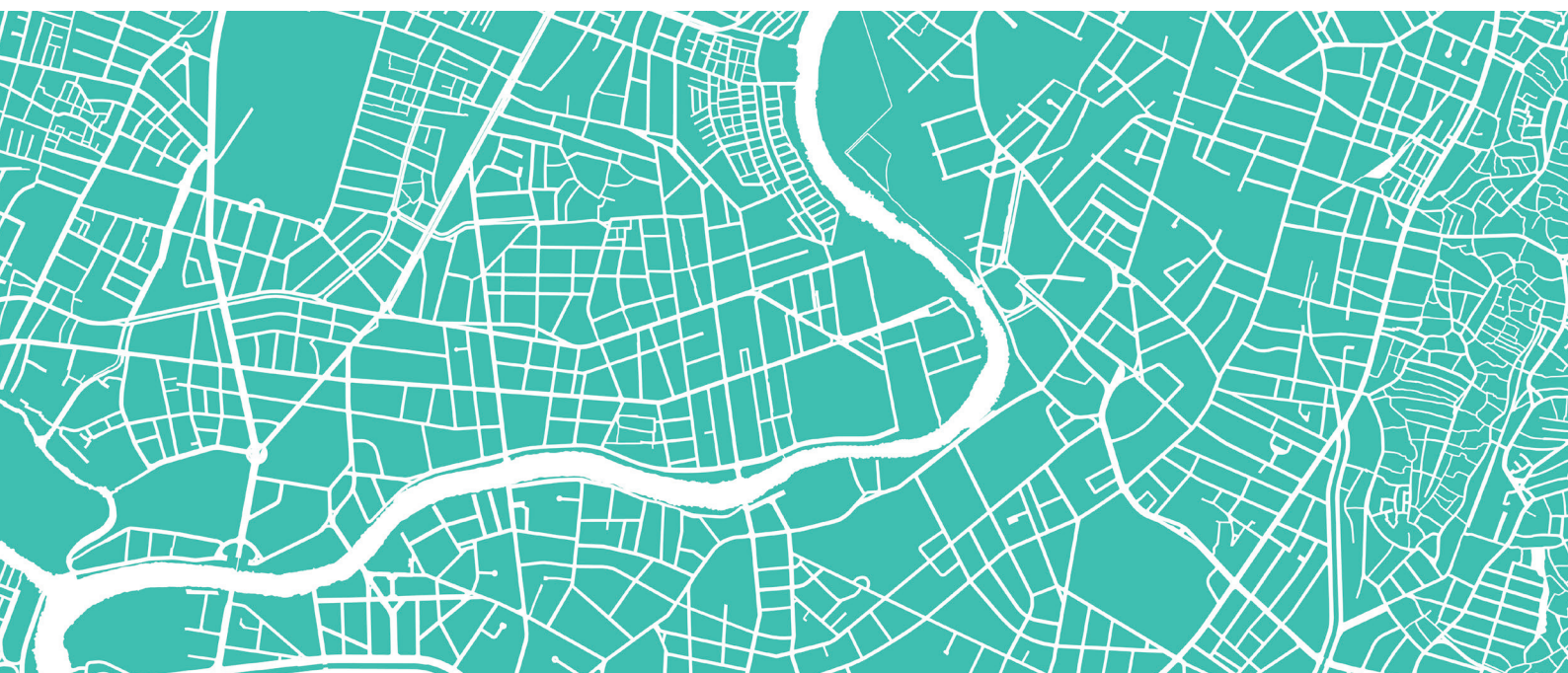Foreign, Commonwealth
& Development Office



# City-to-City Knowledge Exchange
Overview Report

**Session 1: Iskandar, Melaka and Ho Chi Minh City**
05 August 2021

**UKBEAG**
UK Built Environment Advisory Group

**UN@HABITAT**
FOR A BETTER URBAN FUTURE

## Contents

# Introduction

**The City-to-City Knowledge Exchange (C2CKE) programme forms part of the Strategic Capacity Development Component being delivered by the UK Built Environment Advisory Group (UKBEAG) in collaboration with UN Habitat, in support of the FCDO Global Future Cities Programme.**

