disputes through recognized local community initiatives and alternative dispute resolution mechanisms in land

270 See Town and Country Planning Act 1990.

271 See Law No. 7421 of 1943

dispute handling and management are listed as guiding values and principles. Alternative forms of dispute resolution are also encouraged under the Community Land Act where the land in question forms part of community land.

In Panama, the arbitration tribunals may hear and decide on their own jurisdiction. (Art. 202 Const.).

The United Kingdom is less amenable to arbitration than Chile, Kenya and Panama: The Arbitration Act of 1996 foresees the possibility of resolving disputes through an arbiter, although with this mechanism the timeline to hear and determine the case is a little uncertain and the cost may be relevant and not accessible to all.

S Costs

In Chile, the costs of a trial are set by Art. 14 to 22 of the Law No. 6894 of 1941, as lastly amended in 1962. Article 10 establishes that acts and contracts in which the Civil Registry Service is involved should be subject to stamp duty or stamped paper. Costs include sub-registration of the sentence ordering the rectification of a certificate, fifty pesos (\$ 50); and sub-registration of sentences or deeds not mentioned in other disposition, ten pesos (\$ 10). However, persons who are considered to be poor should be exempted from the payment of the fees.²⁷²

Kenya has a law providing for legal aid but at the moment it is not operational due to lack of funding.²⁷³ There are, however, several NGOs engaging in legal aid as well as some law firms offering pro bono legal services.

In Panama, on the other hand, according to Article 201 of the Constitution, all pleadings and action of all Court proceedings are not subject to any tax.

Conclusion

Each of the five study countries have court-based and administrative oversight of urban development disputes. The procedures vary from country to country, but there is regularly an appeal procedure and dedicated process for appealing administrative decisions and administrative litigation. Chile, Kenya, Panama and the United Kingdom also provide some interesting methods of alternative dispute resolution (ADR).

²⁷² Law No. 6894 of 1941, as lastly amended in 1962.

²⁷³ Information from UN-Habitat EGM on Slum Upgrading Legal Assessment Tool Findings, 2018

General Regulatory Best Practice Recommendations

- The urban development legislation should allow urban planning decisions to be challenged with clearly defined procedures, and transparent decisions that are evidence-based and not discretionary.
- There should be clearly established special bodies in charge of determining the case/appeal, as well as timeframes and modalities.
- Timeframes should be short to allow the applicant to have a quick resolution of the case and certainty of his/her rights.
- Costs should be accessible or there should be support schemes for the poorest people.
- In addition to the judicial system, there should be alternative dispute resolution mechanisms, possibly working in coordination with the judiciary, that are affordable and allow a fast resolution of the dispute.



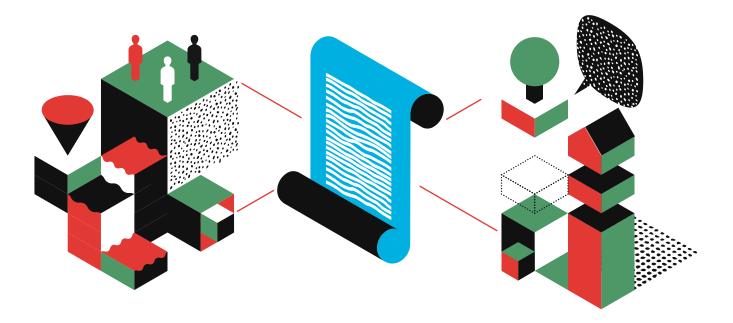
Box 8: Dispute Resolution Mechanisms in Kenya

Under the Physical Land Use Planning Act of 2019:

- The County Physical and Land Use Planning Liaison Committee hears and determine complaints and claims made with respect to applications submitted to the planning authority in the county; and they may hear appeals against decisions made by the planning authority with respect to physical and land use development plans in the county.
- One may submit an appeal to the County Physical and Land Use Planning Liaison Committee, who shall hear and determine an appeal within thirty days of the appeal being filed and shall inform the appellant of the decision within fourteen days of making the determination.
- Any person aggrieved by a decision of the County Physical and Land Use Planning Liaison Committee
 may appeal to the Environment and Land Court against the decision in accordance with the rules of
 procedure applicable to the High Court.
- Any party aggrieved with the determination of the Committee may appeal to the High Court only on a matter of law and the court shall hear and determine the appeal within thirty days.

Moreover, the use of **Alternative Dispute Resolution Mechanisms** is established in the Kenyan Constitution of 2010 to enhance delivery of justice to all citizens. Namely, Article 159 of the Constitution mandates the Judiciary to use Alternative Dispute Resolution mechanisms including Mediation, while the Civil Procedure Act 2014, Section 59 (d), gives court the powers to refer disputes to Mediation.

KEY LESSONS AND RECOMMENDATIONS



This report contains the benchmarking of urban laws from Chile, Kenya, Panama, Peru, and the United Kingdom. In addition to this, the following countries were included for specific thematic topics: Australia, Brazil, Philippines, Republic of Korea, Rwanda and South Africa. This has allowed UN-Habitat to provide recommendations and experiences that are applicable to Vietnam's cultural, institutional, and socio-economic context. These countries have offered important lessons for Vietnam's urban legal reform.

Since the executive summary contains detailed thematic recommendations, this section is dedicated to outlining the high-level recommendations for a sustainable urban legal framework:

A clear definition is required, at a national level, of the principles, norms, standard and framework to set the objectives and guide the contents of urban development, to achieve a homogeneous and coherent spatial planification in all spheres of government while leaving room for some flexibility at the local level. Also, a clear hierarchical framework of the institutions responsible for preparing, approving and implementing each level of urban development plans is required including the competent authority to oversee the implementation at the national and subnational levels.

