GOVERNANCE AND ITS COMPLEXITIES: 
INSIGHTS FROM FORMAL AND INFORMAL 
URBAN GOVERNANCE APPROACHES IN 
JAYAPURA, PAPUA, INDONESIA

RESUMEN

Urban governance as a concept has been evolving in the urban policy discourse in the last decades in the context of developing countries, from emphasising the role of formal government to the myriad of arrangements in urban development and management. Even though the outcomes are varied among countries in coping with rapid urbanisation, governments of developing countries maintain conventional planning and development system. As a result, urban space is subsequently produced by part of the urban population who have little concern and interest with formal planning rules, and by implication are excluded from such rules and regulations. Recent planning literature confirms that urban informality is now a major mode of urbanisation. Rapid urban growth experienced by Indonesia during the last decades has resulted in an imbalanced growth among islands in this country. Urbanisation has contributed to a widening disparity between megacities in Java and outer islands, with Papua Province the least developed province in Indonesia. Furthermore, Indonesia has to deal with problems of “unplanned areas” or “urban informality” in which formal planning system has operated ineffectively. Capital of Papua, Jayapura, in contrast, has experienced significant urban growth since 1990s with annual growth higher than provincial and national levels. However, issues of limited resources, limited implementation of formal spatial plans and policies in Jayapura, and rapid urban growth lead this city to problems in controlling urbanisation, including the rise of urban informality. This paper is aimed at exploring the outcomes of formal planning system in urban service provision, based on case study of mid-sized city Jayapura, including the role of stakeholders involved inside and outside the formal system. An analysis on proportion of resource allocation deployed by the city government as well as spatial analysis on distribution of urban service provision are utilised to provide an understanding about how the formal and informal mechanisms have been evolving in shaping the city. This paper concludes that in the both planned and unplanned areas, there are a variety of methods and mechanisms in used in urban service provision that enabling access and flexibility for the urban population in fulfilling their basic urban needs.

KEYWORDS: URBAN GOVERNANCE; FORMAL; INFORMAL
1. INTRODUCTION
Urbanisation has been argued as the major driver for change in developing countries in the last decades. As urbanisation generates both positive and negative impacts on urban society and the environment, rapid urban growth in developing countries invariably implies some form of adverse consequences. Urban segregation and exclusion, for example, will become more complex in terms of their social, economic and spatial dimensions (UN-HABITAT, 2011). On the other hand, conventional planning system remains mainstreamed as governments continue to adopt and utilise systems introduced by colonial government as well as international donors. The notion of one-size fits all approach widely spread in developing countries, even though the mechanism has been claimed to be ineffective and inflexible to cope with rapid and complex conditions in where it applies. Many scholars argue that urban segregation and exclusion in terms of social, economy and spatial dimensions are among the consequences of utilising the approach. On the other hand, urban informality has been claimed as results of ineffective and unjust planning system (Roy, 2005). The rise of informal settlement and informal governance are manifestation of population in the excluded area to access facilities and services to fulfil their basic needs. Thus, the aims and objectives of conventional planning system to distribute the benefits adequately is questionable, in which then put the notion of the right to city becomes completely debatable.

Developing countries will be the regions with the most populated urban areas in the next 30 years (UN-HABITAT, 2011). Countries such as China, India and Indonesia, which are the major contributors of the growth, will face significant increases in the number of population of urban areas. Indonesia has experienced a significant growth of urban population during period 1980-2010, from 22.4% of total Indonesian population in 1980 to approximately 49% in 2010 (Firman, 2012). Consequently, Indonesia has to deal with several issues around urbanisation such as inadequacy of urban service provision and uneven distribution of development benefits across the country. Papua Province is the least developed area in Indonesia. In terms of Human Development Index (HDI), this province remains on the last rank in the country from 60.20 in 1996 to 64.94 in 2010 BPS. Regarding poverty, Papua Province is the poorest part of the country with 31.98% in 2011 of total population in the province living in poverty (BPS, 2012b).