The C2CKE programme has been developed to respond to the interest that has been shown in the work of other cities by the respondents to the Capacity Needs Assessment that was circulated earlier in the year. The programme comprises four events, each of which features four cities that have been selected based on the level of interest shown. The programme aims to enable cities to share their experiences, to learn from one another, to help build relationships with one another and to promote engagement among a wider group of stakeholders.

Each session is being supported by a range of Subject Matter Experts (SMEs) who bring their knowledge and expertise to bear in the capacity of 'critical friends'. The role of the SME's is to provide constructive observations on the presentations, helping to identify issues that might not have been adequately recognised, suggesting solutions for challenges that may have been identified and exploring synergies between projects in the cities. They will also explore links with the topics that formed part of the Thematic Programme, namely:

**1** Integrated & Inclusive Planning

**2** Governance & Collaboration

**3** Evidence-based Design & the Effective use of Data

**4** Project Finance & Procurement

**5** Implementation & Enforcement, Monitoring & Evaluation

**6** Leadership & Change Management

**The purpose of this document is to serve as a record of the main contributors and the principal matters discussed.**

**Ho Chi Minh City,** Vietnam

## Contributors

The following cities presented their projects during Session 1 which took place on 05 August 2021:

**Iskandar, Malaysia**
Implementation Strategy for Smart Integrated Mobility Management System (SIMMS) and Evidence-Based Urban and Transport Planning.
**Presented by Puan Maimunah Jaffar**
*Director of Technology & Innovation, Iskandar Regional Development Authority.*

**Melaka, Malaysia**
Melaka Mobility Plan (Green Bus Network Improvement Plan and an Integrated Heritage Area Mobility Plan).
**Presented by Puan Zuhaila Ahmad Zubel**
*Director of Town Planning, Melaka Historic City Council*

**Ho Chi Minh City, Vietnam**
Development of Geographical Information System for Drainage Network in Ho Chi Minh City, Vietnam.
**Presented by Ms Phan Pham Thanh Trang**
*Head of R&D and Community Infrastructure, Ho Chi Minh City People's Committee.*

**Ho Chi Minh City, Vietnam**
Development of Smart Ticketing System of Public Transport Network in Ho Chi Minh City, Vietnam.
**Presented by Mr Le Hoan**
*Deputy Director, Management Centre of Public Transport, Ho Chi Minh City People's Committee.*

## Subject Matter Experts

The following Subject Matter Experts contributed to the session:

- **Ms Victoria Delbridge,** *Head of Cities That Work, International Growth Centre*

- **Mr Oliver Harman,** *Cities Economist, International Growth Centre*

- **Mr Ryan Sequeira,** *Mobility Specialist, UN Habitat*

- **Ms Karineh Grigorian,** *Commercial Manager, HM Treasury Infrastructure & Projects Authority*

- **Mr Richard Lane,** *International Delivery Lead, Centre for Digital Built Britain based at the University of Cambridge*

Effective integrated planning works at all scales (i.e. national, regional, district and local) and needs to be inclusive (i.e. it should address the needs of all stakeholder groups, including vulnerable and marginalised groups and communities). To achieve this, it will typically include provision for a range of consultative and/or participatory planning activities.

# Principal Matters Discussed During the Session

After a short presentation from each city, a discussion took place between the presenter, the subject matter experts and the participants. The following are among the main topics discussed:

**Main Points covered during the Session**

**How incentives can be used to encourage people to use sustainable forms of transport.**

While it is important to ease congestion by providing improved road infrastructure and traffic management systems, without incentives to encourage a shift to public transport, private vehicle use will increase to unsustainable levels. More spending on private transport won't solve the problem. To bring the change, it is worth considering why people don't want to use public transport.