Digital tools provide innovative solutions to pressing issues by delivering services more efficiently, establishing cutting edge systems of procurement, advancing fiscal openness, enabling effective and cost-efficient approaches to capacity-building that are easy to monitor, and fighting fraud and abuse. A Smart City Plan can assist governments to plan in the medium and long-term to meet their digital needs as well as monitor and evaluate their capacities such as financial means, skills, internet access and investments to reach a wider set of the population leaving no one and no place behind.

Jurisdictional and fiscal decentralization of planning functions to municipalities will enable a more efficient and less burdensome urban development system. The legal framework should encourage several mechanisms to increase fiscal capacities through land-based financing (such as planning gains, property taxes, infrastructure levy, land value sharing mechanisms triggered by planning decisions or public investments, charges for development rights, etc.).

High level of participation of both citizens and non-governmental agencies in all the phases of urban development is crucial to generate buy-in and compliance of spatial development frameworks.

Specific land-use regularization tools should exist to deal with informal settlement upgrading, including planning instruments that consider informal contexts and needs in all stages of the planning process (land tenure, participation, enumeration, data collection, risk assessments, consideration of the informal economy, etc.). Flexibility in informal settlement upgrading will ensure that the scheme captures an area's peculiarity and specific needs.

The legislative framework on urban regeneration should consider protecting cultural heritage and focus on areas of national, historical or cultural importance. The strategic urban renewal plan should include clear vision with the process conducted in a participatory manner leaving enough for public-private partnerships and developer partnerships to spark renewal.

Climate considerations must be embedded into urban development and planning at all stages, including through a coordinated national strategy for the cohesive and transparent management of adaptation and mitigation actions to climate change. Environmental impact analyses (EIAs) must be part of the project approval process and aligned with development priorities like requiring projects to describe how they would relate to sectoral mitigation and adaptation plans, as well as to regional and local climate change management instruments.

The urban development legislation should allow urban development decisions to be challenged with clearly defined procedures, and transparent decisions that are evidence-based and not discretionary. An alternative dispute resolution mechanism, possibly working in coordination with the judiciary, will ensure affordable and fast resolution of the dispute.



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Annex I – Urban Classification

On the understanding that "urban classification" is intended to mean the process of classifying urban agglomerations into villages, towns, cities, metropolitan areas, etc., with the aim of using this classification as the sole criteria to allocate resources and investment in infrastructures, advocating for this system, goes against international best practices promoted by UN-Habitat. This is because, allocating resources to urban areas exclusively based on their classification may produce negative effects such as the overfinancing of larger urban agglomeration with the resulting further expansion of the bigger cities that could cause the migration of the population to those areas to access urban services as well as livelihood opportunities. As a result, the urban population growth could rise in an uncontrolled manner and have an impact also on the increase and expansion of informal settlements, while leaving the surrounding territory with a scarce population density that could paralyze the productivity of smaller cities and the rural areas as well.

From UN-Habitat's experience, while globally, some of the public resources are allocated to urban areas based on their size and population, this is normally a small fraction of the total allocation from central government. Moreover, in most cases, the urban classification is used by governments for administrative reasons such as to allocate or decide where to establish administrative offices as well as key institutions such as courts/tribunals.

UN-Habitat supports planning at scale through using metrics such as population, income and population density to help cities make investment decisions in infrastructure or budget allocation. The classification of cities cannot be used independently and will require an assessment of the territory, aiming to study the level of urban infrastructure. Only after such an analysis, will it possible to target the needed investment through proper territorial planning.

Pending further research to support these findings, UN-Habitat would like to propose an interesting model, the Spanish model of urban land classification from the Catalonia region, that allows systematic financing to deliver the needed urban infrastructure within the urban borders based on the classification of urban land.



Urban Land Classification in Catalonia Region, Spain

The following case study aims to delineate how the urban classification system works in the Catalan region in Spain. The system is strictly correlated with the presence or absence of urban basic services and infrastructure, which influences the possibility of obtaining a building permit

Table 29. Spain country profile: quick facts

	Spain country profile: quick facts	
P	Form of State	Unitary State
	Form of government	Constitutional parliamentary monarchy
\limits	Surface area (2020)	505,970 km²
\$	Gross domestic product (2022)	\$1.4 (trillion)
B	Gross domestic product per capita (2022)	\$ 29,350.2
रुर्द्ध रुर्द्ध	Population (2022)	47,615,034
	Population density (2020)	95 inhabitants per km²
FIII	Urban population (per cent of total population, 2022)	81
級↑	Urban population growth (annual per cent, 2022)	0.7
	Population living in informal settlements (per cent of urban population)	N/A
٨٦٩	Inequality-adjusted Human Development Index (2021)	0,79 (high)
	Individuals using the Internet (per cent of total population, 2021)	94
	Geographic region and subregion	Europe – Southeastern Europe

List of acronyms

FARs	Floor area ratios
GDP	Gross domestic product
MITMA	Ministry of Transport, Mobility and Urban Agenda
PAU	Action urban plan
PAUM	Municipal urban action programmes
PEU	Special urban plans
PDU	Urban development plans
PMU	Urban renewal plan
POUM	Municipal urban plan
PP	Detailed plan
PPR	Residential detailed plan
PPUD	Detailed urban delimitation plans
PUD	Derived urban planning
SNU	Non-buildable land
SU	Urban land



1. Country background

Spain is a constitutional parliamentary monarchy, subject to the rule of law²⁷⁴ and led by the monarch, who is the Head of State, and the president of the Government, who presides over the Council of Ministers, which constitutes the executive power. Powers and responsibilities of the monarch are laid down in the Constitution.²⁷⁵

The General State Administration comprises of:

- a. The Central Organization, which includes the ministries.
- b. The Territorial Organization.
- c. Foreign state administration entities (e.g., embassies).