The Indonesian government has enacted several policies in order to accelerate development process in Papua, such as Law 21 of 2001 about Special Autonomy for Papua, which is including Papua Province and West Papua Province. According to the Law, Papuan people are prioritised to access special rights such as priority in education, health, access to infrastructure, gender equality and community empowerment. Furthermore, an enormous number of territorial delineations has been carried out in the last decade, dividing the province from 11 counties and 2 cities in 2001 to 28 counties and 1 city in 2011 (BPS, 2012c). This policy has accelerated the urbanisation process in the province as there are more towns are now being developed. The Capital of Papua, Jayapura, has experienced significant urban growth since 1990s with annual growth higher than provincial and national levels. Jayapura carries out national and regional growth and development functions, and has experienced a significant improvement in HDI (BPS, 2012a). Nevertheless, development plans and policies have not provided a fair distribution of benefits to different groups and individuals in Jayapura. Urban growth has become uncontrolled and unmanageable, which results in the rise of urban informality. Groups and individuals that have been excluded from formal development, strive for their survival by utilising their own resources and capacities in providing for their daily needs. They have established informal activities in terms of increasing their income as well as providing basic infrastructure, such as clean water, electricity, etc.

Several mechanisms in urban service provision are recognised and accommodated by the formal system, while settlements remain neglected as they are considered illegal and informal. In this context, this paper will elaborate the nature of urban governance, both formal and informal, including self-organised mechanisms in urban service provision, by exploring areas and projects in which formal mechanisms allocate resources spatially as well as range of factors involved in these arrangements. Firstly, this paper will revisit the key definitions including urban governance and urban informality. The second part of the paper will describe Jayapura as a case study, followed by a discussion of results and findings. The paper concludes by highlighting the main ideas presented in the paper as well as highlighting areas for further research.

2. KEY CONCEPTS REVISITED: URBAN GOVERNANCE AND URBAN INFORMALITY
Definition about governance have shifted from a clear distinction of government and private roles in managing public services to various arrangements conducted by different stakeholders and at various levels. It is widely accepted that governance deals with processes (Pierre
Nevertheless, recent debates in planning literature agree that urban informality is one major way of how urbanisation proceeds and unfolds (Porter et al., 2011; Roy, 2005). Urban informality is not only an impact of planning intervention but also the major element of urban growth “... that connects various economic activities and space in urban areas” (Rukmana 2011 p.143 in Porter 2011). Major drivers of urban informality include rapid urbanisation, economic policies, and spatial policies which contribute to the urban divide, economic disparity and spatial segregation (Roy, 2005; Watson, 2009).

Based on the discussion above, it can be concluded that exploring the nature of urban governance in relation to the rise of urban informality is essential in order to understanding the processes and dynamics of urban growth and development. As increasing inequality is persisting in cities of developing countries, exploring systems which control and guide urban growth is crucial in order to provide a better approach in managing development in such countries.

### 3. CASE STUDY OF JAYAPURA

#### 3.1 BACKGROUND

The area of study is Jayapura Municipality, Papua, Indonesia. Jayapura consists of five administrative district areas: North Jayapura, South Jayapura, Heram, Abepura and Muara Tami. Each district consists of sub-districts/villages called kelurahan and kampung. Kelurahan is a sub-district administrative area established by formal government, while kampung is a sub-district area based on the traditional boundaries. Currently, Jayapura City comprises of 25 kelurahans and 14 kampungs. The head of kelurahan is appointed by the government, while the head of kampung is appointed or elected by the community.

Jayapura City was established during the period of the WW I by the Dutch Government. The first settlement was built in 1909 for accommodating military staff then followed by infrastructure development during the WW II period (Kambu et al., 2009). The total area of Jayapura is 940 km² with total population in 2010 is 237,476 persons. Jayapura is the most urbanised town in Papua Province, with about 98% of the population residing in the urban area or within 22.67% of total city area (BPS, 2012). A significant growth in Jayapura commenced in the beginning of 1990s (Bappeda Kota Jayapura, 2012) as urban growth in the main islands of Indonesia declined (BPS, 2012).

