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SEVENTH CONFERENCE ON HOUSING IN AFRICA

LA PIROGUE HOTEL, MAURITIUS
MARCH 30 – APRIL 3, 1981

AGENCY FOR INTERNATIONAL DEVELOPMENT

SEVENTH CONFERENCE ON HOUSING IN AFRICA

Sponsors: Government of Mauritius
United States Agency for International Development (Office of Housing)

Host: Government of Mauritius

March/April, 1981

UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C 20523

Seventh Conference
on
Housing in Africa

La Pirogue, Mauritius

March 30 - April 3, 1981

I am pleased to present the proceedings for the Seventh Conference on Housing in Africa. I am doubly pleased because this Conference marks a new phase in our series of African Conferences. While this year we continued to provide a forum for addressing the growing shelter needs of developing countries, we also began to look more closely at the related problems.

I believe we have come a long way since the first Conference on Housing was held in Abidjan, Ivory Coast, in 1973. Then we were intent on calling attention to the crisis in shelter many African countries were facing. We advocated low-cost solutions using a sites-and-services or squatter upgrading approach as the best way to supply the magnitude of response the problem required.

Since then the growing awareness of the shelter dilemma has encouraged many African nations to adopt a variety of projects, some of which we support through our Housing Guaranty Program. I believe we have all accomplished some part in bringing about this awareness. By our attendance at these Africa Conferences on Housing and at the more recent sub-regional conferences, we have succeeded in airing issues of concern to all who work in the field of shelter. Although much more discussion can yet take place, I believe we are all agreed that the growing need for shelter among our poorest population is one of the greatest problems we will have to face in this century.

The theme of this year's Conference was Implementation: Programs and Techniques presented in both plenary and discussion group sessions. The Conference attracted over 125 representatives from 20 countries and 6 international organizations. The high level of dialogue created and the many times we needed to extend discussion periods is evidence of the great interest we all had in reviewing these matters.

The A.I.D. Office of Housing was again pleased to co-sponsor the Conference on Housing in Africa. We would also like to thank the Government of Mauritius for their support, cooperation and very warm hospitality.

Peter M. Kimm
Director
Office of Housing

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CONFERENCE PROGRAM

SUNDAY, MARCH 29

1200 - 1800 Registration

1830 Cocktail Reception - La Pirogue Hotel
Hosted by:
Ministry of Housing, Lands and Town and Country Planning, Mauritius

MONDAY, MARCH 30

0830 - 1300 Late Registration

0900 - 1030 Opening Session

Hon. Eliezer Francois, Minister, Ministry of Housing, Lands and Town and Country Planning, Mauritius

Hon. S. Boolell, Minister, Ministry of Agriculture, Mauritius

Hon. Robert C. F. Gordon, U. S. Ambassador to Mauritius

Mr. Peter M. Kimm, Director, Office of Housing, U. S. Agency for International Development

1030 - 1100 Break

1100 - 1145 Plenary Session
Policy and Planning in Implementation

Mr. Robert N. Merrill, Vice President, Planning and Development Collaborative International

30 minute presentation
15 minute discussion

1145 - 1300 The Mauritius Experience
moderated by:

Mr. M. Toofany, Principal Assistant Secretary, Ministry of Housing, Lands and Town and Country Planning, Mauritius

1300 - 1430 Lunch
(Served at La Pirogue Hotel)

1430 - 1830 Free Time

1830 Punch Reception at La Pirogue followed by dinner at the hotel. Sega Show later in the first floor lounge.

TUESDAY, MARCH 31

0900 - 1030 Plenary Session
Implementation Planning Panel

Mr. Gibson Maina, Chief Housing Officer, Ministry of Urban Development and Housing, Kenya

Mr. Jacob Dogbeh, Managing Director, National Housing Authority - Liberia

Mr. Andalousi Ben Haddou, Project Director, M'SIK, Casablanca, Ministry of Housing and Urban Development, Morocco

15 minute presentation each
15 minute discussion each

1030 - 1100 Break

1100 - 1300 Discussion Groups (2 hours each)

The Market Survey--A Tool for Resolving Policy Questions and Determining Design Preferences, by Mr. Guy Danjoux, Chief Town and Country Planning Officer, Ministry of Housing, Lands and Town and Country Planning, Mauritius

Adapting a Parastatal for Financial Administration of Large, Low-Cost Shelter Projects, by Daniel Valadon, General Manager, Mauritius Housing Corporation, Mauritius

Relocation and Financing for the Poorest Urban Populations, by Noureddine Ben Salah, Enginner, Ministry of Housing, Tunisia

Construction Loans for New and Improved Shelter, by Alioune Khaly Ba, Director of Social Credit, National Bank of Development, Senegal

Building Material Loans: Machine Accounting and Loan/Store Management, by Ron Campbell, Housing Advisor, Self-Help Housing Agency, Selebi Phikwe Town Council (Foundation for Cooperative Housing); and Richard Makhwade, Under-Secretary, Urban Affairs (Head of Delegation), Ministry of Local Government and Lands, Botswana

Popular Participation in Self-Help Housing and Infrastructure Upgrading, by Stephen Mulenga, Training Coordinator, National Housing Authority, Zambia

Communication in On-site Construction Management, by Mohammed Bouabdallah, Director, Urban Upgrading Projects Municipality of Tunis, Tunisia

Effective Debt Collection and Management in Low-Cost Housing, by Jean Konan-Ferrand, Director General (Head of Delegation) Societé de Construction et de Gestion (SICOGI), Ivory Coast

PERUMNAS Indonesia Fast-Track Case Study, by Robert Merrill, Consultant, USAID, Washington, D. C., USA

1300 - 1400 Lunch
(Served at La Pirogue Hotel)

1400 - 1600 Field trip to proto-type and other sites. Please board the buses at the hotel entrance promptly at 1400 hours.

1830 Cocktail Reception
Hosted by:

Hon. Robert C. F. Gordon, U. S. Ambassador to Mauritius NOTE: Please board the buses at the hotel entrance promptly at 1745 hours for the ride to Ambassador Gordon's home.

WEDNESDAY, APRIL 1

0900 - 1000 <u>Plenary Session</u>

On-Site Implementation

Mr. James Upchurch, Low-Cost Housing Officer, Ministry of Local Governments, Botswana

30 minute presentation
30 minute discussion

1000 - 1100 Case Study

Mr. Joram M. L. Mghweno, Director, National Sites and Services Projects, Tanzania

30 minute presentation
30 minute discusssion

1100 - 1130 Break

1130 - 1300 Discussion Groups

(See listing for Tuesday)

1300 - 1430 Lunch
(Served at La Pirogue Hotel)

1600 - 1800 AID Panel On Implementation

Ms. Lee Dennison, Regional Housing Advisor, Office of Housing, Near East and North Africa

Ms. Pamela B. Hussey, Assistant Director, Office of Housing, East and Southern Africa

Mr. Albert N. Votaw, Assistant Director, Office of Housing, West Africa

15 minute presentation each
15 minute discussion each

1930 Cocktail Reception hosted by La Pirogue Hotel
Dinner to follow reception
(Reception only hosted by the hotel)

THURSDAY, APRIL 2

0900 - 1000 Plenary Session
Implementation of Occupancy Paper

Mr. Lloyd Morris, USAID Resident Technical Advisor - Kenya Housing Program

30 minute presentation
30 minute discussion

1000 - 1100 Case Study

Mr. Jean Konan-Ferrand, Director-General, SICOGI, Ivory Coast

30 minute presentation
30 minute discussion

1100 - 1130 Break

1130 - 1300 Discussion Groups

(See listing for Tuesday)

1300 - 1430 Lunch
(Served at La Pirogue Hotel)

1430 - 1900 Free Time

2000 Reception and Dinner
Queen Elizabeth College, Rosehill

Hosted by:

Hon. Eliezer Francois, Minister, Ministry of Housing, Lands and Town and Country Planning, Mauritius NOTE: Please board the buses at 1900 hours promptly at the entrance of the hotel.

FRIDAY, APRIL 3

0900 - 1030 Country Presentations and Summary Reports

Mr. M. Toofany, Principal Assistant Secretary, Ministry of Housing, Lands and Town and Country Planning, Mauritius

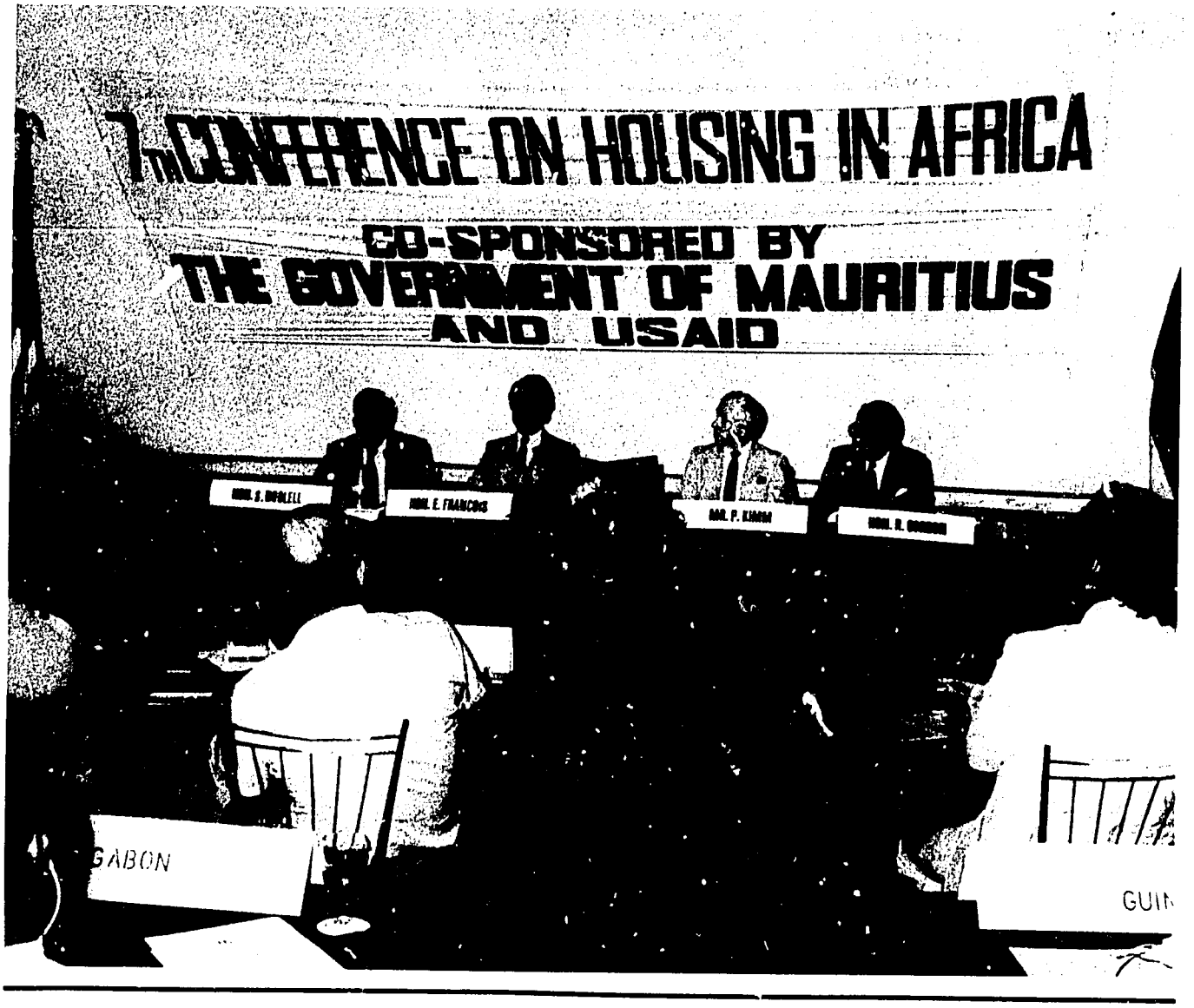
1030 - 1100 Break

1100 - 1300 Closing Ceremonies
presided by the co-chairmen

Hon. Eliezer Francois, Minister, Ministry of Housing, Lands and Town and Country Planning, Mauritius

Mr. Peter M. Kimm, Director, Office of Housing, U. S. Agency for International Development

1300 - 1400 Lunch
(Served at La Pirogue Hotel)



Official opening of the conference. From left to right: Honorable S. Booleil, Minister of Agriculture, Mauritius; Honorable Eliezer Francois, Minister of Housing, Mauritius; Mr. Peter Kimm, Director of Office of Housing, U.S. Agency for International Development; and Honorable Robert C. F. Gordon, U.S. Ambassador to Mauritius.

OPENING SESSION

Chairmen: Hon. Eliezer Francois, Minister, Ministry of Housing, Lands and Town and Country Planning, Mauritius

Mr. Peter M. Kimm, Director, Office of Housing, U. S. Agency for International Development

Participants: Mr. S. S. Boolell, Minister, Ministry of Agriculture, Mauritius

Hon. Eliezer Francois, Minister, Ministry of Housing, Lands and Town and Country Planning, Mauritius

Hon. Robert C. F. Gordon, U. S. Ambassador to Mauritius

WELCOMING REMARKS BY HONORABLE S. S. BOOLELL, MINISTER OF AGRICULTURE, NATURAL RESOURCES AND THE ENVIRONMENT OF MAURITIUS

On behalf of the Government of Mauritius, I welcome you most heartily to our country. The program which is well prepared by the Agency for International Development looks very heavy but I hope that you will find some time to combine business with pleasure. I can assure you that there are many beautiful sights of the country worth visiting. I am sure you will take particular interest in our achievements in the field of housing. I would not be surprised if you leave us saying that we do not have a problem of housing in Mauritius. Unfortunately, that is not so. We do have our own problems because we are in the endless process of improving the living conditions of every citizen. There are many factors which cause a strain on our efforts in housing. First and foremost we are in a cyclone-prone area and every now and then nature manifests its fury causing havoc to our economy and especially to our inhabitants.

Our society has evolved very fast, and we do the very best infrastructure and services. What you can see today is the result of 30-40 years of continuous efforts. Starting with the colonial days, we have created the Central Housing Authority and the Mauritius Housing Corporation to cater to public housing programs. Legislation was introduced to enable housing to be properly planned and designed. Twenty years ago you would have seen a completely different landscape altogether, both urban and rural. Indeed in 1960, a cyclone, the devasting effects which are still vivid in the minds of every Mauritian, hit us so hard that nearly half of the housing was destroyed. With the newly created Central Housing Authority, we embarked on a reconstruction program which has as a target the construction of some 40,000 houses for low-income families, victims of the cyclone, a program which by our standards was quite an ambitious venture. We also, for the first time, started thinking of the use of materials. The impact of the cyclone was so great that building elements like timber and pine sheets gave way to the more permanent type of materials like concrete and flue walls.

In addition to the public sector program, the Mauritius Housing Corporation has played a very important role in promoting private sector housing by performing with the Building Society and promoting housing development. Initially, it catered to the middle and upper middle income groups but gradually extended its activities to all economic strata of the society and when, in the early 1970s, we thought we were gradually coming to the situation of meeting sufficiency in both quantitative and qualitative terms, another cyclone struck in 1975 to destroy fewer houses than in the 1960 cyclone, but nevertheless, damaging a sufficient level of the stock to force us to embark another post-cyclone reconstruction scheme. So again, we had to start the ball rolling. Government this time set its target on the replacement of 10,000 housing units destroyed by the 1975 cyclone for the rehousing of the victims. You will probably learn more of this program during your stay here. It suffices to say here that my colleague, the Minister of Housing, who took office shortly after the 1975 cyclone struck, has spared no effort in seeing that this program is implemented effectively. We have been subsidizing heavily the post-cyclone construction.

As the project evolved during the 1970s, we took consciousness of the vulnerability of our economy to inflation. In spite of all forecasts, planning and programming were compelled to divert resources from other sectors into housing. We felt that we would find it difficult to solve the problems with our own resources, and we decided a few years ago to solicit assistance from international organizations like the U. S. Agency for International Development, the European Development Fund and the World Bank. It would not be improper here to point out that AID has helped us tremendously to shape our housing policies, particularly for the low-income sector of the population. On our behalf, it carried out a survey which resulted in an indication of needs and defects and the concept of core housing and service plots. It also pointed out that subsidy in the housing sector was detrimental to the emergence of a valid housing policy and advocated the preparation of projects on full-cost recovery. Other funding

agencies like the European Development Fund and the World Bank have been advising on similar lines with a systems and cost recovery for all investment in housing.

What lies ahead now? Well, my colleague, the Minister of Housing, will no doubt tell us that the government has not been very generous with him, and this is so, sometimes, and that it could do more with more funds at its disposal. Others will say that we are already investing too much in housing. Last year 31% of gross domestic fixed capital formation was spent on residential building, and this figure is, I am told, very much on the high side for a developing country. Unfortunately, our government, as elsewhere, never has enough resources to distribute to all projects and the share of housing has to be accommodated with the other priorities of the country. Still the provision of adequate shelter for the population will always remain a legitimate aspiration of the people and the government will continue its involvement in the housing sector. I understand that the main theme of the conference will be on the implementation aspects of low-income group housing. I hope that all the participants, including the Mauritian delegates, will have the opportunity to share their experience on the subject, which experience, I trust, will be useful to all of us in the present and future task of promoting better human settlements in our respective countries.

May I take this opportunity to thank the U. S. Government and the U. S. Agency for International Development for having done us the great honor of holding this conference in our country. Once more let me reiterate my wishes for a happy stay to all the delegates present. I now have the pleasure of declaring this conference open. Thank you very much.

WELCOMING SPEECH BY HON. ELIEZER FRANCOIS, MINISTER OF HOUSING, LAND AND TOWN AND COUNTRY PLANNING, MAURITIUS

It is a great privilege for me to chair an international meeting on housing, particularly when it is held in my own country. Over the last four years, my involvement in this area has brought me very close to the day-to-day problems of the society, the policy formulation on a national scale and the international efforts to solve the problem of human settlements. But still I would like you to pay some special attention to the Mauritian experience.

A new emerging country, small in size, Mauritius is a very complex society. Many races from all continents, many religions from east and west, live together harmoniously in peace and tolerance. The democratic way of government at central and regional levels and the free press enjoyed by the Mauritians increase their awareness of their needs. Their pressure on the housing sector is very exacting, and I believe that the achievements and nonachievements can widen the experience of many of the delegates to this conference.

Each of us represents some part of the continent of Africa to which we proudly belong. It is very much in the limelight today. Unfortunately, most of the events we hear of daily refer to calamities and wars, frictions and revolts. There are a multitude of reasons which have lead to this situation and this is not the forum for discussing them, but solutions to human problems can always be found through good will, cooperation and understanding.

I am happy to be able to say so at the chair of such an important meeting of high-level representatives of African countries. Our field of activities relates to providing decent living conditions to our countrymen. It is a noble task which we are proud to perform. There are, and always will remain, innumerable obstacles in our way. The most common ones we hear of are the lack of financial resources, expertise, alternative materials, research and proper education. Our task is to find the solutions. We must first and foremost look for them in our countries in relation to our other needs. However, it is gratifying to note that friendly countries and international bodies are prepared to give us assistance in various forms in the housing sector. Here I am thinking particularly of the World Bank, the United Nations Center for Human Settlements, the European Development Fund and the United States Agency for International Development. Their help has taken many forms with unpleasant strings attached. We must admit, however, that the situation would have been far worse for us without them. A typical form of assistance is the organization of this type of conference. All of us are trying to surmount the difficulties in our own ways, but if we know how somebody else has gone over similar hurdles, our task becomes easier. This conference is, therefore, aimed at giving us the opportunity of speaking, listening and discussing our various problems.

Our theme this week will be policy planning and implementation. Generally speaking, this is where the irritating delays and problems arise. Let us, therefore, take this opportunity offered to us by AID to share our achievements and problems, our joys and sorrows. This must be the occasion for us to increase our awareness of the needs of our people to a decent standard of living and to go back home with a firm intention of proposing solutions as a result of the discussions to be held here.

No word would be strong enough to express our gratitude to AID for giving us this opportunity to meet one another in the best possible circumstances. I know personally, that the U. S. Ambassador and the AID officials have spared no effort to that end. We should be particularly grateful to them for having selected this charming place as the venue. Let us then meet their expectations. Let us enrich ourselves with the results of one another's efforts for the benefit and happiness of our poor people. Because the more we give of happiness the less are the chances of strife and wars. If we succeed in our sector, that is housing, we will be justified in feeling the pride in having done our share towards our countrymen.

OPENING REMARKS BY Hon. Robert C. F. Gordon, U. S Ambassador to Mauritius

It is a real pleasure for me to be here this morning. It seems that it was just three or four days ago, though it has been several months when I was first approached about the possibility of holding this conference, and it is a real pleasure to look around and see so many people from so many countries able to attend a conference which I hope, and I am sure, will be of value to everyone.

The one thing that I found to my great surprise when I came to Mauritius approximately a year ago and I looked into educating myself on the housing program here, was to see what a reflection the housing program is of the society here in Mauritius. And I mean that in the sense that it is the most democratic society I have every viewed, and its housing program has a real democratic aspect. There may be all sorts of experts in housing, and I know there are, but the real expert in housing in my view, is the person who is going to live in it. Mauritius, as many of you know, conducted a very extensive questionnaire. Thousands of these people looked at these various houses, filled out questionnaires and the houses are going to be developed along the line of the wishes of the people, a very excellent idea in my opinion and an idea on which I congratulate both the Government of Mauritius and the United States Government, AID, for cooperating in such a venture which I think will end up with housing that all will be satisfied with.

I thank you again, both ministers, for coming this morning. Mr. Kimm, and all of you, I am sure as the Minister said, aside from your work, you will have a very, very pleasant stay in one of the most beautiful places in the world. Thank you.

WELCOME SPEECH BY MR. PETER M. KIMM, DIRECTOR, OFFICE OF HOUSING, U. S. AGENCY FOR INTERNATIONAL DEVELOPMENT

It is my pleasure to join with the Government of Mauritius and my ambassador in welcoming you to this housing conference, the seventh such conference that the U. S. Agency for International Development has sponsored in Africa. I am more than impressed by the delegations gathered here this morning. It indicates that the topic we will address this week, "Project Implementation - Programs and Techniques" is of real concern to us all. It is often in the area of implementation that we in the business of development encounter our greatest difficulties. Concerned as we are with the design and financing of shelter that will be acceptable and affordable to low-income families, it is often the actual mechanics of getting projects off the ground that prove most troublesome. Implementation seriously affects the direction of a government's entire housing policy--in cost-overruns which affect quantity and quality of housing units constructed; in increases in deficit spending which reduce a government's ability to obtain credit; in the inability to reach targetted goals.

We of US/AID together with the Government of Mauritius in order to learn more about your experiences with implementation of low-cost shelter, and to provide you with the opportunity to learn more about what is going on elsewhere. We hope that this exchange of views will equip all of us to face more effectively our sometimes awesome responsibilities.

The severity of the urban shelter problem is known to everyone here. The cities of the developing world are growing at dizzying rates. Between 1950 and 1975, the urban areas of developing countries absorbed some 400 million people; between 1975 and 2000 the increase will be about one billion people. In Africa, the problems of rapid urbanization are becoming more and more evident. With some of the developing world's greatest population growth rates, the region is already beginning to experience severe strains on land, materials and infrastructure. Because many African countries are still in the relatively early stages of a rapid urbanization process, the policies for guiding this transformation take on special importance. Unlike most of your counterparts in other parts of the world who must wrestle with the consequences of existing enormous unplanned growth, many of you here are at least potentially in the enviable position of being able to guide much of that growth in an orderly and efficient manner. That is not to minimize the problems you are already facing in some of your major cities and towns. High population growth rates combined with massive rural-urban migration are creating urban problems of ever-increasing magnitude.

The expanding size of this urban population is exacerbated by a high incidence of poverty. It has been estimated that 50% of a typical city's people can fairly be described as poor. In addressing the ills of urban centers, therefore, we must, as a consequence, also address the ills of the poor.

The combined problems of rapid growth and poverty-level incomes are evidenced in proliferating squatter settlements and in overburdened basic urban services such as transportation, education and health. The Office of Housing of the U. S. Agency for International Development has spent some 20 years in the development of shelter programs attempting to define and address the basic issues involved.

Utilizing financing provided with U. S. Government guaranties we have undertaken shelter activities in more than 40 developing countries, involving more than one billion dollars in loans. The history of the Guaranty Program is not without its twists and turns, its occasionally rocky detour to accommodate the lessons learned and changing world views. Though we are, by no means, at the end of the road, we have gathered a great deal of experience and have a better understanding of the world shelter dilemna than we had 20 years ago. One very important lesson learned is that no one magic formula can hope to offer a solution to a problem of such magnitude, a problem that affects the lives of millions of people everywhere. We must all work together, must all share our own unique experiences, and adapt what has proven to be useful elsewhere to suit our own culture, values and priorities.

Perhaps the most universal principle is that it is better to do something for most people than to do much more for a few. Most of the housing in the world has been built in stages, expanding from a small beginning. The appropriate role for most governments is to get as many people as possible started on the road to better shelter.

Despite the enormity of the problems and the difficulties we all know have been encountered along the way, I, for one, am optimistic. The provision of decent, basic shelter for all is possible in the foreseeable future if the appropriate allocation of resources can be made. It will require holding standards and costs to levels affordable at the poverty line. It will also require a shifting of many national housing policies away from conventional, high-subsidized "solutions" which do not meet a sufficient part of the need. It will require the most rational use of the available resources.

I am convinced that the goal of providing basic shelter for all is achievable by every country represented at this meeting. It will take time, of course, although most countries can probably achieve this goal in this century. It will certainly require a great effort but the

problem is not insolvable, it is not a bottomless pit.

The principal ingredient needed to do the job is the will to do it, and this will can only be produced by the national decision-making process. Most of us present here are senior housing officials, sitting near the top of this process. I believe it is our responsibility first to understand clearly the options available, and then to make these options understood at the highest levels of our governments, where final policy decisions are made. It is our hope that the work of the next few days will better equip us all to meet these responsibilities.

Thank you.

PLENARY SESSION

THE POLICY AND PLANNING IMPLICATIONS FOR THE IMPLEMENTATION OF LOW INCOME HOUSING PROJECTS BY ROBERT N. MERRILL, VICE PRESIDENT, PLANNING AND DEVELOPMENT COLLABORATIVE INTERNATIONAL

The slow implementation of housing projects has been a cause of frustration and concern to housing agencies all over the world. Two to five years is not an unusual time to elapse between the start of planning and the full occupancy of completed housing units. These delays result in unnecessary cost overruns which frequently cannot be passed on to the ultimate home occupant. Delays also mean the failure of housing agencies to meet their production targets and ultimately the government's failure to respond adequately to the housing demand of their population.

Unfortunately, all too often these delays are dismissed by the leadership of housing agencies as being "beyond their control" or accepted passively as "the way things are."

It will be the contention of this conference on implementation that dramatic improvements can be made in the process of implementation.

I. OBJECTIVES OF IMPLEMENTATION STRATEGY

A national housing implementation strategy should contain three objectives.

1. The rapid completion of the construction cycle. A protracted construction cycle, with many delays in completion, tends to tie up a nation's scarce supply of construction financing, while adding additional costs to a housing institution through prolonged interest payments and inflated prices for construction materials. A partially completed housing development with many finished but unoccupied units tends to suffer from a high incidence of vandalism and theft and incipient decay due to a lack of maintenance. Also, a delay-filled construction cycle only increases the time a housing agency must wait to begin to recover the costs of construction from the project's beneficiaries.

2. The cost efficiency of housing implementation can be divided into two elements. The appropriateness of a project's physical components - site, infrastructure and planning standards, housing type and building materials (local versus imported) - must be analyzed for its impact on total project costs. On the other hand, the allocation and recovery of project costs are financial issues which must also be viewed from the perspective of efficiency. For example, what will be the number and size of loans, the interest rate charged, the repayment period, subsidies, if any, the method of collecting capital and recurrent costs.

3. A housing agency should work towards progressively building up a sustained housing production schedule based on a nation's projected demand in order to make best use of its skilled manpower and physical plant.

II. POLICY IMPLICATIONS FOR IMPLEMENTATION

There are four main components of implementation: (1) policy; (2) planning; (3) on-site project development; and (4) the management of the completed project. The first two are discussed in the present paper, while the latter two are presented in subsequent papers.

National housing policy has an important role to play within an overall implementation strategy. A national housing policy is of value primarily because it:

1. Achieves a national understanding of the dimensions and implications of the housing sector problem among all of the concerned groups. In this sense, it defines the respective roles of the public and private sectors in housing and relates their programs to the real needs of all income groups.

2. Establishes a unity of purpose and a basis for decision making in both the public and private sector. In this sense, it acts as an agent for coordination.

3. Establishes the place of housing in the national development priorities. Housing has all too often been left as a residue to other sectors. The formulation of a housing policy forces consideration of its rightful place in national development.

4. Identifies and proposes policies for the elimination of bottlenecks in the housing delivery system.

5. Provides guidelines on which the planning process for implementation is based. In this capacity, it should not be a static document but rather should be continually evaluated and revised in response to the complex issues surrounding the development of low-income housing.

The overall role which a national housing policy performs in the implementation process can be seen from the following policy components.

A. Coordination of Agencies Involved in Implementation Process

A government's administrative framework often raises some fundamental questions which must be resolved in order to properly coordinate the various agencies and community groups involved in the shelter implementation process. Many developing countries have found over the years that a chaotic administrative situation has developed through the ever-expanding number of agencies and actors involved in the housing process. There has been a tendency to create agencies at all levels of government in response to narrowly defined housing needs as a method of overcoming the failures of agencies already in existence.

In Chile, for example, in the late 1960s, there were eight ministries of national government and a total of 23 public institutions or semi-private corporations which were involved in programs of housing construction, urban development or housing services. As a result, it is almost impossible to ensure the smooth administration of a housing policy no matter how coherent it may be.

Typically, the lack of coordination may result in the completion of housing projects which stand vacant for months or years because they do not have the related public services which were supposed to be provided by another agency or ministry, such as water and sanitation facilities, social services, schools, transportation, electricity, shopping, etc. Or, there may be two government agencies planning and programming for the same area of land or attempting to acquire the same parcels. Sometimes extensive construction programs are launched at the same time by several agencies resulting in the scarcity of building materials and rising prices.

B. Provision of Land

The availability of land is at the crux of an orderly and sustained housing implementation process. In most developing country cities, the acquisition of urban land for development by either private or public parties is usually a very difficult process in terms of administrative delay and compensation cost.

Urban land has long been a prime area for investment among the wealthy in developing countries, and, as a result of speculation, land prices are often at unrealistically high prices. Because of the complex patterns of private land ownership, the land finally acquired for low-income housing projects often varies substantially from the site initially defined. There are various policy options available to government to ensure a supply of urban land for low-income housing projects at reasonable prices. Taxation of unearned increments from speculative land dealings could capture private profits for public use. Similarly, heavy taxation of unused or underutilized urban land might increase the amount of land available for immediate development. It might also prove desirable to investigate the possibilities of establishing a land development agency or a mechanism for land banking. Whatever the means, the rationalization of land policy should be a matter of high priority in order to guarantee a constant supply of land ready for development.

Proper site selection is also crucial to the success of a housing project. Common practice has been to utilize the cheapest possible land which often turns out to be of poor quality and located well beyond the urban periphery. This choice is a major mistake. The site must serve the needs of the urban poor, which means it must be located conveniently to mass transportation, or preferably within walking distance of major commercial and employment centers. Higher land costs in those locations can often be offset by high density, lower standard development. From the householders' point of view, they are also offset by little or no transportation costs versus often high transportation costs from cheap, outlying sites.

C. Provision of Appropriate Standards and Technology

There are no minimum physical standards which are relevant for all types of housing projects. The actual standards selected for each specific project should be predicated upon the socio-cultural characteristics of the target group and its ability to pay for the proposed housing solution. The foremost consideration is to design a program which can be replicated to meet the total size of the problem. Anything less is to say that a certain percentage of the people will continue to seek out squatter settlements and will build unplanned, uncontrolled and unserviced areas on their own. It stands to reason that even if the government can only provide raw land with a physical plan layout which will allow for later improvement, it is better than the chaos of uncontrolled development.

The concept of later improvement is the key consideration. Nothing should be done which would later block the systematic upgrading of the neighborhood. The physical plan should be concerned with reservation of open space and an orderly layout which will provide for later installation of higher standards of infrastructure and facilities.

The foregoing discussion can be illustrated by the critical concern with respect to the disposal of human waste. The range of choices available for different types of housing solutions are numerous - from water-borne systems connected to each plot all the way down to communal pit latrines. Cost is a primary consideration, but other factors should be considered as well. In most North African countries, the use of communal facilities has been a failure. The users do not respect the facilities and they become severe health hazards. In areas of high density, more success has been achieved with individual facilities located in common areas, but under the care of individual families.