There may also be higher or managerial bodies or public agencies not integrated or dependent on the general structure of the ministry which, exceptionally, are directly attached to the minister.²⁷⁶

There are 22 ministries in Spain; the Ministry of Transport, Mobility and Urban Agenda is the one in charge of:

- · Land, air and maritime transport infrastructure
- Control, planning and administrative regulation of transport services
- · Access to housing, building, urban planning, land and architecture
- · Regulatory organization of postal and telegraphic services
- Services relating to astronomy, geodesy, geophysics and cartography 277

Spain is in the southern part of Europe and is a unitary State composed of 17 autonomous communities (i.e., the regions into which the national territory is divided), including Catalonia, and two autonomous cities with varying degrees of autonomy.²⁷⁸ The autonomy of the regions is granted by Article 2 of the Constitution of Spain. The capital of Spain is Madrid, while the capital of the Catalan region is Barcelona.

Spain has a flourishing economy with a gross domestic product (GDP) of \$1.43 trillion and in 2021 and a GDP per capita of \$30,115.70 in the same year.²⁷⁹ Demographically, Spain has a population of 47.32 million (2021) over a surface area of 505,970 km², with a population density of 95 inhabitants per km² (2020).²⁸⁰

The autonomous region of Catalonia is in the north-east part of Spain at the border with France. Catalonia has a surface of 32,107 km² and 7,7 million inhabitants, according to the 2020 population census, 67 per cent of whom live in Barcelona.²⁸¹

 $^{274 \}quad \text{The Constitution of Spain of 1978, Article 1.1: www.boe.es/legislacion/documentos/ConstitucionINGLES.pdf} \\$

²⁷⁵ Chapter v, Part II of the Spanish Constitution is disciplining the Crown.

²⁷⁶ The Government of Spain web page, administracion.gob.es, General State Administration Organization: https://administracion.gob.es/pag_Home/en/espanaAdmon/directorioOrganigramas/OrganizacionAGE.html.

²⁷⁷ Ministry of Transport, Mobility and Urban Agenda web page: https://www.mitma.gob.es/ministerio.

²⁷⁸ European Union web page, countries profiles, Spain: https://european-union.europa.eu/principles-countries-history/country-profiles/spain_es.

²⁷⁹ https://data.worldbank.org/country/spain.

²⁸⁰ Ibio

 $^{281 \}quad Government of Catalonia web page \\ \text{``GenCat''}, territory and population \\ \text{https://web.gencat.cat/es/temes/catalunya/coneixer/territori-poblacio/}.$

Catalonia has 947 municipalities, but little rural population, because most citizens (around 95 per cent) are concentrated in 300 municipalities with more than 2,000 inhabitants, therefore Catalonia can be considered a highly urban region.²⁸²

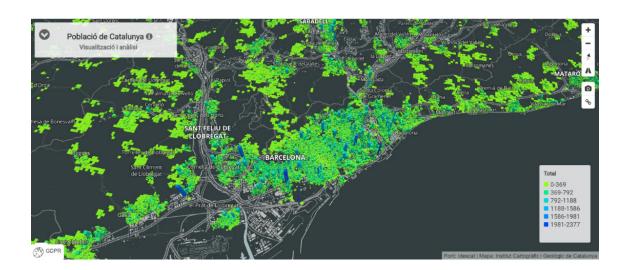


Figure 1: Frame of the interactive map of the population of Catalonia

Source: Catalan Statistical Institute, interactive map of the population (2016) http://betaserver.icgc.cat/poblacio-catalunya?XYZPB=2.14786 1,41.409255,10,30.0,-17.6&PROP=TOTAL&ANY=2016&COLORS=96ff11,0047ff&FILTERS=0,2378&.

The structures, powers, institutions and their functions of the autonomous region of Catalonia are regulated by the Decree No. 306 of 2006,²⁸³ modified by the Statute of Autonomy of Catalonia (Catalan statute).

The Catalan region is territorially divided into counties, municipalities and "vegueries" (provincial administration) (Art. 83.1 Catalan statute). Counties constitute the supra-municipal area, municipalities are the basic local bodies of the territorial organization (Art. 86), while vegueries are Catalan supra-municipal administration for the exercise of the inter-municipal government of local cooperation having their own legal personality (Art. 90).

²⁸² Ibid

 $^{283 \}quad \text{The Statute of Autonomy of Catalonia https://portaljuridic.gencat.cat/eli/es/lo/2006/07/19/6.}$

2. Urban Development and Planning System

National spatial planning system

The Spanish planning system is highly decentralized as planning competences are devolved to regions. However, regional spatial planning must be coherent with the national framework. Article 148.3.a of the Spanish Constitution outlines that the autonomous communities can assume urban and country planning competencies as well as delivery of housing.

Catalan spatial planning system

The Statute of Catalonia, Article 149.1, attributes to the Generalitat²⁸⁴ the following exclusive competences over spatial planning:

- a. Establishment of guidelines for the planning and management of the territory, the landscape and the actions involved they affect.
- b. Establishment and regulation of territorial plans and the procedure for processing and approving them.
- c. Establishment and regulation of the plans for the protection of natural spaces and biological corridors.
- d. Forecasts on locations of infrastructures and equipment under the jurisdiction of the Generalitat.
- e. Determination of specific measures to promote territorial, demographic, socio-economic and environmental balance.

