

Proceedings of the 10th AAM International Conference 2013**Examining Governance for Waterfront Development in Malaysia**

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Abstract

Since gaining independence in 1957, Malaysia is continued rapid growth of land development, urbanization and industrialization, the country is expected to face serious challenges especially in relation to water resources, such as water pollution, water shortages, land slides and flooding. Institutions at both Federal and State level are grappling with the problems of finding out how severe the problem is and how to deal with it. Nevertheless, water related problems all over the country remain unchanged and in some cases is worsening. Using interview data collected from various groups of respondent, this paper aims to investigate how governance takes place in waterfront development practice in Malaysia. The results showed that the low participation and collaboration among the stakeholders involved in waterfront development process as well as other factors shows inefficiency for waterfront governance and finally results unsustainable waterfront development. Therefore, to achieve a sustainable waterfront development, sustainable governance is recommended and better enforcement of the law is needed.

Keywords: *Governance, Sustainable waterfront, Waterfront, Waterfront governance*

1.0 INTRODUCTION

Rapid development all over the world is causing overuse and misuse of land and water resources, and contributing to many environmental problems such as drought, flooding and pollution. Under the Malaysian Constitution, land and water resources are under the state government's jurisdiction. Since colonial time, Malaysia has applied a top down approach to land and water management (Weng, 2002). Under this approach, it is the government responsibility to provide necessary policies associated with water and land matters. In a similar way, government acts as a provider and several other institutions (private and government) becomes a receiver and implementation agency.

In recent years, the problem with governance has existed in all service sectors not just the property sector. According to John Lang La Salle (2004), governance is best defined as a process of decision making and how decisions are applied or not applied. Governance is about practicing power in management (Weng, 2009) and involves political, social, economic and administration at every level of society.

The United Nations Development Programme (UNDP) describes governance as being participatory, transparent and accountable as well as effective and equitable. The World Bank determines two types of governance namely good governance and poor governance (Santiago, 2005). In achieving sustainable waterfront development, practising sustainable governance (good governance) is compulsory. In order to have sustainable waterfront governance, participation and cooperation from various parties at every level of management are required. So, this paper aims to investigate how governance takes place in waterfront development in Malaysia and to examine whether Malaysia practises "good governance" or "poor governance" in waterfront development.

2.0 LITERATURE REVIEW**2.1 Waterfront And Waterfront Development**

In general, the waterfront refers to land fronting on to water (Dong, 2004). Even though the word waterfront itself is clear; some researchers prefer to use different words to replace the term waterfront, for example, city port, harbour front, riverside, river edge, water edge and riverfront (Hussein, 2006; Hoyle, 2002; Mann, 1973; Tunbridge & Ashworth, 1992; Watson, 1986).

The waterfront is a zone of interaction between urban development and the water and a waterfront area is considered to be a unique and irreplaceable resource where it interfaces between land, water, air, sun and productive plants (Wrenn, 1983). Moreover, Ryckbost (2005) sees waterfronts as any property that has a strong visual or physical connection to water with the water itself being any type of water body such as a lake, the ocean, a river or a stream of all sizes (Breen & Rigby, 1994, p. 10).

In the development context, waterfront developments have various interpretations depending on the characteristics of the sites and the cities (Dong, 2004). And, Butuner (2006) sees waterfronts as land to be reclaimed from water in order to create an extension of existing city centres.

Breen and Rigby (1994, 1996) considered that waterfront development may not necessarily need to directly front water but may need only to look as if it is attached to the water. They believed that a property with a commanding view of water can be considered as a waterfront property.

2.2 The Importance Of Waterfront

By being an interface between land and water, the waterfront zone is an area endowed with special characteristics. The special features and functions of waterfront areas are described in **Table 1** below.

Table 1: Special Characteristics Of A Waterfront Zone

Characteristic	Description
Ecological	The waterfront zone is a dynamic area with frequently changing biological, chemical and geological attributes. The waterfront zone includes highly productive and biologically diverse ecosystems that offer crucial nursery habitats for many marine species.
Economic	The waterfront contributes significantly to human welfare, both directly and indirectly and, therefore represents a significant portion of the total economic value of the planet.
Social	The waterfront zone is socially important for global transportation, open access and common property and is a unifying element in the cultures of each country.

