NATIONAL URBAN POLICY PROGRAME IN I. R. IRAN

NATIONAL URBAN POLICY AND SMART CITY STRATEGY DOCUMENT

Summary Report

August 2022

National Urban Policy Programme

Developing National Urban Policy and Smart City Strategy in I.R. Iran

National Urban Policy and Smart City Strategy Document

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INTRODUCTION AND BACKGROUND

The current rate of urbanization will see 5.17 billion people living in urban areas by 2030. Urbanization has many features that can be leveraged to improve the livelihoods of all citizens – rural, peri-urban and urban. A National Urban Policy (NUP) is an important tool for governments that seek to manage and direct rapid urbanization, and to tap into urbanization's positive effects while accommodating its inevitable stresses.

Urban and regional planning in Iran aims at promoting more productive, inclusive, sustainable and resilient urban development in the long term. In this regard, National Urban Policy programme (NUPP) in I. R. Iran can help establishing a framework for the overall process of urbanisation of the country. NUPP also promotes consolidating and sharing knowledge on urban policy at the global level. It is a tool for implementation and monitoring of global urban agendas, such as the New Urban Agenda, Paris Agreement, and Sendai Framework.

1. NUP DEFINITION AND FRAMEWORK

The pilot phase of the National Urban Policy Programme (NUPP): "Developing NUP and Smart City Strategies in I.R. Iran" started in 2017 in collaboration between UN-Habitat and Republic of Korea. In the first step, the "Diagnosis Report" was prepared and launched in December 2018. In the next step of NUPP, by receiving the approval of the Project Document and preparation of the Inception Report, preparation of the National Urban Policy and Smart City Strategy document was pursued as part of the joint programme of the UN-Habitat and the Ministry of Roads and Urban Development (MoRUD) and other partners and stakeholders, and ultimately, "the National Urban Policy and Smart City Strategy Document" was delivered in March 2022. Three main accomplishments expected from the pilot phase of the National Urban Policy Programme includes:

> 1. Enhanced capacity of sub-national and national governments in the three pilot countries to develop, implement, and monitor and evaluate national urban policy and develop smart city strategies.
> 2. Increased centralization of knowledge and tools on the development, implementation, and monitoring and evaluation of urban policy and smart city strategies.
> 3. Augmented opportunity for knowledge sharing and peer learning activities on urban policy and smart city strategies.

Moreover, NUP addresses these following issues in Iran:

- Lack of communication and inconsistency between the national and local levels,
- Absence of integrated planning in the urban management system,
- Poor understanding of the concerns and interests of stakeholders, beneficiaries and related end users,
- Lack of public participation in urban planning,
- Inefficiency of some urban planning laws, rules and regulations,
- Lack of inter organizational relationship,

NUPP in I.R. Iran seeks to contribute to a larger response to urbanization and its emerging challenges, while also consolidating and sharing knowledge on urban policy at the global level.

2. FORMULATION PROCESS AND METHODOLOGY

This research employs a mixed method to develop the national urban policies in Iran; accordingly, the research is the qualitative type with an exploratory approach in response to the question of "what are policies and strategies" and is simultaneously quantitative in response to the question of prioritization of proposed policies. Considering that the output of the qualitative part of the research is the input of its quantitative part (prioritization), so among the various mixed method research, this project uses the exploratory mixed-method approach, in which first the qualitative research and then Quantitative research is done.