Regarding urban planning the Catalan regional government has exclusive competence over matters including (Art. 149.5):

- a. The regulation of the land planning regime, including the determination of the criteria for the various types of land and their uses.
- b. The regulation of the legal system of land ownership, respecting the basic conditions established by the State to guarantee the equality of the exercise of the right to property.
- c. The establishment and regulation of planning and urban management instruments, and of their processing and approval procedure.
- d. The regulation of public land and housing assets and the regime of administrative intervention in building, urbanization and the use of land and subsoil.
- e. The protection of planning legality, including planning inspection, orders to suspend works and licenses, measures to restore altered physical legality, and planning discipline.

The exclusive jurisdiction of the Generalitat covers also public works – including planning, construction and financing of the works – carried out in the Catalan territory that have not been classified as of general interest or affect another autonomous community (Art. 148 of the Catalan Statute), as well as matter of housing (Art. 137 of the Catalan Statue) and land transport (i.e., roads or rails) within the territory of Catalonia, regardless of the ownership of the infrastructure (Art. 169). The Generalitat shares the right to revise urban expropriation with the State (Art. 149.6).

²⁸⁴ The Generalitat is the institutional system in which the self-government of Catalonia is organized politically and it is made up of the Parliament, the Presidency of the Generalitat, the Government and the other institutions established in Chapter V of Title II of the Catalan Statute. The Generalitat is territorially organized into municipalities, vegueries (larger territories that divide the Catalan region of medieval origins), counties and other local bodies. The local government of the autonomous Catalan region is regulated by Chapter VI of the Catalan Statute.

3. Content of plans

3.1 Land classification

The urban regime of the land is determined by the classification, the qualification in zones or systems and the inclusion in a derived urban planning sector or in an urban action boundary (Art. 24 of the Urban Planning Law)

The land classification system is one of the core elements of the Spanish planning system. All local level plans (city and village plans) must classify their land according to one of the following categories (Art. 25):



Urban land – land that is already urbanized, has proper streets and connections to basic services such water, electricity and sewerage;



Buildable land – land that can be built on and become urban once streets and connections to basic services are built;



Not buildable land – land that needs to be protected and cannot be built on.

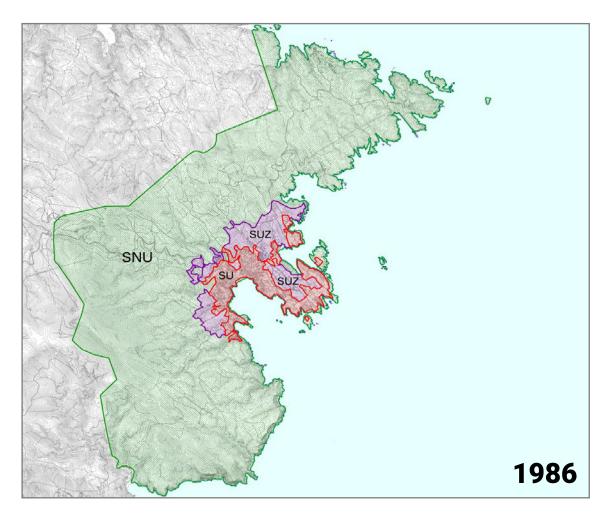


Figure 5. Land classification (1986)

Source: Generalitat de Catalunya - Department of Territorial Policy and Public Works, Escola Sert CO AC, Intensification programme in urban planning practice (3rd edition) - Module 1, Introduction to urban planning, interrelation between different instruments (2009).

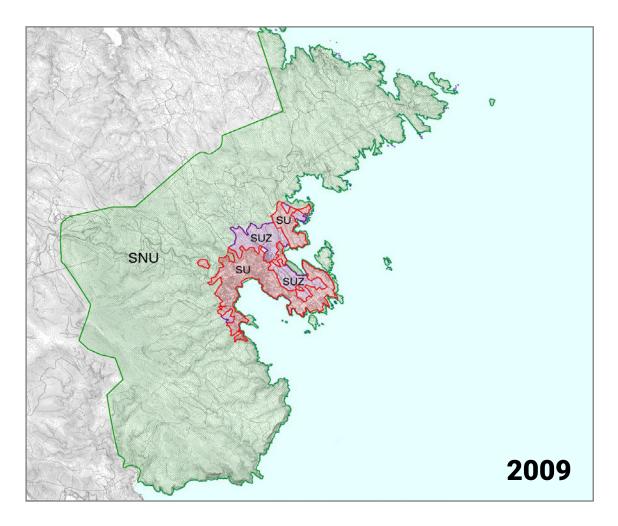


Figure 6. Land Classification (2009)

Source: Generalitat de Catalunya - Department of Territorial Policy and Public Works, Escola Sert CO AC, Intensification programme in urban planning practice (3rd edition) - Module 1, Introduction to urban planning, interrelation between different instruments (2009).

Urban land is defined by Article 26 of the Urban Law No. 3 of 2012²⁸⁵ as the land that has been integrated into the urban fabric and therefore has all the basic urban services or is included in areas at least two-thirds of whose buildable area has been built on. However, the simple fact that the land faces roads, interlocal connection roads, or roads that delimit the urban land does not imply that the land can be considered as urban. Urban land also includes the land that, in the execution of urban planning, achieves the degree of urbanization it determines (Art. 26.1.b).

Basic urban services consist of the following (Art. 27):

- a. The road network has a sufficient level of consolidation to allow connectivity with the primary municipal road network.
- b. Water and sanitation networks.
- Electricity supply.

²⁸⁵ Urbanism Law No. 3 of 2012:

 $https://territori.gencat.cat/web/.content/home/01_departament/normativa_i_documentacio/documentacio/territori_mobilitat/urbanisme/publicacions/text_refos_i_reglament_de_la_llei_durbanisme/ql-94urbanisme2.pdf.$

Urban land can be either consolidated or non-consolidated. To understand the difference between the two, it is crucial to previously define the concept of "plot". According to Article 29, a plot is the land classified as urban buildable land according to its zoning qualification, and that:

- a. Has been urbanized in accordance with the urban plan or, in any case, is equipped with the essential urban services, fronts a street with public lighting and is completely paved, including the pedestrian area.
- b. Can obtain an immediate license because it is not included in an area subject to an urban renewal plan or a pending urban development boundary under development.
- c. To build it, no land must be ceded for use as roads or streets to regularize alignments or complete the road system.