There are two major types of settlement in Jayapura acknowledged by the law, namely native settlement and formal settlement (Bappeda Kota Jayapura, 2012). Besides, Jayapura also has informal settlements which are resided by approximately 25% of total city population. These settlements are located in fringe and conservation areas such as in North Jayapura, South Jayapura, Abepura and Heram, as well as open space such as in Entrop, Gurabesi, Dok IX, Hamadi and Youtefa (Jones & Suhartini, 2014).

Urban Governance in Jayapura: Formal, Informal and Hybrid

Formal governance system in Jayapura is based on three laws namely Law 32 of 2004 regarding Regional Government System, Law 25 of 2004 concerning National Development System, and Law 26 of 2007 regarding Spatial Management. The arrangement of spatial plans, including their preparation, implementation and evaluation is based on Law 26 of 2007, namely “Spatial Management” in which all types of should comply with. The unconformity with approved spatial plans and policies will result in legal and administrative consequences. Citizens’ engagement in the preparation of formal spatial plans arrangement is regulated by Government Regulation 68 of 2000. In contrast to spatial plans, development plans contain policies and actions of government in providing infrastructure and other public services in the short, medium and long term in which government is the main facilitating stakeholder. The procedures and process of preparation, implementation and evaluation of development plans, including the community engagement
According to these laws, lower tiers of government have a broader authority in managing regional affairs. The new laws also provide different mechanisms for election of constituents and regional development procedures. Furthermore, it also standardises the nomenclature of programs and projects as well as restructured budget allocation guidelines. Lower tiers of government are able to prepare, enact, as well as to control the implementation. As results, regional development plans and budgets are more responsive and flexible to the local needs and demands. However, in terms of spatial management, the top-down approach still dominates the procedure of plan preparation and implementation.

Regarding urban service and infrastructure provision, all tiers of government are responsible in programming and budgeting development programs and projects at city level. Each tier of government has its specific priorities and budget ceilings to avoid overlaps. In this case, a mechanism of coordination and consultation are conducted among governments, usually during the annual planning consultation. Another scheme is by sharing development responsibilities among governments over projects. For instance, national government will provide budget for physical development, while provincial government provides plans or designs and city government provides land for development.

Formal development planning is led by the government and involves various stakeholders from the government, private sectors, academics, and communities. The process is initiated by project inquiry at the lowest level (village level) and hierarchically followed by the higher levels of public consultation. Both government and community prepare development proposals. Usually, government proposals are sector-oriented, while community proposals are more location-oriented. At every stage of consultation, proposals are discussed and listed according to their scope of importance and urgency by government. Proposals with high degree of importance and urgency will be listed as top priorities followed by the lower priorities. Consultation at lower levels feeds the higher levels, which then will be finalised at city level. Proposals which are excluded usually exceed the budget allowed at city level or are being the least priority. These proposals will be sent for consultation at provincial or national level to obtain further consideration.

In Jayapura city, annual planning process is conducted by a team led by the City Planning Board. Consultation at every level involves city government departments which are responsible to areas of city priority such as public works, health, education, and community empowerment. It also invites members of the House of Representatives, community leaders and NGOs. The initial consultation at village level starts in January and is finalised at city level in April or May and involves all departments as well as members of the House of Representatives. The final document will be sent to the national government to obtain approval for implementation and often will be approved and returned to the city government by December. Development programs and projects of urban service and infrastructure in Jayapura are allocated in the five districts according to their level of priorities. Development programs and budget implementation commences in the following year and starts in January and should be completed by December. An evaluation phase will follow the completion of this program and budget implementation (see Fig. 1).

Beside the formal mechanisms, informal urban arrangements have been a major part of city development in Jayapura. This includes housing and basic urban service provision conducted by individuals or groups across the city, especially in fringe areas, including steep hills, flood area as well as public open space, which by law call as unplanned areas (Jones & Suhartini, 2014). The inhabitants in these settlements build public access such as roads, alleys, as well as stairs. They also develop basic infrastructure such as clean water and drainage networks across the settlement using their own skills. In fact, the early informal arrangement was noted in the early 1960s along with the provision of initial formal settlement developed by Dutch...
Government (Kambu et al., 2009). This has contributed to development of the first and the largest informal settlement in which various informal arrangements has evolved, located in APO, Jayapura. The area continues to grow since that time without any significant contribution from the government. Urban service and infrastructure developed by self-help mechanisms in this area has become permanent and continuously utilised and improved by the people living in the APO settlement (see figure 2).