2.3 Sustainable Governance Of Waterfront Development

According to Martínez et al. (2007), approximately 41 % of the world population is living within 100 km of water. In addition, Duxbury & Dickinson (2007) observed, between the year 1990 and 2000, the number of people moving to the water's edge increased from 2.0 billion to 2.3 billion and this number is forecasted to increase about 34.0 % by the year 2025. This increasing population growth at the waterfront has also increased pressures on the demand for the supply of clean water, as well as tourism, recreation and infrastructure. So, continued strain on the waterfront requires a set of principles for governance that will ensure its future sustainability. These are required mitigate both the adverse impact on the environment of human activities as well as the adverse impact of environmental change on human populations.

According to Post and Lundin (1996) an integrated waterfront management system is a process of governance that consists of legal and institutional framework necessary to maximise the benefits provided by the water zone and to minimise conflicts and negative effects of activities. In a similar way, this is seen as a comprehensive approach which, considering all of the sectoral activities that affect waterfront resources does not exclude dealing with economic, ecological, social and environment issues. Therefore, through this management, every stage of the waterfront development process (setting objectives, planning, and implementation) will involve the involvement of a wide spectrum of interest groups as possible to balance diverse uses of the waterfront.

Principles towards sustainable governance of waterfront need to be better interrelated among various elements, namely soil suitability, ecological inventories, floodplain and wetlands protection, public health, open space and recreation, district zoning, and future urban development. In order to secure protection of natural areas and water area (including the riverfront) the most suitable location and construction criteria needs to be considered. This for an holistic approach to development, attention to a combination of environmental and population issues is needed (Rolston, 1994).

Thus, in response to the core principles towards achieving sustainable waterfront development, principles for the sustainable governance of the waterfront were developed that incorporate various disciplines and stakeholders groups (Costanza et al., 1998; Duxbury & Dickinson, 2007). Table 2 summarises principles for sustainable governance of waterfront development. Incorporating all the principles are recommended in achieving sustainable waterfront development.

Table 2: Principles For The Sustainable Governance Of The Waterfront

P1: SUSTAINABILITY	The use of natural capital within the water boundary should be sustainable and achieved in an efficient and socially equitable manner.
P2: ADAPTIVE MANAGEMENT	Decision makers should have the ability to integrate ecological, social and economic information and to have the flexibility to cope with changes in the environment.
P3: PARTICIPATION	Stakeholders participation is vital in the decision making process regarding environmental resources.
P4: INTEGRATION	Decision making should integrate policy with input from the scientific community.

(Adapted from: Duxbury & Dickinson, 2007)

Clear and coherent principles and or policy is the main challenge for the development of cities in order to be sustainable. The implementation and the aims of the interventions should not be contradictory (Yossi & Sajor, 2006). However, this would require more effort particularly relating to the management of budgets and a time y government officials. Therefore, in making more integrative approaches, participation by relevant stakeholders such as external experts, non-governmental organisations, and community based organisation are encouraged and also help address the limitations of government institutions.

In addition, Yossi & Sajor (2006) agreed, that a good collaboration and coordination between different government authorities and external stakeholders (as mentioned above) is important for waterfront development project. This would also need the willingness of cross boundary government authorities to make a commitment to working together in planning and development process. Moreover, the willingness of government to include public participation (i.e. river community) in the development process would maximise the waterfront development benefits.

3.0 METHODOLOGY

This paper provides an overview of waterfront development in Malaysia, with emphasis on governance. Three cases were selected from different states as representing the whole of Malaysia; Kuching Waterfront, Malacca waterfront, and Glenmarie Cove riverfront. Using a multiple-case study as it is considered more compelling and regarded as being more robust (Yin, 1994, 2003). Focusing more on multiple-case study yields more variable and data points from different point of view, and case study approach is most suitable method can manage and handle with this situation.

