

**URBAN GROWTH MANAGEMENT STRATEGY FOR PORT VILA  
TECHNICAL ASSISTANCE COMPLETION REPORT**

Division: PARD/SPRM

TA No. and Name TA 2596-VAN: Urban Growth Management Strategy for Port Vila		Amount Approved: \$600,000	
		Revised Amount:	
Executing Agency: National Planning Office	Source of Funding: ADB	TA Amount Undisbursed \$67,792	TA Amount Utilized \$532,208
Date of Report		TA Completion Date	
Approval 27 June 1996	Signing 10 July 1996	Fielding of Consultant(s) 7 April 1997	Original March 1998
		Account Closing Date Original November 2002	Actual June 2003
			Actual June 2003

### A. Description

1. Vanuatu is small compared with megacities in Asia, but its rate of urbanization, and resulting problems, are equally severe. Numerous past plans focused on individual aspects of urban development, but did not consider cross-cultural problems that would be encountered in implementation such as (i) land and custom issues, (ii) coordination between public and private stakeholders, (iii) securing of finance and equity, and (iv) the ability of community sectors to pay.

2. Environmental law in Vanuatu was reviewed through an ADB technical assistance (TA)<sup>1</sup> in 1991. The Government Environment Unit (EU) then prepared a National Conservation Strategy. The review showed major gaps in the sectoral coverage of specific environmental law, particularly in the areas of waste management, water resources, and dangerous substances. There was also a need to adopt a comprehensive environmental protection act, including measures for environmental impact assessment, pollution control, and waste management. The Cabinet approved the drafting of comprehensive environmental legislation on 18 February 1993.

3. Physical planning in Vanuatu was governed by the Physical Planning Act 1986, which needed to be reviewed for effective enforcement of planning control. Physical plans for land development, as required under the Act, had been drafted, but the municipalities of Port Vila and Luganville had not yet approved them. A national building code had been drafted, but had not yet been enacted into law.

### B. Objectives and Scope

4. The primary focus of the TA was to help the Government formulate an urban growth management strategy for Port Vila, including identification of major parameters driving urban growth, improvement of the legislative framework for urban planning and the environment, and assistance in urban physical planning and traffic planning in the context of sustainable development described in the National Conservation Strategy. The TA had two components: (i) the policy framework for urban growth management, and (ii) the legislative framework. The TA was specifically to help the Government review, update, draft, adopt, and enforce (i) existing legislation and regulations for physical planning, including the national building code and draft physical plans; and (ii) draft legislation on water resources and environmental management.

<sup>1</sup> ADB. 1989. *Technical Assistance 1116 VAN: Environmental Legislation Review*. Manila.

### C. Evaluation of Inputs

5. The TA provided \$599,000, including 20.6 person-months of consulting services over a 12-month period, \$24,700 for workshops and seminars, and \$69,000 for equipment and administrative costs. Consulting services were provided by a team leader and regional/urban planner (5.25 mo.), physical/strategic planner (1 mo.), environmental planner (2.25 mo.), planning coordinator (3.5 mo.), and legal specialist (8.6 mo.). The Government provided counterpart staff that the consultants trained, and liaison officers in concerned agencies, plus office space and support services for the consultants.

6. The formulation of the TA and the associated terms of reference (TOR) were considered satisfactory. The scope of the TA was overly ambitious. The time period allowed for the review, consultation, enactment, and public awareness program for the legislation component was unrealistic, considering Vanuatu's fragile political environment.

7. The consultants' performance was generally satisfactory. The delivery of reports and the conduct of workshops were broadly in line with the TA program until the milestone mid-term report in August 1997. But the work program outputs in the mid-term report were short of those expected under the TA program schedule. The shortcomings were caused by delays in elements of the legislative framework pending agreement to an amended work program recommended in the inception report, and various contractual and payment delays, which were resolved in October 1999. These delays were largely caused by Government delays in the legislation framework discussions, and a consultation process that was longer than anticipated. Some delays were associated with consultant availability for revised time inputs.