Nevertheless, development outside the formal system in Jayapura city remain poorly recorded and recognised by current formal government, since it is considered illegal and is not accommodated in Jayapura City Spatial Plan. Informal development mainly occupies public space and conservation area and rarely complies with Jayapura Spatial Plan, which then often become a target of eviction. In terms of livelihoods, it is claimed that informal sectors contribute to approximately 60% of the Jayapura City’s urban economy (Nuralam, 2006 in Lamba 2011). This consists of street vendors (kaki lima), stands, and more permanent shops. The government gives special treatment to Papuan street vendors as well as other economic activities run by Papuans, in accordance with Law 21 of 2001 regarding Special Autonomy in Papua. Based on this law, the government supports the informal economy run by Papuans by providing space for local Papuan street vendors, mainly women to trade in the city centre area. Other settlers, mainly from highland in Papua, rely on farming in fringe area for their economic survival (see figure 3 and 4).

Hybrid governance, argued as a mix of formal and informal arrangements, has flourished in Jayapura as a means to address the gap between public needs and formal urban service provision (Jones & Suhartini, 2014). This comprises a sharing responsibility among government, community and NGOs in terms of planning, budgeting and development. The most common form of this arrangement in Jayapura is that city government provides administrative and financial resources, while the community provides land as well as labour and NGOs contribute the technical assistance for capacity building.

The National Program for Community Empowerment-Urban or Program Nasional Pemberdayaan Masyarakat Perkotaan (PNPM-Urban) is one example of how hybrid governance is successfully conducted in providing basic urban service and infrastructure. This program was initiated in 2007 located in 7 kelurahan and successfully replicated in 39 kelurahans and kampungs in 2013 (Bappeda Kota Jayapura, 2013). Another example is the Jayapura City governments’ support to Jayapura native community (the Port Numbay Community) to carry out the management of major public areas such as tourism objects, traditional markets and street markets, as well as maintaining neighbourhood security during religious occasions. In this case, Port Numbay community takes responsibility in developing procedures and mechanisms of the provision, while the government and occasionally NGOs provide partial financial support and technical assistance. All income produced by this activity are usually utilised for communal needs or clans who provide the land (see figure 5).
RESULTS AND FINDINGS
This section will elaborate the dynamics of formal, informal and hybrid governance in Jayapura, utilising data and information during period of 2008-2012. Analysis on the formal arrangement focuses on the program and budget allocation, followed by discussion of how different actors share and access the benefits of different types of arrangements. It also explores how these actors adapt with the limitation and constraints established by the formal system in order to provide an adequate urban service and infrastructure.

Regarding formal development, District Abepura has received the largest number of development projects during period of 2008-2012, while District Heram has received the least. Among explanations behind this trend are Abepuras’ position as the fastest growing urban area in Jayapura. Furthermore, the availability of suitable land for development compared to other districts also has become a main consideration in placing this district as the top priority in city middle-term planning program. On the other hand, Heram is relatively new district, previously being a part of Abepura District (see figure 6).

In terms of development budget allocation, the overall amount has increased steadily during the five year period. Infrastructure sector has become the development priority, followed by sectors such as General, Education, Economy, and Health. According to Jayapura City Budget, a larger proportion of infrastructure budget is allocated to ring road development which connects 4 districts of North Jayapura, South Jayapura, Abepura and Heram. Other major allocation are directed to development of government offices, health and schools buildings. The budget proportion for basic infrastructure such as water, sanitation and electricity remains low and shared with state-owned enterprises, such as PDAM for water and PLN for electricity (see figure 7).