For this purpose, the thematic analysis strategy is used in the qualitative part. After identifying urban policies and smart city strategies based on the qualitative research, the quantitative content analysis method based on the abundance of frequent themes in the qualitative analysis phase is used to prioritize the identified policies or strategies. The following steps were taken based on the defined process to develop I.R. Iran NUP (Figure 1).
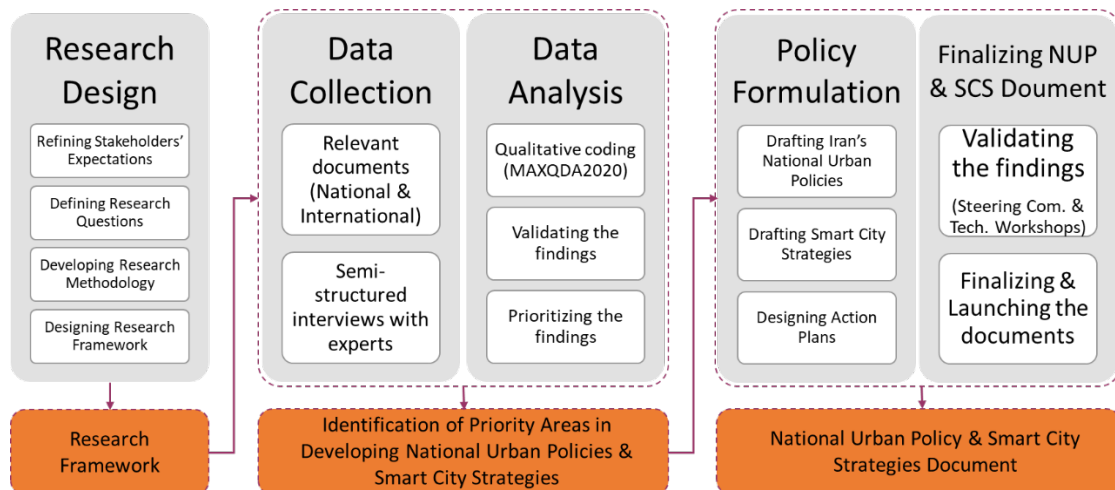

Figure 1 I.R. Iran NUP Formulation Process

In order to develop the National Urban Policy and Smart City Strategy Document, seven reports have been produced during the process which include:

- Research methodology
- urban policy in I.R. Iran
- Review and analysis of national and transnational documents, regulations and laws on urban planning in I.R. Iran
- review and analysis of the content of interviews with urban planning and policy experts
- review and analysis of national and transnational documents on smart city development
- review and analysis of the content of interviews with smart city experts
- smart city strategic plan

The Conceptual Framework of the study can be divided as two following parts:

a) NUP conceptual framework

According to the definition of NUP, UN-Habitat has prepared a guiding framework for the NUP formation and has defined six themes under the concept of NUP including: urban governance, spatial sustainability, financial sustainability, Economic sustainability, social sustainability and environmental sustainability. It is necessary to emphasize that the aforementioned themes can be customized according to the context and conditions of countries.

b) Conceptual framework for Iran NUPP from the perspective of the urban policy-making process

1. **Main urban problems of Iran**: Since public policy-making is a problem-oriented knowledge, the starting point in urban policy-making in Iran is to identify and prioritize the main urban issues and problems.

2. **Policy goals and Objectives**: Each policy takes steps towards achieving goals and objectives that are usually based on upstream documents governing urban policy as well as national and transnational documented laws and procedures.

3. **Policy implementation and its instruments**: Policies are implemented with three general approaches: top-down (by the central/local government to the citizens), bottom-up (by involving citizens), or a combination. Among these, some of the most important policy instruments are the direct provision of services by the government, building infrastructure, equipment, or facilities required by the government, collection of taxes, fines or levies, granting of loans and banking facilities, setting rules and regulations, services Insurance, providing financial and non-financial incentives, imposing sanctions and restrictions, training and capacity building of the audience, etc. These instruments can be classified into a spectrum from coercive to voluntary instruments.

4. **Causal model of achieving outputs and impacts**: One of the important components of policy design is a causal model or chain of urban problems towards policies and ultimately the outputs and effects/impacts of the policy.

5. **Policy Timing**: The required time period for policy implementation can be divided to three types: short-term (less than three year); mid-term (between three to five years) or finally long term (more than five years).

6. **Actors**: Various classifications are presented to distinguish the types of actors influencing the public policy process, here, which are to be divided into actors: actors in charge or responsible for the policy and other influential actors in the policy-making process.

7. **Smart City Considerations**: The smart city approach is not separate from the design of urban policy, but has integrated considerations in all urban policies.