According to Article 30, consolidated urban land is land that can be considered to be a plot.

Article 31 defines non-consolidated urban land as land that lacks one or a few urban basic services needed to access the license to build (e.g., connection to the sewerage system, connection to the main streets, etc.). Consolidated urban land can become non-consolidated when the general planning subjects it to urban transformation by incorporating it into areas subject to an urban renewal plan or urban intervention boundaries, or when it ceases to be a plot because of new development (Art. 31.2).

Under Article 32, non-buildable land is that which the municipal urban plan must classify, or deems necessary to classify, as non-buildable due to, among other things, the following:

- a. A special protection regime that aims to avoid the transformation of the land to protect its connecting, natural, agrarian, landscape, forestry or other interest.
- b. The subjection of land to limitations or easements for the protection of the public domain.
- c. The objective is to ensure the rational use of land and quality of life, in accordance with the sustainable urban development model defined in Article 3, as well as other objective criteria established by territorial or urban planning.
- d. The agricultural value of land included in protected geographical indications or designations of origin and the reservation of land for general urban systems not included in urban or buildable land.

Buildable land is defined by Article 33 as the land that, according to article 3, the corresponding municipal land-use plan POUM deems necessary and appropriate to ensure the growth of population and economic activity. Buildable land must be quantitatively proportional to the growth forecasts of each municipality and must allow, within the urban or metropolitan system into which it is integrated, the realization of land and housing programmes.

Private owners of buildable land cannot apply for licensing directly, but they need an additional plan, the "plan partial", to be approved to do it. According to the planning legislation, their land is still not urban as it lacks streets, water, sanitation and electricity. To be considered urban land and to apply for licensing, the owners will have to build those connections and pass through the approval of the partial plan. Once the partial plan is approved and due to the urbanization works, the land has acquired the plot status, the land becomes buildable.

3.2 Municipal urban plan

The "pla d'ordenació urbanística municipal" (municipal urban plan) is the overall urban planning instrument for the territory and may cover one or more municipalities (Art. 57.1).

The municipal urban plan's purpose includes the following: (Art. 57.2):

- To classify the land between urban land, buildable land (consolidate or non-consolidate) and nonbuildable land – to establish the corresponding legal regime.
- b. To define the implementation urban model and the determinations for urban development, according to Article 3²⁸⁶ of the Urban Planning Law.
- c. To define the general framework to be adopted for the urban planning of the land and the guidelines for development. However, autonomous urban plans can also implement other integral elements of the general land use.

Moreover, the municipal urban plan (Art. 58.1):

- Classifies the land in the categories defined by the Urban Planning Law (e.g., urban, buildable and nonbuildable), establishes the determination as well as the general structures and models for each class.
- Includes forecasts on the availability of water and energy resources.
- Defines the general system of public open spaces (e.g., spaces for schools etc.).
- Establishes the necessary determinations to achieve sustainable mobility in the municipality.
- Determines which architectural, archaeological, landscape and environmental values are to be protected.

In consolidated urban land and non-consolidated urban land areas, not subject to an urban renewal plan, the municipal urban plan defines spatial planning, sets the planning parameters necessary for the granting of building permits and indicates alignments (A. 58.3).

In consolidated urban land, the municipal urban plan defines the land-use specific parameters and uses such as volumes, number of floors of the buildings and other detailed parameters that must guide the building project.

In buildable land, the municipal urban plan defines the delimitation of the boundaries drafted in plans for new development, infill, etc. ("sectors") and, for each of them, the gross buildability indexes, the maximum density, the main and compatible uses, and the standards that determine the minimum reserves for the local open space and equipment system ("public facilities").

In non-buildable land, the municipal urban plan:

- a. Regulates each of the possible qualifications coherently with the desired grade of conservation and protection;
- b. Regulates the basic parameters of admissible buildings;
- c. Establish the limits referred to in Article 49.2;
- d. Contains, where appropriate, the catalogue referred to in Article 50.2.

²⁸⁶ Article 3 defines the sustainable urban development and sets the sustainable principles for urban planning.

The municipal urban plan for urban land contains more detailed provisions as the builders will have to refer to it to understand how to build on a plot (e.g., numbers of floors, features of buildings, etc.). On the other hand, the municipal urban plan for consolidates or non-consolidated buildable land contains more general provisions to give more flexibility to the detailed plan to come (e.g., it establishes the number of buildings per area or the amount of land that must be dedicated to urban services).

The definition of the main infrastructures (e.g., road, accesses, etc.), new neighbourhoods, number of max units, etc. through the municipal urban plans is flexible and it is a subjective decision of the planner to provide or not details in such plans.

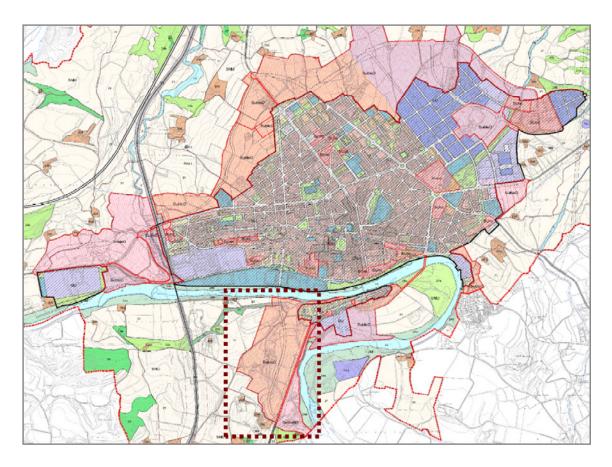


Figure 7. Example of a municipal urban plan identifying a boundary for a detailed plan Source: Generalitat de Catalunya - Department of Territorial Policy and Public Works, Escola Sert CO AC, Intensification programme in urban planning practice (3rd edition) – Augusti Serra Monté, Module 1, Urban planning regime.