For new shelter projects, water-borne sewage systems will usually be too expensive for initial consideration. Installation cost is high and water requirements add to the recurrent costs. In Tanzania, it was estimated that the installation of water-borne sewerage would add over 100 percent to plot costs. However, care must be taken to ensure that a site can absorb pit latrines or septic tanks such that the local water table is not polluted.

D. Provision of Appropriate Housing Types

As in the case of the selection of physical standards, there is no "correct" housing type which is appropriate for a particular stratum of low-income household. The actual housing type(s) selected for each project should be based on the socio-cultural characteristics of the target group and its ability to pay for the proposed housing solution. In general, however, the following general categories of housing types have proven successful in meeting the needs and financial capabilities of different low-income groups.

1. Sites and Services or Core Houses

   The obvious advantage of sites and services projects is that most of the cost of the dwelling unit itself is not included in the "front end" costs of the project. Therefore, the average cost per household served is much lower than traditional public sector housing solutions for the poor. Therefore, for a given level of financial resources available for housing, this approach allows a national housing agency to make the greatest contribution to reducing housing needs within the low income community. In addition, it allows a wide range of alternatives to be made available to low income families at a price they can afford to repay without major subsidy. An additional advantage of the sites and services approach is that it allows the household to complete the house unit at its own pace, reflecting their own income capacity and particular dwelling unit requirements.

2. Settlement Upgrading

   Settlement upgrading programs are designed to respond to needs of the urban poor where they currently live. The philosophy of this type of project is based on the assumption that most developing countries cannot keep up with new growth housing requirements and that it is therefore essential to conserve and improve existing housing stock, even if at a sub-standard condition.

   This approach is justified because for the most part the quality

of the physical residential environment is more important than the actual quality of the house structure itself. Therefore, substantial benefits can be gained by the urban poor if environmental improvements are made to the neighborhood (such as improved water supply, sanitation, drainage, electricity and roads and footpaths).

E. Provision of a Legislative Base

The legislative base is frequently ignored in setting housing policy. Yet it frequently works counterproductively to the achievement of the objectives of housing implementation. Planning regulations based on local government requirements often prove to be an obstacle to a housing agency's ability to develop sites for low income households. For example, the utilization by private or public sector developers of minimum established planning standards often results in housing developments which are affordable to only the wealthiest of an urban area's households. Building codes, subdivision procedures and zoning laws may all be real constraints on the housing process. Taxation laws and laws governing the landlord-tenant relationship may inhibit development of low income rental facilities.

On the other hand, an appropriate legislative base can make a significant contribution to housing implementation through its ability to facilitate actions by all concerned sectors. The legislation required should facilitate, rationalize and legalize many of the processes and methods presently utilized by low income families to solve their own housing needs. Legislation could include: housing and building codes based on performance standards which do not preclude the use of traditional materials; land use standards which allow for the progressive installation of infrastructure and community facilities; local government regulations for the completion and/or expansion of core housing which do not stifle prevailing self-help methods; national community development laws which facilitate community participation in the planning and design process, etc.

Legislation also defines the housing finance system. Besides establishing finance institutions and defining their authority, legislation affects land tenure, mortgageability, title registration and other legal considerations. Thus, in framing a housing policy, careful review of the legislative framework affecting housing is imperative, and decisions must be taken as to whether or not the existing legislative base is conducive to achieving housing policy goals.

III. PLANNING FOR IMPLEMENTATION

This section is concerned with the major organizational issues which face a public sector unit charged with the implementation of low income housing projects. Before describing some of the basic aspects of organization that are essential for the effective operation of a national housing organization, it is important to look at the basic functions performed by such an organization and the major constraints to the performance of these functions.

A. Functions and Constraints Addressed by Organizational Structure

1. Functions

The functions of national housing implementation agencies can be grouped under three main headings:

a. Planning and sectoral coordination at the national level.

b. Financing, including direction and supervision of public and private mechanisms and resources available to the sector.

c. Technical functions related to the provision of housing and community facilities, including land acquisition and development, planning, engineering and construction operations.

2. Constraints

Constraints on the housing development process can be divided into two broad categories: (1) the "external" constraints which can cause delays and difficulties and over which a housing agency does not have

direct control; and (2) the "internal" problems affecting the organization, over which it would hope to gain full and direct control

a. External constraints. Several of the major external constraints have already been mentioned.

They can be summarized as follows:

i. Site selection.
ii. Land acquisition.
iii. Provision of off-site infrastructure - roads, drainage, etc.
iv. Cooperation and coordination of agencies which provide the basic public services - water supply, electricity and community facilities.
v. Planning constraints - zoning laws, building and planning standards, etc.
vi. Contractor capacity and experience.
vii. Availability of finance.

b. Internal constraints. In addition to the inherent difficulties with external constraints, most housing agencies face the additional problem of geographical scale and a young and inexperienced staff. These difficulties put particular strain upon the organization. Problems such as the definition of responsibility, delegation of authority, operational control and coordination are particularly difficult to deal with. The administration of an implementing agency should respond organizationally to the following constraints.

i. Organization of the development process.
ii. Role of the project managers.
iii. Project design.
iv. Research and development.
v. Skilled manpower.
vi. Operational control.

B. Centralization Versus Decentralization of Implementing Agency

There are a great many issues which must be considered with respect to the centralization or decentralization of a public sector housing agency's activities. As a general objective, it appears desirable to centralize policy and program control while decentralizing operations. This problem should be addressed directly in the development of a national housing policy with the assumption that changes can take place through successive implementation programs. With respect to governments which have many ministries or major divisions conducting significant housing functions at the central level, it is obvious that a single housing policy will have little chance for successful implementation unless it is corrected.

Specifically, housing policy should seek to define responsibilities of the various agencies and organizations involved in housing at each level of government and to ensure that there is an agency charged with each kind of function and responsibility. For example:

1. Housing policy and planning functions might involve responsibilities at the national level for the Ministry of Housing (or Public Works), the Ministry of Economic Development and the Ministry of Finance. The housing policy should define the responsibilities of each and how they are to interact and coordinate implementation.

2. Housing administration and controls might involve the national level and various local governments. The responsibilities of each need to be identified.

3. House-building capacity might be established in various government organizations, each with a different program perspective. For example, there may be house-building programs in a National Housing Corporation, a Ministry of Housing, Ministry of Agriculture (rural housing), other ministries (for their own civil servants), other

autonomous agnecies (for their workers) and provincial and local governments. The housing policy should define the area of building responsibility of each organization, target groups for which housing is constructed, sources of finance and the terms and conditions of cost recovery if any. The purpose of the housing policy is to reduce overlaps between agencies, avoid redundancy of programs, unify terms and conditions for cost recovery and insure that public resources are utilized according to housing policy objectives.

4. Housing finance capacity might come from a variety of sources which should be clearly identified and related to specific housing programs and target groups of housing users.

C. Mobilization of Housing Finance

The mobilization of housing finance is at once the cornerstone of and a major constraint to a meaningful long-range implementation strategy. Resources for housing and especially low income housing should be related to other sectors of the national economy and to aggregate economic planning as a whole. Housing policy should determine the impacts of proposed housing investments with respect to their overall complementarity with national economic planning objectives.

The role of the construction industry is often overlooked in the formulation of housing policy. For the national economy the construction sector includes all aspects of construction, including residential, and frequently the inherent conflict between residential and non-residential construction is not dealt with directly. Obviously, there are finite limits on the construction sector at any time and, therefore, the distribution of resources between residential and non-residential construction can become a policy issue of major importance. All too often housing construction has been postponed because of the diversion of materials and labor to other projects of a higher priority. It is clear, however, that because extensive public sector building programs entail large capital outlays, no long-term housing program can be predicated solely on direct governmental appropriations, but only through the mobilization of private savings is there hope of overcoming the basic housing problems of most developing countries.

In addition to direct government budget support, housing finance capacity might come from a variety of sources. The available sources of financing to be considered include:

1. Government loans with prescribed terms and conditions of repayment. This is the case in Kenya, where local authorities repay the NHC for housing projects built in their jurisdictions.

2. Government guarantees for loans from the private sector. The US/AID Housing Guaranty (HG) program is an example of this source.

3. Reinvestment of cost recoveries from previously built public housing which has been sold, leased or rented.

4. Government encouragement of private savings. This is commonly done through savings plans, linked to housing loans such as is found at the Caisse d'Epargne du Togo.

5. International lending sources.

A housing agency should also have policies to determine the role of subsidies in public sector programs. Will homeowners be required to pay for all costs related to housing production? What types of subsidies, if any, will be made available for what target groups? Different types of subsidies (direct capital subsidies, interest subsidies, land provision, rental subsidies, etc.) have different aspects which should be considered for different situations. However, all of these subsidies place a burden of some sort on limited government resources. Few developing countries possess the requisite subsidy resources to alone make a significant impact on housing problems.

D. Management and Control

A housing agency needs to adopt techniques for market analysis and program formualtion upon which to base its strategic investment decisions.* Based on these

*One of the discussion groups will discuss the use of the market survey as a tool for resolving policy questions and determining design preferences.

investment decisions, a detailed project description can be developed. The detailed project description is based upon the availability of land, site planning constraints, program content, levels of service provision, physical standards and available financial resources. The project description will be a key management document, prescribing the housing agency's physical development and financial objectives within a realistic time frame. This document provides the housing agency with firm control over project development.

The activities which must be completed between issuance of the detailed project description and completion of site construction will be coordinated as a continuous process which constitutes project management or operational control. Operational control of the entire system of planning, design and construction will be critical to the achievement of high productivity. One way to obtain this control is through the adoption of critical construction paths for individual projects. This method shows all project participants the relationships and deadlines of their activities to those of others in the system. Where activities are carried out by specialized groups at the central administrative level on behalf of project managers (i.e., tendering, contract preparation, etc.), these activities will also need to be programmed in relation to the total work load generated by all projects.

A housing agency must also be flexible in adapting the project design to the experiences gained during the initial stages of project implementation. There are two principal reasons for this. In the first place, even with good preliminary study and preparation of the project, it is difficult to gauge the reactions of the beneficiaries to the projects. Moreover, the administrative capacity of project management to undertake certain tasks should grow in the course of time. Thus, it may be desirable to begin with a relatively simple organizational structure for building regulation, group development or technical assistance and to proceed to a more ambitious organization only in the light of experience of successful innovation.

To incorporate this flexibility into the project design requires provision for more intensive monitoring and evaluation than is usually required in a project where the main problems may be to ensure that original specifications are met. Both physical and institutional progress and the reactions of beneficiaries need to be evaluated on a more or less continuous basis, at least in the early stages of the project. For these functions to be adequately carried out requires advance preparation before the arrival of the beneficiaries including collection of basic data on the background conditions of the beneficiaries.

E. Administration and Staffing

Effective administrative leadership is crucial to the successful implementation of a nation's housing program. It can overcome many weaknesses in formal organization and procedures, especially if it is understood that completion of the project has top priority.

One of the first requirements for effective administration is that there exist a clear idea of the staffing pattern required for the accomplishment of specific projects and programs, and that appropriate standards be set and defined within a sound classification system.

There is a need to establish a cadre of competent civil servants who can keep the bureaucratic machinery going in spite of political change at the national level. The need for a more widespread administrative base demands strengthening of local administration. The major skills required in public agencies for effective planning and development include the following.

1. Administrators should be sensitive to basic urban development issues and know how to use government policy instruments that are most effective in achieving desired changes. They must be familiar with government procedures and capable of using them to produce implementing action quickly. They must understand national, regional and local frameworks for urban policy--once these are established--and can be capable of using those frameworks for development of their own programs.

2. Specialist planners required must be thoroughly trained in the subject matter of individual fields such as housing, environmental sanitation, transportation, education, health and public finance. They must be able to relate detailed planning in their own fields to the overall frameworks and basic policies established by the

generalists. These specialist planners may not be in "planning" agencies at all, but in the planning divisions of specialist agencies of government such as ministries of public works, education, health or housing. The implementation of programs occurs through specialist agencies. Planning for specialized fields is likely to be much more effective if emphasis is placed on acquiring better specialists in these agencies themselves rather than if generalist planners in "planning" agencies attempt to plan for a wide variety of fields in which they cannot possibly be as competent as specialists in those fields.

3. A relatively large number of technical assistants for both planning and administration, at intermediate levels of skill who are competent in such things as accounting, budgeting, community organization, statistical analysis, engineering, field surveying and other necessary supporting skills.

4. A relatively small number of researchers who are thoroughly trained in the techniques required for policy-oriented research.

F. Training

It is obvious that a long-term improvement in the caliber of housing agency personnel calls for a major investment in training. Three types of training are necessary for the employees of national housing agencies: (1) pre-entry training in the knowledge and skills required in various positions for which they are recruited; (2) on-the-job training to instruct them in their duties and related activities; and (3) general training to keep them conversant with new developments and techniques and to qualify them for higher positions. Many African nations presently run training programs for their housing agency personnel. Nevertheless, a major strengthening of training programs is necessary if effective administrative competency is to be achieved. The types of training provided should be responsive to the following points:

1. It is essential to provide for a variety of skills. International experience has shown that it is inappropriate for an implementing agency to place all or most of the emphasis on a single type of "technician" or "administrative executive."

2. Depending on the degree of decentralization, it is essential to provide for a variety of skills at the national, regional, state or local levels. There is a body of knowledge and skills which should be common to all levels, but there are also major differences in the substantive knowledge and skills required at each level.

3. It is essential to link planning and design with implementation more effectively through training. "Planners" must be fully aware of the needs of implementation if their planning is to be realistic. Implementors should be aware of the basic planning issues and must be capable of using the framework and the basic policies established by planners for systematic programming and implementation.

4. Training should be sustained and cyclical, with agency personnel being brought in from their field assignments to participate in training programs on a regular basis in order to keep them fully informed of advances in knowledge and techniques.

5. The selection and scheduling of work in the training program should be based on the issues encountered at each stage in the implementation process. The course materials for training programs should be directly geared to the foreseeable need for staff at the various levels of this process.

6. Training should be carried out as much as possible in the respective countries for which it is intended. It may be necessary to bring in foreign instructors for specialized subjects and in some cases it will be appropriate to send trainees overseas; but, in general, it is important to have the work developed locally in order that its direction can be related to real local needs.

The functions of education and training should not, of course, be restricted to the staff members and employees of a housing agency. Of equal importance to the accomplishment of the overall goals of a housing sector program will be the sponsorship or organization by the agency of special courses and training opportunities for many subsectors of the building industry. These may include, for example, courses in

office management techniques and field supervision for private contractors engaged in housing programs, courses in construction technology, internships and courses for housing project managers, social workers and home economists, courses and apprenticeship programs to produce skilled labor and construction foremen, etc. Wherever possible, the housing agency should help to open doors to scholarship and fellowship opportunities in this field, both nationally and internationally.

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PLANNING OBJECTIVES FOR LOW INCOME SHELTER PROJECTS BY ROBERT N. MERRILL, VICE PRESIDENT, PLANNING AND DEVELOPMENT COLLABORATIVE INTERNATIONAL

This section is based on two general propositions, First, low income shelter projects such as sites and services and core housing schemes are an extremely flexible approach to public intervention in meeting the residential needs of lower income households. Secondly, the manner in which the residential needs of lower income households are met is extremely important to their economic development. A serviced plot is of high priority to a stably-employed low-income household which cannot afford a house supplied by the private market or the government. These families who have the capacity and willingness to pay, are considered the optimal clients of new sites and services settlements.

While resolution of the settlement problem does not solve the employment problem, it should not hinder its resolution. A plot and utilities on the urban periphery is often of low priority to a household without a regular income. To these people the extension of public utilities to existing squatter settlements or the provision of rental accommodation in new sites and services projects can greatly increase the options for inexpensive residential space.

Planning Objectives

The four planning objectives analyzed in this section were selected because they represent points around which the planning and administration of successful low income shelter projects such as sites and services and core housing can be organized. While the objectives may not be all inclusive, they should stand as a set by which the issues and problems in low income shelter investment can be identified.

1. Projects should be planned to minimize subsidies.

   The ability to continue to serve low-income household's residential needs is dependent upon the capability of the executing institution to become financially self-sustaining. While international loans can assist in constructing sites and services projects, this role will be limited if a viable organization and program is not left upon completion of the loan. However, the executing institution cannot begin to become self-sustaining if subsidies are not minimized and utilized only in the most effective manner for the lowest income families. The most important factor in minimizing subsidies is designing the program according to the capacity to pay of the target population. High rates of default, numerous plot resales, and high subsidies demonstrate that sites and services/core housing projects have usually not been designed with regard to the paying capacity of the target population.

   The costs of supplying plots, public utilities and community facilities is well understood, but information on the capacity of the target population to pay for such amenities, if available, is often inaccurate or unused by executing agencies. Difficulty in obtaining information on the incomes of the urban poor, however, should not allow governments to ignore financial reality. As much socio-economic information as possible should be gathered on the general target population before design standards are established. To this end a market survey, such as that carried out in Mauritius, is extremely effective. While this information is often an approximation, the financial viability of the project will depend on matching project costs to the ability and willingness of the target population to pay.

   Some understanding of the capacity of the target population to pay for a developed plot can be gained by looking at the amounts low-income households are presently spending on housing. While costs vary from country to country, the percent of income spent on housing by low-income households is remarkably stable. Household expenditures studies in developing countries indicate that low-income households spend between 5 to 20 percent of their household income for housing.

   Physically, projects can also be planned to minimize subsidies. One method of designing projects to become financially self-sustaining is by combining sites and services schemes with higher income housing and commercial and industrial uses. In these integrated developments, much of the cost of infrastructure of the low cost plots can be recovered by selling other residential, commercial and industrial plots at market value. This cross-subsidy technique has been tried in Turkey and is being used in World Bank projects in Korea, Indonesia, and the Philippines. In the IBRD Tondo Foreshore Development Project fully 63 percent of the total development cost for squatter up-grading and reclaiming the foreshore area for new sites is being charged to highly valuable commercial and industrial sites, to the Port Authority and to the Department of Public Highways.

   Another indispensable element of minimizing subsidies and therefore creating

a self-sustaining program is an efficient collection system. Unless there is a collection procedure geared to the habits and convenience of the client population, payment arrears will continue to mount. Experience of several countries, e.g., Chile, Colombia, Pakistan and Zambia, indicates that debt recuperation is one of the most difficult operational problems of sites and services. This is largely due to the facts that sites and services have historically been used for squatter resettlement or emergency housing schemes. In the former, plots are usually given free or at a nominal cost as compensation for the squatters' former dwellings. When this habit is added to the low income of the client population and the historically large subsidies in government housing programs, it is not surprising that the sites and services payments record is quite poor.

Regarding the collection process, there are usually three principal means which can be used separately or in combination to recover monthly charges. To the extent that a substantial portion of the target population is stably employed, which it should be, monthly payments can often be deducted from salary at source. Secondly, for those who are self-employed, or employed by small firms, site offices of the administrative authority usually have to be established.

Finally, those who desire can form or join a local organization such as a credit or housing cooperative which can collect the plot and housing loan payments, remitting them to the responsible authority. Since housing or credit cooperatives are often organizationally and administratively difficult to establish among low income, poorly educated families, the first two methods usually remain the principal collection mechanisms to be replaced by cooperatives or other community organizations as they become viable.

2. Projects should be planned to generate housing investment. Households will be reluctant to invest in homes in squatter settlements or sites and services projects if they cannot perceive potential socio-economic benefits. For instance, households will not build permanent homes if they have no assurance of permanent tenure. Lack of secure tenure is one of the basic reasons for the lack of permanent investment in many squatter settlements and resettlement schemes resulting in a deteriorated, ramshackle appearance. Based on experience in Chile, Peru, Cameroon and other countries, once secure tenure was granted, households invested up to 50 percent of their income (during construction) in improving their dwellings.

   Households also appear to be reluctant to build if they think there is little chance their settlement will ever attain individual services. There is often a delicate balance between the type and standards of services which the public sector provides and those desired by the inhabitants. Lower income households usually have a definite order of priority for the input of utilities and institutional obligations with water supply, access roads, basic drainage and sewerage, health and education facilities and secure tenure high on the list.

   A credit system for the purchase of materials and labor is also essential to stimulate house construction. In Kenya, fully serviced plots with utility cores stood vacant for years because the allottees did not have the money to build the house called for in the project plans. In order to obtain a bank loan, the plot costs had to be paid off and the title deed (based on a cadastral survey) obtained and given as mortgage. After some schemes lay idle for up to two years, local authorities finally began transferring plots to wealthier individuals who built houses for rent. However, low income families usually have no desire to accept long term burdens to their limited and often unassured incomes. Successful experience in credit cooperatives suggests they prefer small, successive, short term loans geared to immediate goals such as adding a room or making a permanent roof.

3. Projects should be planned to assist the economic development of the occupant population.

   The location of low income residential settlements near or with cheap access to sources of employment is a determining factor in the household economic development effects of a low income shelter project. Experience reveals that shelter projects located far from employment centers because of low cost land can be financially disastrous to the occupants. The inhabitants must bear both the extra cost of transportation to work and the extra cost of goods purchased locally, both of which appear to rise in direct proportion to the distance of the project from the center city.

   The inherent contradiction between low income, land intensive sites and services schemes and the high costs of well-located urban land can often be resolved

either through improving viable squatter settlements where the land is not required for a higher and better use or planning a number of small, scattered sites and services projects near commercial/industrial areas on land which is often in marginal use and not desired for middle and upper income housing. Properly planned and serviced, with construction regulations allowing two to three stories, these schemes can maintain very high densities in a sanitary environment.

Equity and employment benefits also accrue to residents from the actual development of low income shelter projects. Of the two, equity benefits are by far the greater, though they represent a potential danger. While net gains can be realized from sale of the property or sale of the shelter built on the property, the practice of uncontrolled plot transfer to higher income families undermines the original purpose of the project. On the other hand, income gained from room rental within a household's shelter should not be discouraged since it helps support the occupants and is often plowed back into physical improvements on site. More importantly, the room rental can meet part of the demand for cheap, unsubsidized accommodation of those recent migrants and other lower income families primarily in need of employment.

Regarding the emloyment effects of sites and services/core housing schemes, benefits to residents from constructing the project infrastructure are usually low. However, the employment effects in general can be increased through labor intensive techniques, especially in the installation of roads, drainage and water supply. This is illustrated by a squatter improvement project in Tanzania where the ratio of supervisory personnel to skilled laborers was 1: 1½: 40. There are also direct employment benefits arising from subsequent housing construction through payment to others for assistance in building and the growth of relevant building materials industries.

In addition to subsidizing residential plots, commerce and industry, especially the informal type, also provide sources of income for the under and unemployed. Integration of commercial and industrial activities in low income shelter schemes is, therefore, crucial to successful project development. Local commerce and industry can take the informal, on-site form, such as tailors and dressmakers, beauty and barbershops, manufacture of furniture, doors, windows, shutters, etc., simple leather or iron fabrication, and brick, tile and concrete-block yards; or, given a readily available labor pool, they can be larger, more advanced enterprises such as electronics, food-processing and textiles.

Project administration should insure that the original target population is the ultimate occupant population.

Planning a project to the priorities and paying capacity of the target population, while important, is not the sole means of insuring plot occupation and subsequent project viability. In order to accomplish this objective, project administration must be geared to the target population from the first plot advertisement to the signing of the last plot occupation agreement. Assuming demand for plots will be greater than supply, the steps entailed in this process might be as follows:

a) Advertisement: Advertisement for plot application should not only include standard information on project location, size, standard of services, downpayment and monthly charges, but also the eligibility criteria by which the plots will be allocated. Some of the more basic criteria would be the following:

1. Residence in the city for minimum period;
2. Non-ownership of house and/or plot elsewhere in the same city;
3. Minimum and maximum income per month;
4. Undertake to reside on plot and not transfer it without local authority permission;
5. Ability to pay downpayment plus any utility connections.

In order to relieve allocation officials from local pressures, the advertisement should state that anyone not meeting the eligibility criteria will not be considered and need not apply.

b) Application: Since it cannot be assumed that only eligible families will apply, there should be a standard application form on which the eligibility criteria can be checked. After a deadline when applications will no longer be considered, officials can process the applications pursuant to plot allocation.

c) Allocation: A master list of all eligible applicants and their pertinent

data can be prepared for checking by non-interested higher officials or, in the case of secondary cities, headquarters' field officers. If eligible applicants exceed the number of plots, all eligible applicants can be publicly balloted and the list of successful applicants subsequently published.

d) Agreement: Most sites and services occupation agreements can be based on existing forms of tenure agreements, either freehold or leasehold, in the country. In addition to the legal obligations and terms of tenure, the agreement should contain items such as periods in which construction of a basic house should be started and completed and, most importantly, the procedure for plot transfer. Most often, if the plot and house loans are not fully repaid, transfer should be with the permission of the administrative authority. If the debts are fully paid and all occupational conditions fulfilled, the occupant should be allowed to sell or transfer the property just as any other participant in the urban housing market.

THE MAURITIUS EXPERIENCE BY M. TOOFANY, PRINCIPAL ASSISTANT SECRETARY, MINISTRY OF HOUSING, LANDS AND TOWN AND COUNTRY PLANNING, MAURITIUS

1. Introduction

Mauritius is one of those places which people are not very sure where it is, at least those people not living there. For those falling into this category amongst those reading this paper, Mauritius is in the Southern Indian Ocean, within the tropics, at 20° South of Latitude. It is 2,000 miles from India, over 3,500 miles from Australia, and 1,200 miles from Africa.

The island of Mauritius is fairly small in size, being 50 miles long by 30 miles wide. It is usually pointed out in school geography books as being the home of the dodo (extinct) and as having one of the highest population densities in the world.

Mauritius is overwhelmingly dependent on sugar, over half the land area being under sugar cultivation, and almost two-thirds of the value of exports being derived from sugar. The growth of tourism and the development of export industries have introduced new sources of income. As almost everywhere else in the world, current economic conditions are not conducive to more new industries being established or to a further tourist boom. However, by the standards of the region, Mauritius is fortunate. Only three* fellow members of the OAU have a higher per capita gross national product, and none of them are south of the Sahara. It has a high literacy level, a high level of education which is free at primary and secondary level, and good, free, medical and welfare services including a national pension scheme. It also has a free press, which takes full advantage of its freedom, and an independent and separate judiciary. It is a multi-party democracy and has no army. Despite the mixture of races, there is no racial or communal strife: indeed, in race relations, Mauritius can teach a lesson to most countries. Neither are there such problems as mass migration into towns and smaller settlements with their attendant problems. Indeed, it is probably fair to say that there is nowhere in Mauritius where one would feel disquiet in walking alone at night.

Nevertheless, Mauritius is a small island, it has a growing population, and needs to provide an increasing number of jobs for a growing labor force. With the wealth created, it needs to make provision for, amongst other things, housing.

2. Factors Affecting Housing Need

Whatever level of development reached in a country, there are attendant housing problems. Indeed no country can or would probably even wish to claim it had solved them. The problems in Mauritius stem largely from population growth but are also affected by the quality of existing housing, what people can afford to pay for housing, and what they have been accustomed to paying. The rise in land and construction costs, difficulties in coordinating infrastructure investment, and the prevalence of cyclones are other important factors. Government policies themselves have also influenced provision and attitudes in private and public sectors.

It is worth looking at each factor in turn and in a little more detail.

Population Growth

The population of Mauritius is currently approaching 95,000. Because half the population is under 21, and despite the restraining effects of the family planning campaigns of the '60s (when projections suggested a population of three million by the year 2000) growth will continue for some time yet. It is anticipated that it will reach 1.2 million by 1992, and stabilize around 1.6 million by 2030. The increase in household formation also exacerbates the problem, as more houses will be needed for a given number of people. In 1972 family size stood at 5.3, is currently around 5 and taking a straight line projection will reduce to 4 by 1995. Currently also, there are 1.2 families per dwelling: no doubt the point two part of this statistic wishes to be a separate one-point-naught of its own, not sharing, and will increasingly take action along such lines given the opportunity.

The estimate of number of new houses required will very much depend on what estimate of family size and sharing is projected into the future. Thus, an increase in population of 250,000 with family size taken as 4 and no sharing, means that 62,500 new homes will be needed, while assumptions of a family size of 5 and sharing continuing at 1.2 means 21,000 fewer houses.

The number of houses needed in future will also be considerably affected by how existing housing is maintained in how much needs to be replaced.

* Libya, Morocco and Tunisia

Current Housing Stock

A number of estimates of housing stock have been made by different institutions and bodies. A figure of 150,000 units appears to be a reasonable figure for the current total. 53 percent of this is owner-occupied, 14 percent is company housing, and 33 percent is rented. Rented houses are mostly in the urban areas. Much existing housing is in good condition partly as a result of the replacement of older housing after the cyclones of the past two decades. Indeed, about three-quarters is less than twenty years old. Current legislation on rentals however has resulted, over the long term, in under-investment in the lower and at the rental market, bringing about a more rapid deterioration in housing stock than would otherwise be the case.

Taking a mid-range assessment for family size and sharing, and for the rate of current stock, an average 9,000 houses will need to be built annually, with a peak construction period in ten years time. Of course, the target will vary with the assumptions made and no doubt there will be considerable obstacles along the road to achieving this target.

Physical Considerations

Cyclone Carol hit the island in 1960, cyclone Gervaise in 1975, and when it was thought that nothing very dramatic was likely for a good few years, cyclone Claudette came just before Christmas in 1979. Cyclone Yacinthe a few months later circled Mauritius for a fortnight bringing with it torrential rain which affected roads, drains, sewerage (and crops) in much the same way as cyclone Claudette had affected housing. Nevertheless, it is a yardstick of progress that, because of better housing construction, far fewer houses were destroyed with each successive cyclone. Thus in 1960, 40,000 houses were destroyed, in 1975, 13,000 and last year 2,500.

The possibility of cyclones necessitates higher construction standards than would otherwise be the case. Building to higher standards means building more expensively, and given the finite amount available for housing, this has to be counter-balanced by lower costs elsewhere.

People also feel the need to overstrengthen, to make absolutely sure that they will not be affected by the next cyclone. Virtually all new housing has a concrete roof. Corrugated iron and asbestos sheets can adequately withstand cyclone force winds (as evidenced by the post-1960 public sector housing estates) but are not perceived by the public to be adequate. Thus, not only do buildings have to be built to a higher standard than would otherwise be the case to withstand cyclones, they have to be built to a higher standard still to satisfy the public that they will do so. To ensure acceptability for public sector housing, the government also has to build to the standards deemed necessary rather than to what is adequate. As most building materials are imported, this has rather an unhappy result on the balance of payments.

A second cost addition comes from the nature of the ground which is very rocky. This can add another 5 percent to housing costs and also to drainage, water and sewerage costs. On the credit side, the ground is porous and over most of the island suitable for sewerage pits.

Land and Construction Costs

While inflation raged and the costs of imported materials rocketed, last year was unusual in one respect: land prices stayed stable. Over the previous decade, however, land prices increased tenfold, considerably outpacing the rise in the consumer price index. Thus for the same amount of money, or for the same portion of budget or income, less land can now be purchased than in the past. As more of the housing budget has to go on land, either less is available for services and construction, or the budget has to be increased. In the public sector, it is highly unlikely that the resources can be made available if the land needed has to be publicly purchased and this will increasingly be the case as the amount of suitable government land is used up.

Despite high prices, there is usually reluctance to sell, and government almost invariably has to resort to compulsory acquisition to obtain land. Fortunately, under the current procedures, the land is taken over by government before the final price has been negotiated This avoids the long delays which undoubtedly would otherwise ensue. Land costs, however, still do not form the major part of total costs. Construction and infrastructure costs have also increased, at a greater rate than general living costs, but, thankfully, at a lower rate than land costs. Concrete, for instance, costs five times as much as ten years ago, compared to a 2.7 increase in the consumer price index over the same period. However, two-thirds of construction costs have to be accounted for in foreign exchange. Housing costs in Mauritius, therefore, suffers from its own inflation and from the inflation of others. The effect is that housing costs are disproportionately high compared to ten years ago.

Government Policies and Public Attitudes

Hindsight permits criticism of past government policies. It must however, be realized that these policies were drawn up in response to urgent contemporary problems of cyclone damage.

The government initially saw its housing role as making provision for those affected by cyclone Carol in 1960. It did not then envisage an open-ended commitment to provide for low income earners. After all, in the past, those on low incomes had always made their own provision. However, during the next twenty years, the government became more and more involved, as described later. In providing a large number of houses it has had an obvious effect on housing stock. It has also affected attitudes to housing and the actions of the private sector.

Immediately after cyclone Carol in 1960, legislation was introduced to protect tenants from those who might wish to take advantage of the post-cyclone housing shortage. The urgency of such action precluded much consideration of long term effects and indeed, at that time, such consideration would not in any case have been likely to include any assessment of the effects of continuing inflation.