Table 1 reflects the general framework for the formation of Iran's national urban policies in terms of public policy knowledge.

Table 1 The general framework for the formation of policies and action plans

Problem #		
Priority		
Some Evidence		
Related Documents		
Policy Goal		
Policy Objectives		
NUP	SUB_POLICIES	
NUP #		
Policy Instruments		
Policy Timing: (years)		
Policy Evaluation Criteria	Output:	Impact and Effect:
Policy Implementation	Corresponding Actor(s):	Influent Actor(s):
Smart City Considerations		

3. IRAN URBAN PROFILE

Iran NUP aims at addressing the challenges and harnessing the opportunities of urbanization and proposing effective policies to move towards sustainable urban development in the country. Therefore, the demographic dynamics and urbanization process in Iran including the population status, distribution and density of the population across the country as well as the urbanization rate, and immigration trends are critical factors that should be taken into considerations. The following items provide a brief overview of Iran urban profile.

• **Growing population**: The population of Iran is about 85 million people, with 75% and 25% percent of the population living in urban and rural areas, respectively.
• Polarized urbanization: Urban distribution is not balanced nationwide; in provinces such as Qom and Tehran, more than 90% of the population live in the cities, while this proportion is less than 50% in the province of Sistan and Baluchestan.
• **Imbalanced urban distribution**: Eight metropolitan areas of Tehran, Mashhad, Isfahan, Karaj, Shiraz, Tabriz, Qom and Ahvaz, each with a population of more than one million, contain 35% of the Iranian urban population (equal to 25% of total population).
• **Aging population**: Due to the decline in fertility, the aging index of the country shows a relatively rapid increase since 1996, and the middle age group will dominate Iran's population in the future.
• **Increased internal migration**: The level of development of origin is the main factor in population migration, and therefore, in provinces with higher levels of development, urbanization and immigration rates are higher (61 per cent of the provinces of the country are sending migrants)
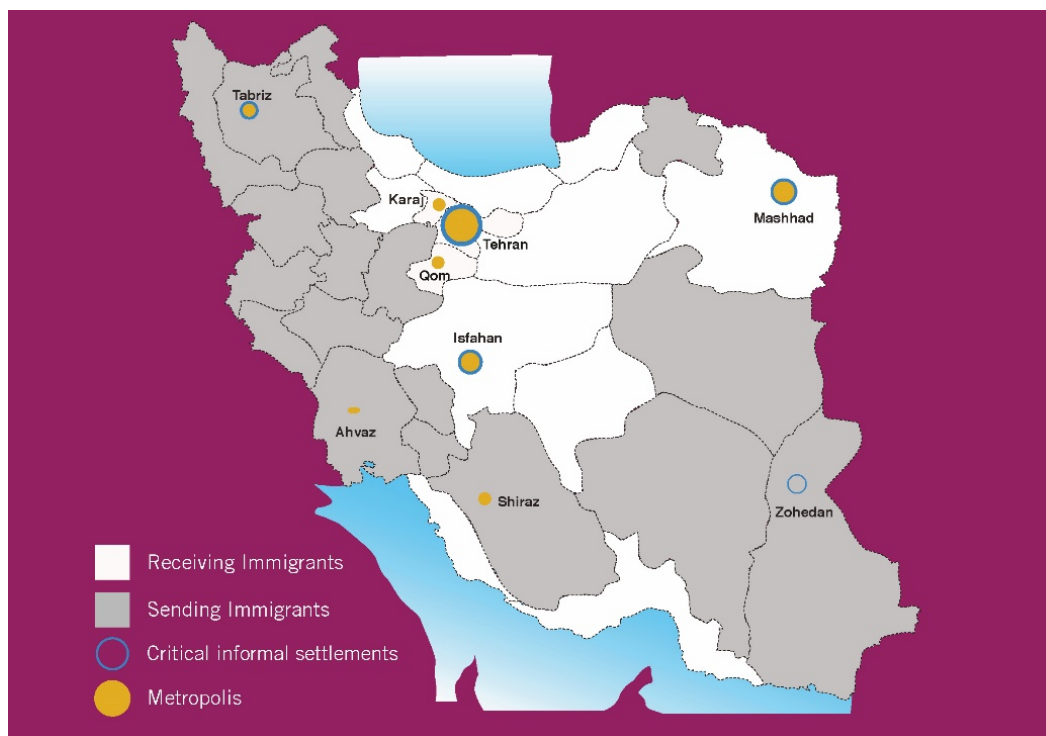
Figure 2 Urban dynamics of I.R. Iran