A case study approach in this study done through the collection of several sources of evidence¹, such as interviews, documents review and site visit (Eisenhardt, 1989; Yin, 1984, p. 23, 1994, p. 78). Application of multiple sources of evidence as compared limited to one specific data source by other strategy (May, 2001, p. 173; Yin, 1984, p. 90) is particularly useful to generate of rich information of complex issues.

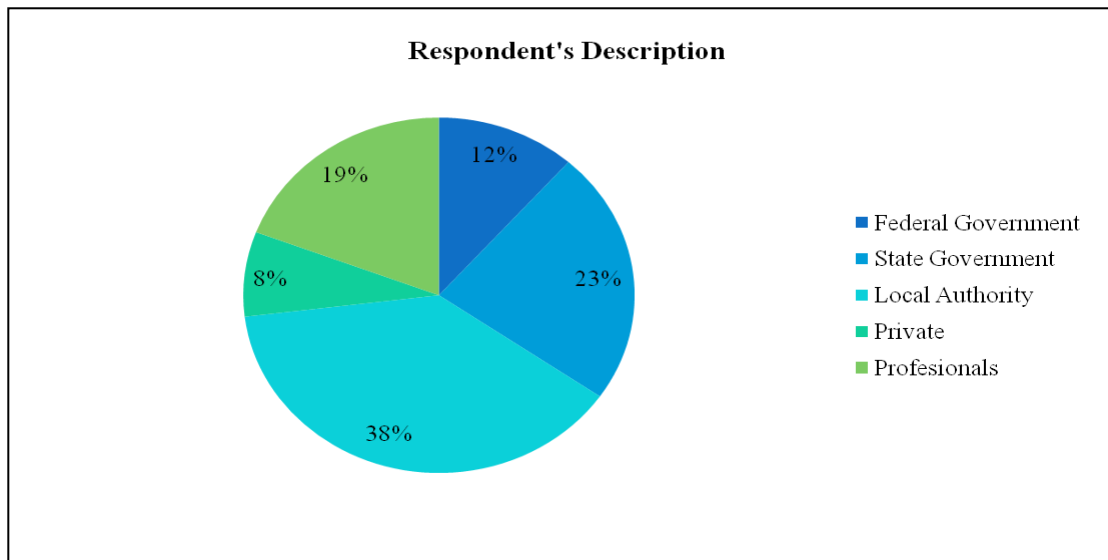
3.0 FINDINGS AND DISCUSSIONS

3.1 Response Rate

A total of 25 respondents were interviewed during the study. Respondents in this study were derived from three different groups of people; Federal, State and Local Government; Private developers; and Professionals. A response rate of 100 % was attained. Figure 1 summarises the respondent's profile.

The majority of the respondents were from government organisations (92%) and only eight percent from private sector. People involved in this study are experts in management and technical matters. A smaller percentage of respondents from private sector are clearly indicates that most of waterfront development projects, specifically along riverfronts currently undertaken by government (or are government funded projects) and mainly for public uses.

¹ According to Yin (1994), an evidence for case studies may come from six sources; such as documents, archival record, interviews, direct observation, participant-observation and physical artefacts.



4.2 Waterfront Development Process In Malaysia

Waterfront development in Malaysia was established a long time ago, but wasn't commercialized until 1990². Waterfront development is not specifically related to coastal development but includes rivers, lakes and retention ponds. However, in this research, the focus was on any development near to a body of water, but excluded the coastal development.

Land is state matter, and land development in Malaysia is under state government responsibility. Proposals for land development including waterfront development can come from various parties; government, private companies and individuals. Since waterfront development in Malaysia is dominated by government, most proposals come from government rather than the private sectors.

Interview responses indicated that waterfront developments in Malaysia require a similar process as other types of developments. State government has full responsibility for waterfront development projects starting from planning permission approval up to project completion. In order to obtain planning approval, the client (land owner) is required to submit a proposal for the development to the Local Authority in the relevant state. However, on the 12th April 2007, the Malaysian government through the Ministry of Housing and Local Authority (KPKT) introduced a One-Stop Centre (OSC) that is based in the Local Authority of every state (Ministry of Housing and Local Government, 2008). OSC was developed mainly to facilitate and standardise the land development process in Malaysia through a "fast lane" approach. With this approach revising the whole land development procedure was needed. In order to achieve these objectives, the whole procedure needs to be conducted concurrently and some amendment is needed according to the National Land Code, 1965, Street, Drainage & Building Act 1974 (act 133) and Urban Planning Act 1974.