The Landlord and Tenant Act of 1960 defined landlords and tenants rights and obligations and set rental levels. It also gave the tenant very reasonable safeguards against eviction. Now, twenty years later, only 8 percent of income is spent on housing in Mauritius, partly as a result of this legislation. This is considerably lower than the ubiquitous 25 percent so frequently advocated. Now the landlord not only gets low returns but has very little incentive to maintain his property. In fact, it is quite common for a landlord to refuse to carry out maintenance in the hope that the sitting tenant will leave. The effect on rented housing stock has been detrimental and it has fallen into disrepair far more quickly than need be. As most of the demand for public housing comes from those in rented accommodation, the legislation has also had the effect of shifting the burden of provision from the private to the public sector. A further result has been over-investment in new housing at the expense of under-investment in improvement. The effect of being accustomed to pay low rents for housing (of admittedly inferior quality) also reveals itself in the expectation that new housing will also be at similar rents. The subsidizing of rents in publicly provided housing might have also led to the same expectation. Unfortunately, this expectation is not one that can be satisfied.

In any event, low rent returns certainly means that government cannot finance a rolling program of construction from meager rent income. Indeed, it cannot even maintain its current stock from the income, and new housing has to be financed from local capital resources or external resources.

Action to change such deficiencies are difficult to bring about, particularly in a democracy, as it affects a large number of people in the low income group.

Lastly, Mauritius has invested very heavily in housing during the past few years particularly in middle and upper income housing. Such investment amounts to 31 percent of GDFCF* in 1979, considerably more than other countries at the same level of development. Part, of course, was spent on making good cyclone damage. Nevertheless, it is still a percentage that will have to be considerably reduced in the years to come. Government, has in fact been aware of this for some years, but in the public sector has saddled itself with the burden of an existing program which though getting increasingly expensive is difficult to shed.

Coordination of Infrastructure

Scheduling the completion of construction and infrastructure at the same time has always been difficult in the public sector. Strategically, there has been little coordination between the various Ministries and the various service agencies as regards land development, though it is hoped that the ratification of the National Physical Development Plan** and subsequent measures to coordinate investment policies will bring more serviced land onto the market.

Similarly, on a local scale, public housing estates are frequently completed before services provision is made, leading to complaints (as well as unfavorable press publicity) about lack of water, roads or electricity, or indeed all three, with the non-availability or shortage of the former also leading to poor sewerage.

It is a reflection of housing demands and generous conditions of sale that purchasers are willing to occupy such housing prior to the provision of such essential services. While many coordination problems, local and strategic, could be resolved by the availability of more resources, allowing more immediate provision, the improbability of such allocation makes necessary the review of priorities by the bodies concerned.

*GDFCF: gross domestic fixed capital formation is the total annual investment in fixed capital (non-consumer) goods by both public and private sectors.

**The recently completed National Physical Development Plan has been accepted in principle the details are currently being considered by government.

Summary

Housing need, arising from population growth and increased rate of household formation, is increasing. Catering for it is made more difficult by lack of incentives for a private sector response. Indeed such a lack of incentive exacerbates the demand by causing the deterioration of existing housing. By necessity, satisfaction of lower income housing needs falls increasingly on the public sector. Rising land and construction costs, costs arising from the rudimentary coordination of infrastructure provision, and costs of countering cyclones to public acceptability levels all have a detrimental effect. High housing expectations have not always matched the desire to pay the economic costs, while the need to reduce the amount invested in housing and divert it to more productive use means that the demand has to be catered for within a smaller proportion of the national budget than in the past.

3. Public Sector Involvement

To appreciate the present level of government involvement in housing, it is necessary to have some idea of how such involvement evolved.

Apart from some post-war construction by the urban authorities and the building by-laws, government did not really get involved in housing construction or legislation until the fifties. After all, society had always managed, or appeared to manage, to house itself without government intervention. At this time, rural dwellings were largely made of wattle and daub walls, had beaten earth floors and thatch roofs. In the urban areas, traditional house types, some in wood with shingle roofs and some of corrugated iron, were still common.

The sugar estates, however, had by now begun to build houses for their permanent labour, a function later taken over by the Sugar Industry Welfare Fund (SILWF) set up in 1948. SILWF is authorized to "do all such things as appear requisite and advantageous for or in connection with the advancement and promotion of the welfare of workers and their children," "worker" meaning a person employed by a miller or planter, or a port employee. In practice, this grandiloquent brief translates into the provision of houses and community centers. SILWF's income derives largely from a duty levied on sugar.

A decade later, the government started to think more deeply about what its role should be as regards housing. This period was marked by the establishment of both the Ministry of Housing and the Central Housing Authority (CHA) in 1959, followed by the passing of the Landlord and Tenant Act in 1960, and the establishment of the Mauritius Housing Corporation (MHC) in 1962.

The establishment of CHA and SILWF prior to cyclone Carol rather upsets the theory that government involvement came as a response to cyclones: government concern was in fact being shown prior to the disastrous effects of cyclone Carol. Nevertheless, during the '60s, and '70s, government acted essentially in response to disaster: only very recently has government involvement been regarded as a continuing process rather than a response to such acts of God.

Government achievements, therefore, are considered under the headings of the three major cyclones.

Cyclone Carol

Cyclone Carol struck in February 1960, and damaged 40,000 houses. The CHA, originally intended as a policy making agency, was forced to concentrate on emergency rehousing.

It was initially decided to build 25,000 houses, mostly on land owned by individuals, but it was found after registration that most of the victims were not land-owners. The scheme, therefore, had to be revised to provide more houses on housing estates. This involved purchase of land and provision of services, the cost of which in relation to available resources caused the planned 25,000 houses to be reduced to 15,000. The need to provide more and better facilities such as improved water supply and improved road access led to a further reduction to 14,000 houses.

Limited resources and the urgent nature of the problem brought about difficulties in site selection for housing estates. Good potential sites had frequently to be substituted by less suitable government land, some in isolated locations with poor access, service and amenities. The need to select sites according to geographic distributions of victims imposed a further constraint. The land cost element of provision was reduced by taking no account of this value of government land which was rented virtually free (as indeed was purchased land).

The houses themselves, were, and still are, mainly single-story and semi-detached with corrugated iron, asbestos, and slab roofs. All roof types, incidentally, have adequately withstood subsequent cyclones. The houses measure 420 square feet and have four rooms, WC/bath and kitchen (See Figure 1). They cost Rs4,500 at the time of construction and repayment was at Rs25 per month for 25 years. Land was leased at a nominal Rs1 per month for 99 years.

Building started in 1961 and the project was completed in 1970. In all, 14,000 houses were

built, almost 6,000 on estates in urban areas, over 3,000 on estates in rural areas, over 4,000 on private sites as well as 500 smaller houses for small families.

A second government action in direct response to cyclone Carol was the passing of the Landlord and Tenant Act, designed fundamentally to prevent profiteering from the housing shortage following the cyclone. While this worthy aim was largely achieved it was at the cost, long term, of draining away private investment from low cost housing though this, to be fair, could hardly have been envisaged in those long-gone pre-inflation days.

The establishment of the Mauritius Housing Corporation also fits rather awkwardly into the cyclone response framework. Chronologically, however, it needs to be mentioned at this point, if only briefly as the general manager of the corporation will also be presenting a paper that will outline that organization's responsibilities.

The Mauritius Housing Corporation is a parastatal organization under aegis of the Ministry of Finance. It was set up in 1962 to take over the housing loan business of the Mauritius Agricultural Bank. It raises part of its capital on a commercial basis to meet the mortgage requirements of the middle and upper income group, but is increasingly involving itself in provision for these on low incomes. Since 1973 the MHC has embarked upon the construction of housing estates in urban and semi-urban areas, for sale on hire-purchase. It has also, exceptionally, agreed to extend its lending facilities to some 2,000 victims of cyclone Gervaise at subsidized rates of interest. For its normal mortgage loan activities, the MHC is restricting its loans to a maximum of Rs75,000 for a single-floor house and Rs95,000 for a two floor house. The repayment period extends over 15 to 25 years at interest rates which have fluctuated over the last five years in line with the prevailing bank rate. An average 450 loans have been provided annually. During the 75-80 plan period, MHC provided 2,300 loans plus another 900 to cyclone victims. A further 300 dwellings were completed or are under construction.

Cyclone Gervaise

On the evening of February 5, 1975, the government, with good reason, could feel pretty pleased with its housing achievements. Twenty four hours later, it could be excused for thinking it was back at square one. Having only recently completed 14,000 houses it found that 13,000 had just been damaged or demolished. Not quite at square one perhaps, as these 13,000 were from the lowest quality, while the 14,000 just built were still standing. Nevertheless, whatever the system of accounting adopted and the qualifications and reservations made, 14,000 is a lot of houses to be subtracted from the housing stock in one day. In the five year plan for 1975-1980, the government resolved that houses should be built for those whose houses had been destroyed or damaged beyond repair by cyclone Gervaise. After a survey, it was found that some 10,000 houses would need to be replaced by the government. The construction of 7,000 was entrusted to the CHA, 2,000 to MHC, 600 were dealt with by SILWF, and assistance for building another 600 came from the European Development Fund. Development was initiated with a crash program of three hundred units to house those families left in temporary cyclone sheds and tents after the cyclone. Up to now 7,000 houses have been built and a further 1,300 are under construction. The program is expected to be finished by 1982.

Considerable difficulties have been experienced in the program. These have mainly been due to problems of site identification and purchase of private land, the programming of infrastructure, and of course, escalating costs. Some efforts, however, have been made to restrain costs by eliminating some of the internal fittings.

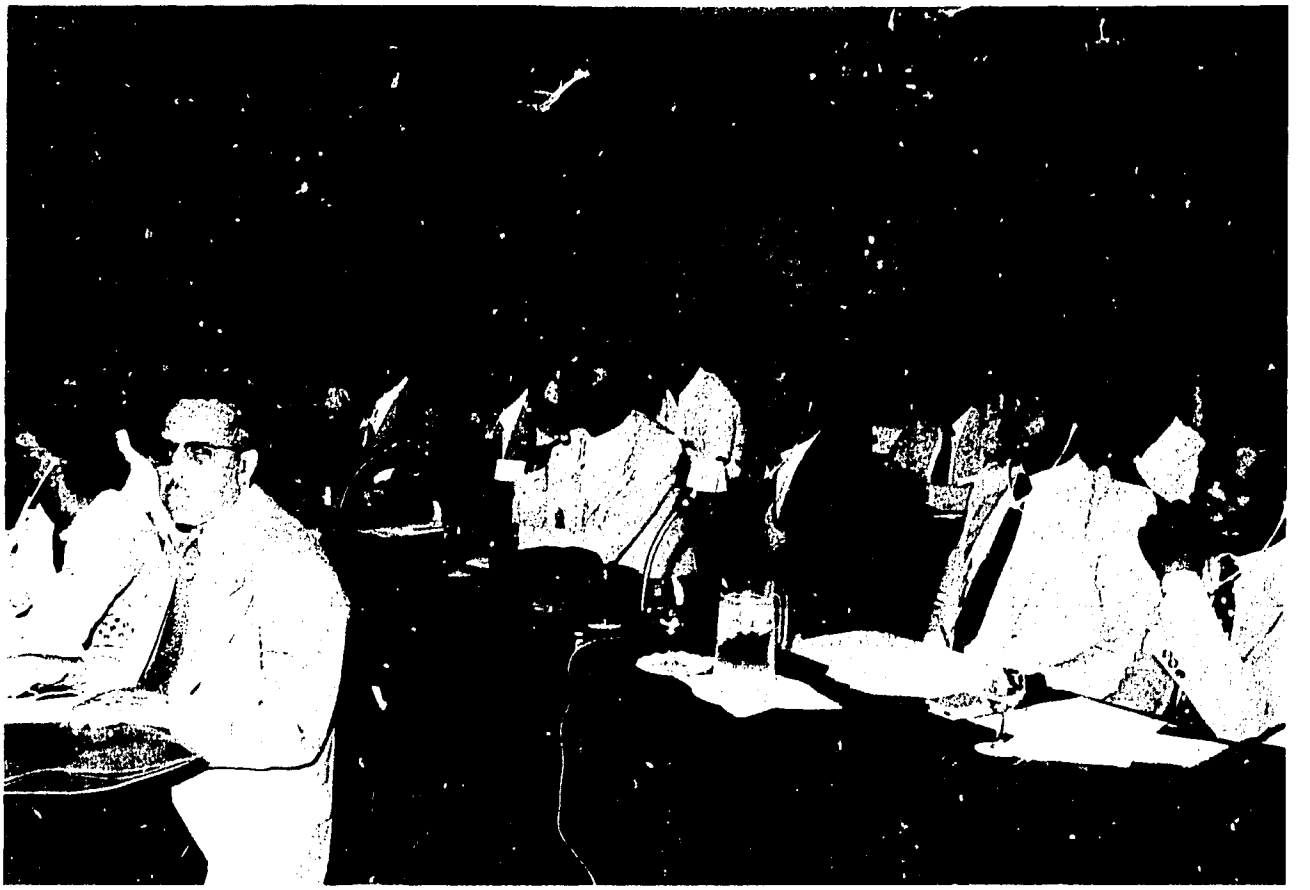
The houses themselves are two-floor terraces in urban areas, and ground floor semi-detached in rural areas, block-built or prefabricated with concrete roofs. Floor areas measure between 400 and 600 square feet and construction standards are high (See Figures 2 and 3). In 1976, costs were around Rs56 per square foot and are currently around Rs100.

As with the post-Carol program, repayment terms were generous, with owner-occupiers repaying Rs70 a month over a forty-year period, and a small percentage of the elderly and handicapped renting at Rs25 a month. Land and infrastructure are subsidized to 100 percent. It is interesting to note that repayment at more commercial rates would have represented about half of the eligible applicants income.

Cyclone Claudette

Christmas, 1979 was not enhanced by the passage of cyclone Claudette over the island a few days earlier. However, each successive cyclone affected fewer houses because of the improvement in housing quality. This time, 2,500 may even be a high estimate for houses badly damaged or demolished. This time as well, it would be stretching the framework of cyclone-disaster government response too far to explain subsequent government action in such terms.

By now, more appropriate housing policies were evolving, based largely on affordability with the emphasis on a continuing program rather than emergency action. Nevertheless, it is a program which does cater for, and indeed gives some priority to cyclone victims. This time, however, the victims will be given the opportunity to purchase houses which they can afford, and the housing program will be one which does not use public funds to subsidize those allocated a house.



Top: Plenary Session with Ivory Coast delegation, headed by Mr. Jean Konan-Ferrard, in foreground. Bottom: U.S. Ambassador to Mauritius Robert C. F. Gordon, Mrs. Gordon and USAID Office of Housing Director Peter Kimm greeting conference delegates. From left: Mr. Atambo Nyakundi and Mr. Joseph A. Shikumo, Kenya National Housing Corporation, Mr. Kimm, Mrs. Gordon and Ambassador Gordon.

4. Current Housing Policy

Housing policies are still evolving, and will doubtlessly continue to do so as problems change. Nevertheless, during the past three years the pace of evolution has been quite rapid. Less than four years ago, the government was continuing, not without difficulties, with its post-Gervaise program, continuing to give away land virtually free, and while not happy, certainly resigned to recover very little of the cost. Now it is advocating full cost recovery and stressing affordability. By any criteria, this is a pretty remarkable change, particularly for a government which had during the previous twenty years been commited to housing subsidies for those on low incomes.

How did such an iconoclastic change come about?

The post-Gervaise low-cost housing program was costing, by Mauritian standards, an enormous amount of money. As noted, 31 percent of GDFCF went on housing in 1979. In the public sector, the 'low cost' program would cost Rs330 million at 1974 prices, and the rising costs already referred to have added a staggering amount to this estimate. There appeared to be no likelihood of costs deaccelerating and a higher and higher portion of the national budget going on this program. Indeed it became apparent that the program could perhaps not be financed out of local resources, and the further the delays (which have been considerable) the more expensive the program as despite trimming of finishes and fittings, housing costs continued to outpace other prices.

Such a proposition prompted the government into considering whether it should provide a continuing subsidy to a few for a thirty-year period. Indeed, while those subsidized at the beginning of this period might be the most deserving at that time, over thirty years they could be fairly well off, or at least not at the head of the queue when assistance are being doled out. Thus, as a first step, the government took action to change the condition of sale of CHA houses. While such sales were not really at the true price, land infrastructure being usually free, and interest rates low, it may well be regarded as the first step along the road to cost recovery. Gervaise victims in fact, are charged full cost less Rs6500, but at 3½% interest over forty years. Land rental is Rs12.50 per month. Other low income families purchase at full cost, but at 5 percent interest over forty years. Land rental is the same.

The government also approached the office of Housing of USAID to investigate the possibilities of financial assistance. AID consultants carried out an assessment of the problems and made the recommendations that construction standards should be reduced and that institutional capacity and construction industry capacity should be increased. As the government could not afford the capital subsidies in its current program, more appropriate standards would have to be introduced. Such standards would put the program on a self-sufficient basis, and allow replication to the benefit of a larger number of families. The maximum size unit which would allow this was the "core" unit which the purchaser himself could add to as and when he could afford it.

The government naturally was hesitant to bring about such a change. Neither was the prospect of large one-class estates, each house with ramshackle additions (as was then feared) a particularly pleasant one. It was, therefore, decided to test such a major change for its acceptability and affordability before embarking on a large scale program. The government selected two prototype core house designs and these at various stages of extension were constructed on six sites. Upon completion, a market survey was carried out, and the data became available in April, 1980. Fortunately, interest was high and 89 percent of those surveyed said they were interested in purchasing a core house on full recovery terms.

The results of the survey were crucial in bringing about a change in government policy: it showed that such a change was acceptable. The government, which had been wary of taking the plunge into the (for Mauritius) uncharted waters of affordability, cost recovery and core units, with the assurance of the survey results behind it, made its move. Previous studies had suggested much the same things, but it was this particular survey which was axiomatic in bringing about the change. Subsequent studies strengthened this conviction by making similar recommendations and suggesting similar conditions, and provided reassurance that the new policies were not only for the best but were in fact the only policies which could be rationally pursued.

At present it could be argued that there are a number of parallel policies arising from these various studies carried out during the past two or three years. These studies, in chronological order were carried out in or by:

1977:	The National Physical Development Plan
1978-1979:	A group of Belgian Consultants,
1979-1980:	The World Bank Urban Sector Mission,
1979-1980:	The feasibility study for the development of La Tour Koenig on the outskirts of Port Louis, prepared by Australian Consultants, later in greater detail for Phase I by the Ministry of Housing.

Currently, of course, the Ministry have been absorbing, reflecting rejecting and analyzing

and the recent Two-Year Economic Plan (1980-82)* summarizes this process.

Such a proliferation of studies and policies suggests chaos. In fact, the similarities in the policies far outweigh the differences (which could lead to an ignoble suspicion that all the studies copied off one another) and point to the essentially rational nature of the consideration given. It would merely confuse to highlight the differences between the studies, but the major points in common have become the main planks in the government's housing strategy. These main points are:

1. The need to add 9-10,000 houses to the housing stock annually, mostly, of course, by the private sector.

2. The need to concentrate public money on low and possibly lower-middle income families.

3. The need to encourage greater private sector participation. In the case of provision by the public sector, the government will aim at making the initial investment, be it in serviced plots, core units or expanded cores, or small improvement or construction loans, after which the individual will be encouraged to make his own contribution.

4. The need to maintain existing stock and encourage investment in it by the availability of loans and legislation change.

5. The need to improve existing agencies and create new ones to concentrate on policies (Ministry of Housing), finance and funding (MHC), and land acquisition and development (land bank and land development agency)

6. The need to make provision which can be afforded by the recipient at full cost recovery, and to phase out subsidies.

7. The need to limit the proportion of the investment budget going on housing, so that part might be diverted to more productive investments. This necessitates more cost-effective housing policies if the total number of houses needed is to be built.

5. Effects of Change

The adoption of particular policies does not of itself achieve anything: it has to be followed by their implementation. It is pleasant to note that such action has already commenced.

The European Development Fund is financing a building loan, improvement loan and site and service program worth over Rs30 million. The loan component, will form the major part of the program. It is intended that building loans will average Rs25,000 while improvement loans will average Rs10,000. Full cost recovery is intended. At the same time, work is continuing on the provision of twelve sites, for which services are being planned and for which more detailed design work will soon start. About 450 plots are envisaged under this scheme, which is intended to lead into a continuing program of this nature.

The Urban Aid Package, sponsored by the World Bank, also proposes considerable investment in housing, forming 80 percent of their total investment. 60 percent of the total program will be externally funded. The major elements are Rs20 million for the upgrading of four CHA estates built in 1960 after cyclone Carol, and suffered from sewerage overflows and typhoid outbreaks during the last cyclone. Over 3,000 families will be affected.

A similar sum is being provided for the first phase of the La Tour Koenig development. Six prototypes have already been built at La Tour on the outskirts of Port Louis and a major survey was carried out in late 1980 to assess public response. The response was enthusiastic and overall effective demand was high with 55 percent favoring one of the core units, and 45 percent favoring serviced sites. The lower the income, the higher the demand for sites. All the houses are block built and have concrete roofs. Sizes vary from 200 to 360 sq. ft. (See Figures 4 and 5). It is intended that buyers extend from the provided cores, both horizontally and vertically. Full cost recovery is to be made and with a downpayment of 10 percent, repayment will vary from Rs365 to Rs565 a month over a maximum of twenty years. Phase I is intended to cater for 600 families, both with serviced plots plus loans, and core units at different stages of expansion.

*Two-Year Plan for economic and social development, 1980-1982 (Ministry of Economic Planning and Development) is an interim plan aiming at redressing the economy following the devaluation which took place in late '79.

The major part of the World Bank loan, Rs112 million, is to be for construction and home improvement loans for low income families. 3,700 such loans will be made available over a four-year period. Three-quarters will be for new construction and one quarter for upgrading. Average loan sizes will be Rs25,000 and Rs10,000 respectively, as with the EDF Scheme.

USAID have agreed to guarantee housing loans which the Government of Mauritius wishes to take up. The government is currently awaiting a decline in interest rates before proceeding. Prototype core houses, however, have already been built at six sites. Each site has two sets of cores, two sets at the first stage of expansion and two completed prototypes. The houses are block-built with concrete roofs. The cores, made up of "wet core," bed-sitter and veranda, vary in size from 246 to 315 square feet and future expansion is to be carried out by the purchasers (See Figure 6). Full cost recovery will be effected, and the prototypes have in fact already been sold on a higher purchase basis.

A survey to assess their acceptability has been carried out which, again fortunately, was favorable. Indeed, it is probable that the results of this survey were instrumental in bringing about a change in government housing policies:

6. Conclusion

Over the past few decades, Mauritius has made much progress, though not perhaps without a few stumbles. Progress can be measured in number of houses built, number of families assisted, and willingness to reconsider attitudes toward housing provision. Depsite the government having been able to assist almost 30,000 families (over 40 percent of the low-income population) in one way or another, it is tempting to regard the willingness to revolutionalize policies as the most promising sign for the future. Perhaps it is also the most heartening for visitors to this Conference.

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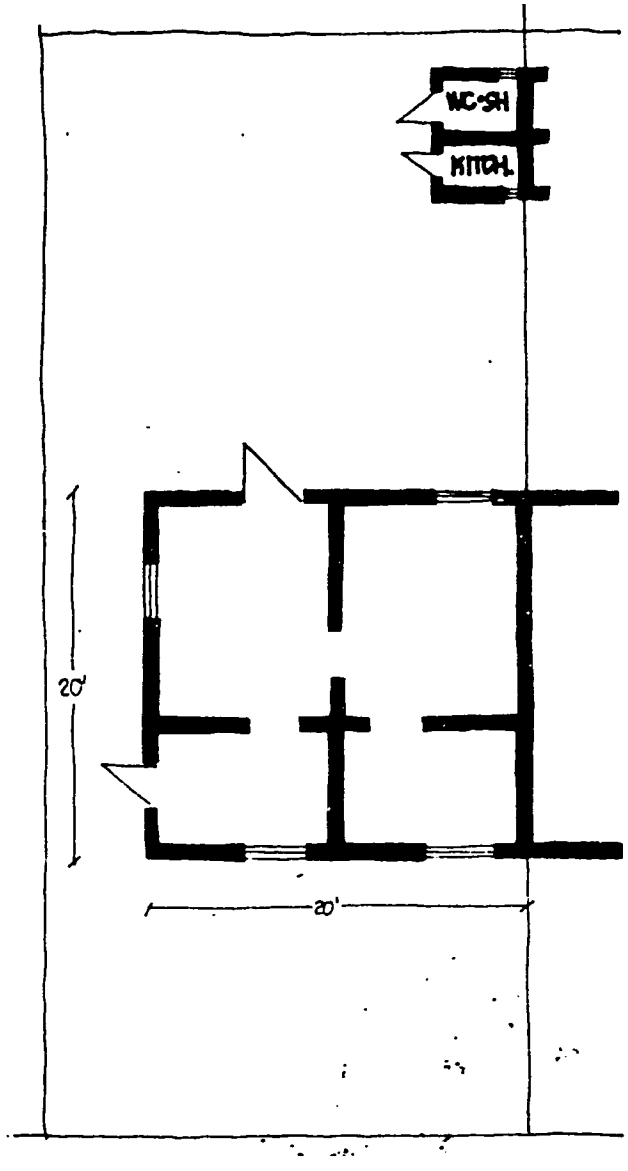
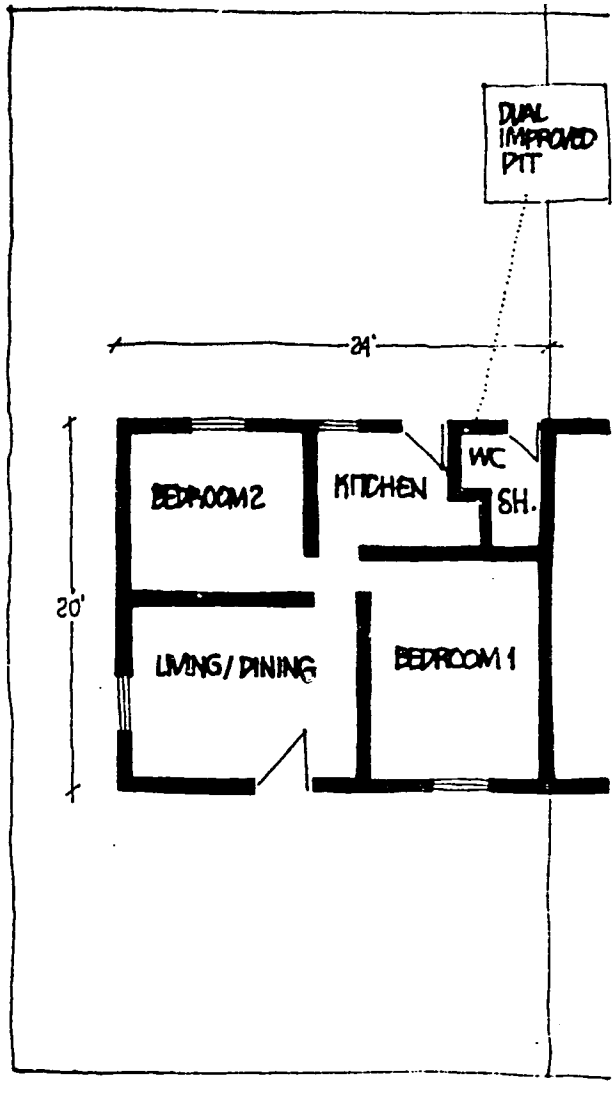


DWELLING SIZE 400 SQUARE FEET · DETACHED KITCHEN AND W.C./SHOWER · BLOCK WALLS · C.I. ROOF · SCALE ½" to 1 FT.

TYPICAL HOUSE TYPE · SEMI-DETACHED · 1 FLOOR

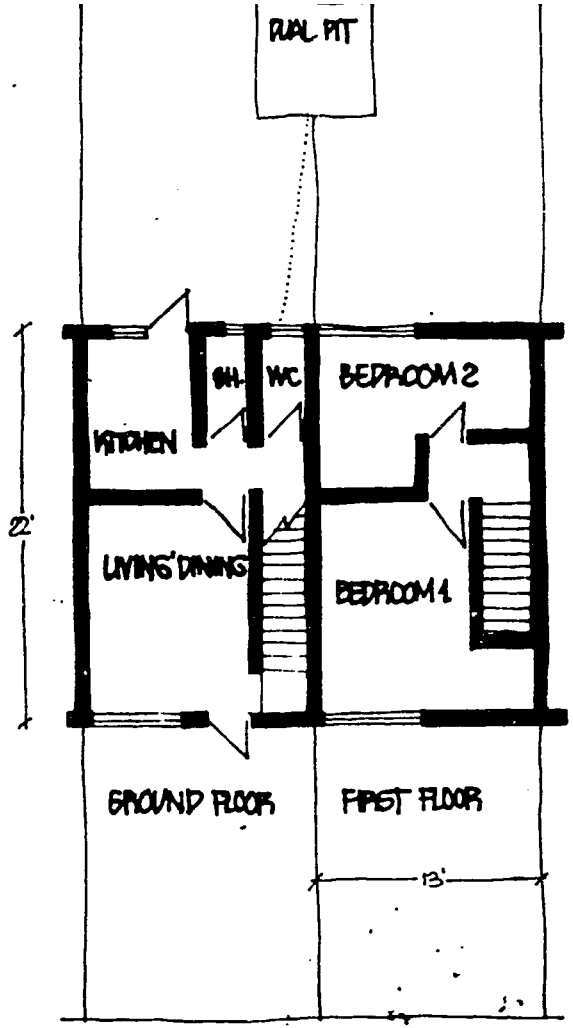
POST-CAROL.1

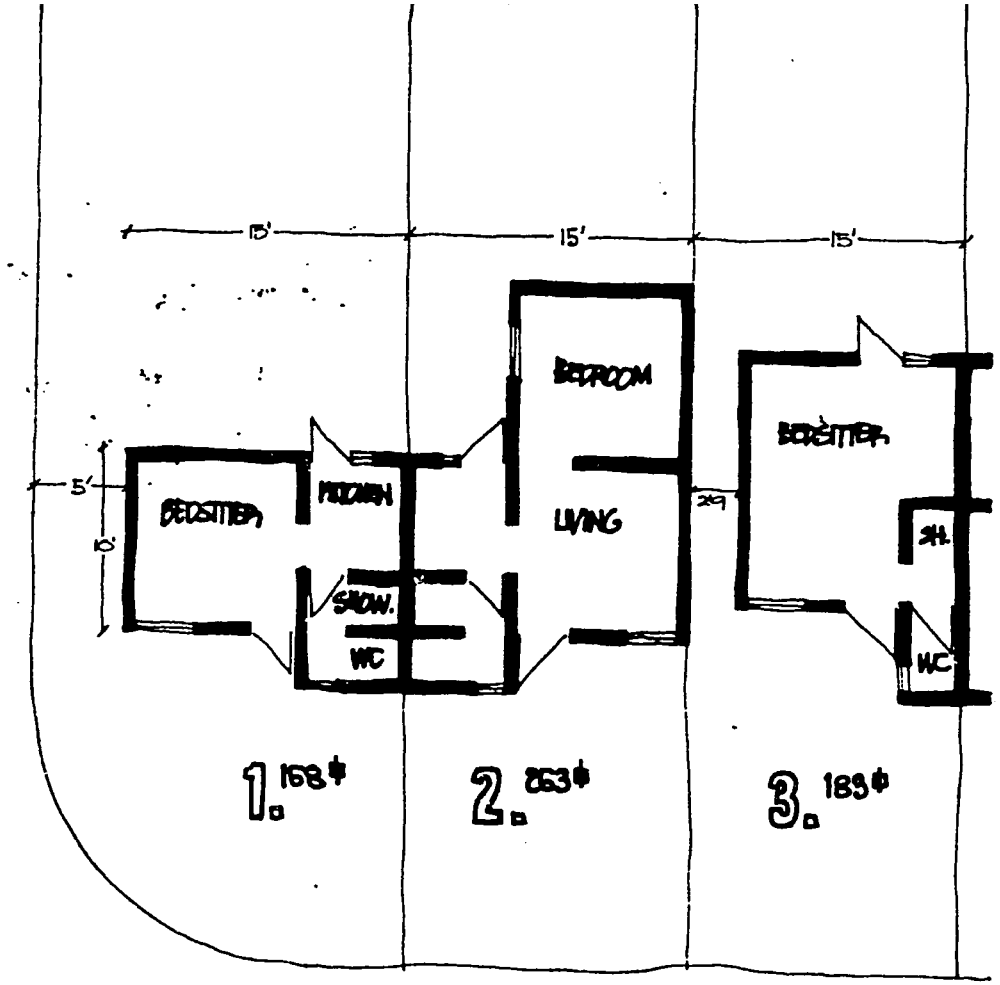


DWELLING SIZE 480 SQ.FT. · BLOCK WALLS · SLAB ROOF · SCALE 1:100

SEMI-DETACHED · SINGLE FLOOR TYPE · RURAL AREA

POST-GERVAISE.2





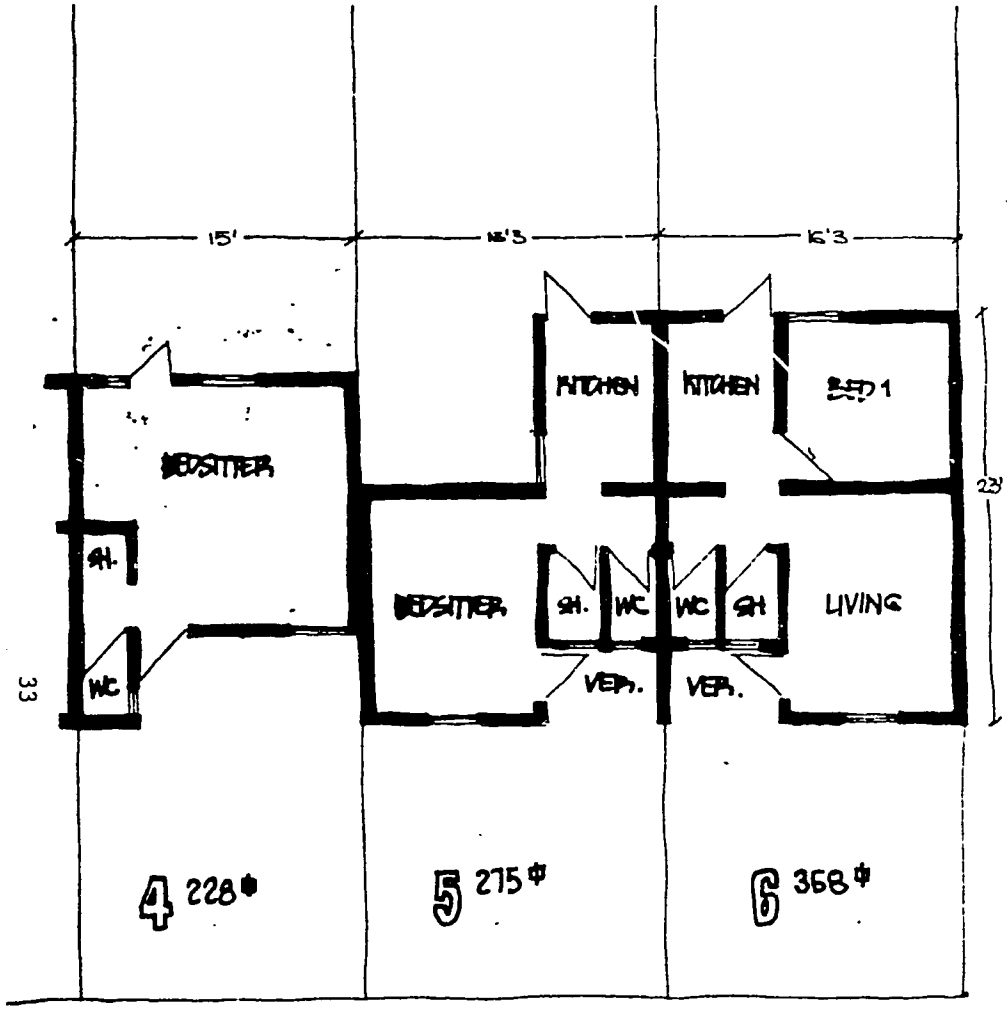
DWELLING SIZE 580 SQUARE FEET • BLOCK BUILT OR PRE-FABRICATED CONSTRUCTION • CONCRETE ROOF • SCALE 1:100

