POLICY BRIEF

No. 1/2013

Integrating Spatial Aspects of Poverty into Urban Spatial Planning: Solutions for Tackling Urban Poverty

Executive Summary

The results of a 2011 SMERU study on urban spatial poverty and the relationship between city spatial planning and efforts to reduce poverty in Kota (the City of) Surakarta and Kota Makassar suggest that there is only a limited understanding by stakeholders, particularly the local government work units (SKPD), of the relationship between the elements of spatial planning and efforts to reduce poverty. In addition to this, efforts to reduce poverty in both Surakarta and Makassar still tend to focus on programmatic approaches and budget considerations and have yet to directly involve city spatial planning. Therefore, SMERU recommends that stakeholders (i) increase their awareness of the importance of spatially-based poverty information and the characteristics of spatial poverty as fundamental considerations in formulating urban spatial master plans and in designing poverty reduction efforts and (ii) create a social protection and poverty reduction system that is sensitive to the needs, livelihood conditions, and vulnerabilities of the poor according to the spatial context of the group.

I. Background

Urban poverty is an increasingly relevant and urgent issue in Indonesia that needs to be addressed in light of current dynamic trends in urban growth. As an illustration of this trend, from 1980 to 2010 the increase in Indonesia's urban population growth reached 3.85% annually, resulting in an increase in the proportion of urban residents from 22.10% in 1980 to 44.28% in 2010. The data also shows that the proportion of the poor living in urban areas rapidly increased from 18.45% in 1976 to 36.61% in 2009. From this data it is evident that in Indonesia there is a tendency for the urbanization of the population to be followed by an urbanization of poverty, which, in turn, leads to the emergence of several aspects of urban poverty, such as: the physical (related to the availability of infrastructure and transportation facilities); the non-physical, such as socioeconomic conditions (employment limitations, inequality, injustice); and the ecological aspects (flooding and environmental pollution).

Among cities in Indonesia, Surakarta and Makassar are two examples that face relatively similar problems in confronting urban poverty. In addition to the problems caused by a high population density, the local government of Surakarta is also faced with issues created by an increasing poverty rate that reached 14.9% in 2009.[1]

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Settlements on the banks of the Bengawan Solo River

On the other hand, Makassar, amid efforts to be recognized as a "World City" and the "Gateway to Eastern Indonesia", faces challenges associated with its large population which was calculated to be 1,339,374 people in 2010 (BPS Kota Makassar, 2011), although the proportion of the population who are considered poor remains relatively low at 5.6% in 2009 (BPS Kota Makassar, 2010).

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However, both of these cities are famous for local government-driven innovation and initiatives to reduce urban poverty. The Kota Surakarta local government is recognized for its street vendor restructuring program, programs to relocate flood victims, and locally-based programs for the protection of the poor community in the form of education (BPMKS) and health (PKMS) assistance. In Kota Makassar, besides implementing the central government's social protection programs, they have also established the Free Makassar Program (Program Makassar Bebas) that provides free basic health services, processing of family cards (KK) and birth certificates, transport for school children, and other services.

Nevertheless, the findings of SMERU's study indicate that these efforts are not fully sensitive to, and integrated with, spatial aspects of urban poverty or to the urban planning process itself. This is unfortunate given that an understanding and integration of these aspects plays an important and strategic role in formulating development strategies that are vital in reducing urban spatial poverty. This policy brief addresses the spatial aspects of poverty and the importance of integrating these aspects into city planning.

II. Major Findings

Spatial Aspects of Urban Poverty

SMERU conducted a Participatory Poverty Assessment (PPA) in three *kelurahan*[2] in each of the studied cities. The *kelurahan* were selected based on their geographic location and variation in livelihood typology (Table 1).

The PPA results reveal the following points related to the spatial aspects of urban poverty.

Spatial factors greatly influence poverty dynamics as well as the livelihood characteristics of the urban poor. The PPA results show that the poor who reside in inner city areas tend to experience increased levels of welfare compared to the poor in other locations in the city such as in the suburbs. In this case, the significance of the positive influence of the inner city spatial context lies in the relatively sound infrastructure conditions, a reduced disaster risk, and greater access to the city's economic resources such as markets, factories, or other employment opportunities. Conditions like these increase the ability of the poor to protect and develop their livelihood assets.