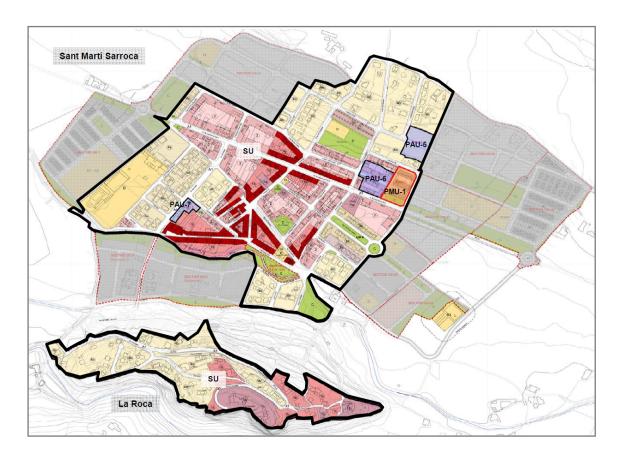


Figure 8. Sant Martì Sarroca – La Roca municipal urban plan defining urban land and non-buildable land

Source: Generalitat de Catalunya - Department of Territorial Policy and Public Works, Escola Sert CO AC, Intensification programme in urban planning practice (3rd edition) – Augusti Serra Monté, Module 1, Urban planning regime.

The municipal urban plan in figure 5 classifies the land as "buildable" and not "urban" by including the area (PMU-1 in orange) in an urban renewal plan boundary. As a result, that piece of land cannot be considered urban anymore as it lacks streets and connections. Therefore, landowners will have to build those streets and connections passing through the approval of the urban renewal plan.

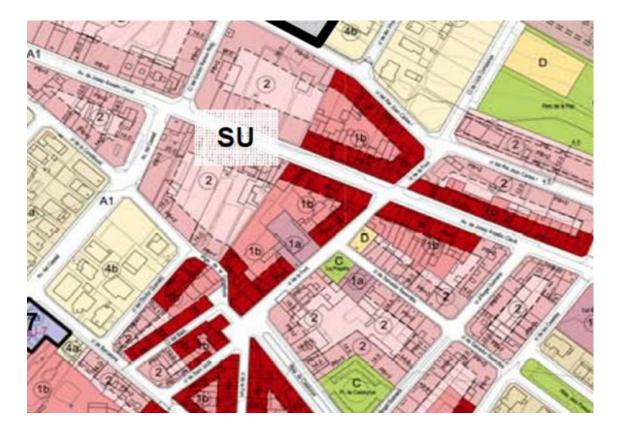


Figure 9. Sant Martì Sarroca – La Roca, enlargement of a municipal urban plan in an urban area
Source: Generalitat de Catalunya - Department of Territorial Policy and Public Works, Sant Martì Sarroca – La Roca

The area within the black boundary in figure 6 has been classified as urban land because all land has access to existing streets and basic services (e.g., sanitation, water, electricity). This classification in the plan is objective and not subjective.

- Private owners within the urban land area can apply directly for licensing to build or transform their plots.
- The detailed regulations on urban land areas are contained in the municipal urban plan and they include the following:
- · Permitted and not permitted uses.
- Number of floors, units and floor area ratios (FARs²⁸⁷)
- Alignments and volumetry.
- Specific rules for each zone (e.g., colours, materials, etc.).

²⁸⁷ A floor area ratio is the measurement of a building's floor area in relation to the size of the parcel on which the building is located.

3.3 Detailed Plan

The objective of the "plan parcial" (detailed plan) is to develop the general planning of buildable land and it contains dispositions related to the detailed urban planning (Art. 65.1).

The detailed plan (Art. 65.2):

- Categorizes the land into urban, buildable and non-buildable land.
- Defines urbanization rules and principles as well as the design of public spaces.
- Regulates uses and parameters of building needed for the granting of licenses.
- Indicates alignments and levels.
- Defines the basic volumetric parameters (that can be mandatory or eligible between different alternatives).
- Directly define the characteristics and the layout of basic urbanization works and contains basic schemes for utilities connections (e.g., water, drainage, electricity, etc.).
- Establishes terms and conditions for execution of urbanization works and construction yet modifiable by the municipal urban action programmes.

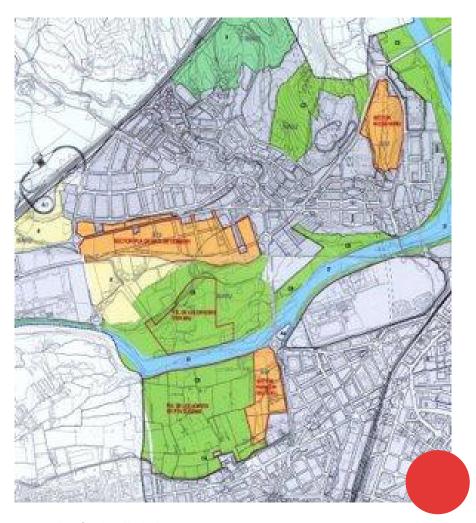


Figure 10. Example of a detailed plan

Source: Municipality of Girona, PP for Pla de Baix de Domeny (2012).