4. IDENTIFICATION AND PRIORITIZATION OF THEMATIC AREAS IN DEVELOPING I.R. IRAN NUP

The main priority areas in urban policymaking in Iran are identified through analysing the content of the most important national and transnational documents (thirty-three documents) relevant to Iran's urban planning conditions and interviews by Iranian urban planning and policy experts. The results of the data analysis introduce thirteen themes as the main policymaking themes in formulating Iran NUP. The themes are as follows:

- System of cities in the country and planning for a balanced network of cities
- Promoting integrated approach in urban management
- Reforming the hierarchical system of urban programs and plans
- Updating the laws and regulation of land management and land tenure
- Identifying the sustainable revenue sources for municipalities
- Defining the metropolitan scale in the urban governance system of Iran
- Defining the role and function of new towns in the system of Iranian cities
- Providing adequate housing for all citizens
- Reducing urban poverty and regional inequalities and organizing the informal settlements
- Preparing climate change adaptation plans
- Promoting sustainable water resource management based on the long-term planning approach
- Improving the health of all citizens
- Promoting public participation in urban development programmes and plans

In order to prioritize these thirteen factors, the quantitative content analysis method based on the abundance of frequent themes in the qualitative analysis phase is used. The result of prioritizing is reflected in Table 2.

Table 2 Weight and ranking of factors (in order of priority)

Rank	Factors	Abundance of basic themes	Abundance of basic codes
1	Creating institutional cohesion and integrated urban management	24	100
2	Reforming the hierarchical system of urban programs and plans	21	83
3	Citizen participation in urban policy making	11	60
4	Adaptation to climate change	16	51
5	Suitable housing for everyone	20	43
6	Sustainable balanced national urban system	17	42
7	Urban land management	5	31
8	Financial Sustainability of Local Governments (municipalities)	8	29
9	Organizing and empowering informal settlements	10	24
10	Lack of suburban, metropolitan and regional governance system	6	24
11	Sustainable management of water resources based on long-term planning	6	19
12	Defining the role and function for the new towns of the country	3	8
13	Promoting the health of citizens to achieve the healthy cities	2	5

