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THE STATE OF ASIAN CITIES 2010/11



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CASE STUDIES

SLUM UPGRADING – ENGAGING AND SUPPORTING COMMUNITIES

Poor shelter conditions and lack of basic services are two of the defining features of slums, and therefore must feature prominently in any efforts to improve living conditions for slum dwellers as mandated under the Millennium Development Goals. Two instances of best practice show how public authorities, communities and business can together bring such improvements.

Cambodia's Urban Poor Development Fund

Since Cambodia's first democratic election in 1993, Phnom Penh has experienced extensive development, but commercial and public interests have remained on a collision course with the specific needs of the urban poor. As a result, the poor have been left worse off and struggling to secure a place in the aggressive commercialization of land markets.

In 1998, the Squatter and Urban Poor Federation together with other non-governmental organisations and the Phnom Penh municipality established the Urban Poor Development Fund to provide shelter loans to a specific community to support their relocation from a forthcoming inner-city development project. Since then, the Fund has diversified in response to other community needs. The Fund has supported the development of a new City Development Strategy, the basic principle of which was the vital need for a vision of the city's development that was shared between various stakeholders.

The Urban Poor Development Fund provides low-interest loans for housing, improved settlements and income generation for the benefit of those urban poor communities that are actively involved in a community savings process. Loans are made only to communities, not to individuals, through their savings groups. Besides providing a much-needed source of affordable credit, the Fund supports the poor in several ways: adding capital to community savings to help people overcome financial constraints, supporting community innovations in housing, settlement improvements as well as negotiated tenure formats that demonstrate fresh solutions and test new kinds of institutional set-ups.

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Sri Lanka's Community Contracts

Over the past two decades or so, community contracts have become a popular way of facilitating community participation in infrastructure provision. They were introduced by the National Housing Development Authority (NHDA) of Sri Lanka in 1987 to the satisfaction of slum communities, after the failure of the conventional competitive tender-contract system for the provision of infrastructure and services.

A community contract is a procurement system that involves residents in the planning and deployment of infrastructure in their own living environment. The format provides for a variety of issues such as form of contract, legal status, sharing costs, responsibilities, risks, penalties for non-fulfilment and performance monitoring.

Community contracting entails lower overheads than work by private construction firms and is therefore cheaper. On top of better transparency, community construction contracts are also easier and faster to process. Beyond a procurement mechanism for the provision of infrastructure to slums, community contracting empowers people as it gives them control over the local development process. They gain a sense of ownership and attachment to the facility, which automatically ensures long-term maintenance and sustainability.

6
5
4
3
2
1
0
(World Population in Billions)

1200

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Before the approach was introduced, the government would often provide facilities (such as public toilet blocks) to slum areas without community involvement. As a result, the facilities were in the wrong location, were not maintained by the community and quickly fell in disrepair. Moreover, the community felt that private contractors tended to do poor-quality work. As a result, municipal councils and non-governmental organisations have turned to Community Construction Contracts to extend infrastructure to slums.

Outside Colombo and Sri Lanka, the approach has been duplicated in Asia and the Pacific including in Cambodia, Mongolia and Timor-Leste. The International Labour Organization (ILO) has introduced the format in Africa (Tanzania).

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SLUM UPGRADING – HOW SOME ASIAN CITIES BEAT THE MILLENNIUM TARGET

Over the past 10 years or so, one-third of developing countries have managed to reduce the absolute and relative numbers of slum-dwellers among their populations, largely anticipating on the Millennium Development Target in terms of numbers (100 million for the developing world as a whole) and deadline (2020). How did they do it? Public authorities took the responsibility for slum reduction squarely on their shoulders, backing commitments with bold policy reforms, and preventing future slum growth with equitable planning and economic policies. More specifically, their success was based on five specific complementary approaches: (i) awareness and advocacy, (ii) long-term political commitment, (iii) policy reforms and institutional strengthening, (iv) proper implementation and monitoring, and (v) scaling up successful local projects.

As far as awareness and advocacy are concerned, Indonesia and Viet Nam have demonstrated the important role of proper monitoring systems and indicators to collect information and analyse trends. Advocacy also involves disseminating messages on improved conditions for slum dwellers, as exemplified by some cities in India. The latter country also stands out side by side with China and Turkey for long-term political commitment to slum reduction.

India and Indonesia rank among those countries that have shown the way for policy reform and institutional strengthening. This involves a wide range of well-coordinated policies, including land, housing and infrastructures in order to integrate large numbers of urban poor into cities' legal and social fabrics. Like Iran, the Philippines and Turkey, Indonesia has also looked beyond the housing sector and fought slums as part of broader-ranging poverty reduction strategies, with policies shifting from entitlement to co-participation.

Transparent and pro-poor policies must be backed up by adequate human and technical resources, as demonstrated by Indonesia and the Republic of Korea. Most importantly, as happened in China, Viet Nam and Sri Lanka, slum policy implementation must involve close coordination between central, regional and municipal authorities and the private sector. Cambodia and Thailand set themselves clear targets and benchmarks, and Indonesia resorted to results-based monitoring.

Replication and scaling-up of successful, local one-off or pilot slum-upgrading projects have served a number of countries well, including Sri Lanka and Indonesia. Upscaling can involve the private sector and civil society, as in Turkey. In China, huge public subsidies went into housing projects for the poorest.

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