As an example, figure 7 shows how the municipal urban plan establishes the basic streets structure of an area. The detailed plan will then have to confirm that structure.

For instance, the municipal urban plan could establish general parameters such as:

- A floor area ratio of 0.45 built m2/ land m2;
- · Maximum density of 50 units/ha;
- · Public spaces:
 - Open spaces min 40 per cent of total land
 - Min. public land 60 per cent
 - 10 per cent of total residential floor to be assigned to social/affordable housing
 - General use of the area is residential.

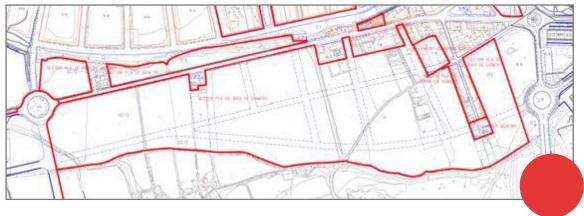


Figure 11. Municipal urban plan boundary for a detailed plan

Source: Municipality of Girona, PP for Pla de Baix de Domeny (2012).

Then, the residential detailed plan would define:

- · Urbanization principles and rules.
- Zones, including public spaces, facilities, streets, residential, etc.
- Floor area ratios (residential blocks) and volumes.
- Basic schemes for utilities connections, such as water, drainage, electricity, etc.



Figure 12. Detail of a division between private space and public space in a detailed plan Source: Municipality of Girona, detailed plan for Pla de Baix de Domeny (2012).



Figure 13. Detail of a block

Source: Municipality of Girona, detailed plan for Pla de Baix de Domeny (2012).



Figure 14. Volumetries in a detailed plan

Source: Municipality of Girona, detailed plan for Pla de Baix de Domeny (2012).



Figure 15. Public spaces in a detailed plan

Source: Municipality of Girona, detailed plan for Pla de Baix de Domeny (2012)

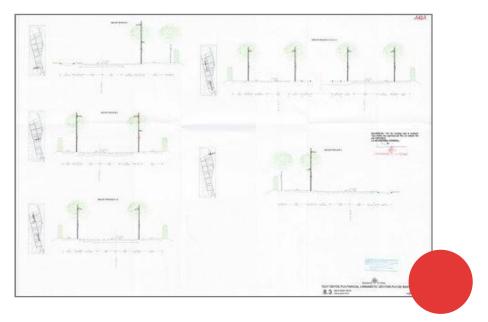


Figure 16. Construction details of road sections in a detailed plan

Source: Municipality of

v, detailed plan for Pla de Baix de Domeny (2012).

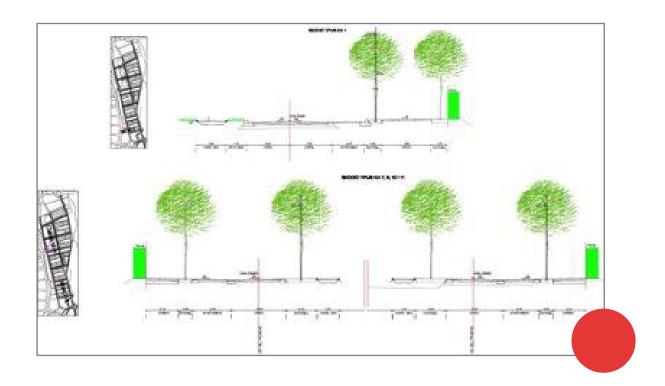


Figure 17. Road section in a detailed plan

Source: Municipality of Girona, detailed plan for Pla de Baix de Domeny (2012).

The detailed plan may contain a document called the urbanization project,²⁸⁸ for less complex projects, or it may be a stand-alone document for more complex projects.

Urbanization works must be completed before applying for a license as it is not possible to obtain a license and build if the area is not considered to be urban.

Private landowners are the ones in charge of building public spaces, infrastructures and utilities connections to transform the land into urban land and then to apply for a license to build. Landowners do not have to pay urbanization fees or taxes and there is no transmission of property from private developers to the public at this stage. Once the necessary works are completed, the local authority controls the quality of the works done by the private developers and if there is conformity with the approved projects and plans, the public "receives" the public part of the land that become officially a "public space"; as a result, the local authority becomes responsible for the maintenance of the work done by the private developers.

Public facilities' buildings are maintained by Government, but land on which they are built is given for free by developers.

²⁸⁸ See paragraph 1.2.5 for the definition.

4. Urban renewal plans

A system similar to the extensions through the detailed plan is used for urban renewal through urban renewal plans (plans de millora urbana). The municipal urban plan highlights areas that need to be regenerated, including within urban and built areas that have bad streets, or insufficient public space or facilities.

The "plan de millora urban" (urban renewal plan) acts like a detailed plan but for urban areas. The land included in an urban renewal plan boundary automatically turns from urban land into buildable land, thus, landowners of a buildable area need to develop an urban renewal plan to access licensing.

Overall, the urban renewal plan is intended to complete or finish (Art. 70):

- a. The urban fabric or carrying out rehabilitation, internal reform, urban remodeling, transformation of uses, re-urbanization, subsoil planning or population rehabilitation and similar in non-consolidated urban land;
- b. The urbanization process of consolidated urban land and regulate the volumetric composition and facades of buildings.

Only once the needed works (e.g., regeneration of urban basic infrastructures) are completed, can the land be classified again as urban land.

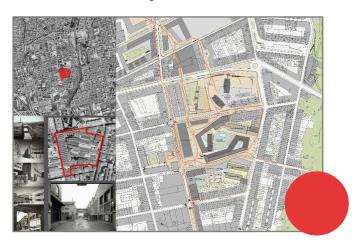


Figure 18. Urban Renewal Plan of Sala I Badrinas, Terrassa, Catalonia

Source: Escola Sert CO AC, Intensification programme in urban planning practice (3rd edition) - Module 1, Introduction to urban planning, interrelation between different instruments (2009).