5. NUP GOALS AND OBJECTIVES

UN-habitat (2019) classifies NUP issues into six building blocks including urban governance, spatial sustainability, financial sustainability, economic sustainability, social sustainability and environmental sustainability. Figure 3 shows how I.R. Iran NUP goals are interlinked with these building blocks.
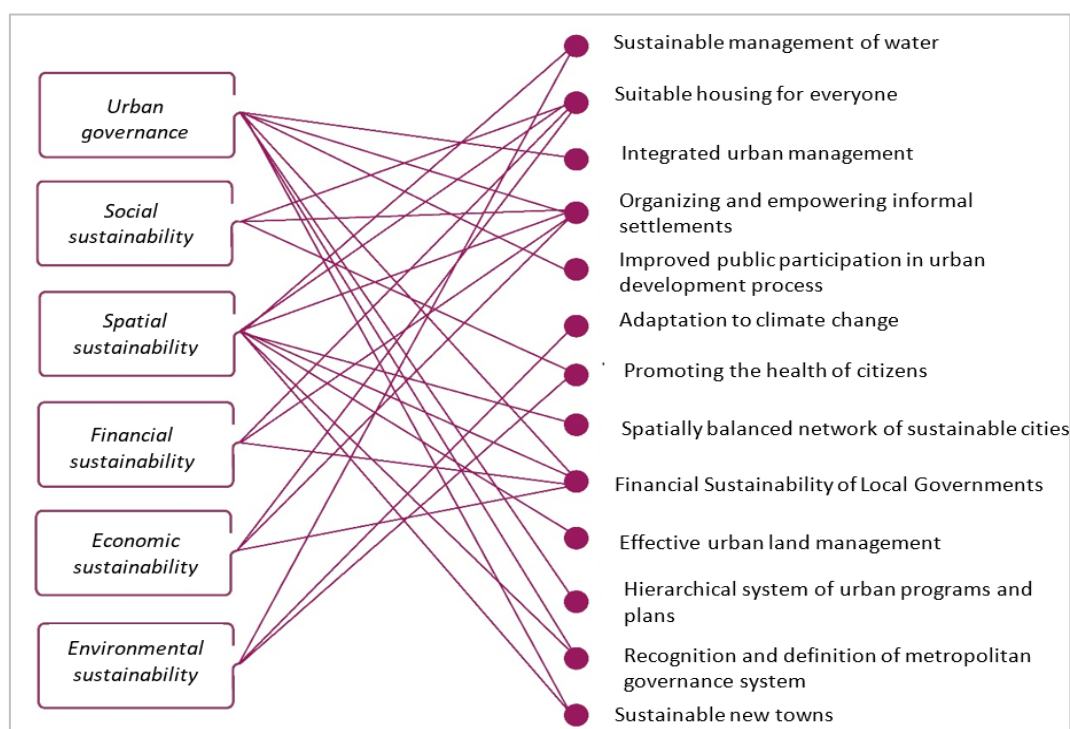

Figure 3 NUP building blocks and their connection to policymaking priorities in I.R. Iran

Table 3 Goals and Objectives of I.R. Iran NUP

Goals		Objectives
G1	Integrated Urban Management	O11: Enabling effective legal and regulatory frameworks in urban management O12: Enabling effective institutional frameworks in various levels of urban management (community to regional levels)
G2	Modified Urban and Regional Planning System	O21: Development of an updated reference framework for urban and regional planning process of the country O22: Improved position of urban planners in occupational, legal and regulatory aspects in the urban development system
G3	Improved public participation in urban development process	O31: Facilitating and diversifying the means of public participation O32: Enhancing the spirit of demanding within the community and mutual trust between the citizens and the local government O33: Open access to the cities' development plans and programme
G4	Adaptation to climate change	O41: Building resilient communities O42: Increased public awareness about climate change and its impact on urban life O43: Improved international cooperation to address the environmental problems
G5	Affordable and adequate Housing for all	O51: Achieving balanced housing market O52: Providing affordable housing for all O53: Promoting sustainable housing design and construction
G6	A spatially balanced network of sustainable cities across the country	O61: Multi-level balanced network of urban settlements O62: Development of a network of high-quality public spaces in cities O63: Decentralized and de-intensification of Tehran (and other metropolises)
G7	Effective land governance system	O71: Enabling legal frameworks on sustainable urban land management O72: Enabling legal frameworks on land-based financial resources Security of Tenure O73: Providing equitable access to suitable land for housing and urban development
G8	Financial sustainability of urban economy, municipalities and local governments	O81: Developing competitive, prosperous and innovative urban economy O82: Enabling effective legal and regulatory frameworks for municipalities to sustain their financial revenue sources O83: Technical readiness of municipalities to sustain their financial revenue sources
G9	Reduced urban inequalities and empowered informal settlements	O91: Reduced spatial inequality and urban poverty in different parts of the country O92: Preventing the further growth of informal settlements O93: Improved life conditions in informal settlements and dysfunctional urban areas
G10	Recognition and definition of metropolitan governance system	O101. Enabling effective legal frameworks with regard to metropolitan governance O102. Enabling efficient institutional frameworks with regard to metropolitan governance
G11	Sustainability of water resources	O111: Establishment of Integrated Urban Water Resources Management system O112: Integrating Water-Smart City strategies in urban development programmes and plans O113: Increased public awareness about sustainable water consumption
G12	Sustainable new towns	O121: Defined role of new towns in the Iranian cities' network O122: Improvement of liveability, identity and sense of community in new towns
G13	Improve the health of citizens	O131: Building healthy cities and communities O132: Building capacity through research and evaluation of health inequalities in human settlements