Spatial aspects of poverty represent the livelihood asset conditions of the poor that are insufficient and unsupportive in their efforts to attain sustainable livelihoods. As shown in Table 2, the emerging spatial aspects of poverty—poor housing conditions, a lack of clean water and sanitation facilities in slums, and the absence of land tenure—describes the insufficient infrastructure and physical assets accessable by the poor. This situation is worsened by the limited economic and financial assets of the poor preventing them from being sustainably integrated into the urban economy.

The Link between Spatial Aspects of Poverty and Urban Planning

The results from analysis of the four key planning documents (RPJMD, SPKD, RTRW, and RP4D)[3] in both cities show that despite there being a concern for poverty issues, the use of data and information about spatially-based poverty, such as the distribution of the poor and the location of slums, is still limited. A similar situation with the limited use of data occurs when this data is used for the planning and management of poverty reduction programs. Additionally, planning documents and guidelines for the implementation of these programs do not clearly identify the poverty reduction rate targets and conditions. Intervention to address problems, such as slums, continues to be conducted using programmatic approaches, like housing repairs, and is not being upgraded to the scale of settlement planning at a more integrated level.

The Spatial and Regional Development Plans of both cities are still considered far too technical and do not include enough data on social aspects, particularly regarding the potential impact of the plans on the livelihoods of the poor. On the other hand, the spatial context of poverty also has implications for spatial and regional planning. The implications of the urban master plans on the livelihoods of community members, particularly the poor, are very significant. Changes in spatial conditions greatly affect this group's access to employment, transportation, education, and housing. The study shows that several policy and spatial planning issues are yet to consider the spatial aspects of poverty and vulnerability. The implications of this are not only a diminished level of effectiveness in poverty reduction efforts, but has also led to new forms of poverty and vulnerability, or worsened existing poverty conditions. For example, plans to develop a port and warehouse facility on the coastal area close to Kota Makassar have not considered the livelihoods of the local poor who are often employed as fishing laborers. With future development of the region, this group will be exposed to new vulnerabilities associated with changes in spatial conditions. As a result, they may fall further into poverty due to a loss of their livelihood while the transition to alternative economic activities has not yet been realized.

Table 1. Livelihood Characteristics in the Research Locations

Spatial characteristic:	Inner-city area	The suburbs: the banks of rivers/coastal/marine	Peri-urban: areas of new development
Location:	Kel. Kemlayan (Surakarta) & Kel. Bara Baraya Utara (Makassar)	Kel. Sangkrah (Surakarta) & Kel. Tallo (Makassar)	Kel. Mojosongo (Surakarta) & Kel. Daya (Makassar)
Typology of livelihood of the poor:	Informal workers, street vendors, garbage collectors, parking attendants	Informal workers, daily wage workers, fishing workers	Landfill site (TPA) garbage collectors, informal workers, formal workers

Table 2. Implications for Planning Policy on Spatial Aspects of Poverty

No	Urban Spatial Aspects of Urban Poverty	Descriptions of Spatial Aspects of Poverty in Several Locations			Implications for Planning
		Inner-city Area	The Suburbs: The Banks of Rivers/Coastal/Marine	Peri-urban: New Development Areas	
1	Arrangement and provision of settlements	- Arrangement of settlements - Risk of fire in densely populated areas - Issues with *magersari*[a] settlers (Surakarta) - The lack of social/public space due to high population densities	- Arrangement of settlements in areas close to rivers or in coastal areas - Arrangement of settlements in flood prone (Surakarta) and coastal inundation (Makassar) areas	- Provision of decent housing for poor newcomers (formal/ informal workers) - Arrangement of settlement for flood victims (Surakarta) - The growth of illegal settlements in unsuitable areas (swamps and landfill sites)	- Revitalization and renovation of infrastructure in slum areas - Development planning and settlement control in illegal and uninhabitable areas - Disaster mitigation plan for flood and fire disasters
2	The provision of clean water and sanitation including waste management	- Limited access to clean water and sanitation in slum areas - Issues of environmental sanitation; slaughterhouses located in residential areas (Makassar) - Storage of garbage and waste management is not maximized	- Limited access to clean water and sanitation in slum areas - Pollution and accumulation of garbage in rivers - Accumulation of garbage in settlement areas along river banks	- The poor condition of clean water and sanitation infrastructure - No integrated waste management system in illegal settlement areas	- Provision of clean water and sanitation in slum areas - Control of waste pollution from households and home industries - Waste management and disposal systems in slum areas
3	Land tenure status	- Land ownership status (private/family, tenant) - Possibility of eviction due to occupying private/ government land	- Land ownership status (settlements on the sea) - The process of compensation as part of a relocation program from the flood plains	- The development of illegal settlements in uninhabitable areas (swamps and landfill sites)	- Legalization and certification of land for settlement in public or private areas - Control of illegal settlements in areas that are uninhabitable (swamps, over rivers, at landfill sites)
4	Economic integration of the poor	- Continued limited access by the poor to formal sector employment opportunities	- Continued limited access by the poor to formal sector employment - Degradation of natural resources (SDA) and a decline in the economic potential of fisheries (Makassar)	- Continued limited access by the poor to formal sector employment - Job security and social protection for formal workers (Makassar)	- Revitalization of coastal natural resources or changing the livelihood of fishers as part of a transition into the urban economy - Program improvement and certification of human resources to allow them to enter into formal employment