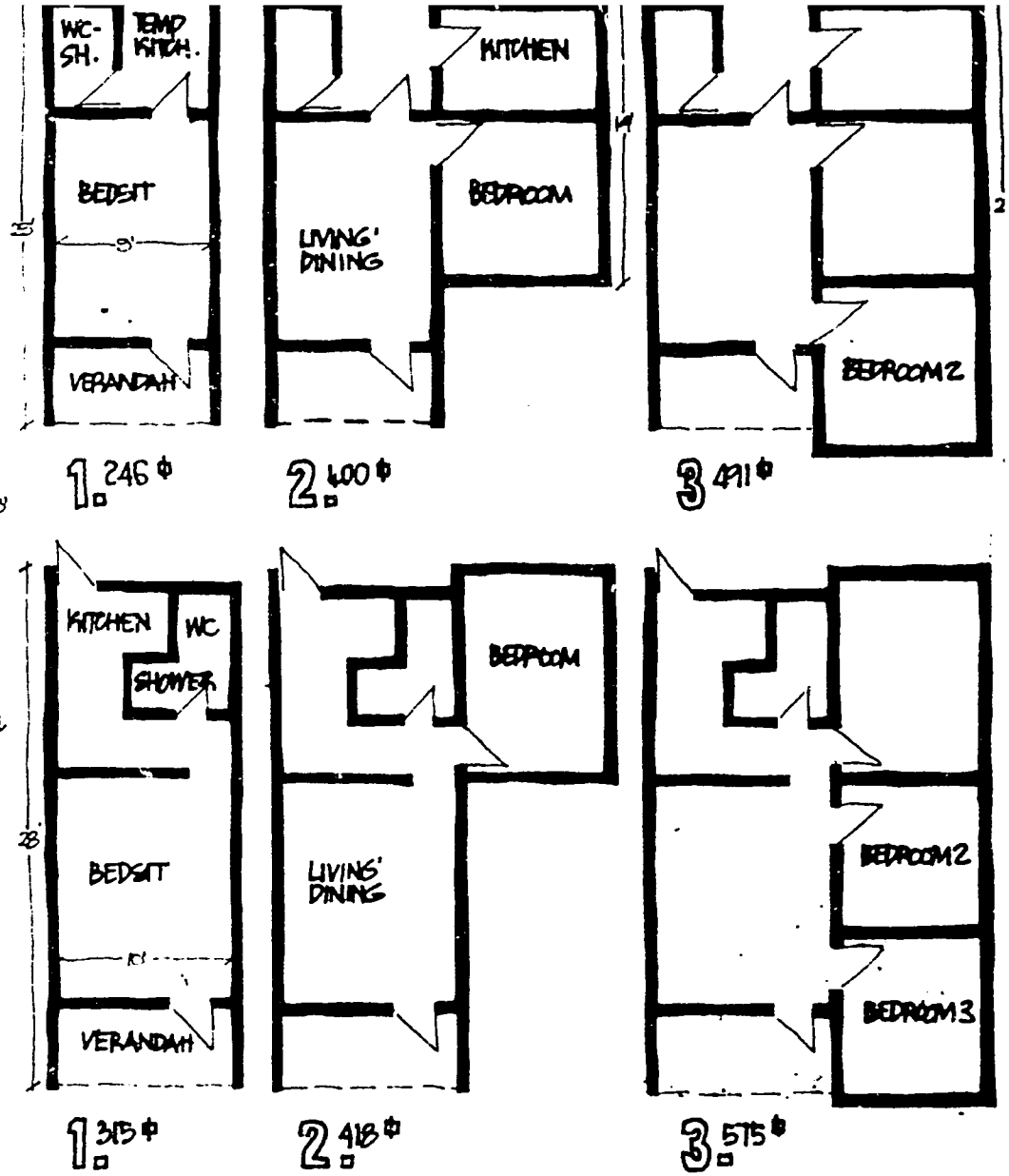
TERRACE TYPE • TWO FLOORS • URBAN AREA

POST-GERVAISE.3

SINGLE FLOOR CORES • BLOCK WALLS • CONCRETE ROOF • HORIZONTAL & VERTICAL EXPANSION • SCALE ½" : 1 FT.

LATOUR PROTOTYPES.4





SINGLE FLOOR CORES • BLOCK WALLS • CONCRETE ROOF. HORIZONTAL & VERTICAL EXPANSION ⅛" = 1 FOOT

LA TOUR PROTOTYPES.5

TOP OF PAGE • TYPE A • BOTTOM • TYPE B • BLOCK WALLS • SLAB ROOF • HORIZONTAL EXP. • SCALE ⅛" : 1FT

USAID PROTOTYPES.6

PLENARY SESSION

PLANNING FOR PROJECT IDENTIFICATION (PROBLEMS AND PROCESS IN LOW-COST HOUSING)

BY MR. GIBSON MAINA, CHIEF HOUSING OFFICER, MINISTRY OF URBAN DEVELOPMENT AND HOUSING, KENYA

I. INTRODUCTION

A. The purpose of this paper is two-fold. Firstly, it gives an overview of the context within which planning for project identification should be approached in the overall project planning and implementation. Secondly, it deals specifically with the problems and processes in the identification of low-cost shelter with special reference to Kenyan situations.

B. At this early stage it is important to emphasize on the role played by the existence or non-existence of a defined and formulated shelter policy, plan and program for implementation as these have a very strong bearing on the efficiency and eff civeness in shelter project planning and implementation.

II. SHELTER POLICY

A. This is important because it sets out the objective of shelter development--to achieve the desire of the society for better shelter. It indicates the goal which is a recognition to move forward to fulfill the society's housing needs--the gap between what is and what is felt to be desirable.

B. Given the limited resources both at the national level as well as the sectoral level (the shelter sector in this case) to bridge this gap depends on the housing standards--standards being the measure of levels of acceptability at a given time and place and in a given set of cultural, technological and economic conditions. This then means the higher the standards set the more difficult it will be to achieve the goal. This is so because apart from the investment required to achieve the shelter needs compared with other also important society's needs such as education and food production if the built shelter is to be paid for by the beneficiaries, then the demand from available purchasing power becomes a very important factor. Hence the need to establish an order of priorities.

C. All of these aspects--values, goals, needs, demand and priorities--have close and important relationships and they have an important bearing on the identification, planning and implementation of shelter programs and projects.

III. SHELTER PLAN AND PROGRAM

A. The plan then becomes important because it gives detailed specific statements of when a set of shelter development goals, taking into consideration of the identified housing needs and demand and formulated priorities, would be translated by a given date into a set of physical products. That done, then the shelter program would set out things, step by step, that need to be done in order to carry out the plan taking due consideration of the existence of land, finance, building materials, land equipment, manpower and the institutional framework for the administration of the program and projects.

B. In brief, there is a close relationship between the shelter plan and the shelter program: for the plan to have any meaning at all it must be converted into programs of action. Likewise shelter programs must be implemented if they are to be of any use. In addition, the experience gained during the implementations of the shelter program, particularly if well monitored and evaluated, will give a guide to the revision of the original plan. However, how efficiently and effectively the shelter program will be implemented will depend on many factors and most important of them is efficient project identification. The following part of the paper, therefore, deals with the planning for projects identification.

IV. THE PROJECT CYCLE

A. In order to identify at what stage project identification should take place we shall make use of the framework of the project cycle. A project cycle may be seen to consist of the following stages:

1. Project identification
2. Project preparation
3. Project appraisal
4. Project implementation

5. Project evaluation, possibly leading on to further project identification.

B. The stages of the cycle do not always occur in the sequence listed above: it is sometimes, for instance, necessary to either terminate a "project" before it is implemented or to refer it back to an earlier stage for further scrutiny. Further, the intensity and scope of project identification, for instance, may differ substantially depending on the nature of the project and the level of detail required. It could be extended to project appraisal stage.

V. PROJECT IDENTIFICATION

A. This may be considered as the process by which project ideas are developed, ideally as a result of a review of demand or needs and the available resources and services. In the urban housing sector in Kenya, largely as a result of rapid urbanization and also due to an existing shortfall in housing stock, the demand for housing is always ahead of supply--at least for low and medium cost housing. Government emphasis is, therefore, on low-cost housing with considerable incentives given to the private sector to cope with housing for the middle and upper income families.

B. The identification of low-cost urban housing projects is undertaken jointly by the Department of Housing and the National Housing Corporation in consultation with Local Authorities. During the present plan period, as in the previous one, low-cost urban housing projects will continue to be identified and implemented in 38 urban centers. Over these two plan periods, funds earmarked by Treasury for low-cost housing have been allocated among these 38 urban centers on the basis of their expected population growth, existing shortfalls in housing stock, etc. Since housing projects generally constitute a rolling program, a part of these funds are directed towards ongoing projects while balances go toward financing new projects.

VI. PROJECT PREPARATION

A. Projects considered desirable and feasible are developed to a detailed degree at the project preparation stage. A number of factors have to be considered to reach this stage For example, although the demand for high cost housing may be established in a given urban center, it would be considered of less priority for public sector financing, since it would not be supportive of the poverty alleviation strategy. Or, on the other hand, the lack of suitable, high density residential land would render a desirable low-cost housing project unviable.

B. The detail to which projects are prepared before they are appraised varies. In fact, for a large number of housing projects in Kenya, a formal appraisal stage does not exist. One, therefore, all too often encounters projects prepared to the tender stage, with implementation following immediately thereafter.

C. Recently, however, with the entry of international lending agencies into the low-cost housing sector. more emphasis has continued to be given to the various stages of the project cycle. For projects funded by such agencies, e.g., the 1st and 2nd urban projects, only about 20 percent of the project would normally be required to be prepared to the detailed design stage, or such other proportion as would allow a realistic estimate of the toal project cost to be made. The same case applies in case of secondary towns project expected to be funded with assistance from USAID.

D. As far as the normal National Housing Corporation program is concerned, project preparation is undertaken through one of five methods, categorized as method A.B.C.S. or F, defined as follows:

E. Method A: The National Housing Corporation takes complete charge of the project from beginning to end, i.e., obtaining information from the Local Authority and visiting the site, producing designs, inviting tenders, supervising the construction and handing over the project when finished (all payments being made on behalf of the Local Authority). In some cases, depending on the size of the project, a full time clerk of works or Building Supervisor will be employed for day-to-day supervision: otherwise there will be a part-time supervisor.

F. Method B: The Corporation takes complete charge of the project as for Method A, from beginning up to end including the preparation of the tender and contract documents, the remaining stages being handled by the staff of the Local Authority.

G. Method C: Subject to the approval of the Corporation, the Local Authority takes complete charge of the project from beginning to end, and the Technical Branch of the Corporation gives directions as required in order to ensure, among other things, that

designs and cost estimates will be acceptable to the Corporation.

H. Method F: All stages are handled by outside consultants under the supervision of the Corporation.

I. Method S: The Corporation undertakes the invitation of tenders and the supervision of the contract using tender and contract documents prepared by others.

VII. PROJECT APPRAISAL

A. Apart from the 1st, 2nd and 3rd Urban Projects, to be financed by assistance from the World Bank and Secondary Towns, projects that are receiving support from USAID formal project appraisal are not normally undertaken. Such appraisal, where undertaken should entail the comprehensive and systematic review of the following aspects of a project:

1. Technical - This would determine whether the project is technically feasible. For example, if trunk water-borne sanitation is proposed it would indicate the existing capacity. This would also indicate whether for instance the proposed land use is efficient.

2. Financial - This would indicate for instance, whether the requirements for money needed for the project is adequately computed and sources firmly identified and the system of cost recovery which will be used and how viable it is.

3. Commercial - This would indicate for instance, whether there is an adequate supply of the project inputs and an adequate demand for the project output and whether the output is financially affordable to the target population.

4. Socio-economic - This would indicate the Socio-economic worth of the project from the national point of view. It would also indicate whether the project is consistent with the country's development policies.

5. Managerial and Organizational - This would indicate whether there is an adequate capacity in terms of those who will be reponsible for implementing and operating the project and whether there is adequate capability and capacity for supervising the post-contract, self-help building of houses by plot allottees, etc.

6. Public Participation - This would indicate to what extent the community understands and accepts the project; and to what extent it has been involved in the planning of the project. This is particularly important in upgrading projects.

VIII. PROJECT IMPLEMENTATION AND EVALUATION

A. Once a project is appraised and passed as acceptable the remaining important stage is implementation and evaluation. Projects in general, required monitoring at the implementation stage in order to ascertain whether they perform as initially envisaged. Since this is the theme of the conference, no more will be said about it in this paper.

IX. THE KENYA SECOND URBAN PROJECT

A. Since the Second Urban Project in Kenya is currently under implementation stage, I will refer to it here to indicate the procedures followed during the identification phase.

B. Under the 1st Urban Project (i.e., the Dandora Community Development Project), financial provision was made for the undertaking of a low-cost housing and squatter upgrading study with the intention of identifying a feasible project for funding by both the Kenya Government and the World Bank (Second Urban Project). The study, which was undertaken by the Ministry of Urban Development and Housing, through consultants, commenced in late 1975.

C. At various stages of the study, various reports were prepared by the consultants and reviewed by Government, the World Bank and the three Local Authorities of Nairobi, Mombasa and Kisumu. The draft final report was completed in March 1977 and pre-appraised in June of the same year by Government, the World Bank and the three Local Authorities. As a result of this pre-appraisal exercise, it was agreed that a project document be prepared for appraisal later in the year. This project document was completed in August 1977 and submitted to the World Bank and the Government.

D. Project appraisal was undertaken by the Bank in September of the same year, while negotiations among the Government and Local Authorities and the World Bank took place in March 1975. The various legal agreements were signed soon thereafter and October 1975 designated as the effective date of the legal agreements.

E. In addition to the provisions of infrasturucture and material loan to facilitate housing consolidation as was the case in urban I, the following innovations were incorporated.

1. Upgrading of existing squatter areas as a complementary approach to site and service.

2. Settlement plots - basic infrastructure to surveyed plots - lower standards in site and service.

3. Promotion of health, nutrition and family planning.

4. Improvement in local finance and planning.

5. Improvement in the institutional management.

6. Study of 3rd Urban Project.

X. KENYA SECONDARY TOWNS SHELTER AND COMMUNITY FACILITIES

A. The procedures followed in project identifications for the Kenya Secondary Towns Shelter and Community Facilities were slightly different from those for urban two.

B. The United States Agency for International Development (USAID) in cooperation with the Ministry of Urban Development and Housing commissioned the Kenya Secondary Towns Shelter and Community Facilities Project Study. The objective of the study was to define a proposal for shelter and community facilities development at 13 secondary towns, to be considered for funding through the Housing Guaranty Program.

C. The consultants were required to undertake the study by:

1. Collection of background data and an initial visit to six specified towns leading to a reconnaissance report identifying three towns for further detailed study;

2. Evalaution of the three towns selected to determine development characteristics and identify programs for the provision of low income shelter, community facilities and employment generation;

3. Developing an economic and financial program for the remaining seven towns through an extrapolation of existing data;

4. Holding seminars for national and local agencies in order to review these proposals;

5. Assisting USAID in the preparation of a proposal for a fundable project.

XI. PLANNING FOR PROJECT INDENTIFICATION IN PERSPECTIVE

A. It is therefore apparent that project identification is an important stage in the project cycle. It is therefore necessary to establish a capability for project identification and streamline identification procedures in order to promote efficiency and effectiveness in the identification of comprehensive shelter projects. This capability should be able to carry out a comprehensive study whose culmination would be the preparation of a Project identification report. This report would preferably include the following:

1. An analysis of housing needs and supply;

2. Standard housing unit types and cost guidelines for each target group;

3. Infrastructure developments required;

4. Community and social facilities required;

5. Employment support facilities included in the project;

6. Identified sites;

7. Land use and land sale plans;

8. An administrative plan for project implementation and management; and

9. The financial plan elements including revenue generation and loan repayment.

B. The time period covered by the report should be five years and it is recommended that a further report should be prepared outlining resources available in the longer term for reproducing the project. Of particular significance in this second report is land availability because of the long development period needed to identify and reserve land for projects. Both reports should be presented to the Coordination Authority for approval according to a timetable prepared by Central Authority. It is suggested that a total elapsed time of three months be allowed to obtain all approvals. The staffing and location of the necessary Project Identification Unit or Department would depend on the prevailing institutional framework, but its importance should not be minimized.

IDENTIFICATION AND DEVELOPMENT OF ORGANIZATIONAL STRUCTURE FOR IMPLEMENTATION--POLITICAL, MANPOWER AND MANAGEMENT LESSONS BY MR. JACOB DOGBEH, MANAGING DIRECTOR, NATIONAL HOUSING AUTHORITY, LIBERIA

Case Study: Liberia National Housing Authority

The Establishment of Liberian National Housing Authority

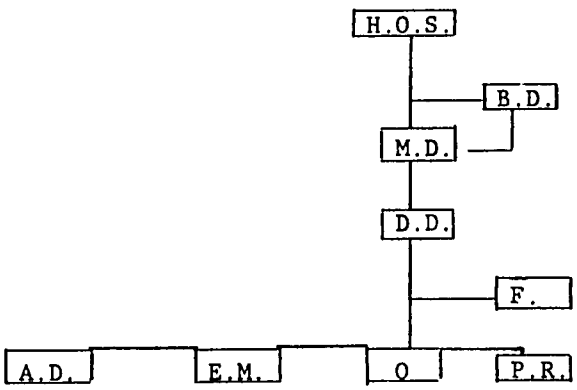
The National Housing Authority was created as an autonomous agency of government with the expressed objective of responding to the housing needs of low income Liberian citizens. Originally operating under the Ministry of Public Works as Bureau of Housing responsible for the coordination and management of public leased housing facilities, the Agency became autonomous in 1960 with broader objectives.

The Act which created the National Housing Authority, delegated to it the critical tasks of planning, designing, constructing and managing low cost housing facilities for low income Liberian families. The National Housing Authority was also given the responsibility of securing financing for infrastructural developments and slum clearing.

Organizational Structure and Management

National Housing Authority is government owned and government managed. It has a Board of Directors which is appointed by the Head of State and serves in a supervisory capacity. The Management is headed by a Managing Director and a Deputy Managing Director both of whom are appointed by the Head of State. The Managing Director reports directly to the Head of State and the Board of Directors.

For control and effective management, National Housing Authority is divided into five principal components: Administration, Finance, Operation, Estates Management and Planning and Research.



Thus far, this organizational structure proves effective in itself in terms of or as far as management by objective is concerned. What is lacking, however, is the financial capacity to objectively respond to the critical needs of the low-income groups of the Liberian people. By being government owned and government managed, private investors are precluded from active participation in National Housing Authority shelter provision scheme. One other essential factor that is inhibiting efficient management of National Housing Authority is that by virtue of being government owned and government managed, all of its top-level positions are normally filled by political appointments.

Implementation

Implementation of low-cost housing programs in Liberia has been very slow and ineffective. As private investors are not interested to invest in a government owned and managed housing program, funds to plan, design and construct adequate housing facilities are not available. Strong demands for financing free education, health services, roads, water, light and power, agriculture, etc., heavily drain the little available government funds that could be used for housing programs.

Since its creation in 1960, National Housing Authority has only built a total of 1,531 units. A study conducted in 1970 indicated that 10,000 housing units for low and middle income were critically needed throughout the country with an estimated annual recurring need of 700 housing units for the natural increase in population. To adequately respond to the housing needs of these two groups of families would have meant the construction of 17,000 housing units by 1980. The lack of proper financing has made National Housing Authority's efforts to address the housing needs of the country ineffective.

Future Development

Development ideas and concepts have changed very rapidly during the last two decades, and as such these revolutions have significantly influenced the framework within which housing development is to take place in the present and future decades.

The decade of the 60's witnessed an unprecedented effort by government to maximize the country's Gross Domestic Product. The average annual growth of the GDP was 5.7 percent in real terms and 8.7 percent in current prices from 1964 to 1974. Real per capita income (valued at 1971 prices) increased from 2.4 percent per year since the mid 1960s and is estimated to have reached about $300 in 1974.

Perceptions were at the time, that relatively high rate of economic growth would lead to growth in all sectors of the society. The housing policy implication drawn from such development concept was that the housing problem at the time would have been solved over time because as the GDP continuously increased, the incomes of the population would meaningfully increase. Hence as incomes increased, the people's capacity to afford and build better housing would also increase. Such was not the case. Income became unevenly distributed. The poorest and largest sector of the working population received the smallest share of the national income. The richest and smallest sector received the largest share of the national income. Quite clearly, the experience of high rates of economic growth brought a minimal benefit to the poor. Hence, in the 70s, a remarkable change in development perceptions emerged.

This change reflected a redistribution of the growing GNP and emphasized the consequences of poverty in tackling the growing socio-economic inequalities that persists. For housing, the policy consideration includes provided shelter and all other physical and social infrastructure that complements housing efforts. This implies that an enormous amount of public resources is required to construct public housing projects. The idea here is that the rich will in effect subsidize the poor. But the very small rich base is indeed too small to meaningfully subsidize the great number of poor people in our society.

If government is to subsidize housing in order to meet the housing needs of the Liberian people, about $500 million would be required in 1981 alone. This is clearly far beyond our government's capacity. Therefore, we have begun to chart a new course. This development concept orientates policy measures to a particular target group that is relatively homogenous with respect to the outcome of the formulated policy measures. In our case, this target group has come to be particularly the low-income people. This is so because they are the most affected by persisting socio-economic, and political inequalities to situations people find themselves living in. The further down the ladder they are located, the more limited are opportunities, the more restricted seems the choices, the greater are the risks of sickness and deprivation, and the less is the ability or capacity to become involved in developing themselves.

Included in this idea of low-income housing are projects ranging from employment generation to access to health and educational facilities and services, access to shelter and credit. Hence, housing programs within the framework of this new approach imply not only the construction of the house but access to socio-economic services and facilities which could be explored to provide the opportunity from which low-income housing development can become the springboard to overall integration into existing and future development patterns.

Consistent with this line of housing development philosophy, the National Housing Authority has begun to implement such programs as Sites and Services and upgrading. The rationale here is to minimize demands on government resources by maximizing those of the individual householder in building his own house either by himself with National Housing Authority technical supervision, or a small-time contractor. This action, we hope, will encourage a labor intensive construction industry which will provide the commonest occupations necessary to generate gainful employmen and create sustained economic development. In our upgrading attempt we are striving to cre te the atmosphere in which the people who benefit most are those who live in the upgraded community. Usually, this category of people are the poorest sector of the community who cannot mobilize enough resources to move to other areas. In most cases they are already spending more than they can afford on housing and other available services.

Inherent in this idea is the newly emerging concept of cost recovery. Even though it is still a new idea in Liberia, we see in it a possible beginning of self-sufficient housing scheme and a means whereby captial can be rolled over from project to project.

Our organization at present is flexible indeed to cope with these evolutions in housing development. What is important in our context is the development of a realistic and applicable housing policy to direct future housing developments.

NHA/USAID LOW-INCOME SHELTER PROGRAM BY JACOB DOGBEH, MANAGING DIRECTOR, NATIONAL HOUSING AUTHORITY, LIBERIA

Introduction

The results of the 1974 Population and Housing Census for Liberia reflected that large groups of population live and subsist in rudimentary overcrowded and substandard dwelling units. Most of them living with less than the basic, elementary facilities for a decent, healthy living condition.

At the time of the Census about 1.5 million people were living in Liberia, grouped in about 311,000 households, which were occupying approximately 223,700 structures. Assuming the 3.3% natural growth rate of population established by the Census, this would lead to a projection of around 1.8 million people by 1979, grouped in about 369,600 households and occupying 267,700 structures.

The disclosed housing situation revealed the following data:

1. In Liberia, 70.7% of the existing structures in 1974 were conventional semi-permanent units (mud huts, thatched houses, bamboo huts and houses, sheet iron/zinc houses). At least 50% of these were inadequate requiring either upgrading or replacement in order to provide an acceptable physical environment for their dwellers.

2. The problem was further aggrevated by the absence of utility facilities in most of the structures. Of all households, 83.1% had no facilities at all; only 5.9% had water, electricity and flush toilets: 9.4% had electricity only.

3. The number of persons per household, persons per structure and households per structure showed little variation from the Liberian average, which is 4.8 persons per household; 6.8 persons per structure and 1.4 households per structure.

4. Of all the households only 0.55% lived in owned premises, 11.89% rented their premises for cash and 87.59% rented their premises for free or by other arrangements.

5. Of all the households, 73.6% had a monthly income of less than $50 (US); 16.9% an income between $50 (US) and $90 (US). It is very relevant that in Nonrovia 37.3% belonged to the first category and 32% to the second. The proportion of households having monthly income of between $350-$399 (US) was below 1%.

Projections of housing needs in Liberia, from the 1974 Census data, reveals the following situation for the period 1980-1984.

1. Of the total number of structures existing in 1974 (265,700), 46,760 (17.6%) are completely inadequate. This number would increase to 48,485 assuming a continued 3.3% natural rate growth over a four-year period (1980-84). This would call for the construction of 12,121 housing units per year during the four-year period, to replace totally inadequate structures plus to account for the natural growth in said period.

2. There will be in Liberia a total of 48,485 completely inadequate shelter units by 1984. A national housing program would call for an annual construction of 12,121 units to replace those structures by said year. On the other hand, to provide dwelling units for the new households coming into the market each year, an additional 105,580 units need to be completed by 1984. Close to 80% of these new households will fall into the lower income sector, with the accompanying inability to provide adequate shelter for themselves. Thus, a public national housing construction program to provide 154,065 units needed to be developed during the period 1980-1984 if the housing problems were to be completely solved in Liberia at the end of the four-year period.

Considering the financial constraints of the Government of Liberia, it is not possible that the Government can reduce the housing problem in such a short period of time nor in the near future.

Thus, a project agreement was signed between the Government of Liberia and the United States Agency for International Development. The project consists of a series of sub-projects designed to assist the Government of Liberia to improve its capability to design, finance, construct, and manage replicable shelter projects for low-income families.

A. On September 14, 1979, the Project Agreement between the Government of Liberia and the USAID for assistance in the development of low-income shelter, was signed. The Agreement consists of financial assistance to the Government of Liberia in the form of a technical assistance grant of funds in the amount of $1.8 million, a $5 million grant and an AID commitment to guaranty additional borrowings of the GOL in the United States capital markets in the amount of $10 million. The implementing agencies will be the National Housing Authority (NHA) and the National Housing and Savings Bank (NHSB). The project consists of a series of sub-

projects which are briefly described below:

1. Institution Building Sub-Project consists of training and budget support for the two implementing agencies (the NHA and the NHSB). The sum of $1 million will be disbursed from the grant for this sub-project ($600,000.00 for budget support and $400,000.00 for training).

2. Small Loan Sub-Project--The approximate sum of $4 million will be alloted from the Grant/AID Guaranteed Loan to NHSB for this sub-project, to be used for lending activities to those families who earn less than $150 per month. This is for all projects--for building materials, construction services and small employment-generating enterprizes located in project areas.

3. Sites and Services/Core Housing Sub-Project--The sum of $5.5 million shall be alloted from the Grant and Guaranteed Loan for the design and construction by NHA of graded and serviced sites containing various shelter options, in New Georgia and such other areas mutually agreed upon.

4. Urban Upgrading Sub-Project--The sum of $4 million will be alloted for the design and construction of infrastructure improvements by NHA, initially for the New Kru Town area and for other mutually agreed upon sites.

   The Government of Liberia, because of need, selected in January 1980, the area of West Point as the initial site for upgrading.

5. Pilot secondary city shelter project--The sum of $500,000.00 will be alloted to NHA for the design and construction of a pilot or demonstration project involving a mix of shelter services and facilities for the benefit of below median income.

B. New Georgia Sites and Services

The Sites and Services Project which is located at New Georgia West is to comprise approximately 1.700 serviced plots, construction of shelter options in the form of core units and home improvement loans. The project delivery includes: layout and clearing, grading and road construction, water distribution, sewer system, anaerobic tanks and soak pits, electrical distribution, and demonstration units. Infrastructure work has progressed according to schedule on the site development and expenses have been kept within the cost estimates made at the beginning of the program.

Program promotion has been considered of primary importance since the Sites and Services concept is new to Liberians. A strong promotion campaign consisting of radio advertisements, posters, billboards, hand-outs and above all, person to person contact through community meetings, is presently underway all over Monrovia.

C. West Point Upgrading Project

West Point is one of two slum areas selected for community upgrading under the low-income shelter program. Community meetings and office meetings with community leaders have afforded West Point residents the opportunity to state their upgrading priorities and to become participants in the effort to improve their community. The proposed improvements have been determined by the residents and are as follows:

1. public toilets
2. water facilities
3. electricity
4. clinics
5. road improvement
6. schools
7. community center
8. playgrounds
9. markets

The upgrading of West Point will be completed in phases and will include the following specific proposed sub-projects: construction of an earth levee along the Mesurado River side to prevent flooding; construction of road; widening and paving of existing collector road; construction of three crossroads to connect with existing road; construction of a rock breakwater and building of rock protection to prevent further erosion of the coastline; construction of nine community sanitary units, showers and area for washing facilities; construction of facilities for a clinic, an elementary school, a day-care center, a police station, a post office and a community center; construction of rental housing units; and construction of additional market buildings and a guard fence along main road.

The First Phase, which is now under construction at an estimated cost of $1.9 million (US) includes the following sub-projects·

1. Guard fence (railing)--construction of a prefabricated metal fence 300 yards long along the existing collector road to restrict pedestrian from the road and to provide security from traffic to the existing market people along the road. This has been completed 100%.

2. Elementary School--includes the completion and remodelling into a school of an existing, never used market building. This school, 95% completed, provides 12 classrooms; 1 multi-purpose conference room; 2 administrative offices, a kitchenette teacher lounge; sanitary facilities; and playgrounds.

3. Public sanitary units--construction of four units each one providing separately for male and female, 18 toilets, 16 showers, 18 face basins; 9 concrete wash basins; 7 urinals; and one garbage cove. Of these four units, one is completed 100%; two have been completed 80% and one will be initiated during the current month of March.