6. NATIONAL URBAN POLICIES

Accordingly, the following policies are developed in response to the main policy priority areas identified throughout the formulation process:

NUP1: Transition to a coherent and integrated urban governance system,

NUP2: Developing an integrated framework for the urban and regional planning system in Iran,

NUP3: Enhancing public participation at different levels of government (from local to national),

NUP4: Employing effective measures to foster climate change mitigation and adaptation,

NUP5: Revision of housing planning system for a balanced housing market that leads to affordable and adequate housing for all,

NUP6: Spatial planning for a balanced network of sustainable cities,

NUP7: Developing an effective urban land management system,

NUP8: Improving the urban economy and ensuring sustainable revenue sources for municipalities,

NUP9: Preventing the expansion of informal settlements and upgrading the quality of life in vulnerable urban areas,

NUP10: Defining the metropolitan areas concept in Iran's urban planning and governance system,

NUP11: Transition towards Water Sensitive Urban Development through an Integrated Water Resource Management (IWRM) approach,

NUP12: Rethinking the role of new towns as economic eco-smart cities,

NUP13: Taking into consideration the health and well-being of citizens in urban development.

7. SMART CITY STRATEGIES

To prepare the I.R. Iran's Smart City strategic plan, within the framework of Iran's Urban National Policy methodology, the existing international and national documents and resources related to Smart City development have been reviewed. International Smart City policy documents published by organizations such as United Nations Economic Commission for Europe (UNECE) and Organisation for Economic Co-operation and Development (OECD) have provided a global understanding of Smart City developments. On the other hand, reviewing the documents related to Iran has given a good representation of the Smart City policymaking status in the country. In addition, conducting interviews with experts and managers experienced and specialized in the field of Iran's smart development, and holding workshops and focus groups consisting of countries' Smart City stakeholders and authorities have clarified and deepened knowledge of the I.R. Iran's Smart City development current situation. Adapting the Smart City development policy dimensions with the urban policies of the country, the I.R. Iran's Smart City strategic plan has been compiled in the end. The following diagram illustrates the preparation process of the project (Figure 4).
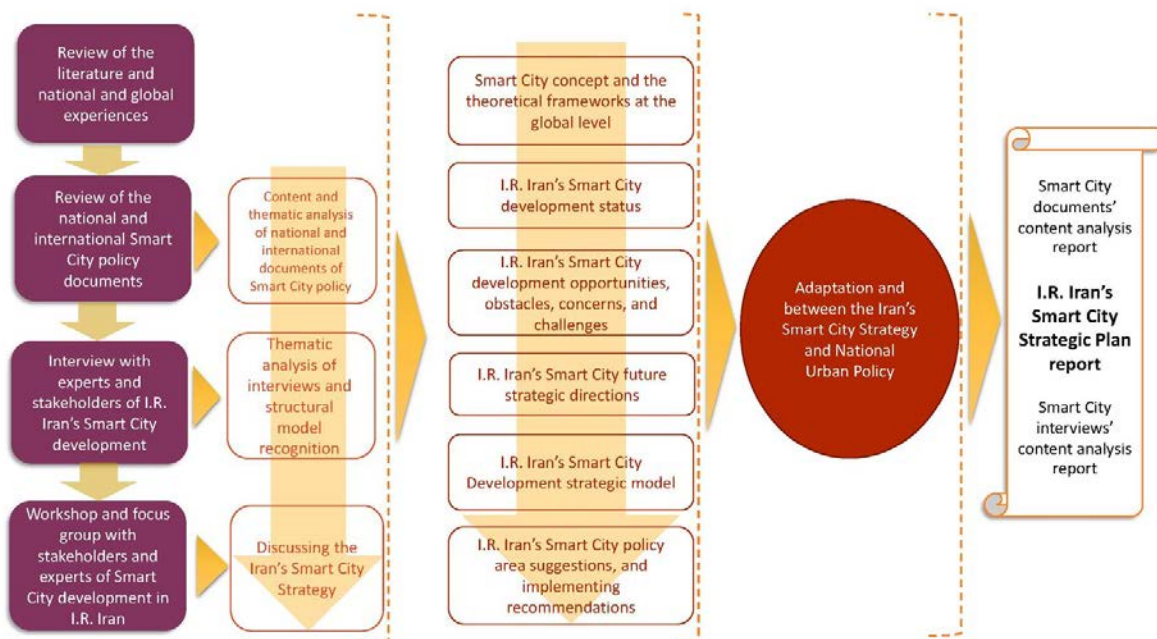
Figure 4 The compiling process of the I.R. Iran's Smart City strategic plan