[a] *Magersari* - a poor person who owns and occupies (with permission) a home on the land of a wealthy person.

The Relationship between Spatial Planning and Poverty Reduction Efforts

The study results also show that the stakeholders' understanding of the relationship between elements of spatial planning and poverty reduction efforts is still limited. Most of the stakeholders, particularly the local government work units (SKPD), continue to regard spatial planning and poverty reduction as two unrelated subjects. In addition to this, most of the SKPD have a sectoral view of poverty reduction and therefore regard these matters as the sole concern of other agencies who are responsible for the social sector and activities within it such as the Regional Development Planning Board, the Community Empowerment Board (BPM), and social services office.

Approaches to poverty reduction, both in Surakarta and Makassar, are often programmatic and based on budgetary factors without significantly addressing spatial planning aspects. Respondents from among government officials and other stakeholders, including local NGOs, often make reference to poverty reduction programs such as Program Makassar Bebas in Makassar and the PKMS and BPMKS

programs in Surakarta. Slum and housing upgrade initatives remain at the program level and do not exist at the strategic level or as a long-term spatial planning concept.

III. Policy Recommendations

In order to make poverty reduction efforts more effective and to reduce the possibility of negative impacts from an urban master plan and changes in the spatial conditions on people's livelihoods, particularly those of the poor, the following steps need to be taken by stakeholders at the *kota* level, both from governmental and nongovernmental sectors.

1. Increasing awareness of the importance of spatially-based poverty information and the spatial characteristics of poverty as fundamental considerations in the formulation of urban master plans and in the design of poverty reduction programs. This increased awareness may begin with the collection of data on existing poverty conditions using both quantitative and qualitative participatory methods followed by an assessment of the potential social impact or predictions of changes to people's livelihoods that can occur due to the development/implementation of city spatial planning.

2. Creating a social protection and poverty reduction system that is sensitive to the needs and conditions of the poor and their livelihoods as well as the vulnerabilities that they face in terms of their spatial context. Protection mechanisms for the poor living in areas close to rivers or coastal environments should concentrate on disaster risk mitigation and integration of the poor into the urban economy in anticipation of declining conditions in the surrounding natural resources base. As for inner city urban areas, protection efforts should be focused on the structuring of illegal settlements with the provision of sanitation and clean water supplies along with options for securing tenancy and making eviction a last resort. For the peri-urban, efforts should be concentrated on the provision of new serviced land for housing and the provision of access to cheap and adequate transport.

On a technical level, the integration of poverty into urban spatial planning can be done in the following ways.

1. Integrating poverty data with spatially-based information, such as Geographic Information Systems (GIS), in order to produce interactive and social maps. Maps containing integrated poverty data can be used as reference material in the preparation of poverty reduction programs so that they become more effective and better targeted in accordance with available resources. Spatially-based poverty data that may be used includes the latest national PPLS[4] data or data at the local level incorporating specific poverty criteria, for example, the PJM Pronangkis PNPM data.

2. Building partnerships with NGOs and/or donor agencies to foster innovation. The study results show that a partnership between the local government of Kota Surakarta and an NGO, Solo Kota Kita, has produced innovative solutions in providing spatially-based poverty information that can be used for development planning. ■

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Vacant land filled with garbage, Makassar

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[1] The population density in Surakarta is the highest in the Province of Central Java, reaching 11,996 persons/km² (BPS Provinsi Jawa Tengah, 2011).
[2] A *kelurahan* is a village-level administrative area located in an urban center.
[3] RPJMD = Medium Term Regional Development Plan; SPKD = local governmentwork units; RTRW = Spatial and Regional Development Plan; RP4D = Plan for Housing and Regional Development.
[4] PPLS = Census of Social Protection Programs.

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