4. Septic tanks--construction of four anaerobic septic tanks to serve the sanitary units and other facilities. Construction of these septic tanks will be intiated during April this year.

5. Market building--construction of one market building with 66 stalls and a central shopping area with running water. This sub-project is 80% completed.

6. Rental units--five buildings are being constructed that will provide 36 housing units of two rooms each and a communal kitchen with an individual cubicle for each unit: one is 90% completed; two are 80% completed; one is 75% completed; and one is 60% completed.

7. Community Center--this building will provide community development facilities to the area and is 85% completed.

Since the construction of crossroads will involve relocation of some families, the New Georgia Sites and Services Project will offer priority to persons affected by road construction in West Point.

BEN M' SIK UPGRADING PROJECT, MINISTRY OF HOUSING AND URBAN DEVELOPMENT, MOROCCO, BY MR. ANDALOUSI BEN HADDOU, DELEGATE OF THE MINISTRY OF HOUSING AND URBAN DEVELOPMENT FOR CASABLANCA

Introduction

The Ben M'Sik Project comes within the context of MHAT's new strategy in addressing bidonvilles. This operation concerns 72,019 residents or 12,335 families. Residents will own lots and will benefit from a technical assistance and a financial assistance in the form of self-help construction loans.

The major objectives of the Project are:

--Integration of the bidonville in the urban fabric of the Ben M'Sik Commune;

--Conservation of the existing social and economic structure; and

--Minimum displacement of population.

Project Components (Sub-projects):

1. Upgrading through infrastructure construction

   Sewers--roads--public fountains--water and electricity networks and land title through sale of residential lots.

2. Core Housing

   Construction and hire-purchase of 1,200 core housing units.

3. Shelter Improvement Loans

   Access for Project residents to shelter improvement loans.

4. Economic and Social Facilities

   Creation of a zone for socio-economic facilites

   Creation of an activity zone for small and medium businesses

   Creation of the two zones in the vicinity of the bidonville will contribute to the promotion and development of employment.

5. Municipal Services

   Waste collection, road maintenance, cleaning and maintenance of public toilets, acquisition of necessary equipment for maintenance and construction of a depot for this equipment, and offices.

6. Project Management

   The subproject consists of: personnel, equipment, and office costs

7. Project Design

   This component consists of all the necessary studies to Project Implementation.

8. Necessary studies to the preparation of a second housing project.

I. GENERAL DATA ON THE BIDONVILLE

The Ben M'Sik bidonville is located right at the center of the Urban Commune of Ben M'Sik to the south of Casablanca. It consists of 72,019 residents, 11,378 housing zribas* and 878 business zribas; it covers 85 hectares of land, half of which belongs to the State. 40% of the population consists of single people under 25, of which 16,260 are children under 8 and 17,260 children between 8 and 16. The birth rate is 3.4%. To the hectare, the average population concentration is 847.2 residents, that of the built area is 135 zribas, with an average household size of 5.8 people.

Employment

The unemployment rate is approximately 27%, not including the under-employed (small trades, seasonal workers).

*Zriba: a group of one or more huts within an enclosure and organized around a yard, covered or otherwise.

Besides, 70% of all active workers are employed outside the Ben M'Sik District, especially in Hay Mohammedi and Ain Sebaa, an industrial district, and the New Medina.

Income

The average household income is DH 114 per week*. Female income may represent only half of male income. Income varies according to work location: DH 79 in Ben M'Sik, DH 155 in the Port and DH 164 in Ain Sebaa.

Expenditure and Savings

Average household spending is DH 100 per week, although it may vary from DH 15 to DH 364. 64% of all household heads think they can save DH 60 per month, 17% claim they can pay a DH 50 monthly rent.

Housing Units

Half the zribas have a size range between 25 and 35 m2, 17% are more than 40 m2 and 14% less than 20 m2. 14$ of all zribas are occupied by two households. Approximately 90% of all families own their huts, but have to pay a rent for land occupation rights. These rents vary between 4 and 5 dirhams.

II. GENERAL PROJECT DESCRIPTION

The Ben M'Sik operation aims at improving living conditions for the bidonville population, specifically through:

--installation of basic infrastructure;

--upgrading zribas and giving secure land title,

--equipping bidonville with necessary community facilities,

--employment generation,

--improvement of municipal services.

A. Infrastructure

It consists of: sanitation, a road network, provision of water and electricity as well as other improvements.

Sanitation

A secondary and tertiary network will be integrated in the general plan for the Commune (primary network), thus allowing for the sanitation of the bidonville. The adopted sanitation system is the unitary system.

Roads

There exist in the bidonville and around it 40 km of roads, of which 32 km are 4 meter wide lanes and 8 km of asphalted roads (roads more than 9 meters wide).

Paving is anticipated for dirt lanes. As regards asphalted roads, the Project includes the doubling of Avenue G and the reconstruction of 2,990 m/l.

Water

The provision of water is at present limited in all the bidonville to about forty public fountains. The anticipated secondary network will subsequently allow for the provision of water through individual connections.

Electricity and Public Lighting

The primary electric network and the transformer stations will subsequently serve to develop a secondary network and individual connections. At present, there is in the bidonville, only restricted street public lighting. It is expected that public lighting in all lanes and a primary, medium voltage network and transformer stations will be installed.

*DH 10 (Dirhams) = 1 Tunisian Dinar or U.S. $2.2.

Various Improvements

It is expected that green spaces will be provided, small squares furnished with urban facilities and foot-bridges built over the autoroute which crosses the bidonville, for the security of the residents. The development of a communal program for the improvement and maintenance of municipal services.

B. Upgrading of Zribas

For the upgrading of 9,900 zribas, the following principles shall be applied:

--no compulsory displacement of population

--shelter improvement process through self-help construction

--extension of small lots which will be possible with the departure of 1,200 households from the bidonville to core housing (sites and services).

Scope of Improvement

The size of existing lots varies indefinitely. However, it is possible to regroup them under the following three sizes: 50, 40 and 30 m2. For these lots, master core housing plans have been designed, with the possibility of a first floor.

Process of Improvement

The improvement process will result, and this has been proved by experience, from the acquisition by residents of their lots and from a whole process of mobilization and sensitization of the population. Thus, and contrary to the sites and services program which takes place on bare lot sites, the Ben M'Sik bidonville shelter upgrading process takes place in a lively urban environment.

C. Partial Relocation Lot Ground

The socio-economic survey has revealed that part of the population is ready to leave the bidonville. To this effect, it has been decided to develop a lot site for partial relocation which could receive an estimated total of about 1,200 households. Besides, the departure of these households will liberate an area of land which will allow the extension of some lots in the bidonville. The selected site for the operation is located near the bidonville and will cover 15 hectares.

Two types of units are anticipated: 63 m2 (70%), 72 m2 (30%). These units will be core housing units.

D. Community Facilities

The Ben M'Sik bidonville has the advantage of being right at the center of the Commune and thus it is surrounded by a number of community facilities. However, the needs of the population are not satisfied for that (the satisfaction rate is below the rate in the Commune).

To determine the needs of the population, all community facilities have been counted, then a facilities grid was developed according to size of population and standards applied in Morocco. Consequently, the project anticipates the implementation of: three schools, two kindergartens, two training centers for young women, one employment agency, one health center, one dispensary, one post office and two markets.

E. Employment Program

The objective of this program is to attenuate unemployment and under-employment in the project zone and to increase household income by improving professional qualifications and creating an activity zone in a neighboring site to the bidonville where small and medium businesses (commerce, crafts, industry) shall be established. Recruitment priority in the activity zone shall be given to bidonville labor.

F. Project Costs

Total project costs were estimated at approximately $34 million. The contribution of the USAID is $25.6 million, of which $25 million are a housing guaranty loan and $600,000 a Project Grant. The contribution of the Government of Morocco is about $7.66 million.

G. Project Management

Design and implementation of the Project are secured by the Délégation Régionale de l'Habitat et de l'Aménagement du Territoire in Casablanca. To this effect, a Project

Management Team consisting of technicians working exclusively on the Project has been established (Implementation Unit).

A coordinating Committee has been established, headed by the Governor of the Casablanca Préfecture.

It includes, notably:

--The President of the Casablanca Communauté Urbaine

--The President of the Ben M'Sik Commune Urbaine

--RAD

--BCP

--The Délégation Régionale de l'Habitat et de l'Aménagement du Territoire (MHAT's regional branch)

--Local authorities of the Project area

--The technical divisions representing the various ministries concerned.

H. Cost Recovery

A policy of effective cost recovery shall be developed to carry out the double objective of the Project:

--affordability of housing to low-income groups;

--cost recovery.

The Project Team will have to prepare a cost recovery and sales plan for houses and lots, taking into consideration the following principles:

1. The cost of primary community facilities shall be borne by the State;

2. The costs for the site, the secondary and tertiary infrastructure construction, relocation, construction loans, studies and project management shall be borne by beneficiaries;

3. Cost borne by beneficiaries shall be alleviated by the increment values gained by the sale of lots for commercial use. The cost for developing the economic activity zone and the loans given to the beneficiaries of the small businesses program shall be recuperated according to the general cost recovery program.

I. Project Implementation

As regards project implementation, a special unit has been charged with the implementation of the project, under the responsibility of MHAT's Délégation Préfectorale.

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DISCUSSION GROUPS

THE MARKET SURVEY: A TOOL FOR RESOLVING POLICY QUESTIONS AND DETERMINING DESIGN PRIORITIES BY MR. GUY DANJOUX, CHIEF TOWN AND COUNTRY PLANNING OFFICER, MINISTRY OF HOUSING, LANDS AND TOWN AND COUNTRY PLANNING, MAURITIUS

I. THE NATURE OF SOCIAL SURVEYS

Surveys vary in type according to their subject matter and the purpose for which they are carried out, which in turn determine their methodology--hence the difficulty of defining what is meant exactly by a "social survey," especially if the term is understood in the widest sense to include Official Government Surveys and Censuses, market research, opinion polls, etc. But we would not err very far if we were to say that the purpose of most surveys is to provide the commissioning body with relevant information, that is they have a clear descriptive purpose which may or may not aim to be explanatory at the same time.

Concerning the subject matter of surveys, the range is as wide as that for its definition; but four broad categories can be distinguished which relate to:

--the demographic characteristics of a given population;

--their socio-economic environment;

--behavioral patterns and activities;

--opinions and attitudes.

Generally social surveys are a mixture of all four types of inquiry.

Surveys differ also in their coverage of the population under study; depending on the degree of representativeness sought, they may be limited to a few case studies or stretched to a complete enumeration; based on carefully selected samples or on arbitrary collections of volunteers.

The main methods of data collection are observation, mail questionnaire and personal interview, backed normally by some documentary information.

II. MARKET RESEARCH AS A TYPE OF SOCIAL SURVEY

Market research as the name indicates originated in the domain of commerce, and market surveys proper consist principally of the study of the public's buying habits, their opinion of different brands of goods, their reaction to various forms of promotion, etc. The function of such inquiries obviously is strictly practical--namely to assess the influence on sales volumes of those factors which are open to manipulation. Knowledge gained from market surveys thus is potentially invaluable for guiding policy decisions; it is, therefore, not surprising that the use of market research is no longer confined to the field of business. It now covers most aspects of social life which would benefit by some direct fact finding from the public they affect.

III. USE OF MARKET SURVEYS FOR GUIDING HOUSING POLICY DECISIONS IN MAURITIUS

Five noteworthy housing market surveys have been carried out in the past two years in Mauritius, each of which while dealing with housing was concerned with a different aspect of the problem. The reason which prompted these surveys was the desirability of assessing the extent to which new ways of tackling the housing problem--e.g., provision of serviced sites, core housing or improvement loans--would succeed.

A. In chronological order the first marketing exercise was the La Tour Koenig Housing Demand Survey of 1979, which was commissioned to gauge the appeal of a housing scheme at La Tour Koenig for the factory workers of the nearby industrial estates.

B. In the same year as the La Tour Survey, a study was made of the feasibility of implementing upgrading schemes for the benefit of low-income families living in substandard housing conditions.

C. From February 1st to 17th, 1980, a prototype core housing survey took place at six strategic locations in Mauritius, with financial and technical assistance from USAID, to test the market acceptability of core housing.

D. A second prototype core housing survey was effected at La Tour Koenig in Nov/Dec 1980, this time not only to assess the acceptability of the principle of core housing, and to solicit the public's opinion of the design details, but also to measure preference for a site and core house or a serviced site and building loan.

E. Concurrently, with the second market research at La Tour Koenig, a survey was undertaken by the Mauritius Housing Corporation to find out how popular would be:

1. Building loans of an average of Rs 25,000;
2. Improvement Loans of around Rs 10,000;
3. The offer of serviced sites coupled with a building loan of about Rs 18,000 which sum should permit the construction of a core house.

IV. THE PLANNING OF THE MARKET SURVEYS

The planning of a social survey is a combination of both technical and organizational decisions which ideally should be taken only after the following methodological and practical questions have been answered.

A. Objectives of the survey: these should be spelled out precisely to help clarify ideas, and provide solutions to the problems of population coverage and method of data collection.

B. Coverage of target population: Should it be partial or full? What is the practical feasibility and theoretical desirability of a particular sampling design?

C. Collection of data: type of information required; the most effective way of collecting the data, which should depend on the subject matter, the unit of inquiry and the scale of the survey.

D. Degree of accuracy wanted in the results.

E. Funds and resources (time, labor) available.

Since the objectives of the five market surveys varied from each other, their planning must have evolved along different lines if the above considerations were taken into account. It might, therefore, be more useful to study each survey separately.

While all five surveys are equally important in terms of their contribution to policy-making, the upgrading survey and USAID survey will be dealt with at greater length, because they concern improvement loans, core housing and full cost recovery, three radically new approaches in public housing planning in Mauritius.

V. LA TOUR KOENIG HOUSING DEMAND SURVEY (FEB-APRIL 1979)

A. Objective: the survey aimed at assessing interest in a housing scheme at La Tour Koenig on the part of low-income families.

B. Population coverage: lack of funds and manpower made it impossible to start the research by a sample survey of low-income areas in the country, and the study was retained to the Export Processing Zone near La Tour Koenig. The bias which this regional concentration imparted to the survey results fortunately was justified in this case by the fact that the La Tour Koenig housing project was already biased towards providing a readily available labor pool for the factories nearby. In other words, one important policy question for the La Tour planners was to find out if factory workers in the neighborhood would like to take up residence at La Tour.

Within the Export Processing Zone, a stratified random sample of factories was carried out so that the factories of different sizes should be represented. Employee lists were then obtained from each of the factories included in the sample, and a number of candidates were picked from each list using simple random sampling.

C Data Collection: Personal interviewing based on standardized, formal questionnaires was the method of data collection chosen. The questions posed were mostly with regard to residential locality of candidates, their interest in living at La Tour Koenig, their opinion on the type of house tenure proposed, amount of money spent on rent, mode of travelling to and from workplace, household characteristics and income.

D. Response rate: A response rate of 97% was recorded, non-response was dealt with by selecting from the factory lists another employee with as far as possible the same characteristics.

E. Policy questions settled: the results of the market survey were doubly important, firstly because they confirmed the factory workers' interest in living at La Tour Koenig. One important precondition for the execution of the housing project was thus fulfilled: 65% of respondents were eager to take up residence at La Tour; the percentage rose to 78% in the case of interviewers living in rented accommodation.

Secondly, the survey provided valuable up-to-date information on the demographic and socio-economic characteristics of factory workers and their families. In the light of such knowledge it was possible to estimate the extent to which these families would be able to afford a house at La Tour Koenig. This information in turn constituted an interesting input in Pak Poy & Associates' feasibility study of the La Tour Koenig housing project.

VI. UPGRADING SURVEY

A. Objective: A sample survey of families living in poor housing conditions was undertaken to ascertain physical conditions, household characteristics, income and expenditure on housing, preferences and possible eligibility for loans.

The analysis of these data would enable the Ministry to suggest appropriate policies to the World Bank as regards improvement loans.

B. Population coverage: A representative sample of 50 households was carried out in Roche Bois initially. 50 additional households from the same area were subsequently interviewed. These families unlike the first fifty were picked solely on the basis of whether their houses were in poor condition, which state of things might make them eligible for an upgrading loan. Given the mixture of good and bad housing in the same area which became apparent from the initial sample, it would have been unfair to limit improvement loans to particular areas. As the need to distribute loans fairly was regarded as more important than making an impact in particularly "bad" areas, it was, therefore, decided to continue the sample in two other areas, Plaine Verte and Quatre Bornes/Plama/Vacoas Road. One hundred households from houses in poor repair were selected from each.

The reason for choosing Roche Bois, Plaine Verte and Ouartre Bornes/Palma/Vacoas Road was that all three exhibited a combination of enumeration areas which are either in the worst quadrant for building conditions and overcrowding, or in the worst quadrant for the deprivation indices used as selection criteria. All three zones are also characterised by pockets of sound housing.

C. Method of data collection: direct interviews using standardized questionnaires.

D. Representativeness of sample: the sample which was aimed at covering families eligible for an upgrading loan appears to have been judiciously selected: 79% of the responses recorded came from families with monthly income under Rs 1,000. Considering that interviewers were instructed to select the houses in bad condition nearest to locations pinpointed in advance on maps of the survey areas, there appears to be a strong correlation between state of accommodation and household income.

E. Survey findings: Like the La Tour Koenig housing demand survey, the upgrading survey while providing information of crucial import for the formulation of an adequate improvement policy has also thrown up a wealth of data on the living conditions of low income families:

1. One point worth noting is that while 79% of the respondent families had a monthly income below the median of Rs 1,000, 55% of them were found to be owner-occupiers (47 households for Roche Bois, 44 for Plaine Verte and 75 for the Quartre/Bornes/Palma/Vacoas Road area). However, only 49% of the sample were owner-occupiers with exclusive use of their property; 34% were tenants living on their own or co-sharing with other tenants; and 17% were cases of sharing by landlord and tenant(s).

2. Given the high incidence of plot sharing among the sample households, considerable sharing of facilities was to be expected. Out of the total of 300 respondent families, 209 (70%) shared a yard and over 40% shared water, toilet and bathing facilities. Sharing, however, did not represent a major hardship for the families; they were more concerned about the state of their accommodation itself. Out of the 512 suggestions which were received concerning improvements, 278 (54%) related to improvement and/or extension to the home while only 31% of the mentions were for individual facilities.

   58% of the sample had lived in the same premises over ten years in spite of the generally unsatisfactory condition of their accommodation, probably due to lack of attractive alternatives.

4. 93% of owner-occupiers were not burdened by any mortgage or other loan repayment. Consequently, a high percentage of them (68%) manifested interest in a housing improvement loan to upgrade their own accommodation and not that of their tenants.

5. This lack of interest of the landlords in improving their tenants' dwelling may find justification in the fact that rents appear to have remained static over a long time. In spite of the average length of occupation of present premises of ten years (which can be taken to be applicable to both owner-occupiers and tenants) 54% of tenants had not experienced any rent increase at all, and 75% of them declared paying a monthly rent not exceeding Rs 100

6. The landlords' unconcern for their tenants' living conditions was matched by that of the tenants themselves. 76% of them admitted no desire to upgrade their home with the help of an improvement loan; the main reason quoted for their indifference was their tenant status, and the precarious nature of that status rather than inability to repay the loan.

F. Policy implications of the survey findings

1. The interest of the owner-occupiers in an improvement loan, plus their freedom from other financial commitments like mortgage repayments, should guarantee the success of the upgrading approach as a partial solution to the country's housing problem.

2. As improvement efforts look as if they will be channelled mainly towards upgrading the buildings themselves, and in some cases adding extensions and individual services, minimum and maximum loans can be worked out. Minimum loans would be calculated to allow for the provision of two out of three essential services (water tap, bathing and toilet facilities), since it is not likely that all three services would be lacking and the acquisition of just one of the services is believed to be within the savings capacity of even low-income families. Maximum loans would cover the addition of 1 bedroom, or the equivalent amount of rehabilitation of the dwelling, and improvements of all services. At the time of the survey (Sept. 1979), minimum and maximum loans were worked out to amount to Rs 2,500 and Rs 11,000 respectively. Assuming a repayment period of twenty years, monthly repayments would have amounted to Rs 28 and Rs 123 respectively, sums well within the reach of most low-income families.

3. Given landlords' and tenants' lack of interest in improving tenanted dwellings, the country's rented housing stock will continue to deteriorate. In view of the fact that almost half the housing stock in urban areas is rented out, that the housing problem is most acute in the towns and that over half of low-income dwellings are rented, immediate action is called for to safeguard tenanted buildings. One possible solution would be to encourage tenants and landlords to come to some agreement, such as one whereby the landlord accepts to improve his tenants' dwelling provided the tenant on his side is willing to pay a higher rent.

VII. USAID MARKET SURVEY OF PROTOTYPE CORE HOUSING UNITS (FEB 1ST - 17TH, 1980)

A. Objective: to determine the market acceptability of core housing. Previous public assisted housing programs had used much higher standards and large subsidies. It was, therefore, important to assess public reaction to a new policy of lower standards and economic cost recovery prior to embarking on large core housing projects.

B. Design of core houses: two prototype core housing designs were marketed and on each of the demonstration sites two sets of core houses were built, consisting of the basic core house plus versions of how each core would look in an intermediate and final stage of expansion.

C. Selection of survey areas: six demonstration sites were chosen on the basis of the following criteria: geographical location, visibility, accessibility, physical characteristics and expandibility into a future project.

D. Population coverage: the target population was households from the 20th - 50th income percentiles, but owing to the nature of the survey it was not possible to preselect a statistical sample of low-income families. Also on mainly political grounds, it was felt that it would be inexpedient and impracticable to allow only those eligible

in terms of income and state of their present accommodation to visit the demonstration sites, and to be interviewed. But, in order to restrict the number of ineligible households, the public was informed through the survey publicity campaign of the costs of the houses and serviced plots, and of the income restrictions for eligibility.

This measure, however, was of limited effect for 47% of total household incomes reported were above the median.

Approximately 30,000 persons visited the sites during the two-week survey period and 7,375 interviews were completed (which denotes high interest). A stratified random sample of 2,458 questionnaires was drawn from the 7,375 interviews, using a 1:3 sampling ratio. The sample was stratified according to the location of the demonstration sites visited by respondents.

E. Method of data collection: personal interviews with the use of standardized questionnaires. Information was sought on household size and structure; age and sex structure; family employment and income, means of transport to work, rate of home ownership, tenure and costs, present condition of housing; whether family was a victim of natural disasters such as cyclones; ownership of land for potential housing construction and size and location of such land; availability of personal savings for housing; attitudes towards the core housing/serviced site concept (acceptability/non-acceptability), willingness and ability to pay; place of residence and willingness to live on demonstration sites.

F. Survey Findings

1. Acceptability

   a. 89% of the 2,458 interviewees whose questionnaires were processed for analysis declared interest in a core house.

   b. 77% of the interested respondents preferred the enlarged version of the core units.

   c. 79% of them would need to have the land supplied by government. The other 21% already own a plot of land.

   d. Interest in serviced sites was higher than expected: 30% of the sample wanted a serviced site and 24% of the sample said they would like a core house but would prefer a serviced plot.

   e. The core units were less popular in rural areas: 38% of respondents in Rose-Belle and 25% of those in Quartier Militaire were not interested in any of the prototypes.

   f. The most common reasons given for dislike of the core houses were their small size, and their high cost.

2. Affordability

   a. 99% of those wanting a core house declared they were willing and able to pay for it on full cost recovery terms.

   b. 82% of respondents had savings, and 99% of them were willing to use their savings as downpayment (the amount of savings was not asked as it was felt that answers might be falsified and so unreliable).

3. Other important findings

   a. 42% of individual respondents and 41% of households belonged to the target income group for core housing projects (Rs 750 - Rs 1,250 monthly income, with Rs 1,250 being the then estimated national median income).

   b. A high demand for shelter was also recorded from families immediately above the target income group.

   c. Most respondent families lived in rented accommodation and/or shared with other households. Only 7% of sample were owner-occupiers; 63% were rental tenants and 30% were mainly living with parents and other relatives. Most renting was found to occur in urban areas.

d. 44% paid rent between Rs 51 - 200 per month with median rent amounting to Rs 149 per month. The proportion of income spent on rent decreased with a rise in income level, but no income group spent less than 10% of income on rent, the average share being 14%.

e. 64% of dwellings out of the total of 2,458 in the sample were described as needing improvement or replacement.

f. Habitable rooms averaged 2.5 per household, compared with average household size of 4.6, this indicates a certain degree of over-crowding.

g. About 85% of sample were in gainful employment (75% employed, 10% self-employed).

h. 51% of families had only one income earner per household. The average number of income earners per household was 1.9.

i. 50% of employees belonged to the occupational category, "Production and Related Workers, Transport and Equipment, Workers and Laborers."

j. The majority of respondents (69%) resided in the five major urban areas, particularly Port Louis (28%) and 68% of the urban dwellers also worked in the same area.

k. 70% of respondents expressed willingness to move in order to obtain a core house. 78% of those interested, however, expressed preference for the five urban areas and only 5% accepted to move to the proposed primary and seconday growth poles.

Respondents who were unwilling to move gave as reasons:

(1) ownership of land near actual place of residence, on which they might build a house (40%);

(2) proximity to place of work (36%);

(3) attachment to present neighborhood (15%).

G. Information Extracted From the Informal Comments and Criticisms of Visitors to the Demonstration Sites

A post survey debriefing session grouping interviewers, demonstrators and supervisors revealed the following additional information:

1. Design

a. Preference for two rooms rather than for one bed/sitting/dining purposes, and willingness to forego the open verandah incorporated in the demonstrated designs so as to extend available space.

b. Dislike of joint showers and toilets.

c. Access to bath and toilet should not be direct from the kitchen

d. Possibility of vertical expansion of the cores should be allowed for by sufficient column reinforcement.

2. Land Use

a. Preference for a bigger plot, with more space for a garden.

b. Site layout should leave more space at the back to allow the erection of a temporary kitchen at the rear of the house.

c. Suggestion that bigger plots (one large plot or two adjacent ones) should be available for extended families.

3. Cost and Affordability

Downpayment, interest rates and monthly repayments were considered too high for what was offered--this criticism, however, was to be expected given the radical departure of the project from other high-standard and heavily-subsidized public housing programs (e.g. post cyclone shelter reconstruction projects).

H. Implications of Survey Findings

a. The high level of interest manifested in the scheme (89%), together with the predominance of non-house owners in the sample (63% tenants and 30% still living with parents and relatives) reflect an effective demand and an ample housing need. These should guarantee the acceptability and feasibility of a core housing/serviced site program.

b. The average share of income spent on rent is around 14%; this is relatively low if we take 20% to be the norm for the portion of household income devoted to accommodation. As monthly repayments on the core houses are not expected to exceed 20-25% of family earnings, theoretically beneficiaries from the target groups should be able to afford them. This assumption is supported by the finding that 99% of those who applied for a core house were willing and able to pay for it on full cost recovery terms, while of the 92% among them who had savings, 99% were agreeable to putting these savings down on a house. An incentive for beneficiaries to accept the bigger monthly outlay on accommodation is that the houses would be theirs eventually. Also they may decide that it is worth it to pay more for better, for while the rent they are paying is not high, obviously they have to put up with sub-standard living conditions since 64% of the sample reported their dwellings to be in need of improvement or replacement.

c. It is interesting to note that 63% of the sample were tenants, and that 64% of respondents described their homes as unsatisfactory. Assuming most of the dwellings referred to are not owner-occupied but rented, this would imply that practically the whole of the rented housing stock is in a bad way. The finding from the upgrading market survey that both landlords and tenants were unwilling to accept loans to improve rented dwellings lends weight to this hypothesis. Obviously then, there is an urgent need for government to take appropriate action to arrest the further deterioration of rented houses.

d. Since demand was concentrated in the urban areas, and the workplace of a considerable percentage of employees in the sample was in town, low income shelter projects should be located as far as possible in the five principal municipalities.

e. As 30% of sample were interested in a serviced site and building loan, this option should constitute an alternative to a core house. Construction loans could also be made available to landowners who are eligible in terms of income.

f. The core house design should be modified to reflect the preferences expressed by the visitors to the demonstration sites e.g., separate bath and toilet.

g. The high percentage of wage-earners in the sample (76%) suggests that monthly repayments could be collected through salary deduction, a method which is both efficient and expedient.

VIII LA TOUR KOENIG MARKET SURVEY (NOV - DEC 1980)

A. After the approval of a housing scheme at La Tour Koenig to accommodate 600-700 families, 60% of whom would belong to below the median income groups, a second market survey was launched.

B. Objective of Survey: to define the objective of the survey, the following points must first be recorded:

1. The World Bank team involved in the La Tour project were more in favor of providing just serviced sites and building loans.

2. Their Mauritian counterparts on the other hand preferred housing cores, which in their opinion would allow better environmental planning, a higher density level and economies of scale, and would provide readily available cyclone-proof shelter.

One other factor which obviously influenced their choice was the tacit understanding that the La Tour Koenig project would help relieve the pressure on housing in the urban areas. And the USAID prototype survey had revealed that respondents from urban areas preferred by far core houses to serviced plots.

To settle the question about what to go for at La Tour Koenig, core houses

or serviced sites, a market survey was decided to find out the target population's own preferences, in the light of which an "objective" decision might be reached. It was felt that the survey would also be a good opportunity for obtaining subjects' own opinions of the designs which of the prototypes they favored, type of doors and windows, sink and toilet pan liked, willingness to share a common wall.

As the USAID survey had confirmed the feasibility of a core housing/ serviced site project in Mauritius, and Pak Poy Ass., consultants for the La Tour Koenig project had come to the same conclusion, it was agreed that the marketing exercise should have a dual purpose: that of a market survey, and at the same time, the questionnaires would be treated as application forms.

C. Population Coverage: the survey took the form of a field exercise at La Tour Koenig itself, where six housing prototypes and a serviced plot were on demonstration.

Through an extensive publicity campaign (TV and press coverage, distribution of brochures) the public was invited to visit the demonstration site where they would be supplied with all relevant information. If they were interested in obtaining a core house or serviced site, they would be able to apply on the spot.

During the two weeks of the survey, about 6,000 visitors called at La Tour Koenig and 2,662 of them asked to be registered as candidates for a house or a plot of land.

In addition to the interviews carried out on site, following the decision to accept late applications at the Mauritius Housing Corporation for another two weeks after the completion of the field work at La Tour, over 140 more questionnaires were completed.

Considering the manageable number of questionnaires filled (2,802), it was decided that sampling was not necessary and all the questionnaires were processed manually. 2,771 applications were retained after the rejection of incomplete questionnaires and the elimination of ineligible households (e.g., land owners).

D. Method of Data Collection: Standardized questionnaires requesting details on household's demographic and socio-economic characteristics, and interviewees' preference for a core house or a serviced site, their appreciation of key design details, their willingness and ability to pay the price asked for.

E. Survey Findings: The questionnaires have been only partially processed, but the information extracted so far is in many respects comparable with the USAID prototype survey results except for finding No.1.

1. Demand for sites was not substantially exceeded by demand for core units (44.4% against 55.6%). One possible explanation for this unexpected result (unexpected because the USAID survey had recorded a low demand for serviced plots in urban areas) could be the fact that applicants were informed that the offer of a serviced site would be accompanied by a building loan; in the USAID survey this facility was not made explicit. Also there was a choice of three plot sizes; in the USAID survey this choice was absent.

2. For income groups below the median, effective demand for serviced sites was much higher than demand for core houses (61% against 39%), probably because applicants could not afford the core houses and they reckoned a serviced plot and building loan would give better value for money.

3. Like in the USAID survey, strong preference was registered for the prototypes with two rooms.

4. Preference was also expressed for the larger serviced site.

5. Designwise the majority of applicants opted for metal doors and windows in preference to wooden ones, and for stainless steel sinks over plastic ones. Most of them also did not mind sharing a wall with their neighbors.

6. Choice of an Asiatic or a European toilet pan appeared to be mainly a matter of personal preference.

F. Implications of the Survey Findings: the survey result which had the most impact was the high demand for serviced sites. This led to the modification of the whole La Tour Koenig scheme, from a predominately core housing project to one offering an equal number of core houses and serviced sites.

Designwise not many changes were necessitated by the survey findings, as the design suggestions obtained during the USAID survey were incorporated in the La Tour prototypes. But in view of the strong preference for the two two-roomed cores, and the

fact that these were more or less affordable by the target population, the six prototypes have now been reduced to three, two of which contain two rooms.

IX. MAURITIUS HOUSING CORPORATION'S MARKET RESEARCH

A. Objective: to assess the popularity of:

1. Building loans of an average of Rs 25,000.

2. Improvement loans of around Rs 10,000.

3. Serviced sites and building loans of Rs 18,000, which should allow the construction of a core house.

As the survey was carried out by the MHC, details with regard to the scale of the research, population coverage, method of data collection are not available. Not much can be said either about the survey results as they are still being analyzed.