Figure 19. Urban Renewal Plan of Sala I Badrinas, Terrassa, Catalonia

Source: Municipality of Terrassa, Urban Renewal Plan of Sala I Badrinas, Terrassa, Catalonia

5. Land readjustment project

There are two systems to implement urban planning, expropriation and land readjustment (reparcelling – Art. 121 of the Urban Planning Law).

- · Land readjustment project is intended to:
- Distribute benefits and burdens arising from urban planning regulations.
- Regularizing the configuration of land ("fincas").

Allocating the amount of buildable land between the participants of a landowners' association.

According to the land readjustment plan, the land parcels resulting from the division of the land subject to a detailed design are assigned to each owner participating in the landowners' association in proportion to their respective rights, which depend proportionally on the amount of land originally owned.

The new division between land dedicated to urbanization services and the several buildable plots assigned to each owner must be recorded in the land register.

Once the urbanization project previously approved by the municipal administration has been executed, the owners can apply for a building permit as the land is now classifiable as a plot.

Guidance on how to build is contained in the detailed plan in accordance with the municipal urban plan.

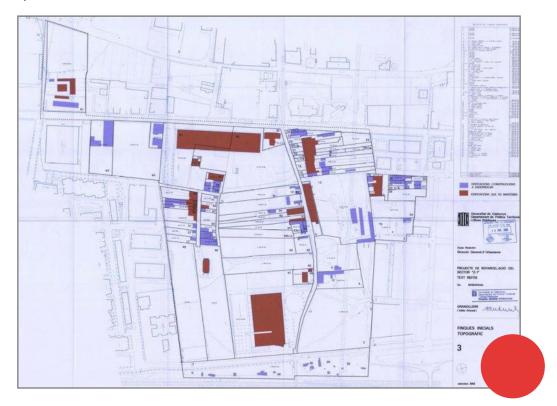


Figure 20. Land readjustment project - initial configuration of land

Source: Generalitat de Catalunya - Department of Territorial Policy and Public Works, Directorate General of Urban Planning.



Figure 21. Provisions of a detailed plan.

Source: Generalitat de Catalunya – Department of Territorial Policy and Public Works , Directorate General of Urban Planning.



Figure 22. Land readjustment project I final configuration of land.

Source: Generalitat de Catalunya - Department of Territorial Policy and Public Works, Directorate General of Urban Planning.

6. Non-state actors and private sector involvement

In the Catalan spatial planning system, the participation of the private sector is widely foreseen and plays a key role in the definition of detailed plans. According to Article 101 of the Urban Planning Law, private individuals may formulate, inter alia, urban renewal plans and detailed plans in accordance with the relevant general planning. Private promoters of plans have the right, subject to authorization by the municipal administration, to obtain the necessary information from public bodies. Private promoters are also responsible for the execution of the formulated plans, but they do not have the right to demand the approval of the proposed amendments to the municipal urban plans. However, the municipal administration can expressly take the public initiative by reformulating the municipal urban plans.

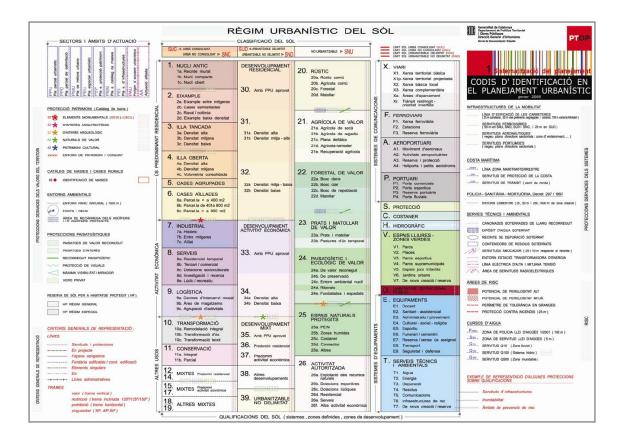


Figure 23. Planning Codes

Source: Generalitat de Catalunya - Department of Territorial Policy and Public Works, Directorate General of Urban Planning, Systematization of Planning, Identification Codes in Urban Planning (2008).

7. Key takeaways and lessons

Spain has a highly decentralized planning system and, as a result, urban planning happens at the regional level.

The key aspects of the Catalan planning system that are worth mentioning are the following:



The land classification system

The Catalan planning system is based on the division of land between urban, buildable and non-buildable land. This division plays a crucial role in the urbanization process as it is possible to build only on urban land, which is the land that has access all the basic services such as public roads, electricity, sewerage system etc. This mechanism allows all construction to be homogeneous and with access to basic services.



Private participation

In the Catalan planning system, participation by the private sector is widely foreseen and plays a key role in the definition of detailed plans. Private entities oversee preparing and implementing detailed plans and urban renewal plans. This means that it is the landowner's responsibility to plan and build all the public facilities needed for land to be urbanized. To do so, owners of buildable land can reunite in landowners' associations to share the costs and benefits proportionally to the amount of land owned. Once the urbanization works are completed and approved by the municipality, the land where the public facility was built has become public and the municipality oversees maintaining it, while the remaining land is divided into plots and redistributed among the owners who can now access a building license.



Municipal plan

The municipal urban plan is the overall urban planning instrument for the territory. This plan classifies land into urban, buildable and non-buildable land and establishes the determination as well as the general structures and models for each class. Moreover, the municipal urban plan defines the general system of public spaces, the implementation of the urban model, the determinations for urban development and the general framework to be adopted for the urban planning of the land. The plan also determines which architectural, archaeological, landscape and environmental values are to be protected.

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