The strategic Smart City model for I.R. Iran

From a methodological point of view, the smart city development model has been developed by relying on the interpretive structural qualitative method (ISM). Based on the results obtained by studying the documents and interviews, the causal relationship and prioritizing model factors were carried out. Moreover, policy Suggestions for the smart city strategy development include:

Participation: Establish communication between the institutions, the planner and attract the participation of the people

Urban Governance and Management: Specialization and use of new technologies, cross-sectoral cooperation, using advanced technologies

Strategy, Policy-making & Flexibility: Awareness of the latest technical and professional achievements, use of serious techniques and related developments, specialized retraining

Economy & Investment: Paying attention to urban awareness programs and paving the way for the use of advanced economic models and moderation

Digital Gap: Balancing access to services for different population groups and different social and economic sectors

Sustainable & Resilient Development: Create a certain level of knowledge and skills, increase the speed of receiving answers to problems

Energy & Environment: Preservation of the environment by sustainable principles and coordination with the goals of global sustainable development

Urbanization Challenges: Access to statistics and information and dynamic maps and awareness of the latest changes in natural, social and economic fields in various sectors

Geography, Urbanism & New Developments: Establishment of technical and engineering equipment, wide smart management domains, thoughtful and smart urban planning also based on

related environmental, social, economic, and physical protections

General Infrastructure: Equipping cities with advanced and creative public infrastructure and infrastructure in line with capacity and foresight

Innovation, Technology, Research & Development: Further expansion and efficiency of research centers with the use of new smart technologies