B. The Main Findings, however, appear to be that:

1. The idea of a serviced site and building loan was very popular;

2. Demand was equally high for loans to construct on private sites:

3. Demand for improvement and extension loans was disappointingly low.

C. Implications of the Findings:

1. The high demand for serviced sites and loans ties with the finding that demand for that facility was substantial at La Tour Koenig. This approach should, therefore, be the objective of a pilot project.

2. The equally high demand for construction loans from low-income landowners adds weight to the finding in the upgrading survey that most owner-occupiers from that sample (68%) would like loans to improve/extend their dwelling.

3. The lack of enthusiasm for improvement and extension loans could be due to the predominance in the sample of tenants (if they were covered by the research)--the upgrading survey had indicated that most tenants were unwilling to improve their dwelling. If the low level of interest was on the part of owner-occupiers, it could be because the sum of Rs 10,000 was felt to be insufficient for present times.

X. IMPORTANCE OF THE MARKET SURVEY AS A TOOL FOR RESOLVING POLICY QUESTIONS AND DETERMINING DESIGN PRIORITIES

A. The above analysis of the market surveys undertaken in the field of housing in Mauritius, make it unnecessary to elaborate further on the potential usefulness of market research as an aid to policy making. The objectives of the inquiries and the quality of the data obtained should have made this usefulness self-evident. However, the value of surveys for policy decisions cannot be overemphasized; a recapitulation of the survey results which had the most impact will, therefore, not come amiss.

1. The La Tour Koenig housing demand survey of 1979 disclosed that factory workers in the nearby Export Processing Zone were very interested in taking up residence at La Tour Koenig. As one precondition for the approval of a housing scheme at La Tour Koenig was that the project should largely benefit industrial workers employed in the neighborhood, the survey results gave the planners the justification they needed for the formulation of a housing strategy for the La Tour area. The demographic and socio-economic data provided valuable up-to-date information on the target population, and were put to good use in the feasibility study of the La Tour housing project.

2. The upgrading survey revealed a situation where most low income owner occupiers would like an improvement loan. On the basis of the data collected (income level, capacity to repay loan, type of improvement wished for), it was possible to determine of what amount minimum and maximum loans should be.

3. The USAID prototype survey, the most sophisticated of the surveys, confirmed the acceptability of the core house/serviced site concept, the feasibility of a housing program based on that concept; and its affordability by the target population.

target population.

Applicants' and visitors' criticisms of the core houses were useful for the design of the prototypes at La Tour Koenig.

4. The La Tour Koenig survey which like the USAID research was aimed at marketing core houses and serviced sites, was decisive in that it showed that the market for sites and services was as important as that for core houses. Whereas the positive response rate in the USAID survey while being significant (30%) was far outstripped by preference for core housing, at La Tour Koenig general demand for core houses or serviced plots was more or less the same. In the case of applicants from income groups below the median, a much higher preference was registered for serviced sites than for the housing prototypes.

5. The Mauritius Housing Corporation survey's major contribution was that it again confirmed the feasibility of a site and service strategy.

   It also lent weight to the upgrading survey's recommendation that improvement loans should be made to owner-occupiers.

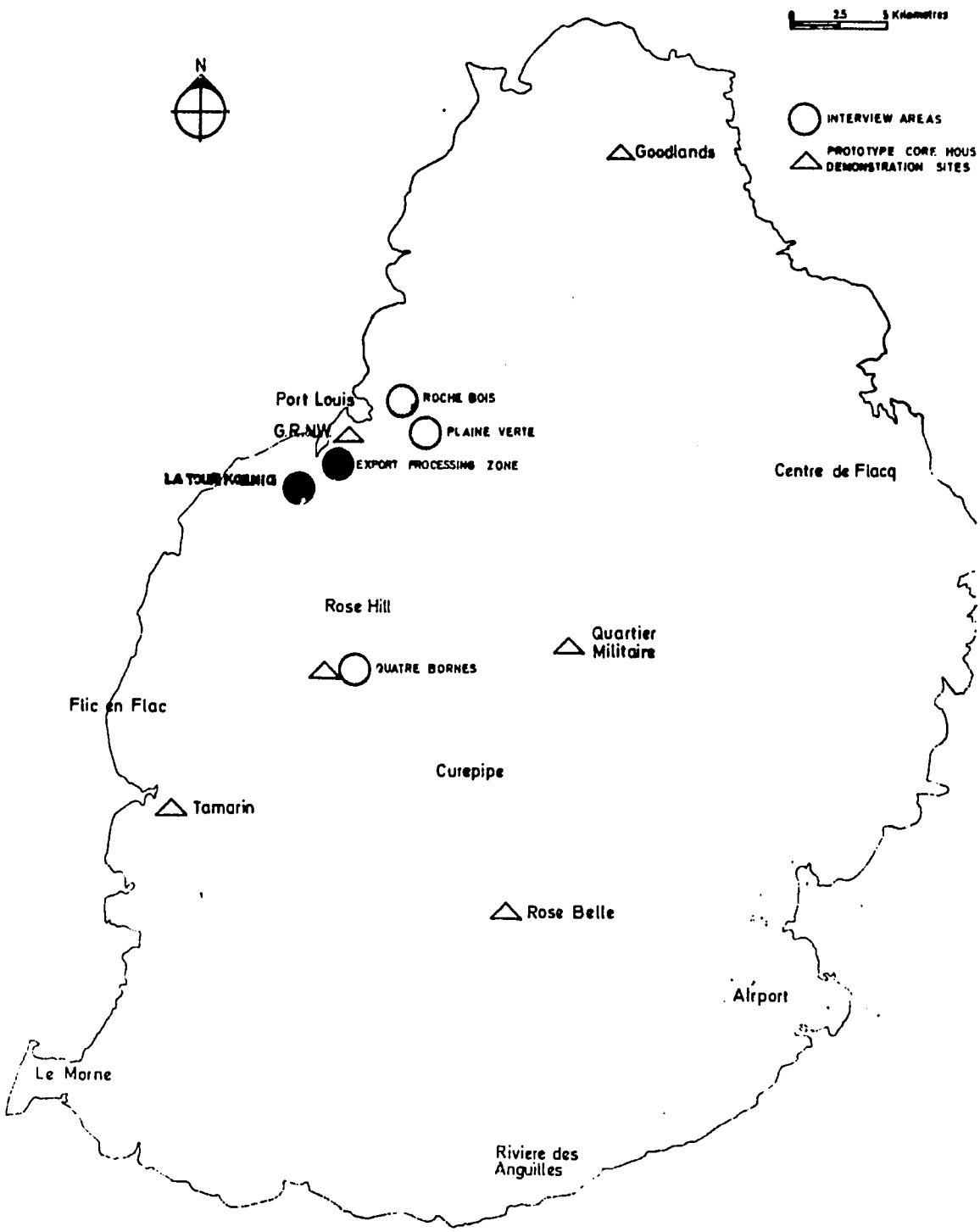
B. It might have been noticed that the survey findings hand together, which should not be surprising since each inquiry was designed to have a strictly practical function--namely to test the acceptability of the concepts of core housing/serviced site, improvement/extension loan, and full cost recovery; and the feasibility of housing programs incorporating such concepts--and the objective of each research was to some extent influenced by preceding surveys' findings. This shows that the usefulness of surveys is maximized when they form part of ongoing research. They can then be taken beyond the stage of mere fact collecting to lead to the formulation of testable hypotheses. This is because surveys by their nature allow the collection of data both around as well as directly on the subject of study, so that while the problem is brought into focus, points worth pursuing also are suggested. On the basis of such pilot information, a series of hypotheses can be put forward and become the subject of further empirical investigation.

C. At the risk of digressing it might be worth it to point out that that housing was carried out not by professional survey bodies, but by ad hoc teams set up within the Ministry of Housing and the Mauritius Housing Corporation for the specific purpose of each market survey. Also the surveys were not very costly in terms of funds, time and labor since the method of data collection was formal interviewing based on standardized questionnaires. This technique is relatively cheap, and nine surveys out of ten use some kind of questionnaire. Its utilization in the Mauritian housing market surveys was justified by the fact that the bulk of information required related to the target population's demographic and socio-economic characteristics. These data are factual, and their collection is unproblematical and is most efficiently and expediently achieved through the formal questionnaire. Even questions on preferences were satisfactorily answered through the questionnaire since they were not loaded but were posed in a straight-forward manner.

D. In spite of the fact that the surveys were not carried out by professionals in the field, and that they were not sophisticated exercises--most of them were small in scale and only the data of the USAID survey were processed by computer--the degree of accuracy and reliability obtained in the data was remarkably high. The main reason was that the surveys were well planned in terms of the definition of objectives, desirable population coverage and methodology.

E. The lesson to be learned from the Mauritian experience then, is that market research as a tool, when used with discernment, and its limitations are recognized, is invaluable in providing knowledge which can be interesting in itself, and at the same time constitute a solid basis for policy decisions--in other words, market surveys have their "raison d/etre" in policy making.

MARKET SURVEY AREAS



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ADAPTING A PARA-STATAL ORGANIZATION FOR FINANCIAL ADMINISTRATION OF LARGE, LOW-COST SHELTER PROJECTS, BY DANIEL VALADON, GENERAL MANAGER, MAURITIUS HOUSING CORPORATION

THE MAURITIUS HOUSING CORPORATION (MHC)

Main Objective: to help as many Mauritians as possible own their homes

History and Background Information

With a view to help foster more widespread homeownership in Mauritius, Government decided to create the Mauritius Housing Corporation.

The Mauritius Housing Corporation is a para-statal body now governed by Act No. 6 of 1974 (formerly Ordinance No. 36 of 1962). MHC started its activities in January 1963 by taking over from the Mauritius Agricultural Bank the Liabilities and Assets, relating to housing, which the Bank had built up since 1951.

Activities--Loans

MHC started to function on a purely financial basis. Housing loans never exceeded 60% of the total valuation of a property (land plus house) or 75% of the estimated cost of the house only. (See Appendix 1).

MHC clients in many cases had to resort to 2nd rank mortgages with consequent hardships witnessed by arrears and seizure at the Master's Bar.

It was evident too much caution was detrimental to MHC's clients as well as to MHC itself inasmuch as MHC sustained losses in relation to properties seized at the Bar.

In 1966, therefore, MHC revised its lending policy granting loans up to 90% (now 100%) of total valuation of properties subject to a maximum amount revised from time to time.

At present, MHC's maximum loan is Rs 75,000 for an ordinary house and Rs 95,000 for a storied house or an apartment forming part of a block of apartments.

The rate of interest claimed by MHC depends on the rate at which funds can be raised. At present they are:

12% pa	on the first Rs 35,000 to the lower income group i.e., borrowers earning less than Rs 1,400 per month.
14% pa	on all other loans

MHC Estates

In order to achieve better and more economic use of residential land especially in towns where the demand for housing is very high, MHC itself from 1972 entered the field of estate development.

MHC has now completed 188 apartments in Port Louis and 12 terraced maisonnettes in Beau Bassin as well as the 2nd Phase--28 residential and 12 commercial units of the development now known as "Vuillemin Center."

In addition to the housing estates, MHC owns some 17 arpents in Rose Hill/Beau Bassin which will in the very near future be developed to house over 500 Mauritian families and 15 arpents in Terre Rouge, place called Le Hochet.

By creating its own Land Bank as above, MHC is achieving a control over speculation and containing the price of future housing developments.

Exceptional Savings Scheme

Realizing that the greatest obstacle to many Mauritians acquiring a home of their own is their inability to contribute the minimum five to ten percent of the value of the property of their choice. MHC in July 1972 launched an encouraging exceptional savings scheme (ESS) which when combined with an MHC loan to buy or build a house, entitles the saver to an interest and bonus equivalent in most cases to over 12% pa.

To date, about 2,000 Mauritians are contributing to the scheme, while quite a few have already benefitted therefrom and have been able to either buy one of MHC's apartments in Port Louis or

build a house of their own.

The Law

To help MHC carry on its duties as best as possible, new legislation has been brought in. The MHC Ordinance of 1962 has been replaced by the Act of 1974 which gives to the Corporation virtually the same powers as a natural person. MHC can now not only own, build and develop sites, but can also carry on transactions which resemble those of assurance companies insofar as MHC's loans are concerned. MHC, therefore, by means of its single premium decreasing life assurance policy, is able to assure the lives of its borrowers against premature death up to the amount of the decreasing balance of their loans.

Interalia the Act of the Corporation protects MHC against -

1. Possible Defective Title deeds

   The MHC does have to publish notices in the press giving a good description of properties to be mortgaged in order that within 15 days those who may claim a right to the properties can have time to officially object to the loan. If no protests are registered, the mortgage is protected.

2. Excessive Arrears

   We can call on an employer to deduct a maximum of one third of his employee's salary or wages if the employee fails to settle his arrears. Up to now we have not had to invoke this provision. Most of our clients agree to deductions at source at the time they obtain the loan.

3. Properties Mortgaged to MHC being brought into hotchpot or returned to an estate as long as there remains a balance due to MHC.

4. Vendor's rights to apply for cancellation of a sale as long as MHC loan has not been repaid in full.

To help the better development of land and the construction and sale of apartments, the Code Napoléon (Amendment) Ordinance No. 32 was implemented in 1966. The Ordinance specifies the duties of owners of apartments forming part of the blocks of apartments. It not only describes what are to be considered private and common parts of any building complex, but also specifies how the co-owners must contribute to a common fund to maintain the common parts such as the land, common entrance hall, and stairways.

It, however, became evident that the local laws did not permit the sale of apartments when these were built on leasehold land because a lease was not equivalent to the ownership of land which pursuant to the above Code Napoléon Ordinance No. 32 of 1966 is included in the common parts of a building complex.

A law known as "The Building Leases Act"--Act No. 24 of 1974--was accordingly promulgated whereby the Code Napoléon (Amendment) Ordinance of 1966 has been amended and "the right to a lease" can now be considered a fixed asset and may be the subject of a "règlement de co-propriété," that is, it can be brought into the common parts of a building complex to be owned by the apartment or shop owners in co-ownership just as an ordinary freehold land.

RESULTS OF OUR PAST PERFORMANCE

1. As can be realized from the previous chapter, MHC started to function on a purely financial business basis taking all precautions to avoid losing its investments. The reason was that, apart from a few specific cases when we had to contribute to help cyclone victims, we were by tradition to cater for the needs in housing of the middle income and higher income groups, while CHA and Local Authorities catered for the low income groups.

2. This policy undoubtedly has brought its fruits. MHC by making loans at a rate of interest above its average borrowing rate has made considerable profits which Government has allowed us to retain and build up as reserves and provisions. Today these reserves constitute about 14% of our funds employed.

3. Our self-revolving funds, after we have settled our commitments, amount to about Rs 8 million so that even if we do not raise any more loans we can still make out loans up to Rs 8 million or more in our best years.

4. Finally, the reserves we have been able to build up over the years now constitute a good cushion on which to fall if we do have to sustain losses in some of our schemes.

III

CONCESSIONS TO LOW INCOME FAMILIES

1. At least theoretically then MHC is strong enough to launch itself into our present new projects aimed mainly at the lower income groups.

2. In fact, ever since we started our business we have been able to help quite a number of borrowers from the lower income groups and as from 1977, in view of the high demand for housing, MHC decided to give priority of consideration to applications for loans from the lower income groups.

3. In order to effectively apply this new policy we slightly changed our lending rates; claiming higher rates of interest from the higher and middle income groups and at least 2% less from the lower income groups.

4. These concessions to the lower income groups are, however, subject to certain criteria to which we will come later on.

5. We have also had to modify our general outlook. For instance in the past we never released the last installment of our loans to our borrowers before the house was completed to our satisfaction. Now we agree to make advances especially to the lower income groups and we are encouraging our borrowers to start living in partially completed houses which many are erecting with their own hands and with the help of their relatives and friends.

6. If somebody needs a house of 600 square feet but can only afford half that size for the time being, we give him all the help he needs to build the 300 square feet indicating what part of the house should be erected first and how to provide now for future extensions both horizontal and vertical.

7. In view of our present economical situation when Government's aim is to reduce the overall investment in housing while at the same time keep increasing the number of new housing by a better distribution of the funds available it does behoove MHC to think of housing first in terms of shelter and protection against the elements notably against cyclones.

8. Our new policy of helping provides whatever the borrower can now afford is the first step towards the new general philosophy in housing in Mauritius.

9. We have, however, been faced with problems. To provide shelter that is cyclone resistant, we make much use of concrete and it is not easy to enlarge a concrete house without having leaks where the new slab meets the old one or to have structural problems where the new foundation meets the old one.

10. For this reason we have to give additional technical help to this type of core housing beneficiaries indicating how they should forestall such problems by making certain provisions now.

11. Our criteria as regards our loans to all income groups can be summarized as follows:

Building Sizes - Loan Ceilings - Repayment Periods

Income Groups	Rate of Interest	Maximum Building Size	Maximum Loan	Period
Up to Rs 1,400pm	12%	600 sq ft	Rs 35,000	25 years
Above Rs 1,400pm	14%	1,000 sq ft	Rs 75,000 (if a bungalow)	15-20 years
		1,200 sq ft	Rs 95,000 (if a storied house or flat)	15-20 years

12. The reasons for fixing size of building and loan criteria are on the one hand, we want to avoid people under-declaring their salary/wages in order to benefit from a cheaper loan; and on the other, we would like people to readjust their house standards according to our present national economic situation.

IV

OUR PRESENT PROGRAM FOR THE LOW INCOME GROUPS--TYPE PLANS--TECHNICAL HELP

1. At present, MHC is faced with the following program which has started and mainly is aimed to help more and more people earning less than Rs 1,400 per month, i.e., the lower income groups: 2,000 housing on average per year of which:

   a. 1,500 will be on individual sites already owned by the prospective borrowers

   b. 500 on concentrated sites for those who do not own land where will be carried out projects that range from core housing to 100% self-help housing on properly infrastructured sites.

2. Financial help to implement the program will, we hope, come from USAID, World Bank and European Development Fund.

3. As regards buildings on private sites, they obviously fall within our terms of reference; MHC as explained above, having already adapted its philosophy and activities to better help the lower income groups.

4. The notable changes we brought to our organization was in its staff.

5. In the past we were content to engage only two or three building inspectors who went around the island to visit the sites of work mainly to ensure that our money was being properly used and that the property would in the end represent a good security for our loan.

6. Now we have a Technical Department, headed by a qualified Architect, and consisting of two senior inspectors and eleven building inspectors and draftsmen. We also have two engineers on our establishment but the posts are presently not filled--we are waiting for our program to gather more momentum to justify the engagement of these technicians. Instead we do have a firm of Consulting Engineers who give us help only when required.

7. This technical department offers all help that the borrowers are willing to call for.

8. Plans for houses submitted mainly by prospective borrowers of the lower income groups are usually badly or poorly planned, sometimes overdesigned sometimes underdesigned.

9. We have, therefore, produced a lot of type designs which we propose instead and many of these designs can be built in phases.

10. At first we produced plans for complete housing units of a wide spectrum of sizes. The rooms of the smallest units had to be the minimum sizes possible.

11. Some success was met in this field and quite a few of our plans were adopted by the public. Gradually, however, we came to realize that many preferred to build according to their own plans though, to our technicians, they were less scientifically drawn.

12. We have now made other plans with room sizes to the liking of the general public but in such a way that only a quarter or a half of it can be built for the first stage.

13. The main plan in the new series consists of a rectangular living/dining room from which a central corridor goes deep into the housing unit to give free access from the bedrooms, usually four in number, two on each side of the corridor, to the kitchen, w.c. and bath at the far end.

14. Some clients agree to our suggestion of starting their buildings from the back; that is, by erecting the kitchen, w.c. and bathroom plus part of the corridor and two rooms. Some will not have four bedrooms and therefore have only two but may make provisions for vertical extension. Others who want to show off, prefer to start having the living/dining room first and we then have to insist they build at least in a temporary structure a good toilet and kitchen.

15. This longitudinal plan has met with great success inasmuch as the borrowers, though they will end up the first stage with the same size of unit as our earlier smallest units yet they already have a vision of the big house which at a later stage they will hopefully have.

16. Our technical help does not stop there. Once the building starts our inspector goes around and visits the sites regularly.

17. Having to deal with more lower income group people who as I said before quite often put in their own labor, our inspectors are no more content at just noting down the progress of the works; they offer advice when needed and indicate how to place the reinforcements in crucial structural points such as columns, beams and slabs as well as the proper mix for the foundation, for columns, for beams and slabs.

18. As to the second part of our program, we are cooperating directly with the Ministry of Housing with which rests the responsibility of infrastructuring sites selected by them by coordinating the efforts of all the organizations concerned to bring roads, water and electricity to the selected sites.

19. The sites then are planned and parcelled in as many small lots as possible and sold to beneficiaries selected by a Committee on which MHC is represented.

20. From then onwards the exercise will follow the same pattern as explained earlier. The only difference being that part of the loan which we will give to the beneficiaries will go to buy the site or site plus core-unit that will have been erected by the Ministry of Housing.

21. As the program is just starting, MHC can for the time being face the new problems with the staff we already have but it is expected that we may require more staff to deal with the additional problems involved in dealing with the lower income groups.

22. We need to devote more time to them from the start. There is need now to explain our conventional approach to applications for loans and then how we are gradually changing the pattern and what we have already planned to do in order to first attract then help more and more people from the lower income groups.

V

DECENTRALIZATION OF SERVICES

1. The bulk of our clients start their negotiations with us by first coming to our Main Office in Port Louis.

2. The client is usually required to call with his house plans, his title deeds and civil status documents--birth certificate and marriage contract.

3. The client is interviewed not only to check his repaying capacity but to check whether his house plan is acceptable and affordable by him. A valuation is made of the land and the proposed house. The Mortgages Department then recommends the loan to the Board and as soon as approved, the letter of offer which has been under preparation between valuation and submission to Board is sent or collected. The client accepts the offer and delivers his copy of the title deed as well as other documents for publication of notices and preparation of the Mortgage Deed by a Notary. During this period, the construction of the house may start. When the notarial deed is submitted it is forwarded to our legal advisor for his visa. After vetting we sign the mortgage deed which also contains the conditions of the loan including the conditions of repayments; and return it to the Notary for our common client's signature. As soon as we receive a certified copy of the deed--which in Mauritius remains in the custody of the Notary--we may open the loan account and start issuing the tranches of the loan according to the progress of the works either to the client directly or through his bank if he so gives us the authority.

4. This system works well when we deal with the middle income groups. The client first calls to ascertain what is required of him and calls a second time with all the required documents and plans so that we just have to go on and do the processing as above.

5. The situation, however, becomes more complex with the lower income people. They have to call more often because although we have explained everything during their first interview and have given them a paper on which is listed all that is required of the, they will always forget a document or they themselves will not have understood a particular important point; plus the fact many of them are very much afraid of contracting a debt whereby their land will be mortgaged.

6. Now most of these lower income group people earn their living on a day-to-day basis and one day out of the fields, out of their work represents a considerable loss of income.

7. MHC has, therefore, decided to decentralize its services. First we send our building inspectors to go after office and work hours from door to door--to those who have already registered their names for a loan. They also at the same time recruit totally new clients through those who were already registered.

8. We make use of the Mass Media putting notices in the press and going on TV talking to the public of our aims and our ways. Then we have already started going to villages delivering talks and projecting slides that show our plans and the houses we have already helped to erect.

9. We are currently ordering two vans that will be transformed into mobile offices which will take our staff to the people especially on market days or in the evening when the bread-winners are back from work.

10. These projected visits to far off places will be announced over radio, TV and in the most popular newspapers so that the people in the places we intend to visit will know in advance that we are coming on a specific day.

11. In effect we will be adopting the methods used by businessmen and merchants from times immemorial.

12. We have been encouraged to order the vans by the fact that during the visits which we have made to villages we had good response from the public and we realized many even of the middle income groups did not really know what were our activities and how they could more easily with our help improve their houses or build a new house.

13. Our present visits to the villages are meant to avoid the lower income earners to have to call on us for their first preliminary interviews. When we will have our two vans we will be offering at the client's doorstep nearly the same services we are offering in our offices.

14. The mobile units will not only help us foster our mortgage lending business but also our Exceptional Savings Schemes.

15. With the help of institutions like the World Bank, the USAID and the European Development Fund, it is hoped that a time will come when, being assured of a continual flow of funds, MHC will be able to open branches at least in a few growth poles.

16. Pending the opening of our own branches, however, we propose once all our schemes for the lower income groups are in full swing, to enter into agency arrangements with Banks. Most of our Commerical Banks already have branches all over the island.

17. According to the agency arrangement the Banks would distribute our application forms and our plans and will gladly agree to collect mortgage loan repayments on our behalf. Some Banks even agree to effect Bank Standing Orders from Savings accounts. Another benefit will arise from the exercise whereby people who have no Bank accounts at all will perhaps be encouraged to open savings accounts, thus injecting more money on the market.

18. The procedure from clients' visit to our offices to the actual disbursement of the loan by tranches will be simplified for loans to the lower income groups once such loans will have reached a reasonable tempo.

19. Instead of asking for a mortgage on the property to guarantee our loan we propose to make use of our right to have a "Charge" as per the provisions of a law called "The Authorized Bodies Ordinance of 1966."

20. The new procedure will cut down both on time and costs but we will have to engage a lawyer at least on a part-time basis to draw the loan documents which can be signed by the Corporation and the client on the same day. The Charge document is drawn in three originals, one of which remains with the Central Registration Office, one with the client and one with MHC.

VI

CROSS-SUBSIDIZATION AND PRECAUTIONS TO AVOID LOSSES

1. As can be realized from what we have already said it is not necessary to cause a big revolution in a Parastatal Organization to cater for a group of people it only barely helped in the past.

2. We have brought the changes over the years so that the staff and administration can adapt to the new conditions of work.

3. We firmly believe we should not, because we are implementing schemes for the lower income groups, stop helping the middle and higher income earners.

4. The benefits both for the organization and the public are real. In fact, we should never think of helping the low income as a separate entity. They should be clients like others. Housing should be tackled globally and in the light of the national economy.

5. MHC by catering for all income groups is able to bring in an element of Cross-subsidization that goes a long way to help the lower income groups obtain a bigger housing unit than if they had to pay the same rates and meet the same expenses as the other groups.

6. We claim higher rates of interest from the higher income groups from whom we also claim higher inspection fees and other expenses. We, however, have to be careful not to claim more than other financial institutions.

7. The higher margin of profit or surplus we are able to realize from our transactions with the middle and higher income groups help us to reduce the costs for borrowers of the lower income groups.

8. This element of Cross-subsidization will, it is hoped, help Government stop direct subsidies in housing--an exercise which is a heavy burden on any national budget.

9. It is a fact that not all low income earners can be helped by an organization like MHC but it is believed that if we can help as many as possible to become homeowners--low income families as well as those of the middle income and higher income--these new homeowners will free the houses that they presently occupy for the lowest income earners.

10. We are annexing our Organization Charts. The first one shows the set up when we started business with about only 15 employees until now when we have an establishment of 99 members and our possible expansion to 140 members.

11. We talked how we have had to increase our technical force so that from 3 inspectors it is now a department consisting of 15 members. To better help the low income earners we will need to further increase that technical force and at the same time we plan to increase our staff little by little in the other departments of the Secretariate and Accounts department.

12. We may also have to increase the number of interviewers and mortgage officers who will help process the applications for loans and increase the number of employees in our Accounts department.

13. We are at the same time already investigating the possibility of readapting our accounts so that we may not only have two cashiers instead of one as now but also have junior cashiers for our mobile units.

14. We must, however, guard against staff plethora by engaging new staff, only when absolutely necessary and making use of Consultants or part-time professionals as for our lawyer of whom we talked earlier.

15. Before concluding we must draw your attention to the ways we use to avoid losses.

16. Although we do lend more than 75% of the total valuation of properties we do have a special Assurance policy which covers the top balance between the value of the loan and the amount representing 75% of the property to be mortgaged.

17. This assurance used to be contracted through us with an insurance company, but after a short time we realized we could do it ourselves. The premiums are, therefore, kept in our reserves and reinvested in our own housing business.

18. Let us say that a property is worth Rs 100,000 our loan should not be more than Rs 75,000 but we may grant say Rs 95,000 (or more) the balance between the loan of say Rs 95,000 and Rs 75,000 is Rs 20,000 and is insured against the payment by the client of a premium calculated at 6% of the 20,000, a premium of Rs 1,200. The Rs 1,200 is transferred to our "Mortgage Insurance Reserve" and invested in our own housing business. Should the property have to be seized and sold at the Bar, where MHC has the right to bid for it and to buy when prices offered do not cover the loan, and we later on have to resell the property at a loss--that loss is written off against our "Mortgage Insurance Reserve."

19. Similarly, we ourselves insure the lives of our borrowers when they do not have a life assurance of their own. We charge a single premium based on the amount borrowed, the borrower's age and the period of the loan. Should the main borrower or main guarantor die before the loan is repaid, we write off the balance of the debt against our "Single Premium Life Assurance Reserve."

20. Up to now, both Assurance schemes are working at a profit.

21. Now as mentioned before we are relying on international loans to finance the programs. International agencies express their loans in foreign currencies and there is no doubt an element of risk in foreign exchange losses. In this circumstance, as neither the low income earners can be made to bear such risks nor can MHC, Government will bear the risks. The loans will go to our Government in foreign currency and our Government will pass on the money to us in Mauritian rupees. The reinbursements of the loans will also go through the same channel.

22. Anyway, organizations like MHC should take steps to protect themselves against exchange risks and in cases where we borrow directly, for instance, from the Commonwealth Development Corporation to implement schemes for the middle income group, we may even in the future pass at least part of the exchange risks to the borrowers. This decision has already been taken. We will, however, need to apply for an amendment to our Act to make it possible.

23. We must also be careful to avoid allowing arrears to build up. MHC's arrears are much less than 1% of our net mortgage asset.

24. We have a section in our Accounts department to deal specifically with defaulters. We treat them with great consideration and kindness when we realize their story appears genuine and we sometimes extend loan periods to accommodate them, but once we come to a stage where everything has been tried without success, we firmly strike back even sometimes going to the extent of seizing the property and reselling to another more reasonable party.

25. The firm attitude we adopt is well known and borrowers will rarely fall in arrears. A checking of all accounts, monthly if possible, is worthwhile. It is better to stop a bad habit from the start, i.e., when a borrower falls in arrear for one month, than to try remedies when he has acquired the bad habit over three or four months.

26. Other factors are also important. Arrears start even when applications are considered. Our Mortgage Section must make sure the borrower does not take a loan which is above his means.

27. Finally, having the right by our Act to cause attachments on salaries most salariates meet their commitments by means of salary deductions which employers send to us in bulk while businessmen and self-employed clients are required to give us a bank standing order before the mortgage deed is signed.

VII

SUMMARY/CONCLUSION

1. We may conclude by offering the following advice based of course on our own experience.

2. Any parastatal organization except those whose aims and objectives are purely social, should function on a sound financial basis that will attract investments both from local and overseas sources. Houses will appreciate in value; it is unfair to the Parastatal and the public to function otherwise.

3. The Parastatal should have a good Board to make general sound policy decisions within the national policy. It should spell out its objectives and be prepared to be flexible but firm.

4. It should have a strong management team of properly qualified, trained and experienced professionals. The manager should have enough power to implement his Board's decisions, assume his responsibilities and carry on day to day business. The manager must also be able to delegate some of his powers.

5. Its mortgage department should be properly staffed to scrutinize applications, check affordability and credit worthiness, to process loans rapidly so as not to discourage the lower income group who we repeat cannot afford to lose one day's work.

6. We must have an experienced Technical Section to make valuations of properties, check plans, advise clients both before and during the construction of their house especially when built by the clients themselves.

7. We also need a good Secretariate to follow correspondence, avoid delays which cost money and forestall law suits, again a costly business.

8. We need an efficient Accounts and Finance department that will not only effect disbursements promptly, but will watch arrears continually--one rupee less in is one rupee less out and investors will lose faith. The finance section should also be able to make budgetary forecasts and control and check administration costs so that it does not become too heavy.

9. We need proper legal support too and always think of refinements to the governing Act or Ordinance so as to avoid being victims of our duties, responsiblilities and kindness.

APPENDIX

Basic Criteria for Selecting Purchasers/Borrowers as applied by the Mauritius Housing Corporation

1. Applicants should be credit-worthy.

2. The property to be mortgaged should be a good security for our loan.

3. Applicants should not be owners of a house or residential land in which latter case MHC can grant a normal housing loan.

4. Applicants should preferably be presently living or working in the same town or region where the housing estate is situated.

5. Applicants should be below 50 years of age unless the loan is guaranteed by a younger close relative.

6. Applicants should have a family income (husband and wife) of at least three times the monthly equated repayment of the loan.

7. Applicants should be able to deposit cash at the time of signature of purchase deed or private deed of intent before moving in any deposit that may be required (usually 10% of the selling price) if building erected by MHC.

8. Especially in the case of middle and higher income groups, the number of occupants should not exceed five preferably 2 adults and 3 children, if only adults, not more than 4 in a three-bedroom apartment.