In Malaysia, the main obstacles are a consequence of culture and climate. Citizens need a high-quality transport service, including a quick, efficient, clean and comfortable journey. The first and last mile problem was also discussed, including how and whether residents can walk to a bus stop, whether walkways are covered, and if bicycles can be taken onto public transport.

One way to encourage the change away from private transport is by looking at how a city allocates its shared and finite space. Ensure street design favours pedestrians, bicycles and mass transit systems, and reduce parking space. Consider charges such as congestion charges, parking fees, or fuel taxes. These fees and charges can be used to **cross-subsidise** more sustainable modes of transport. However, it is not helpful to penalise private vehicles while there are no viable alternatives. In such cases, cities should start by revising the hidden subsidies for private vehicle use, such as fuel subsidies or subsidies for the automotive industry. These encourage private vehicle use at the expense of sustainable and inclusive forms of transport.

When it comes to user fees for public transit, there is a **trade-off between having an affordable system,** so that all can access it (or, in the case of Melaka, to promote tourism), and **charging higher fares,** so that long-term funding can improve the **quality of service**. Planning for upward mobility can be more effective overall, prioritising the efficiency and reliability of the service, and addressing equity concerns through targeted subsidies to vulnerable groups, rather than subsidising the system as a whole.

**Smart and integrated ticketing** was discussed, including, the merits of an open system that allows bank cards and mobile phones to be used. Such an open system is accessible to regular users, visitors, and infrequent riders alike. However, special cards for certain groups are also important. They can be used to enable lower rates for season tickets and targeted, discounted fares for vulnerable groups. There is also a need to consider the norms of the context, such as a preference for cash-based transactions. Ho Chi Minh City aims to explore a range of ticketing options that will be flexible and inclusive of all groups. Consideration also needs to be given in advance to data privacy, and how citizens give consent for their data to be used.

**Kota Iskandar**
Malaysia



Another key issue arising from all the projects was **sustaining the project long-term**. This is made more complex, as with many projects, as exponential benefits are only realised once they scale up and reach a network effect[1] – often 10 to 15 years down the line. Fare revenue (or 'user fees') are often the most straightforward, but other direct and indirect revenue streams can be used, for example, land value capture; currently underutilised and well-placed for transit-oriented development. Parking and traffic charges simultaneously provide incentives for behaviour change and revenue. Financing transport cannot be considered in isolation from land use because the number of individuals hopping on and off public transport directly affects land value.

Thinking about ways to use national government and private sector funding are also important – such as national flood mitigation budgets or corporate social responsibility for the drainage project in Ho Chi Minh City.

To **make a strong business case**, projects need to be broken up into smaller parts that are SMART – Specific, Measurable, Achievable, Realistic, and Time-bound. In particular, stakeholders tend to overestimate the benefit and underestimate the costs. A set of clear deliverables, outputs and outcomes are key to attract finance.

The **governance structure** is also critical in the implementation of any intervention. Iskandar is unique in its governance structure, with the Iskandar Development Authority having access to both federal and state governments and acting as a coordinating function between different agencies. The steering committee has also been very important in this regard, which includes members of both the federal and state government. In Ho Chi Minh City, although some functions remain fragmented between different authorities, there is a new agency to manage all public transport, and a dedicated centre for water drainage.

The use of **pilot projects** is vital to test these interventions and develop an execution strategy. This includes ensuring the project is meeting the needs of all citizens, as well as testing coordination and governance structures, as is being done in Iskandar. The right pilot project can also prove value for money to funders. For example, the traffic management pilot project in Melaka shows that by using smart technologies to automatically adjust traffic signals based on traffic trends, the average journey time has been reduced by 70% in one direction, and 78% in the other.

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[1] In economics, a network effect is the phenomenon by which the value or utility a user derives from a good or service depends on the number of users of compatible products.