All sectors have shown a steady growth, except infrastructure which shows a declining growth during the same period. The accomplishment of ring-road project which absorbed the major amount of budget by the end of 2012 and increasing budget sharing scheme among governments within this sector has contributed to the decline (see figure 8).

Urban governance dynamics in Jayapura City involves contribution of different actors. Regarding formal arrangement, actors from city government have a wider access to decision making process compared to community leaders involved in the process. This is because the process of plan preparation are mainly conducted in the city government offices, which then make it less accessible to the community to follow up the finalisation—where the prioritisation occurs. Thus, consistency of community-based proposals will rely highly on the commitment of community leaders to assist and follow up the process at higher levels, which is time and energy consuming.

Responding to this issue, the City Planning Board has put a lot of efforts to assist community-based proposals into the final stage of planning and implementation by emphasising programs and projects submitted by sectoral departments to include locations of proposed developments. However, the inclusion of community proposals within the formal plan is highly relied on the government decision at this stage.

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3 Infrastructure sector includes sub-sectors under management of city departments of public works, environmental board, tourism and culture, waste management and funeral, city management, transport, security and amenity. General sectors under management city departments which are responsible to administrative and legal matters within city government as well as civil administrative affairs. Economy sector includes sectors under the management of City Planning Board, Treasury Board, departments of agriculture, trade, industry and cooperation, City Revenues, Fishery and Maritime, Food and Training. Health sector is an independent sector.

4 Extracted from City Government of Jayapura-Annual City Programs and Budget, Bappeda Kota Jayapura, 2008-2012.

5 Verbal communication with Bappeda Kota Jayapura, 2014.

6 Authors’ individual observation, 2003-2011.
Formal arrangements take place citywide, primarily in the planned area. Thus the results will be benefited mainly to the inhabitants in the planned area and least for those who live outside the designated area. In addition, formal development covers a wide range of development scales with a specific formal procurement procedure. Consequently, an opportunity to access the mechanisms will be restricted the formal development and consulting groups, rather than those who work in informal sectors. Commissioned and private development in Jayapura becomes problematic in cases where the native Port Numbay community is not involved in the procurement as well as the process of land release. In this case, the community will appeal for compensation upon the use of customary land when the development commences. Such unclear related regulations regarding land release and compensation have worsened the situation and often make the development stage becomes difficult to manage. Informal development of urban service and infrastructure, on the other hand, is poorly supported by the government. In addition, the contribution of informal arrangement in overall city development remains neglected and unrecorded. Government intervention to support informal activities has been specifically targeted to Papuans rather than the overall population living in informal settlements. Since the government accommodates programs and projects mainly in the planned area, people in the unplanned areas have continuously adapted to this exclusion by arrangements that are feasible for them in order to fulfil their needs. This is initiated by a surviving effort from the development exclusion, which is reshaped and refined according to their ability to upgrade the quality of built urban services and infrastructure.

Self-help mechanisms flourish in informal settlements in Jayapura City, reflecting how the inhabitants continually adapt to the environment, regardless of support from the government. Within this setting, informal arrangements have been complementary as well as supplementary to the formal governance in fulfilling the basic needs of the urban population in Jayapura City. Informal arrangements take a less rigid structures and are more flexible in terms of recruitment of the actors involved. It is common that development leaders are persons who are considered as elders in the community. There is no specific job description among members in the informal structures as the main concern is their contribution and involvement in the development. Decision about development design and budget is a result of discussion or consultation among individuals or group members, mainly using traditional rules and values. Several significant characteristics of development based on informal arrangement are the efficient use of space, low price materials and simple design. In contrast with formal arrangements, land release rarely hinders the informal development. Such an informal agreement between the customary land owners—Port Numbay clans and the users is commonly utilised to access the land. This includes a mutual arrangement in obtaining benefits of the designated development and types of sharing provided by the users. Since the agreements are less formal, they become more flexible to accommodate further amendments and consequently reduce disputes over the use of the land.