NOTE: a. The last condition is to avoid overcrowding and keep average density of people per arpent as low as is reasonable.

b. Deserving cases falling short of some of the above criteria can still be considered on individual merits.

Ref. Chapter I - Sections 3 to 6

When MHC started its activities in 1963, mortgage loans were limited to a maximum of 60% of the total estimated value of the house and land or 75% of the estimated cost of the proposed house.

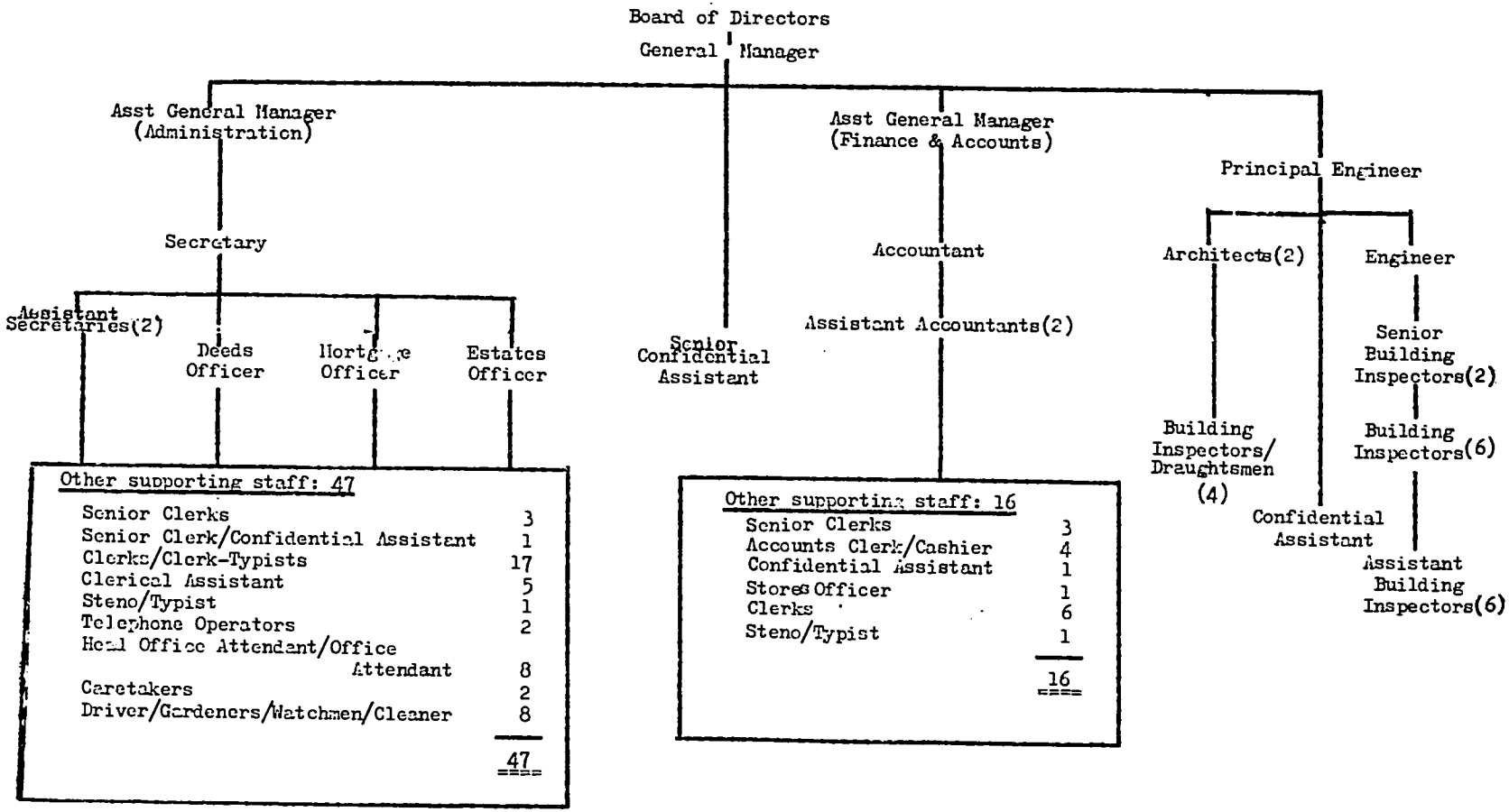
Let us consider an example where an applicant who is the owner of a plot of land valued at Rs 20,000 intends building a house estimated to cost Rs 60,000:

Value of house	Rs 60,000
Value of land	Rs 20,000
Total value of property	Rs 80,000
60% of total value	Rs 48,000
but 75% of hous value	Rs 45,000

The applicant could, therefore, be granted a maximum loan of Rs 45,000. He has to buy the

THE MAURITIUS HOUSING CORPORATION

ORGANISATION CHART - 1981



PFW/AI/RM/3/81

Total Number of posts: 99

land and also find the difference of Rs 15,000 between the loan and the estimated cost of the house.

Currently, such an applicant could obtain a loan of up to 100% of the above valuation, but in principle, MHC gives priority to those who bring in their own contribution and one of the criteria being that the contribution from the client should be at least 10% of the total valuation.

MHC ORGANIZATION CHART--1963

General Manager
|
Assistant General Manager/ Secretary
|
Accountant
|
Inspectors (2)
|
Senior Clerk (2)
|
Clerk (7)
|
Messenger (1)

THE MAURITIUS HOUSING CORPORATION

Conversion Tables

Length			
1 English Foot	=	0.3048	meter
1 French Foot	=	0.323	meter
Surface or Area			
1 sq Foot (English)	=	0.0929	sq meter
1 sq Toise	=	3.8	sq meters
1 sq Perche	=	42.19	sq meters
1 Arpent	=	100.	sq perches
1 Arpent	=	1,111.	sq toises
1 Acre	=	0.96	arpent
1 Hectare	=	2.37	arpents
1 Hectare	=	2.4711	acres
Currency			
1 Mauritius Rupee	=	0.123	US Dollar

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RELOCATION AND FINANCING FOR THE POOREST URBAN POPULATIONS/THE SLUM ELIMINATION PROGRAM IN TUNISIA, BY NOUREDDINE BEN SALAH, ENGINEER, MINISTRY OF HOUSING, TUNISIA

I. INTRODUCTION

Within the framework of an overall shelter policy, characterized basically by the ever-increasing number of houses for the poorest sections of society, Tunisia has undertaken a series of qualitative actions, as follows:

1) Conservation of existing shelter resources in urban centers, through the development of old neighborhoods and the upgrading of squatter settlements.

2) Revival of rural areas through the construction of housing integrated with the development of production and market zones.

3) Replacement of hovels, proliferating in both rural and urban areas, with core housing under a slum elimination program.

While the first of these actions is undertaken through bilateral or mulilateral cooperation between Tunisia and other countries or international organizations, e.g., Save the Medina Projects and low income neighborhood rehabilitation projects, the second and third social programs are exclusively state efforts and are the responsibility of two major intervenors:

- The Gouvernorate which represents political and administrative authority on the regional level.

- Société Nationale Immobilière de Tunisie (SNIT, Tunisia's National Building Society), the major development and construction firm.

Although the third program, slum elimination, is usually incorpora in the second, particularly when it is designed for a rural background, this paper describes it as an independent project likely to generate a debate which I hope will be fruitful, because of the issues it involves.

II. WHAT IS A SLUM ELIMINATION PROJECT?

It is an urban development project which involves the elimination of slum areas whose upgrading is difficult, in order to insure better living conditions for the residents.

Such a project includes, successively:

1) Relocation of residents of these zones in new nearby zones, whenever possible, particularly when the new zones are in the vicinity of equipped and serviced activity zones.

2) The servicing of the original zones by providing those urban functions anticipated in the urban plan or, in the absence of such a plan, undertake integrated shelter operations reserved in priority for the beneficiaries of slum upgrading project once they have been provisionally relocated far from those zones.

III. PROJECT IMPLEMENTATION

Implementation of the first operation is the responsibility of SNIT who provides infrastructure for land made available by the Gouvernorate or local communities and builds core units. The core units may be built around a community facilities nucleus.

The acquisition of the necessary land for this operation by local communities may be done through private sale or expropriation procedures as provided for in the new Urban Development Code of 1979.

Given the type of housing built, the beneficiaries are obviously given the possibility of expanding their houses in the future through self-help construction.

Those beneficiaries who wish to build their shelter themselves are offered sites and services as well as master plans to be followed and technical assistance.

Finally, all households must benefit from the operation, otherwise it would have failed because the total sanitation of each zone is essential.

IV. COST RECOVERY FROM BENEFICIARIES

The cash flow for each housing unit in the operation whose average cost is around 3,6000 Dinars (US $8,300) is as follows:

Applicant's funds:	15% downpayment	540 Dinars
State Grant		270 Dinars
Loan reimbursable over 15 years at 3% interest rate		2,790 Dinars
	TOTAL	3,600 Dinars

This cash flow is rounded as follows:

--Those applicants who have a savings account at Caisse Nationale d'Epargne-Logement (National Shelter Savings and Loan Bank-CNEL) are entitled to a normal CNEL credit;

--Those applicants who are wage earners and whose wages range from one to three times the Minimum Industrial Guaranteed Wage are entitled to credit from the Fonds de Promotion des Logements pour Salariés (Fund for the Promotion of Housing for Wage Earners);

--Non-salaried applicants are entitled to credit from the State through Société Nationale Immobilière de Tunisie (National Building Society).

V. COMMENTS

The problems faced during implementation of the first program in the Tunis District emerge at several levels:

--The socio-economic survey which, in spite of the greatest accuracy particularly in matters concerning the profile of households which have to be relocated, their income, place of work, etc., proves to be slightly outdated from the time it was conducted to the beginning of construction activities because there is no prior selection of certain beneficiaries;

--The acquisition of some lots for which the procedures often prove to be slow;

--Finally, the financing, however flexible, does not seem to correspond to the conditions of a number of applicants without resources and whose relocation is necessary in order to succeed in the total elimination of slums in the zone under construction.

These applicants without any resources are entitled to a 300 Dinar grant allocated by the Gouvernorate under the Rural Development Program; but once relocated, they will certainly have some difficulties in meeting their monthly payments for they have no stable income.

It is this last point that I wish to see debated by the group in order to find one or more solutions so as to succeed in recovering necessary costs for similar programs.

CONSTRUCTION LOANS FOR NEW AND IMPROVED SHELTER, BY ALIOUNE KHALY BA, DIRECTOR OF SOCIAL CREDIT, NATIONAL BANK OF DEVELOPMENT, SENEGAL

THE BNDS IN THE FIELD OF HOUSING

The National Bank for Development in Senegal (BNDS), a limited company with a capital of 2,400 million francs CFA was set up by Act No. 64-33 of the May 26, 1964 to harmonize and simplify procedures for allocating development credits. Resulting from a merger of two existing financial companies: the Senegal Bank for Development (BSD) and the Credit Populaire Sénégalais (CPS), one of its aims is to improve and develop familiy shelters.

It has a two-fold action: On the one hand, it helps societiés for upgrading and development of family shelters, and it also helps individuals wishing to build their own family shelters.

CREDITS TO BUILDING SOCIETIES

Two Companies receive assitance from the BNDS:

--The Building Society of Cap-Vert (SICAP) is a limited company with a capital of 412,900,000 francs CFA and 93.3% of its capital is in the hands of public groups.

--Office for Medium Rent Housing (OHLM) is a public company, set up by Act No. 59/025 of March 18, 1959, whose capital amounts to 6,060 million francs CFA.

It is easy to understand that the BNDS, which gives assistance in the field of agriculture, industry and trade cannot, by itself, ensure the financing of all projects. Its contribution ensures the partial financing of investment projects implemented by the two companies.

The SICAP has been able to implement its programs, thanks to the combined efforts of the State, the BNDS, and the Caisse Centrale de Coopération Economique (CCCE), namely:

(in millions of Frs CFA)

ESTATES	TOTAL COST	PLAN OF FINANCE			
		STATE (VRD)	BNDS	CCCE	Individual Financing
Dieuppeul IV	388,0		150,0	210,0	28,0
Liberté IV	157,8	8,7	95,0	40,8	13,3
Amitié III	632,4	190,0	149,0	195,4	98,0
Liberté V	480,5	98,0	148,5	206,0	28,0
Amitié III (Mermoz)	996,3	150,0	248,0	513,0	85,0
Liberté VI	1,737,0	250,0	735,0	710,0	42,0
TOTAL	4,392,0	696,7	1,525,5	1,875,2	294,6
PERCENTAGE	100%	15,86%	34,73%	42,70%	6,71%

The BNDS has also helped in the financing of other projects, e.g.

(in millions of Frs CFA)

ESTATES	COST	INDIVIDUAL FINANCING	BNDS	OTHER BANKS
SICAP				
Fenêtre - Mermoz	3 930	93,0	950,0	2 050,0
Liberté VI (Sale)	1 400	494,0	434,0	471
TOTAL	5 330,0	1 424,0	1 384,0	2 521,0
PERCENTAGE	100%	26,8%	25,9%	47,3%

These estates include medium to high class houses. They can, therefore, be afforded only by the higher income groups.

The OHLM in the same way has been able to implement successfully the following projects:

ESTATE	TOTAL COST	BNDS PARTICIPATION
Fass VI A	257,0	51,4
Medina II A	284,6	82,2
Fass additional	64,8	18,2
Medina II B	331,1	82,2
Pikine E 1	312,4	78,9
Ouagou Niayes II A	1190,5	221,5
Ouagou Niayes II B 1	1472,4	377,6
Pikine E 2	1075,0	81,2
Ouagou Niayes II C	1678,0	537,0
Gibralter II	767,0	245,0
Ouagou Niayes II D	364,0	161,0
TOTAL	7826,8	1936,2
PERCENTAGE	100%	24,7%

The shelters built by the OHLM are certainly less expensive than those built by SICAP, but in any case they cannot be classified as low cost housing.

The least expensive are beyond the means of those earning a monthly wage of less than 35,000 Frs CFA--this gives us the idea that from the beginning, the majority of the workers cannot take advantage of the shelters built by these two companies.

If to this we add the number of demands, fulfilling all the conditions, which cannot be met with owing to their continuous increase and the implementation rate of these projects, we can well understand the increasing deficit in the field of housing.

The BNDS gives additional help in the form of individual building loans.

INDIVIDUAL LOANS

Since 1970, the BNDS has granted the following loans:

1970/71	102	loans totalling:	104,789	million
1971/72	89	" "	98,038	"
1972/73	97	" "	97,864	"
1973/74	82	" "	102,523	"
1974/75	237	" "	461,288	"
1975/76	229	" "	517,614	"
1976/77	243	" "	621,308	"
1977/78	414	" "	953,146	"
1978/79	316	" "	823,555	"
1979/80	143	" "	341,593	"

1,952 LOANS TOTALLING 4,121,718 MILLIONS

Most of these loans vary between 500,000 Frs CFA and 10 million Frs, with the majority of these loans varying between 500,000 Frs CFA and 5 million Frs.

Generally, these loans are given for construction already undertaken by the recipient whose debt must not exceed the negotiable share of their income multiplied by the period of loan, which in any case, must not exceed 10 years.

Loans amounting to more than 15 million are given for the construction of blocks of flats. We do not apply the preferential Discount Rate (TEP which is at present 8% per annum) but the Normal Discount Rate (TEN which is at present 10.5% per annum).

To give a complete picture, we must mention the "Upgraded Lots" which are being developed and which would enable the loan income groups earning less than 35,000 Frs CFA monthly, to build their own shelters. This program implemented with the help of the World Bank, will deliver upgraded plots at a very low cost (180,000 Frs approximately). The beneficiaries will be able to build at their own expense or with the help of loans, houses which will cost approximately 1 million Frs CFA.

The BNDS willingly gives assistance to owners of plots who are solvent.

In 1977/78, the BNDS assistance amounted to 45 million CFA.

In 1978/79, to 97,788,000 Frs CFA and in 1979/80, to 194,587,000 CFA.

THE RECOVERY RATE

Most of the clients of the BNDS are civil servants or employees in the public sector. Their wages are, therefore, put on the government computer center. This makes it easier to establish where the payments are to be made and corresponding reductions are made according to the rate of repayment.

For the workers in the private sector, it is often necessary for them to have their income endorsed.

These provisions do not prevent us from resorting, whenever necessary, to the usual real guaranties: mortgage on buildings or personal estate as security.

I would like to point out that the BNDS has the right to have sworn prosecuting agents who can make seizures in case of empty houses.

Top: Plenary Session with Lesotho delegation, headed by Mr. Malefetsane Nkhahle, in foreground. Bottom: Discussion Group with representatives from Togo, Mauritius, Ivory Coast and USAID Office of Housing.

POPULAR PARTICIPATION IN SELF-HELP HOUSING AND INFRASTRUCTURE UPGRADING, BY STEPHEN MULENGA, TRAINING COORDINATOR, NATIONAL HOUSING AUTHORITY, ZAMBIA

Participation and Involvement

I hope to provide some background ideas on specific issues that form the substance of this conference.

In this paper, I will discuss what can be seen as basic issues that have contributed to the success of the Lusaka Squatter Upgrading and Site and Service Project.

One of the fundamental principals adopted in the upgrading strategy at the design stage of the Lusaka Project was that there should be community participation, and that the plan should not be imposed on the squatter population--in order to ensure that it is compatible with the life-style requirements of the population in each area of resettlement. The process of upgrading was seen as a way in which authority can support and reinforce the residents own efforts to improve their lot, rather than take over from them. A notable feature of the Lusaka Project is the large number of community development workers, whose main duty is to work with off-site and on-site leadership up to residents, discussing the implications of the Project. The process of detailed planning offers the community elements of the decision making through which it can influence the project. Community participation and involvement, in my view, should be conceived as the direct involvement of the community in decision making in the implementation of programs which involve them. Participation should not mean simply the mobilization of people to implement the independent decisions of Governments and Professionals and Donar Agencies, and must not be considered as a way of cheap local labor or as a mechanism for the solution of partial problems at the local level.

The commitment to participation involves considerable charges in conventional systems of management structure with little or no attempt to elicit an expression of potential beneficiaries in the design of the project, or their active participation in the initial implementation. The possibilities for participation will also largely depend on the existing social and political structure of a country, which will largely determine how far a paternalistic approach, or one of concensus, or one of confrontation between participants and the bureucracy would produce the greatest progress.

Within this context of the socio-political framework and its possible modification over time, it may be necessary to distinguish at an early stage of project preparation the type of participation ranging from information through consultation to direct decision-making. The ideal situation might be an interdependence in which participants and the bureaucracy negotiate as equals but it should be recognized that even in this situation final decisions or vetopowers on certain aspects would more appropriately lie with the participants and on other aspects with the planners. Furthermore, it should be recognized that policies to involve community participation are not ends in themselves, but will certainly be laborious, and in most cases, frustrating.

CONCLUSION

Although low-cost housing is a priority need in most developing countries, much more favorable systems of housing finance need to be worked out by all those concerned, so as to be acceptable to the low-income communities in the Site and Services and Upgrading Programs to enable participating target groups to obtain housing loans in the amounts and at the interest rates they can afford.

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THE CONCEPT OF PARTICIPATION AND COMMUNITY INVOLVEMENT IN THE MANAGEMENT OF THE LUSAKA SITE AND SERVICE SQUATTER UPGRADING, A CASE STUDY, BY STEPHEN MULENGA, TRAINING COORDINATOR, NATIONAL HOUSING AUTHORITY, ZAMBIA*

PARTICIPATION AND COMMUNITY INVOLVEMENT IN MANAGEMENT OF SITE AND SERVICE AND SQUATTER SETTLEMENT

This paper will attempt to discuss practical features that have a bearing on Community Participation in the Lusaka Housing Project Unit Site and Service and Squatter Upgrading Program and will further examine how residents have been involved in decision-making process and the management style used.

BACKGROUND TO THE URBANIZATION

The provision of suitable and affordable shelter for urban low-income groups remains one of the most pressing problems placing a heavy demand on government scarce resources. This is particularly visible in many developing countries. Zambia too, has had the share of these housing problems. Zambia's urbanization started in the early 1930s as a result of the discovery of copper and the eventual establishment of the large mining complexes and their other support systems. In the year 1971, over 30% of the Zambian population was living in towns. Indications were that this increase in urban population would continue during the coming decade. Zambia's Second National Development Plan showed that the Zambian population would increase at the rate of 6.8% per annum between the year 1971 and 1976. This meant that a million people would get urbanized in a five-year period. The areas that shared jointly the problems of population increases were those along the line of rail. These being Copperbelt towns and Lusaka the capital city of Zambia. In the late 1960's, Lusaka for example had a growth rate of over 15% per annum. This is one of the largest urban growth rates in the world. However, in the later years, the growth rate influenced by rural urban migration took a downward trend. But now it is doubling itself and only a small percentage can be blamed on rural migration. In some recent survey, only 22% of the people living in squatter settlements had been in town for less than 3 years. By the end of 1976, the estimated population of Lusaka was 400,000 people extending over 360 sq. Km area. Today, about half of Lusaka's residents live in unauthorized settlements. The formal housing sector made good attempts to provide housing for the increasing urban population in Lusaka. While employment opportunities increased, unfortunately housing was unable to cope with the housing needs. Of 26,000 housing units constructed between 1969 and 1972, only 4,000 were officially sanctioned and the remainder had been provided by the people themselves in squatter areas. This was over 5 times officially constructed housing resulting in the party and government declaring Second National Development Plan of 1972 to recognize that although the squatter areas are unemployed, they represent assets both in social and financial terms and the demolition of squatter areas was not a practical solution. Upgrading of squatter settlements and provision of services were seen as potential solutions to the housing problem.

ZAMBIA'S CONCEPT ON PARTICIPATION AND COMMUNITY INVOLVEMENT IN MANAGEMENT OF SQUATTERS

A concept is an abstract of ideas formed through observation of the reality. One forms a conception through one's experience given the present social economic, political reality. It is important to note that concepts will in a way be influenced by dominant values of a given society. It is in my opinion, difficult to develop a concept in vacuum. Concepts are, therefore, a reflection of the reality of situation. In most cases concepts will differ from one country to another or from one region to another depending on the cultural social economic and political system of any given country. In Zambia, most concepts are influenced by the pre-dominating social economic values which affect our every day thinking. It can be assumed that the social-economic values are in turn dominated by the upper structure, i.e., the idealogical influences of a nation whose aim is to create an ideal society. In our case, the ideal society has been conceived through National Philosophy of Zambian Humanism.

Not all concepts can be implemented, others are very theoretical and too idealistic for practical purposes. Probably a good concept is one whose idea can be put into practice. In examining a concept, therefore, it is necessary to look at its practical ideas which could be used as indicators for measurement. It is with the foregoing in mind that I have tried to discuss briefly the concept of community participation in the Lusaka Upgrading Housing Project to which the CD staff have been instrumental.

*The opinions expressed herein are solely the author's personal opinion and do not necessarily reflect the views of the Lusaka Housing Project Unit.

Firstly, it is necessary to know briefly about the background to the concept of popular participatory democracy in Zambia.

After Zambia's Independence in 1964, the Zambian political leaders have before and after the one-party political system continued to encourage its citizens to participate in decisions affecting their lives. Zambia can, therefore, be said to have some degree of popular participation in its political system process, both at National and Local levels. It is also a desire of Zambian leaders to establish a type of participatory democracy in which people are involved not only through their elected leaders, but also of making process, which does provide a good deal lee-way for interventions at making development projects more participatory.

THE LUSAKA HOUSING PROJECT

With the financial assistance from the Zambian Government and the International Bank for Reconstruction and Development, the Lusaka Cite Council undertook an ambitious housing program in September 1974, designed to improve the living standard of people in three major areas of Lusaka; namely Chawama, George and Chaisa/Chipata Complexes involving approximately over 29,000 households, about 150,000 people and 4,000 serviced sites and service plots. Since the provision of services in the squatter areas, such as roads, piped water, surface water drainage, schools, clinics, community centers, and security lighting were going to displace some structures. It was recognized at the early stages of the project preparation with the World Bank Team that people's participation in the planning and execution of the program was vital to the success of the project. Participation was therefore, essential in order to enhance the residents commitments to the upgrading exercise. This approach to the upgrading housing policy meant retaining the responsibility for decision making as far as possible with the local leadership and to involve residents in decisions related to the future development of the areas in which they lived. In the course of the operation of Housing Project Unit and because of the nature of the project, it was imperative that certain channels of communication should be followed in order to guarantee the smooth running of the project.

In squatter areas, communities in Zambia are well established through United National Independence Party.

COMMUNITY PARTICIPATION PROCESS

The community development approach was formulated to take into account the following through which the community participation process allowed maximum participation of communities involved:

1. By involving the population of squatter areas in consultation on the planning of certain physical components of upgrading.

2. By utilizing the party organization and Ward Development Committees for dissemination of information, participation in decision making and for some administrative procedures.

3. By Housing Project Unit, acting as primarily a "Service Organization" rather than a controlling one, in which authority can support and re-inforce the residents own efforts to improve their environment and act as a stimulus to community involvement.

A decision had to be reached as to whether existing community organization were to be utilized by the Housing Project Unit in its approach to the Community or whether new forms of organizations would be initiated and encouraged. On examination of the political organization of the areas to be upgraded, it was decided that it would not be possible to establish any new parallel community organization as it would be regarded as a potential threat to the existing political organization system.

The Party System at local level is composed of the Constituency, which is made up of about twelve to fifteen branches, the branches are made up of ten to fifteen sections of 50 houses per section. Approximately about 750 households per branch and 15,000 households per constituency. The local government system has Wards into which the city is divided. Each ward elects its own Councillor and has a development committee which is elected by Ward residents. The Party organization was considered to be more suitable for use by the Lusaka Housing Project Unit as the Party was found to be more effective and it is also a grass root community organization. The Party is so highly organized that it has assumed some of the functions of a local authority administration such as running pre-schools, markets and plot allocation control.

IMPLEMENTATION PROCESS

Three stages were identified in the implementation process of community participation

involvement as follows:

1. General Briefing

   Involves the process of briefing (a) off-site leadership that does not stay in the complex but are influential to the community, such as Minister of Local Government, Member of Parliament for the area, Governor, Region Officer, Councillors and constituency officials not resident in the area. (b) on-site leadership briefing includes briefing of Party and Community leadership resident in the upgrading areas such as constituency officials, branch officials, section leaders and residents.

2. Road Planning Group

   The second stage involves the community development process in planning for physical layout such as choosing building sites for schools, clinics, community centers, road walks, markets, and identifying families affected by provision of services. Representation on the Road Planning Group is chosen from each branch by section members of the branch. The function of the group is to plan together with Lusaka Housing Project planners, projects being projected in their own areas.

3. Physical Essential Resettlement

   The third stage deals with the process of physical resettlement of individual families affected by routes and other developments. After the general briefing, road walks, identification of affected families have been completed, a layout of the proposed routes and services to be provided is then produced and has to be approved and signed by the Road Planning Group. It is only at this stage that construction work starts, and the individual commitments sought. The families are then grouped into sections of 25 families per group for resettlement purposes.

Physical layout plans are prepared in a way to accommodate 25 households with 1 stand pipe.

The families so grouped in the sections are then briefed in three separate group meetings, such group meetings deal with discussions on loan, interest, house plans, building costs selection of cheap materials, better use of services to be provided and above all, create among the families social institutions for mutual self help. Such families are encouraged through group meetings, and seminars to undertake certain activities during and after resettlement on mutual self help.

Those families affected by routes, but are unable to move to the overspill, community development project staff in consultation with local leadership arrange for exchange with other families willing to move to the overspill, but were not originally affected by the routing exercise. The whole process is flexible to allow for adjustments through resident and leadership responses. However, experience in one of the first areas in Chawama showed that planning with the residents at section level dislocated overall planning. This lead to the formation of the Road Planning Group, it was felt then that involvement in decision at residents' level could only be reached through its leadership. The original plan of involving every individual in the process was perhaps too idealistic and difficult to attain. Certain goals, therefore, have been changed to suit changing emphasis in the process and practicability. The process revealed that individual residents became fully involved when they were affected. As individuals, they realized that they had to make their own decisions.

IMPLEMENTATION PROCESS

Two important principles were embodied in the Lusaka Urban Project since it was launched in 1974.

1. An overall commitment to community participation in the program.

2. A new management approach using inter-departmental project teams based in area office--these are accessible to residents and were likely to be sensitive to their needs.

The Lusaka City Council set up the Housing Project Unit to embark upon a large scale community participation exercise. This took the form of locally based project teams providing information in a digestible form of individual groups of residents and coordinating with the residents on much smaller group bases. Residents were actively encouraged to participate in the decision making process not only on section basis, but individually on the future of their development. While this initial exercise was received by local residents with some suspicion, the slow process of rebuilding confidence in the areas had begun. Eventually,

residents came to realize that the Lusaka City Council had embarked upon a real program to community participation.

The commitment to participate involved considerable changes in traditional Local Authority approach to community involvement in decision making. During the period of the project, there was considerable experimentation as project terms endeavoured to translate the commitment to community participation into reality. Important developments for residents were:

1. New styles of communication with residents. Eyecatching attractive leaflets, exhibitions, film shows, tape slide and video presentations, etc.

2. Direct consultation with residents groups on constituency, branch and section basis.

3. Some joint decision making with resdients' groups in its most developed form road planning groups participated in deciding where the services should be placed and approved plans.

A significant feature of the program was that project teams were obliged to consult with residents as part of the work program for every area; this meant that in all project areas, the project teams had to promote community participation. This community development element in the projects work is crucial if participation/consultation is to be achieved. In 1976, a communication unit was set up to supplement the work of the project teams. It provided necessary publicity in the form of leaflets, posters, booklets, exhibitions, slide and film shows, in order to demonstrate to residents the sort of improvements which may be made.

Formation of functional Residents' groups

Resident involvement is important not only for the short term while decisions are being made, but also for the many years after the programs have been completed.

It is only by effective help from local authority during its formative stages that a resident involvement may develop sufficiently to be self-perpetuating. To this end, in areas where such groups do not already exist, assistance should be given by the authority with such matters as the provision of advice on the practical aspects of organization. Resident involvement in turn provide the planners and project teams with valuable assistance in the distribution of information and feedback from residents.

In what I have said so far, the Lusaka Housing Project Unit management approach can be seen to differ from the red tape conventional management structures which provide little or no attempt to elicit an expression of needs and problems from potential beneficiaries in the design and foremost, the Lusaka experience devised a management system structure which allows bottom-up inputs, responsiveness to local needs and a multi-disciplinary decision-making forum which helped to distinguish at an early stage of project implementation the type of participation ranging from information through consultation to direct decision making which proved useful. Certain types of project components were more difficult to bring within the orbit of participation than others. On the one hand, the technical problems of major infrastructure design and its relation to off-site truck systems created major difficulties for a meaningful dialogue with beneficiaries. On the other, details of outlay and design and location of facilities such as community facilities presented an easier area for collaboration.

COLLECTION AND MAINTENANCE

Another important aspect of the project Unit in which the local leadership is involved is in the collection of service charges and loan repayments.

In the case of service charges, the group of 25 households which share a tap are responsible as a group foy paying. Two principles are observed. The first is that individual monthly payments should be paid before or in advance every month. The second principle is that it should be a group of 25--community responsibility to ensure that people are made aware of their duty to pay. In this respect, the leadership has been involved in both the briefing of residents as well as the acutal collection of the service charge.

Two options have been offered to the residents for making payments. They can either make payments to the section leader subject to the approval of the section members themselves. In some cases, the section chairman automatically collects the service charge but in other cases one or two of the section members are specially selected to collect the service charge. He in turn pays the money to the Housing Project Unit Cashier who issues him with individual receipts for all those who paid. Alternatively those members of the section who wish can pay direct to the cashier who issues them with receipts which they show to the section leader as evidence of payment. In case of loan repayment, a commission to each branch based

on percentage of money collected in any one month compared to what should be received is given and can be used on community projects or the branch may decide to pay it to an agent who encourages payments to be made within a branch.

The success of the three systems has largely depended on the extent to which section and branch members are cooperative either with the leadership or the amount of pressure on those who do not pay.

None of the three systems has been a complete success. In some sections, those selected to collect service charges have misused the money and have not been able to pay it back. In cases where the leadership has been able to collect and pay on time, the section has received a rebate of 5%. The collection unit has some difficulties in making payments to the sections which have paid on time, as a result the leadership gets discouraged. The important thing about the system is that through the system the leadership has been able to identify various problems which they have brought to the attention of Housing Project Unit and together solutions to the problems are being found.

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COMMUNICATION IN ON-SITE CONSTRUCTION MANAGEMENT, BY MOHAMMED BOUABDALLAH, DIRECTOR, URBAN UPGRADING PROJECTS MUNICIPALITY OF TUNIS, TUNISIA

The Upgrading Project for the Spontaneous Settlement in Mellassine, City of Tunis

LOCATION

The district of Mellassine, one of the oldest spontaneous settlements in Tunis, borders on Lake Sebkat Essejoumi, southwest of the center of Tunis, two kilometers from the historical center, the Medina. Mellassine extends over some 131 ha, of which 56 ha are built up.