Nevertheless, the land development process is slightly different for Sarawak and Sabah and OSC is not yet applied in the states. For the state of Sarawak, land development is controlled by the State Planning Authority (SPA) and Local Authority does not get involved directly with the development process unless the development is proposed by them and uses their own budget. The SPA chaired by the Chief Minister has the authority to give an approval to the proposed development with recommendation by the committee. However, due to constraints on resources (skills and expertise), the government has outsourced some of the work through open tender and will be selected by the Chief Minister.

Under the Land Code (Amendment) Ordinance 1997 a committee is established that consists of the Chief Minister, The State Planning Authority with the Minister as Chairman, Permanent Secretary to the Ministry of Planning Management as the Secretary of the State Planning Authority, Director of Land and Survey Department, and three (3) Ministers from different ministries. In summary, the land development processes implemented in the state of Sarawak is as follows;

² Waterfront area was developed since pre-independence period to cater trading and settlement for trader. Rapid growth and urbanization cause waterfront area left abundant until government started redevelopment in 1990.

involves public land acquisition. In practical, public participation over land development is directly under the land acquisition, and specifically related to compensation matter³ (Ismail Omar, 2002).

4.4 Waterfront Development Practice: Does Malaysia Have Sustainable Governance?

Governance is about local change and reform, and about developing to solve certain issues. In practical, the governance and administration for natural resources in Malaysia involved several departments and agencies that operate dependently or independently of one another according to specific responsibilities assigned to them (Rogers & Hall, 2003). In turn, this will require the participation and involvement from stakeholders within a larger context of shared understanding (Mokhtar & Elfithri, 2005) and would results effective governance. In addition, Elfithri et al.,(2008) noted, that successful governance could be achieved by considering decision making power, resources and capacity at the lower levels.

From the interview, majority respondents agreed that administration and management in land development in Malaysia is considered efficient. This is probably due to existing legislation and management system established in Malaysia to control land issues. For example, Ismail (2002) determined some of the main written land policy and laws to guide the land development activities in Malaysia such as (i) The canon - National Land Code (1965), (ii) Compulsory purchase and compensation - Land Acquisition Act (1960), and (iii) Planning and related development regulations – Environmental Quality Act 1974. On the other hand, there is no sufficient regulation to control waterfront development in Malaysia specifically. Majority of the respondent do not familiar with regulation for waterfront development except for coastal development.

Referring to sustainable development and sustainable governance of waterfront development in Malaysia, it is not viewed as quite so effective. In other word, the waterfront development does not fully incorporate sustainable practice in the project.

4.5 Barriers Towards Sustainable Waterfront Governance

In Malaysia, the majority of waterfront development projects were proposed by government and private developer in recent years. Hence there is a number of government agencies involved in managing the initiated project; especially during the pre-development stage. However, the problem of corporation⁴ and participation⁵ among the responsible agencies remains a big issue towards the achievement of sustainable of waterfront development practice in this country. Most responses agreed that participation and collaborative is considered low and resulted on unsustainable waterfront development practice.

According to Weng et al., (2002), Sim (2003), and Weng (2005) , involvement of all stakeholders in natural resource management, such as water management are essential in every stage. However, in some cases, state government and federal government do not cooperate and support each other and as a consequence the situation become more complicated in term of natural resources management and development (Department of Irrigation and Drainage, 2007).

On the other hand, inadequate regulation for control waterfront development also contributes to the unsustainable development problem. Most respondents agreed that Malaysia has no direct laws aimed at controlling development near to water area, though there are laws that are indirectly linked such as The Land Conservation Act 1960 (Revised 1989), The Land Acquisition Act 1960, The EIA Order 1987 and others. Unfortunately, they have been largely ineffective because of poor enforcement and poor governance by those in charge (Weng, 2009). Figure 2 summarizes constraints factors in achieving sustainable waterfront governance in Malaysia (responses from interview)

³ Schedule 2 of Land Acquisition Act 1960 determines, “government can acquire land for public purposes with adequate compensation” (Law of Malaysia, 1993).