The aim of the strategic capacity development component is to complement the other elements of the Global Future Cities Programme, to consider some of the barriers and enablers to sustainable urbanisation and to help achieve the programme's long-term impact.

All the interventions focus on better use of data, and it was agreed that defining clear **outcomes of data,** and how it will be used, is important in ensuring it will bring value. Data should be built into a repository, integrated with other data, and used in long-term planning across different departments. For example, in Ho Chi Minh City, the Department of Architecture could use the data on the drainage system for land-use planning - ensuring areas for industrial and residential development avoids flooding. Too often we focus on the technology, rather than focussing on the challenge and citizens' needs.

We also need to think about the **behaviour and incentives of those who hold the data.** In overcoming resistance to data sharing there is a need to communicating reasons for sharing, including the benefits citizens derive. This is being done in Iskandar, where necessary, with the use of MoU's. There is also a need to map out the roles and responsibilities of different organisations and teams and build the technical capacity of staff. While the process of building a data system is pragmatic, unless there are changes in the organisational culture, the project will be shelved without long-term changes in planning.

Issues of under-developed data infrastructure and old, paper-based records are commonplace across the world. As this is remedied, quality and completeness of data are required both in the initial collection and in the ongoing maintenance. What is often forgotten is that the technology used also needs to extend to associated legal and regulatory processes, such as digital approvals.

**Learning from others and communication** is crucial throughout. This was discussed in a variety of contexts – including, the importance of learning from the experience of other cities, the need for local knowledge to complement generic international 'best practices', and finally, the importance of community awareness, input and acceptance. Consulting with civil society groups, while ensuring the projects have clear pathways to achieving the ultimate goals of citizen wellbeing and economic prosperity, is crucial to achieving the necessary buy-in.

### Key Takeaways

- **Incentives for behaviour change can be combined with financing** eg: using congestion charges and fuel taxes incentivise modal shift but also to cross-subsidise more sustainable and inclusive public transport.

- **Integration on all levels is important:** integration of fares and information across transport systems, integration between transport modes and land use planning, and operational/governance integration.

- **Data outcomes and use-cases for citizens** should be the focus rather than data and technology as an end in itself.

- **Information sharing and communication,** with communities, within government departments, and with the private sector, is critical for compliance and behaviour change.

- **A clear and realistic business case** is crucial to help ensure the implementation and financing of projects.

- **All project actions need to maintain the bigger picture goal of socio-economic improvement,** improving citizen livelihoods, jobs and welfare.

# Links to Further Information

**UN-Habitat Cities Investment Facility aims to pair bankable projects with funders:**
*https://unhabitat.org/programme/cities-investment-facility-cif*

**HM Treasury IPA, Guide to developing the Project Business Case, the 5-Case Model:**
*https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/749086/
Project_Business_Case_2018.pdf*

**The Global BIM Network:**
*https://globalbim.org/*

**IGC, Urban land use planning for economic growth:**
*https://www.theigc.org/wp-content/uploads/2020/10/Urban-land-use-planning-21-august-low-res.pdf*

**IGC, Urban mobility – policy decisions for connecting the city:**
*https://www.theigc.org/wp-content/uploads/2019/11/CtW-urban-mobility-policy-brief-sept-19.pdf*

**IGC, Data oriented transport reform:**
*https://www.theigc.org/publication/data-oriented-urban-transport-reform-in-middle-income-and-
developing-cities/*

**IGC, Strategies for effective procurement and PPP's in the transport sector:**
*https://www.theigc.org/publication/strategies-for-effective-procurement-and-public-private-partnerships-
in-the-transport-sector/*

**IGC, Key considerations for integrated multi-modal transport planning:**
*https://www.theigc.org/publication/key-considerations-for-integrated-multi-modal-transport-planning/*