8. After the TA final report was submitted, the finalization of three legislation acts, the preparation of the environmental law handbook, and a public awareness campaign remained outstanding due to the long consultation process required for such legislation in Vanuatu, and the complexity of the legislation presented by the legal specialist. After a dispute between the legal specialist and the consultant firm over contractual matters, and discussion among the consultants, Government and ADB, the legal specialist was replaced and a simpler and user-friendly legislation framework was developed. The Environmental Management and Conservation Act, Water Resources Management Act, and National Building Code Act were then approved by the Cabinet, and the former two were passed by Parliament in November 2002. National Building Code has been submitted to parliament for approval in 2003 session. Because of the simpler legislation, the Attorney General's Office decided an environmental law handbook was not necessary; the notes to the acts perform that function.

9. During the Project, the regular review missions described in the *Performance of ADB* section of this report reviewed progress of the TA. ADB initiated advisory and corrective actions when necessary. Nine review missions and an inception mission—an average of two missions annually—were undertaken from 15 May 1997 to 20–27 August 2001. The Executing Agency, the National Planning Office (NPO), played a strong role during the main TA period when its involvement was proactive. The strength of involvement has lessened under the Department of Economic and Social Development (DESD), as the TA activities focused mainly on the legislation framework. During that period, the State Law Office<sup>2</sup> and the Physical Planning Unit (PPU) were actively involved.

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<sup>2</sup> The State Law Office was renamed the Attorney General's Office during the public services restructuring process initiated through the Comprehensive Reform Program.

#### **D. Evaluation of Outputs**

10. The consultants presented draft and final inception, interim, and final reports in accordance with the TA requirements. Also provided were reports on environmental and resource management legislation, legal specialist trip reports, and successive versions of the three legislation acts. Presentation materials were provided for all consultation workshops and seminars held during the TA. Additional working papers specified in the TOR were also provided. Some institution building and training was done with officers of NPO, PPU, EU, and the Port Vila municipality, although the TA has not been successful in creating strong mechanisms to monitor and enforce legislation. The National Building Code Act was the only amendments made to the Physical Planning Act. The municipalities have not amended the draft physical plans. The quality of the final reports and Urban Growth Management Plan (UGMP) are satisfactory, while the legislative acts are regarded as of high quality. Neither the Government nor the Port Vila municipality have formally adopted the UGMP, even though the PPU regards it highly and utilizes it. Both Port Vila and PPU have adopted selected UGMP recommendations, and the UGMP is likely to continue to provide them with a frame of reference. The requirement for amendments to the Physical Planning Act remains unsatisfied, and the need remains to adopt an urban policy for Vanuatu.

#### **E. Overall Assessment and Rating**

11. Achievements of the TA have been significant, considering its ambitious scope, and the political instability in Vanuatu. Although progress in physical planning has fallen short of expectations, the enactment of the three laws is considered a significant achievement. The UGMP has not been fully adopted, but some UGMP recommendations have been implemented. The UGMP serves as a reference point, and is regarded as a useful document. The extended consultation period for consideration of the legislation framework, and the amount of stakeholder dialogue, have been beneficial for the political, public, and private sectors, and outweigh the failure to meet the original TA time schedule. Overall, the TA is rated less than successful.

#### **F. Major Lessons Learned**

12. The main lessons that emerged from this TA are recognizing the importance, when embarking on a process of legislation reform, of allowing sufficient time for extensive consensus building among the political, public, and private sectors; and of limiting the range of legislation reform attempted. A related and subsidiary lesson, pertinent to small developing island countries like Vanuatu, is the need to keep legislation simple and user-friendly, with a minimum of legal jargon.

#### **G. Recommendations and Follow-Up Actions**

13. After enactment of the three acts, it would be appropriate to revise and update the Physical Planning Act and adopt a national urban policy. It would also be appropriate to engage in further dialogue and consultation with Port Vila and Luganville to encourage physical plan amendments in line with the UGMP recommendations. Such dialogue and consultation should be accompanied by capacity building and institutional strengthening with the PPU and the municipalities, particularly in expertise and competencies in town planning.