Asia Public Policy Forum:  
Urban Transport and Land Use in Rapidly Growing Asian Cities  
5-6 June 2014, Ho Chi Minh City, Vietnam

The Asia Public Policy Forum (APPF) is an annual event that brings together scholars, policymakers, and leaders from business and civil society to discuss an issue of rising importance in the region. The objective of APPF is to promote interaction among leading thinkers as a means of stimulating policy innovation and information sharing related to an issue of public concern. It is organized by the Harvard Kennedy School Indonesia Program (HKSIP) at the HKS Ash Center for Democratic Governance and Innovation.

The 2014 APPF, “Urban Transport and Land Use in Rapidly Growing Asian Cities,” was jointly hosted by HKSIP and the Fulbright Economic Teaching Program (FETP) in Ho Chi Minh City. The Forum convened central and local government leaders, city planners, officials from transportation agencies, private sector managers, and scholars from the United States, Southeast Asia, and East Asia to discuss trends in urban transportation and land use, and their implications for congestion and sustainability. Potential policy responses were explored, including coordinated transportation and land use planning, promotion of public and non-motorized transportation, congestion pricing, and managed urban growth.

There were approximately 130 participants from fifteen countries, a quarter of whom were from the public sector, a fifth from the business sector, and the remaining from academia. Two-thirds of the participants were from Vietnam, the host country.

The Forum was divided into seven sessions, each session consisting of presentations of commissioned research papers on specific themes such as land use, urban transportation, governance, and financing, together with a plenary discussion of the topics raised in these presentations.

**Day 1** of the Forum began with “Challenges in Overview.” This **first session** examined typical trends in urban transportation and land use, as well as their implications for congestion and sustainability. It also provided an overview of potential responses, including coordinated transportation and land use planning, promotion of public and non-motorized transportation, congestion pricing, and slowing of urbanization rates. The speakers for this session included: Dr. Bambang Susantono (Vice Minister of Transportation, Indonesia) who spoke about challenges and pressures of urbanization in the greater Jakarta region and offered potential solutions, including BRT (Bus Rapid Transit) and rail-based public transport; Mr. Nguyen Xuan Thanh (Director, FETP) who introduced Ho Chi Minh City and its four big urban development challenges (transportation, housing, flooding, and urban finance); and Dr. Jose Antonio Gomez-Ibanez (Derek C. Bok Professor of Urban Planning and Public Policy, Harvard University), who provided a brief analysis of the difficulties experienced by Bangkok, Ho Chi Minh City, and Jakarta.
The **second session** focused on case studies of three different cities: Bangkok, Ho Chi Minh City, and Jakarta. These case studies explored situations, problems, and challenges in each city, as well as the solutions in each city including plans, actions, and results over the past three decades. The case of Ho Chi Minh City and its housing and transportation challenges was presented by Dr. Huynh The Du (Senior Lecturer at FETP and Pollman Postdoctoral Fellow, Harvard Graduate School of Design), with commentary from Dr. Du Phuoc Tan (Head of Urban Management Studies Department, Ho Chi Minh City Institute for Development Studies). For Jakarta, Dr. Danang Parikesit (Professor, University of Gadjah Mada, Indonesia) provided an overview of the city’s current transport system and new transport initiatives, while Mr. Tjokorda Nirata Samadhi (Deputy for the Indonesia President’s Delivery Unit on Development Monitoring & Oversight, UKP4) explained the institutional challenges of implementing urban policy reforms and the special role of Indonesia’s elite UKP4 unit in monitoring public projects. The Bangkok case was presented by Dr. Apiwat Ratanawaraha (Lecturer, Chulalongkorn University, Thailand) and Dr. Thongchai Roachanakanan (Director, Department of Public Works and Town & Country Planning, Thai Ministry of Interior), who discussed Bangkok’s transition toward a rail-based city and its experiences with Transit-Oriented Development (TOD). Dr. Jay Rosengard (Faculty Chair, HKSIIP and Academic Director, HKS Rajawali Foundation Institute for Asia) served as the moderator for this session.