Data & Transparency: More equipment and scope in creating data and statistical transparency and various rules and executive measures
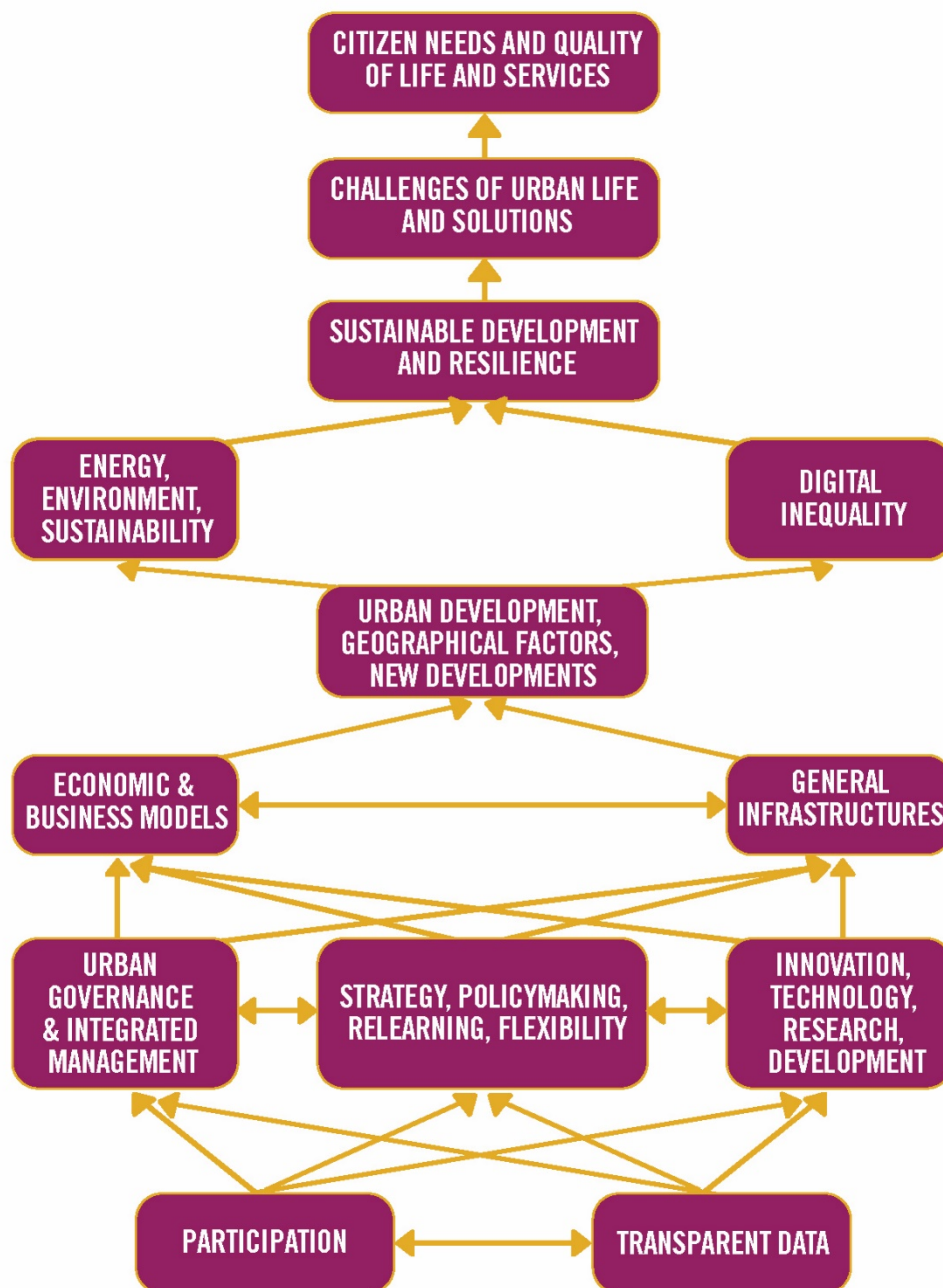

Figure 5 Proposed Smart City development model for the I.R. Iran

8. ACTION PLANS

As mentioned in the methodology section, the goals, objectives, and policies were formulated based on the developed framework for Iran's National Urban Policy. The developed strategies need some action plans to be implemented on the ground. That is why the National Urban Policy action plans are prepared and proposed. It will also be a way to ensure the realization of the policies. According to these explanations, each action plan provides the following information:

1. Priority or Ranks of the policy or related problem,
2. Policy timing: policy period type and the time required,
3. Policy instruments,
4. Policy actors, including corresponding actor and influent actor (s),
5. Policy evaluation criteria, which consist of policy outputs and policy impacts,
6. Geographic coverage, which can be from local to the national level,
7. Policy level that will be defined in governance (managerial or both governance and managerial Levels).

Table 4 provides the framework for the NUP action plans.

Table 4 Action plan framework developed for NUPs

NUP	Policy instruments	Policy actors (Corresponding Actor and Influent Actors)	Policy evaluation criteria		Policy timing		Coverage scale		Policy level	
			Policy outputs	Policy impacts	Long-term	Mid-term	National	Local	Governance	Managerial

It should be mentioned that the proposed action plans in the area of smart city are defined based on the 13 policies in National Urban Policy in I.R. Iran, and in this sense, it has been incorporated into the National Urban Policies.

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برنامه اسکان بشر ملل متحد در ایران

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وزارت راه و شهرسازی