**IGC, Improving flood management through better governance, PPP's and open data:**
https://www.theigc.org/publication/how-can-cities-become-more-resilient-improving-flood-management-
through-better-governance-private-sector-partnerships-and-open-data/
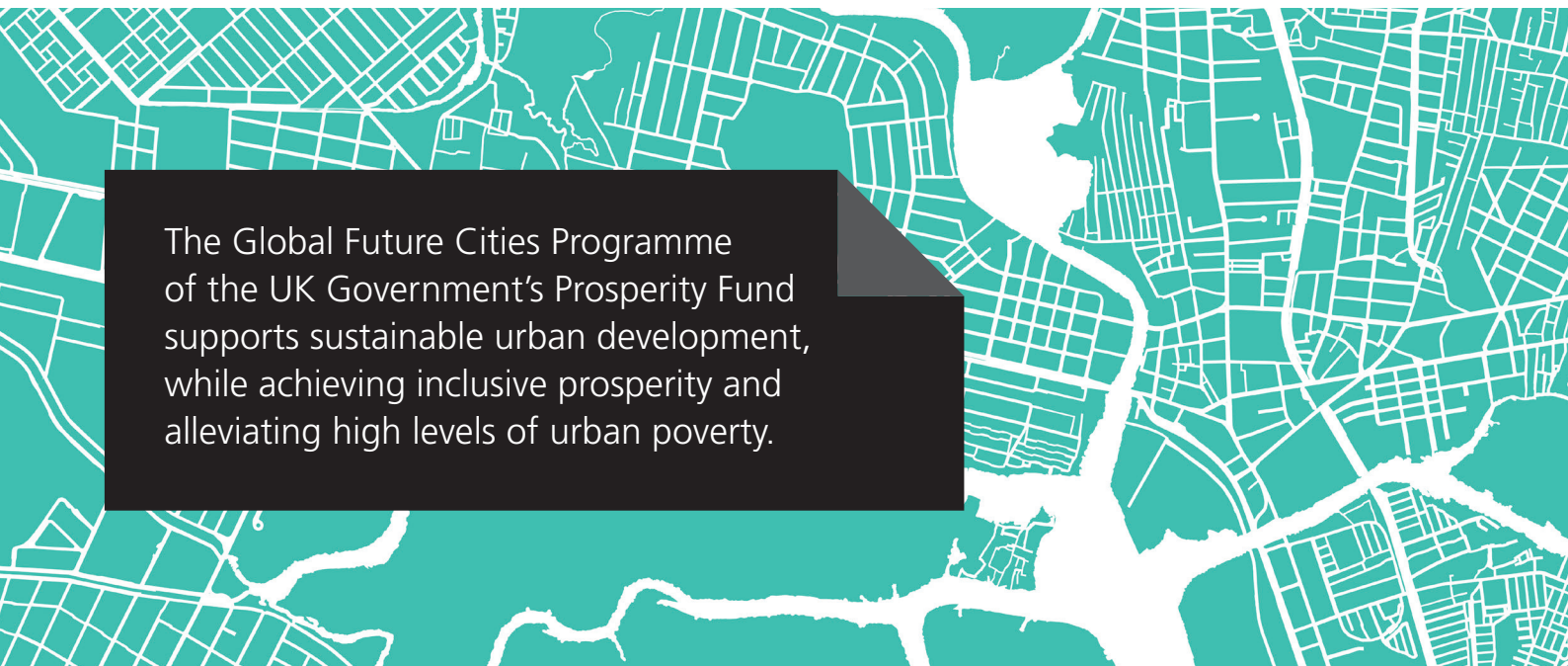
### Link To The Online Recording

**A recording of Session 1 can be found on the Global Future Cities website at:**
*https://www.globalfuturecities.org/city-to-city/05-august-session-1*

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The Global Future Cities Programme
of the UK Government's Prosperity Fund
supports sustainable urban development,
while achieving inclusive prosperity and
alleviating high levels of urban poverty.