The **third session**, entitled “Managing Private Vehicles,” discussed the potential for controlling auto ownership and use through registration fees, congestion tolls, and other means. A special focus of this session was the challenges posed by the explosion in motorcycle ownership in many Southeast Asian cities. Dr. Phang Sock Yong (Professor, Singapore Management University) opened the session with an overview of Singapore’s experience in automobile management, as the country has been a leader in developing public policies to limit private car ownership and use. Dr. Phang was followed by Dr. Tory Damantoro (Transportation Policy Analyst, Indonesia Transportation Society), who described factors contributing to the rapid motorization in Indonesia and the government’s policy responses. As discussants, Dr. Pham Xuan Mai (Professor, University of Technology, HCMC) addressed the problem of traffic accidents caused by private vehicles, while Dr. Cheng Min Feng (Professor, National Chiao Tung University, Taiwan) shared Taiwan’s experience in reducing congestion caused by high levels of motorcycle ownership and use. Dr. Saksith Chalermpong (Associate Professor, Chulalongkorn University, Thailand) moderated the session.

The **fourth session**, “Improving Public Transportation,” focused on the potential for increasing the share of travelers using non-motorized modes, such as walking or bicycling, and public transportation modes including conventional bus, Bus Rapid Transit (BRT), and Mass Rapid Transit (MRT). Dr. Gyeng-Chul (GC) Kim (President, the Korea Transport Institute) opened the session by describing Korea’s success in radically reforming its bus system. Dr. Kim was followed by Dr. Cresencio Dayo Montalbo (Associate Professor, National University of the Philippines), who presented the process of planning and implementing a BRT system in the Philippines. During the discussion, Ms. Eka Sari Lorena Soerbakti (Vice Chairwoman, PT. Eka Sari Lorena Transport,
Indonesia) shared the lessons learned from Jakarta's efforts to improve its urban transportation system, while Dr. Zheng Chang (Assistant Professor, City University of Hong Kong) presented an overview of the rapid development of metro systems in China. Dr. Alvinsyah (Professor, University of Indonesia) moderated this session, which concluded the first day of the Forum.

Over dinner that evening, Mr. Tran Ngoc Chinh, former Deputy Minister of Construction and President of the Association of Urban Planning and Development of Vietnam, delivered the keynote speech, which featured the urban development of Vietnam in the last two decades and highlighted challenges for the future.

**Day 2** started with the *fifth session* on “Land Use and Livability.” This session focused on the potential for coordinating transportation and land use planning, including transit-oriented development (TOD). In the opening presentation, Dr. Robert Cervero (Friesen Chair of Urban Studies and Professor of City and Regional Planning, University of California at Berkeley) defined TOD and illustrated the elements that contributed to its success or failure using examples from around the world. Dr. Annette Kim (Associate Professor at the University of Southern California) presented her HCMC Sidewalk Project. This project, which uses innovative maps to display daily uses of sidewalks in HCMC, aims to incorporate the community's use of sidewalks into promoting tourism via the introduction of HCMC’s equivalent of Boston’s Freedom Trail. In the discussion, Mr. Phan Chanh Duong (Co-Founder of Saigon South Development, Vietnam) shared the lessons from the development of Saigon South, arguably the most influential modern residential real estate development in HCMC. Mr. Colin Brader (Managing Director, Integrated Transport Planning Ltd.) talked about the recently approved BRT system in HCMC, its feasibility study, and impacts on the City’s development. Mr. Ngo Viet Nam Son (President, Ngo-Viet Architect and Planners, Vietnam) moderated this topic.

The *sixth session*, “Governance and Financing,” explored options for governing and financing major transportation projects including user charges, capturing land value appreciation, and public-private partnerships (PPPs). For the presentations, Dr. Vu Quang Lam (Deputy General Director, Ho Chi Minh City Finance & Investment Corporation) described the success of HCMC Finance and Investment (HFIC), a State-owned Corporation, in raising funds to support urban infrastructure investment in HCMC. Dr. Harun al-Rasyid Lubis (Associate Professor, Bandung Institute of Technology, Chairman, Infrastructure Partnership and Knowledge Center) evaluated PPPs as a source of management and financing of urban public transport. As discussants, Ms. Sinthya Roesly (CEO, Indonesia Infrastructure Guarantee Fund) shared her experience at the Indonesia Infrastructure Guarantee Fund to ensure proper financing for development projects. Dr. David O. Dapice (Chief Economist of Vietnam and Myanmar Program at Harvard Kennedy School and Associate Professor at Tufts University) summarized some of the governance and financing challenges faced by those projects. Mr. Wicaksono Sarosa (Director, Partnership for Governance Reform, Indonesia) was the moderator for this session.
Dr. Vu Thanh Tu Anh (Research Director, FETP) gave the closing remarks, thanking the organizers and participants for the fruitful two-day discussion. Echoing Prof. Gomez-Ibanez, Dr. Tu Anh emphasized the fact that Asian cities face different challenges in terms of income and urbanization levels, land use and partial structures, and transportation systems. At the same time, Asian cities also share many commonalities such as monocentric cities and very high rates of motor vehicle growth. These facts have significant implications for academics, policy makers, and practitioners. For the academics, there are plenty of opportunities for fruitful comparative studies. For policy makers and practitioners, many important lessons, both successes and failures, can be learned from experience of others.

