

Proposal Summary

Making Urban Investment Planning Work: Building on the Indonesian CDS Process

CDS

East Asia and Pacific - Indonesia

Summary	Indonesia's population of over 220 million people is growing more rapidly in urban areas than in rural ones. In the past ten years, all urban areas have had a vital role in creating enlarged employment opportunities and economic growth. However, investment in urban amenities is lacking because the provision of social services and urban infrastructure has been decentralised as of 1999 to the local authorities, who lack experience and have little access to funds due to a strongly centralised tax system. This proposal aims to contribute to finding adequate mechanisms to put local amenity investments in a context of decentralised governance, building on the CDS experiences to better integrate the CDS approach and to more strongly build a "city-wide financing" methodology into the "Mid-Term Investment Programming "(RPIJM), an approach and a tool-kit formulated by the DGHS that link up feasibility studies and financial planning for investments within a framework of citywide development and financing strategies.
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Objectives	Activities
The Programme to be supported by the Cities Alliance shall establish cooperation between the Directorate General for Human Settlements (DGHS) and the three cities, Banjarmasin, Pekalongan and Surakarta in Indonesia that already practice good governance and already invest in better urban environments. The cooperation shall encourage the "good practice" cities to drive further the development and dissemination of effective city investment planning under the "RPIJM" label. The three cities will set down develop showcase pro-poor and participatory citywide development and financing strategies. DGHS will underscore the efforts by channeling investment funding to the cities on a priority basis. Together, DGHS and the cities will document and disseminate proven and validated good urban management and investment practices to new cities, making use of the RPIJM facilitator network, the Urban Sector Development Reform Programme (USDRP) city network and city-to-city networking directly undertaken by the three cities, in collaboration with a national local government authority.	1.) Set up and initial networking of project teams. The activities will be initiated with the set up of a national project team (NPT) and city project teams (CPT), consisting of the implementing partners and supported by the consultants hired for the programme. 2.) Re-formulation and re-validation of CDS/SPK and RPIJM documents at city level 3.) Short listing and facilitation of investment initiatives and mobilisation of stakeholders, to validate the prioritisation of the respective initiatives for follow-up funding 4.) Caturing and exchanging of the experiences in the three cities.

Submission		Implementation	Budget and Time	
Submitted by: Ministry of Public Works, Directorate General Human Settlements (Indonesia); UN-HABITAT	CA Sponsor: UN-HABITAT; World Bank	Implemented by: Ministry of Public Works, Directorate General Human Settlements (Indonesia) CA Monitor: Andrea Zeman	Request to CA:	\$ 490,000
			Co-Financing:	\$ 667,000
			Total Budget:	\$ 1,157,000
			Duration:	21 months

Expected Impacts
Physical investment in the collaborating cities, which could be promoted and funded as a result of collaboration in the programme; An improved facilitation capacity of the DHGS for city investment planning; And a "best practice" initiative promoting city-to-city learning on effective city strategies and citywide financing strategies, which is supported by both the DGHS and a local authority associatio