⁴ Collaboration refers to, working together as a team to attain a common goal. In term of decision making, collaboration require individuals and organizations meet regularly to clarify problems, organize their discussions, conduct joint problem-solving, and work to make complex tasks easier through improved communication and coordination (Mokhtar & Elfithri, 2005).

⁵ Participation defined as a joint effort among government agencies, private sectors, Non-Governmental Organizations, the public, universities and other relevant stakeholders aimed at improving the present management system through increased information exchange among the various parties in the community and improved decision support tools (Mokhtar & Elfithri, 2005).

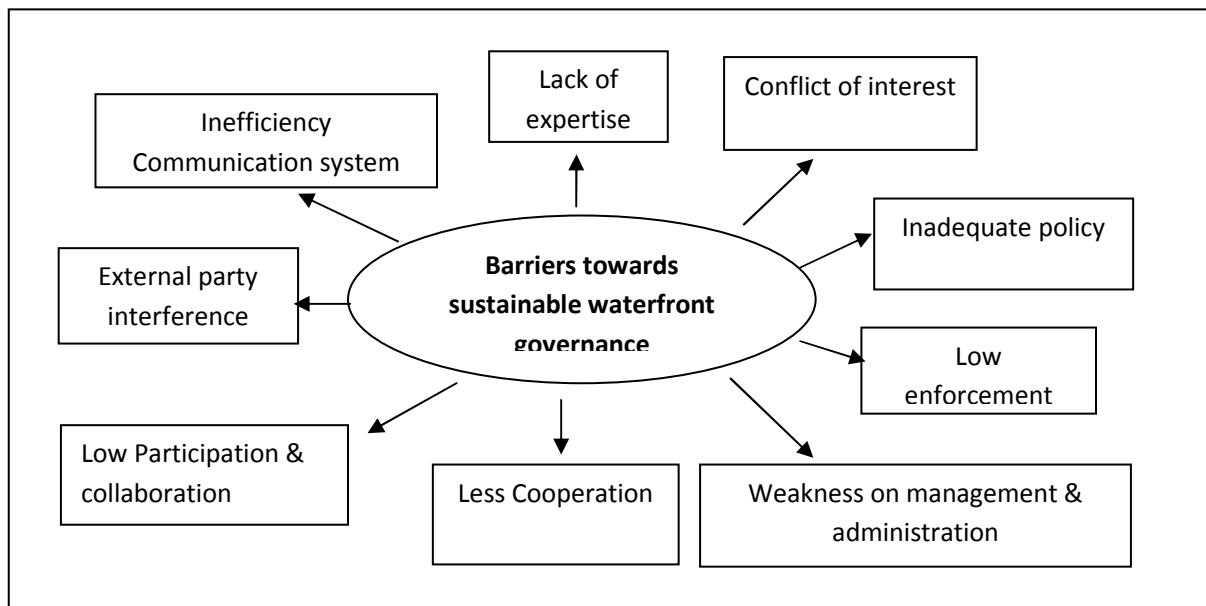


Figure 2: Constraint's Towards Sustainable Waterfront Governance

5.0 CONCLUSION

This paper attempts to explore the governance role in terms of waterfront development practice in Malaysia. From the findings, it can be concluded that the waterfront development process in Malaysia follows a similar process to other kinds of development. Low participation and collaboration among the stakeholders involved in waterfront development process as well as other factors shows inefficiency for waterfront governance and finally resulted unsustainable waterfront development. Moreover, inadequate policy and regulation specifically designed to control waterfront development and poor enforcement cause in environmental problem further. Hence, to achieve a sustainable waterfront development, sustainable governance is recommended and better enforcement of the law is needed. For governance to be effective, participation should be inclusive and communicative so as to enhance transparency throughout the process. The attributes for sustainable governance for waterfront should be used with modification to suit the local environment.

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