Although the regular sessions had ended, that afternoon interested participants attended a seventh and final Special Focus Session on “Encouraging Private Investment in Urban Development and Infrastructure in HCMC.” This session was intended to promote a candid exchange of views between the private and public sectors about the challenges of investing in commercial, residential and infrastructure projects in HCMC. The session was opened by Mr. Marc Townsend (Managing Director, CBRE Vietnam), who emphasized that the urban real estate market in HCMC was very sensitive to changes in macro-economic conditions and public policies, and that this volatility discouraged international private investment. Ms. Do Thi Loan (Vice Standing President and General Secretary of Ho Chi Minh City Real Estate Association) provided the perspective of local investors and was generally optimistic, although she too was critical of the changing regulations. The final presentation was by Mr. Huynh Minh Cuong (member of the Northwest Urban Management Authority of HCMC, a public agency tasked with developing the rapidly growing northwest quadrant of the city). Mr. Cuong explained his efforts to ensure that the land use and infrastructure schemes were consistent and that infrastructure was delivered in a timely fashion. Prof. Gomez-Ibanez moderated this session. The Special Focus Session also wrapped up this year’s APPF.

One of the most important objectives of every Asia Public Policy Forum is to introduce key academics, public officials, and scholars to one another so that they can continue to learn from one another and even begin to work collaboratively on key problems of the region. In this regard, the 2014 Forum identified a variety of important research issues that might be the focus of future collaboration.

Foremost among these issues is the role of motorcycles in Asian cities. In many cities they appear to have substantially worsened congestion, particularly by drawing ridership away from buses. Moreover, there is a widespread perception that motorcycles are much less safe than alternative modes, although surprisingly little research has been done on that topic to date. As incomes rise further, however, motorcycle ownership may help to forestall a shift to private automobiles which would help control congestion. How safe are motorcycles and where are they likely to be reducing instead of increasing congestion?
A related issue ripe for research is what types of controls to establish on private motor vehicle ownership and use. Automobile ownership is still at relatively low levels in many of the cities of Southeast Asia, and it may be politically easier to impose restrictions now rather than later. Indeed it is noticeable that Singapore began to tax automobile ownership and use heavily in the 1970s, when auto ownership was not common. How sensitive is auto ownership and use to household income levels and to tax and other policies?

The difficulty of controlling auto use is likely to depend in great part on the quality of public transport services, and of bus services in particular. Buses are the backbone of the public transport systems in many Asian cities, and are destined to continue to play a key role given the expense of building MRT systems. Yet in many cities the quality of service is poor, the route structure essentially unchanged for decades, and traveler information and integrated ticketing non-existent. A few cities, including Seoul and Santiago, Chile, have managed to improve the quality of their bus systems but such efforts are both politically and technically challenging. How did these cities manage reform, and what lessons do their experiences hold for others?

Coordinated land use and infrastructure planning holds the promise of reducing transportation costs and making public transportation and walking more attractive. Yet few if any metropolitan areas in Southeast Asia have institutions with the authority and skills to coordinate planning or implementation. What are the losses from this lack of coordination and in what circumstances could one imagine winning the political support to establish institutions designed to coordinate?

Finally, improving transportation, whether building roads or mass transit systems, requires funds. To what extent can user revenues be tapped, especially in the case of automobiles? And to what extent might land use appreciation along alignments or at stations provide an additional possibility? Asia is home to a rail transit agency, Hong Kong’s MRT, which balances its books through profits from property development. Could that model be replicated elsewhere?