Widely established in Jayapura, hybrid governance has been a reflection of government efforts to tolerate the rise of urban informality. For example, this arrangement takes place in both planned and unplanned areas, depends on the availability of land provided by the community. In terms of development types, it varies from basic urban service and infrastructure to urban economy. The development has various scales, and depends on the community’s needs. Shared governance such as the scheme conducted by PNPM usually modifies the processes conducted in the formal development, being flexible in terms of development procedures and the capacity of community involved. Based on the discussion above, it is clear that urban governance in Jayapura shows a complex structure of formal, informal and hybrid arrangements covering various features including access enabled, types of development, stakeholders involved as well the area of influence (see Table 1). It also confirms that contemporary cities in developing countries are developed by myriad mechanisms which are complementary and supplementary to each other in order to fulfil the needs of the varying inhabitants.
**CONCLUSION**

Urban growth in Jayapura City mirrors major trends occurring in many developing countries: the incapability of government to provide adequate levels of services by utilising western formal systems, plus the evolution of urban informality as a major mode of urban development. In addition, ongoing urban growth demonstrates how governance in Jayapura has been adjusting to a broader definition which accommodates additional groups and individuals from different backgrounds. Collectively, these contribute and interact in managing urban development by taking on varying forms of formal, informal and hybrid arrangements.

It is also evident that 'one size fits all' project and programmatic approach has resulted in varying development outcomes in addressing public needs. Urban service and infrastructure provided by the formal system is restricted in meeting the needs of people who live in formally ‘planned’ areas and has excluded those who live in the ‘unplanned’ area. This exclusion and the processes that underpin it have led the latter to develop self-help mechanisms outside the former system in fulfilling their basic needs. This has resulted in development which is considered by the formal system and the people and organisations that support it as “below the standard”. Nevertheless, there are cases where boundaries between formal and informal arrangements often become blurred as both sides attempt to tolerate and or adapt to each other in order to achieve their development objectives. Thus, maintaining the current dichotomy between formal and informal governance will result in the further embedding the urban divide rather than achieving even and fairer distribution of development benefits and outcomes.

In response to above settings, a better understanding of the myriad of mechanisms applied outside the western formal system of urban governance in developing countries is crucial. This includes an elaboration of how the formal processes have contributed to establishing major city infrastructure as well as how informal mechanisms have filled the gaps in building the city. Furthermore, a shift in discussion on the dynamics of urban informality from being negative and illegitimate to being neutral, tolerable and rich in lived experience is important since it explains mechanisms which are not only produced by the formal system, but also developed from adaptive mechanisms. Thus, acknowledging and mainstreaming various arrangements in managing urban development will provide a broader and flexible options for government and the community to improve the basic urban service provision.

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**Table 1. Features of Formal, Informal and Hybrid Governance in Jayapura. Source: Authors, 2014.**

<table>
<thead>
<tr>
<th>FEATURES</th>
<th>FORMAL</th>
<th>GOVERNANCE</th>
<th>HYBRID/SHARED</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACCESS ENABLED</td>
<td>Land, Jobs, Education, Health, Housing, Infrastructure</td>
<td>Land, Informal Jobs, Housing</td>
<td>Infrastructure, Empowerment,</td>
</tr>
<tr>
<td>TYPES OF DEVELOPMENT</td>
<td>Commissioned government projects, private housing and commercial building, large scale infrastructure</td>
<td>Informal Housing, urban basic services, gardens, street market</td>
<td>Small scale infrastructure and urban basic services</td>
</tr>
<tr>
<td>STAKEHOLDERS</td>
<td>Government, MPs, private sectors, local community leaders (Port Numbay)</td>
<td>Individuals, community leaders (Port Numbay, Migrants Papuan/Non-Papuan)</td>
<td>Government, NGOs, Community leaders</td>
</tr>
<tr>
<td>AREAS OF INFLUENCE</td>
<td>Citywide, Planned Areas (Least priority for unplanned area)</td>
<td>Enclaves, Unplanned Areas which are not covered by formal government projects.</td>
<td>Both planned and unplanned areas which are not covered by formal government projects.</td>
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**BIBLIOGRAPHY BOOKS**

**BOOK CHAPTERS**

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