POPULATION

Approximately 45,000 inhabitants live in the district's 4,000 housing units. This is an occupancy rate of 10 persons per unit and corresponds to 1.9 households per unit and 3.6 persons per room.

CONDITIONS BEFORE DEVELOPMENT

There seemed no end to the worsening social and physical characteristics of Mellassine. In addition to overpopulation and cohabitation, under-employment and low median income (49DT), there were marked inadequacies in superstructure and infrastructure facilities. None of the units was connected to a sewage system and only 40% had running water. The remainder took their water supply from public fountains.

OBJECTIVES OF THE UPGRADING PROJECT

A. To equip the districts with

1. Infrastructures

--Roads for automobiles and pedestrian walks
--Potable water
--Sewage and storm drainage
--Electricity
--Public lighting

2. Collective facilities

--schools, health centers, youth centers, sports facilities, market

B. To improve living conditions

--To redefine the legal and real status of the buildings so as to enable homeownership;
--To build housing cores for purposes of relocation, i.e., to resettle inhabitants, clear land expropriated for new road systems or reduce existing housing density.
--To grant loans to upgrade existing housing or build new units.

C. To improve the socio-economic conditions of inhabitants

1. Creation of new jobs by

--Development of small industries, sale of land parcels for commercial use, loans providing working capital, money for purchase of material or improving small, existing shops, technical assistance.

2. Creation of social services

--Community center, health and maternity counseling
--Vocational training (construction skills for young men and UNFT training for young women.

The Municipality of Tunis (City Works Department) is in charge of all these projects and has established, for these types of projects, a new department, the Department of Housing Upgrading Operations (Service des Opérations d'Amélioration de l'Habitat) which consults with the specialized national institutions whenever necessary.

PROJECT FINANCING

The overall project cost, 2830 MD, is distributed as follows:

--2470 MD for construction
--360 MD for the socio-economic program.

USAID finances a large part of the project, loaning 5 million dollars to be reimbursed over 30 years at an average rate of 9% without amortization for the first five years.

In addition to this loan, USAID has also subsidized 400,000 dollars in aid for the socio-economic program.

The loan was transacted by the National Housing Savings Bank (CNEL).

CONSTRUCTION

Design and planning for the project by a Tuniso-Swiss research and development firm was completed in April, 1979. However, the municipal departments have had to update these studies in their totality because of changes in urban development and problems encountered when work began.

Actual construction began in June, 1980, and completion is anticipated for March, 1982. Work will include the construction of 100 housing cores, a market, two schools and two nurseries.

There will also be the installation of more than 7000 linear m. of sewage pipes, 10,000 linear m. for potable water, more than 150 street lights for public lighting and the construction of 27,000 m. of roads.

In spite of the enormous problems encountered, approximately 40% of the work has already been completed since construction began some ten months ago.

Participants exchange views. Top from left: Mr. Adrien N'Koghe-Essingone, Director General, Credit Foncier du Gabon; Mr. Albert N. Votaw, USAID/Office of Housing, Chief for West Africa; Mr. Kouame Konan, Savings and Loan Credit Bank (BNEC) Ivory Coast; Mr. Albert Chavihot, National Housing Corporation, Gabon and Mr. Bamba Moussa, Land Development Agency (SETU), Ivory Coast. Bottom from left: Mr. Hedi Karray, Chief Planner, Agence Fonciere de l'Habitat, Tunisia; Ms. Lee Dennison, Regional Housing Advisor of the Office of Housing/North Africa and Near East; and Mr. Abdelhai Bousfiha, Director for City Planning and Architecture, Ministry of Housing and Regional Planning, Morocco.

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EFFECTIVE DEBT COLLECTION AND MANAGEMENT IN LOW-COST HOUSING, BY JEAN KONAN-FERRAND, DIRECTOR GENERAL (HEAD OF DELEGATION) SOCIÉTÉ DE CONSTRUCTION ET DE GESTION (SICOGI), IVORY COAST

So-called "economic" housing projects are designed for the lower income groups in the population. Occupants, who generally have a simple rental contract have difficulties in paying their rent, which represents usually a quarter of their revenue.

Housing corporations are obliged to organize their management and rent collection. At SICOGI, the following structure has been set up.

1. Leasing section

2. Rent collection consisting of neghborhood cashiers and the main cashier at the SICOGI main office.

   Rents should be paid at the neighborhood cashier office so that tenants don't have to travel. On the commercial level, SICOGI cashiers undertake to persuade tenants directly to pay their rent on time.

3. Late payments section, consisting of a brigade of agents who go into the projects to take sanctions against delinquents. The following pages describe the methods used by SICOGI to cover the sums due.

4. A maintenance section responsible for cleaning economic projects and consisting of sector chiefs, inspectors, foremen and laborers.

Finally, in view of the high cost of project maintenance, SICOGI is considering a method of encouraging tenant participation in the maintenance of their housing units and immediate surroundings by offering prizes to residents of the best maintained units.

Measures to Prevent Problems Related to Rental Delinquencies for Economic Housing

SICOGI policy in rent collections has evolved since its creation in 1955. From classic judicial action, which consists of filing suit when a tenant does not pay his rent, SICOGI management little by little has developed techniques to collect late and even unpaid payments.

The principle of action consists in training the low-rent tenant at the start of his lease and in preventing the slightest delay in payment before build-up of the debt. Low-rent housing being intended for low-income social groups, it seems to us unacceptable to overwhelm them with back rent of more than two months and to require, as this is done legally, the recovery of this sum at one time after a court ruling accompanied by enormous costs, often more than several month's rent, that the victims are obliged to pay.

In the face of this situation, SICOGI has opted for a more humane procedure to follow up on late payers to lead them by persuasion to pay up without litigation.

This involves the following steps:

1. Rents are payable when due. The bill for each month is sent out on the 26th of the previous month. The tenant has from that date until the 7th of the month to pay. He receives a reminder on the 6th of the month inviting him to pay his rent within 24 hours. (See Form Letter attached)

2. If the reminder has no effect, a warning letter is sent out on the 8th of the month, that is on the day the neighborhood cashier's office closes its collections for the month. (See Form Letter--Warning Before Eviction--attached). By this letter, the tenant is invited to pay his rent before the 14th of the month, plus a late penalty of 10%, which is intended to discourage late payment.

3. A second warning letter (See Form--Initiation of Eviction Procedures--attached). After six days a second letter is sent to the tenant to inform him that he is to face eviction for non-payment of rent. In this letter sent on the 15th of the month, the tenant is again offered the option of paying his rent with a 10% penalty, but this time in the office of the Corporation's Attorney. There is, therefore, a real threat. In the meantime, a SICOGI agent visits the apartment to learn the reasons for the delay.

4. If by the end of the month the tenant has not paid, SICOGI agents change the exterior locks on the unit.

5. A three-day delay is observed to allow the tenant to pay his rent with the 10% penalty. If he does so, SICOGI delivers him the new keys upon payment of their cost (See Document III and IV).

6. At the close of the 4th day of the following month, SICOGI agents procede with eviction by carrying out the tenants belongings from the housing unit.

7. After eviction, a further delay of three days is given the tenant to pay off his debt, which is only for a month, plus the costs of the new lock. If he does this, he can resume occupancy.

This procedure, which appears "illegal" offers advantages to both tenants and the Housing Authority.

1. The tenant avoids a substantial back rent due bill and court costs, lawyers fees, etc.

2. The Housing Corporation learns rapidly of back rent due and does not allow this amount to grow too high. In effect, when tenants with large delinquent accounts are evicted, it is difficult to get them paid back and often result in a complete loss.

In conclusion, the Table and graph below set forth the effectiveness of our method:

Analysis of the Results of Sale and Collection of Delinquencies Before and After Setting up the Present System

Year	Total Due Million CFAF	Total Unpaid Million CFAF	Delinquency Rate Percent
1973	1.400	99,4	7,1
1974	1.928	107,9	5,6
1975	1.473	73,6	5
1975/1976	2.546	63,6	2,5
1976/1977	3.051	57,3	1,88
1977/1978	3.419	56,4	1,65
1978/1979	4.279	60,3	1,41
1979/1980	5.579	79,2	1,42

FORM LETTERS

SICOGI
Management Section

Name and First Name_____
Housing Unit No._____
Code:_____

HELLO! HELLO!

Dear Renter:

Please be advised that the Cashier's Office will be closed in 24 hours.

Consequently, I invite you to come and pay your rent for the current month.

Beyond this delay, your file will be transmitted to our Delinquent Payments Section.

Your devoted neighborhood Cashier

SICOGI
Legal Department
01 BP 1856 Abidjan 01
Tele: 37.47.53
Name and First Name_____
Housing Unit No._____
Code No._____
Subject: UNPAID RENT

WARNING BEFORE EVICTION

Dear Sir or Madam,

When your neighborhood cashier closed his office, on the 7th of _____19___, we found that your bill for the current month came back unpaid.

We then transmitted your file to our Delinquent Payments Section.

Let us remind you that pursuant to the contract you have signed, rent is payable in advance on the 7th of each month.

We, therefore, invite you to resolve this situation as soon as possible but before the 14th of _____19___.

In the absence of payment, SICOGI will be obliged to cancel your lease and initiate eviction procedures.

In case you are sure that this payment was made, will you please excuse us for this claim and be kind enough to give us any information concerning the date and the means of payment, so that your account can be cleared.

Very truly yours,

Director of Management

NOTE: The Cashier's Office will be exceptionally opened on _____from 8 to 12 a.m.

SICOGI
Management Section
01 BP 1856 Abidjan 01
Tele: 37.47.53
Name and First Name_____
Housing Unit No._____
Code No._____
Subject: Unpaid Rent: 2nd Notice

INITIATION OF EVICTION PROCEDURE

Dear Sir or Madam,

The delay given to you by first notice on the 8th has expired and your rent remains unpaid.

As indicated in this previous notice, your refusal to make payment in spite of our tentative of reconciliation obliges us to forward your file to the attorney who was requested to initiate a rapid procedure of cancellation of your lease contract.

This procedure was initiated due to your refusal to make the rent payment and is in compliance with regulations as provided in the lease contract.

For any additional information concerning the status of your file, please contact the Office of Attorney_____before_____22, 19____.

Yours very truly,

Director of Management

NOTE: Attorney's Address

SICOGI
Direction of Management
01 BP 1856 Abidjan 01
Tele: 37.47.53
Name and First Name_____
Housing Unit No._____
Code No._____
Subject: Rent Payment for the Current Month

Dear Sir or Madam,

Your payment was late and came after our accounts were finalized. Your receipt for the month of_____, 19___ has not been forwarded to your neighboring cashier's office.

We, therefore, invite you to go to the main cashier's office in order to pay your rent before_____ 7, 19___.

For any further information, please contact our Delinquent Payments Section.

Very truly yours,

Director of Management

SICOGI
Direction of Management
Legal Department
01 BP 1856 Abidjan 01
Tele: 37.47.53

EVICTION NOTICE FOR NON PAYMENT OF PENTS

CODE	UNIT NO.	REGISTER NO.	NAME AND FIRST NAME	RENT DUE

You are notified that SICOGI will come to Branch Office _____ on _____ 19___ in order to proceed with your eviction, due to non-payment of rent due.

ATTENTION: Any payment already made (by check, bank transfer, postal order, etc.) must be notified to the responsible Agent of the operation.

Director of Management

PERUMNAS INDONESIA FAST-TRACK CASE STUDY, BY ROBERT MERRILL, CONSULTANT, USAID, WASHINGTON, D.C., USA

The introduction to this paper made the statement that it was possible to make dramatic improvements in the implementation process. In closing, it might be useful to review a case study experience from Indonesia which demonstrates that when a national housing agency becomes truly determined to accelerate implementation, it is possible.

PERUMNAS is the Indonesian equivalent of a national housing corporation. In early 1978, PERUMNAS had built only 23,000 units during the first three and a half years of a five-year plan that called for 73,000 units to be completed. Another 10,000 units were under construction, or already planned. The other 40,000 units, however, were yet to even begin planning though the sites had been purchased.

The problem confronting PERUMNAS was simply how to quadruple production for 1,000 units per month to 4,000 units during the remaining period of the five-year plan. Obviously, the standard implementation process would have to be abandoned and an entirely new process used. PADCO, working as advisors to PERUMNAS, developed a new approach to implementation called the "Fast Track Process." This new approach was able to plan, design and construct the 40,000 units at ten sites throughout Indonesia during the 15-month period available. The highlights of this approach are as follows:

1. Optimum use of limited skilled manpower.

2. Improvement in the overall control and coordination of the activities critical to accelerated development.

3. Increased speed in producing essential design documents.

4. Early organization and systematic release of essential information to allow site works to start.

5. Improved site construction performance through early contractor involvement, negotiated contract procedures, strong guidance to contractors in organizing and scheduling work on-site, forward ordering of building materials, etc.

The key management principles in executing the "fast tract process" are as follows:

1. Maximum use of standardized one hectare land use modules minimizing the number of house types to be constructed during initial phases and using standard drawings for road designs and drainage.

2. Precise programming of the critical sequence of development actions.

   ·Recognition that easy site access is of the highest priority for action.

   ·The allocation of relatively flat, accessible land to immediate construction based on the minimization of site problems--all other areas being held back for more detailed and careful design.

   ·Placement of the site office and facilities at the optimum location.

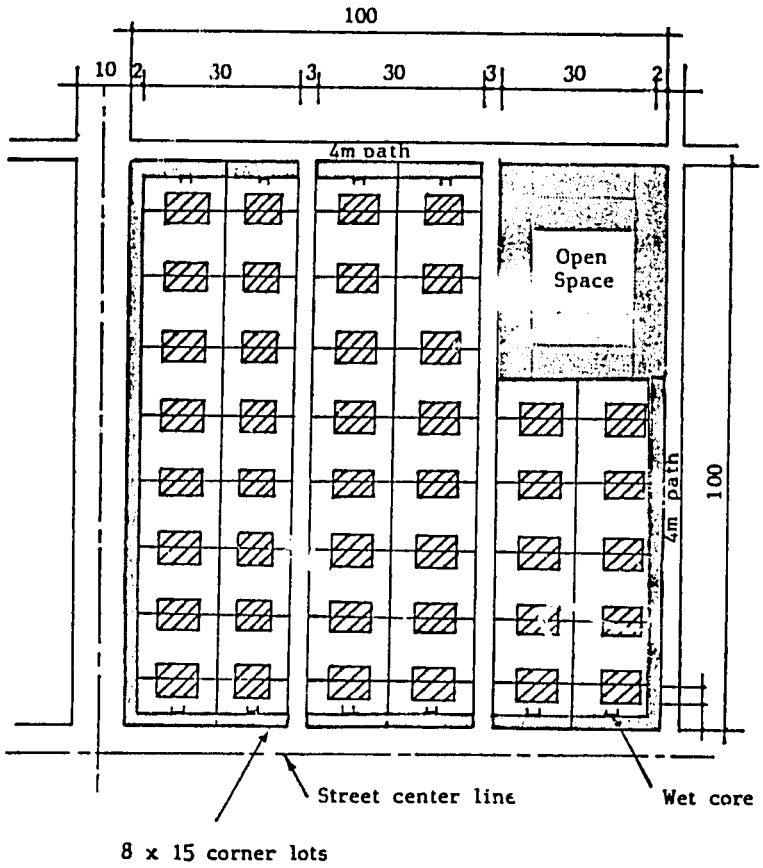
   ·Developing a precise construction program, establishing the number and kinds of contractors, the allocation of numbers of houses to each contractor and timing the sequence of development actions.

   ·Programming all the forward ordering of building materials to insure timely arrival on site.

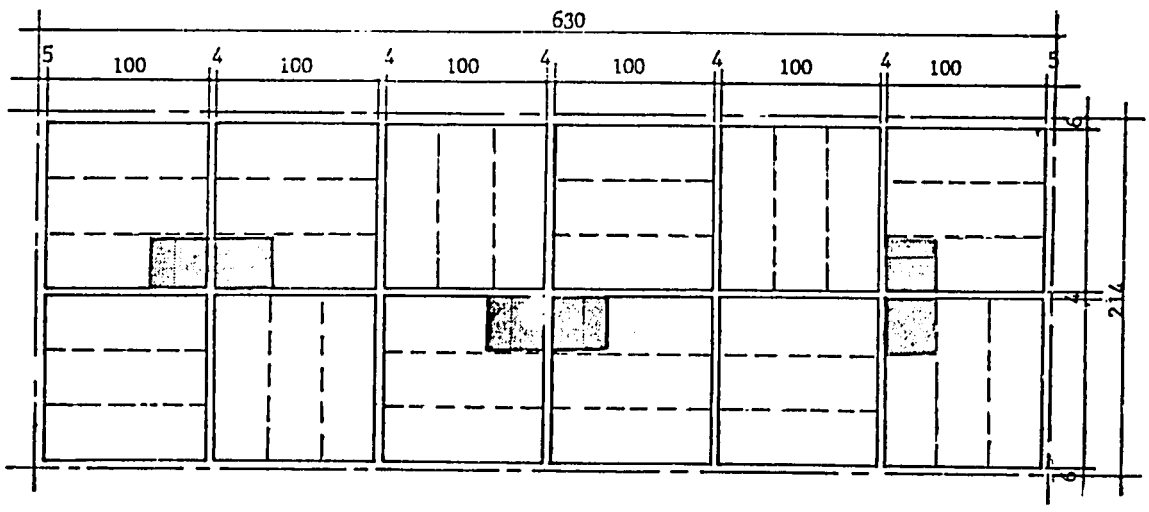
   ·Programming infrastructure works such as roads (other than main access roads), footpaths, drainage works (other than temporary drainage), water supply and sanitation systems to follow on after house construction is completed. This serves the purpose of allowing additional time for detailed design without holding up house construction and it separates out the housing contractors from the infrastructure contractors on a given module thereby reducing the earthworks and increasing the efficiency of both groups of contractors.

3. Increased management discipline. Critical to the success of the "fast track process" is the imposition of management discipline at all times. It requires quick and comprehensive management level decisions to be taken on the detailed project description. Once taken, the approved detailed project description must be kept intact as the management plan for the project without further revision. In turn, the project manager must be given wide powers to implement the detailed project description in the field without constant reference back to the central office.

ILLUSTRATIVE LAND USE OF 100 x 100 SUBMODULE (6 x 15 plots)
(all dimensions in meters)



ILLUSTRATIVE GROUPING OF 100 x 100 SUBMODULES
(all dimensions in meters)



100 x 100 m submodule (6 x 15 lots)

Total Yield: 1,080 lots
Net Density: 80.1 units/hectare

	Basic Module	Setback Allocated	Total	Percent
Lot Area:	97,200	8,592	105,792	78.5
Open Space:	6,480	816	7,296	5.4
Circulation	Roads	8,052	21,732	16.1
	Paths	13,680		
Total Area	(12 submodules)		134,820	100.0

Clearly, the main advantage to the "fast track process" is that it focuses squarely on a housing agency's number one objective which is the production of the maximum number of units. The disadvantages of the "fast track process" should also be considered, but they are within the range of acceptable risk. The main disadvantages are:

1. The risk that proceeding with first phase construction in the absence of overall plans and engineering drawings will result in substantial problems and perhaps additional costs at later stages of the project. This risk, while real, is minimized in that the area selected for immediate "fast track development" is selected on the basis of minimum site problems.

2. The risk that public facilities and open space will not ultimately be located in the theoretically optimal position with regard to service areas of the housing. This situation will, to some extent, prove true. However, when it is considered that the scale of the projects are all within walking distance from end to end, a few hundred meters off optimum center should prove a small concern; particularly when it is remembered that public sector projects are vastly better off in terms of open space and community facilities than surrounding low income areas.

3. The risk that reliance on the one hectare module will result in monotony in overall design. It is true that the use of the one hectare module clearly limits the design solution and that other more interesting designs could be used. It would not be possible, however, to do so without increasing the costs of urbanization and slowing up the construction process. Overall, it is likely that the use of the module will not have a significant effect on the community design because of the likely rapid development of house expansions and landscaping. In addition, the areas not selected for "fast track development" will allow opportunity for alternative physical layouts within the site area.

Top: USAID Office of Housing Director, Peter Kimm and the U.S. Ambassador to Mauritius, Robert Gordon, receives Mr. Amos J. Smith, National Housing and Savings Bank of Liberia and Mr. Luis A. Perez, Chief of Party, USAID/Monrovia, Liberia. From left: Smith, Perez, Kimm, Gordon. Bottom: Mr. Mathew Othow Deng, Director (JUBA) Regional Ministry of Housing and Public Utilities, Sudan, and Mr. Alioune Khaly Ba, Director of Social Credit, Banque Nationale de Developement du Senegal, at a plenary session.

PLENARY SESSION

ON-SITE IMPLEMENTATION, THE KEY TO SUCCESSFUL LOW INCOME HOUSING IN DEVELOPING COUNTRIES, BY JAMES UPCHURCH, LOW COST HOUSING OFFICER MINISTRY OF LOCAL GOVERNMENTS, BOTSWANA

It is a special priviledge to be invited to address this session of the Seventh Conference on Housing in Africa because as those of you attending the Sixth Conference may recall, we left Rabat with unfinished business. My subject in Rabat was managment of site and service schemes and it was clear from the follow-up discussions that implementation capacity is quickly becoming a major constraint that prevents some developing countries from meeting their shelter sector objectives.

As you can see from your conference documents, this Conference offers many opportunities for persons with a serious interest in housing to learn about and exchange ideas on housing implementation. However, if you have come to this conference expecting to discover secret solutions from experts, you may be disappointed. You will find that implementation of low income housing is like many things in life: your return is directly related to your investment. On the subject of experts, I don't know any in this field. We are all learning and trying to build on our experiences from project to project. If anyone qualifies as an expert, it must be those of you in this room who are working in the field of low income housing at the grassroots level.

Why is Implementation Important?

Housing was once called the bottomless pit by some international aid organizations. . .that is they considered adequate, safe and sanitary housing to be an impossible goal for developing countries. But today, we can see important progress in many countries. Yet, this fragile, promising beginning will be threatened unless implementation of low income housing schemes in developing countries is strengthened. There is danger that some people may question the viability of attempts to house the low income masses when they see projects fail due to poor implementation.

Policy and On-Site Implementation

On Monday, you discussed housing implementation policy. I don't intend to repeat those points, but I would like to underscore some important policy issues as they relate to on-site implementation. Good housing policy is important to implementation because the only situation worse than bad implementation of a good policy is perhaps good implementation of a bad policy.

If, for example, your country is trying to solve your low income housing problem by building high standard, high cost units that required extensive subsidies, then the best possible implementation will not help you since you probably cannot afford to replicate housing at the standard for the low income masses.

On the other hand, a good national housing policy can provide the kind of environment needed for proper implementation. I am not suggesting that your housing efforts cannot fail with the support of good policy, but if you fail, the failure will not result from on-site staff not knowing what to do as is often the case for countries lacking well defined housing policies.

I work in Botswana, a small, but progressive developing country where the Office of the President of Botswana appointed a year long Presidential Commission on Housing Policy to conduct the most extensive review of housing ever undertaken in Botswana. This commission investigated the following:

--The land tenure system.
--The projected demand for housing.
--The availability and use of financial resources.
--Housing standards.
--Implementation of housing delivery systems.
--Rental policies.
--Rural-urban migration
--And more.

A Housing Policy review like the Botswana model is expensive and time consuming, but it is mandatory for any developing country that seeks meaningful progress in their shelter sector. It forces you to discard existing, weak, de facto policies that crept in the back door without being tested for conformity to national housing objectives. It is essential for proper implementation.

How can one tell if weak housing policy is a potential problem for on-site implementation? One common symptom is to discover that the country lacks a national housing plan and their policies are not available in writing.

There are other signals. Look for projects that are stalled at a critical stage while waiting for instructions. I was involved with a squatter upgrading project that was delayed for months because the project was allowed to reach the stage of plot layout without a clear policy on acceptable plot sizes for squatter areas.

But, inactivity is not the only signal. More likely is the situation wherein a wrong activity is being implemented because a policy void exists. I know of projects that were planned for low income families, but clear policies about plot allocations were never issued. As a result, the implementing staff decided on their own to allocate to the wrong income groups. It was a case of good implementation of the wrong activity.

And after a rational housing policy is developed, it must be widely distributed. People at the on-site implementation level are not mind readers.

Let me illustrate this point with a personal experience: I once had to tell a health inspector that his health code was a hazard to the health of the community. We wanted to build 1,000 site and service units. Cost recovery was possible for all 1,000 if we used low cost sanitation units, but the health inspector insisted on water borne sewerage. If we had followed his suggestion, we could have built only 200 units and the other 800 families may have become squatters across the street without any sanitation. The germs would have crossed the road to infect the "lucky" 200 who received high cost houses.

Later, while reflecting on the health inspector's lack of knowledge about low income housing, it occurred to me that there was no reason why he should be well informed since we had never explained our policies or the reasoning behind them. In housing, a hidden policy is usually a useless policy.

Planning for Implementation

Low income housing implementation activities can be categorized as either "hardware" or "software" types. Hardware is the term used for the physical infrastructure installation, roads, buildings, etc. A software list would include plotholder technical assistance, plotholder education and motivation, administration, etc. Someone viewing projects from a hardware window might be concerned with pipe sizes while someone looking at the same project from a software viewpoint would be concerned with training materials needed to teach new staff how to install the pipes.

Developing countries should plan for both types of implementation, but "software" activities are often under-rated when planning for new housing projects. This is understandable as it reflects the common misconception that housing equals only physical construction. In the real world, projects are likely to succeed or fail for other reasons. . .reasons unrelated to the size of pipes.

Shelter sector planners must include effective implementation, as an integral part of the larger planning objectives. To illustrate this point, I offer the following examples: (these cases are based on fact, but I have done some editing to protect the identity of the countries involved).

CASE A

Planners in Country X forgot to include a site for a ward office/service center/building material depot when they drew site plans for a new housing project. This omission was not noted until a late date because little advance preparation was made for staffing the technical assistance organization. To correct this error at the 11th hour, planners designated plots formerly planned for home sites to be the ward office/materials center. Unfortunately, these planners knew little about implementing self-help housing projects so the assigned ward office plot was too small for materials trucks to enter the warehouse. Some building materials had to be hand carried from the road. This slowed implementation of the building materials loan scheme.

The ward office also collected service levies and loan repayments. Ideally, a neighborhood collection office should be centrally located or in the path of traffic routes normally used by plotholders going to work or to commercial centers: in the case of Country X, the planners were unaware of these factors and allocated plots that were out of the traffic flow. This made debt management implementation more difficult at a later date, since common sense logic suggests that the propensity of the average person to do something that he does not really want to do will be reduced if you also make his compliance inconvenient.

CASE B

Country X in this case had an ambitious plan for extensive site and service and self-help housing. New plots were developed and awaited allocation for self-help housing construction. The first sign of trouble appeared when plot allocation processing was delayed. Then plotholders who were receiving building materials loans found they could not obtain their materials within a reasonable time because the accounting and bookkeeping was not up to date. Without current accounts, the stores personnel could not release new materials because of the danger of issuing materials worth not more than the total loan. Furthermore, new plotholders discovered that the construction technical assistance promised was inadequate. Reports surfaced about plotholders being forced to hire contractors when they could not afford to do so. Plotholders did not understand how to build to proper standard. Later, it was found that floors constructed during this period were flooded because they were built too low.

It soon became apparent that the root cause of this failure could be traced to poor management and planning. Country X considered shelter to be a basic human need, but no advanced plans were made to train people for implementation of shelter schemes. Unlike the education sector which had schools for nurses and the health sector's nursing schools, little thought was given to the shelter sector's manpowers requirements.

CASE C

Engineer/Planners in Country X specified big drainage ditches in front of both high income and site and service plots. Low income plotholders could not afford costly culverts so they began filling the ditches with dirt for plot access. This rendered the costly ditches useless because only one filled plot could dam the flow for everyone on the street.

Implementation was slowed when the implementing organization began a running battle with plotholders to clear the blocked ditches. Finally, the implementing organization decided to resolve the problem by installing culverts on all plots and recover the costs by increasing the service charges. This could prove to be difficult because plotholders have pointed out that the country had limited rainfall and they consider the deep ditches to be a luxury that they could not afford. This is an example of professional people forgetting to put implementation into their formulas.

CASE D

Case D is another classic example of planners/managers without implementation experience-making decisions that are difficult to implement on-site. A new site and service/self-help project was designed to use a pure flush type low cost sanitation unit. This system uses a wash basin for storage, holding tanks, and a drainfield. It offers the advantage of being upgradable when sewers are affordable at a later date.

The first disadvantage of this sanitation system is the high cost: four times the cost of a pit latrine. But, the most serious drawback was that the simple plumbing was not easily understood by people who may have come from squatter or rural areas lacking any form of sanitation. Implementation was slow. Special technical assistance efforts were needed because people could not understand the plumbing and were unable to do the work themselves. Planners could have prevented this situation if they had known about one of the basic self-help housing principles: keep designs simple and straight forward if you expect low income people to do the work themselves.

What can you learn from these examples that will improve the on-site implementation of low income housing in your country? Are there any common patterns to be found in the mistakes made in these case histories?

One important factor is that implementation is often an after thought and not the focal point that it should be from the outset. It is also obvious that the most important factor in the self-help/site and service drama, the plotholder is under-represented in early planning stages. Furthermore, it is clear that planners with backgrounds in conventional or high cost construction may not realize that self-help schemes are people oriented. After affordability tests, the second most important question to be asked about new projects should be: can this project be easily implemented?

Institutions to Implement Projects

The development of institutions to implement housing projects is a subject that deserves more attention. There are, however, key questions regarding institutional capacity for on-site implementation that must be answered before details of on-site implementation organization can be discussed. Examples of such macro level questions include:

1. Is an institutional approach needed or can implementation be done on an ad hoc basis?

   The best implementation strategy is to meet your housing objectives by producing at a smaller, but steady pace each year rather than use the "stop and go" method of occasional, big projects separated by periods in inactivity. The latter approach to implementation organizations. The result is a loss of productivity. The institutional approach assumes that a solid team is developed and retained. Since most projects usually involved long term service/administration, this also suggests the need for a strong, long term institution.

2. Which entities should be given responsibility for low income housing schemes?

   There is no universally correct answer to this question, but each developing country should ask how this question applies to their special situation. In some countries, for example, local authorities impose unnecessary political burdens on housing departments. Local authorities may lack the focus needed to get projects expedited because housing competes with other programs for their attention. A parastatal may be more efficient from a managerial standpoint but parastatals can become isolated from the real political world. That can be a minor problem for higher income projects. It can be the death of lower income schemes that depend on the cooperation of beneficiaries.

3. Should implementation responsibility be centralized?

   Centralization may prevent smaller entities from reinventing the implementation wheel, yet it can also mean that projects are slowed because everyone is waiting on answers from the capital. Sharing implementation responsibility may be the compromise. Where various entities share implementation responsibility, some form of interagency consultation is needed to synchronize activities. Functional and geographical areas of responsibility should be clearly defined to avoid any unnecessary duplication and overlap of responsibilities.

If questions of this nature are subjected to a careful and rational analysis, the best possible environment will be created for the next step: the design of the on-site implementing organization.

The organization of entities implementing self-help/site and service schemes requires special attention. Major functions of a self-help housing agency based on the usual flow of work can be classed as:

1. Finance/Administration
2. Community Development/plotholder education
3. Construction technical assistance

The construction role is often stressed, but all three areas are of equal importance. If we think of these functions as three links in a chain, we soon discover that, like the chain, self-help housing agencies are no stronger than the weakest component or link.

Defining the implementing goals and objectives is a first step toward roughing out a structural approach to organization charting.

Before the organization chart can be completed, the quantity of personnel needed must be known. Experienced self-help technical assistance organization have learned by experience that certain staff-to-plotholder ratios must be observed. Inexperienced organizations can make serious errors at this point. For example, in determining the proper ratio of construction technical supervisors/inspectors, planning too few may result in loss of control while too many may burden the organization with abnormally high administrative overheads. A proper balance must be found.

It is clear that the development of a successful implementing organization requires careful planning ranging from identifying national objectives on the macro level to detailed job analysis on the micro level.

Training for Low Income Housing Implementation

Like the workman who needs a hammer and saw, implementing organizations must have certain tools to do their job properly. By that, I refer to the transport, office equipment, accounting machines, etc. I have no sympathy with short sighted administrators who ask

housing organizations to build projects costing millions, yet refuse them relatively small amounts for something like communications equipment that might speed the task and save money in the long run.

Tools are necessary, but people are more important. Low income housing, especially self-help housing schemes, are basically people programs. This means that implementing organizations must have staff in adequate numbers with the proper training and motivation.

Training must be done at several levels. If the scale of your projects is large enough, some type of in-country institutional training may be feasible. Most housing projects will find an in-house, on-the-job training program to be the most effective training format. This will require that technical assistance and training programs are planned and budgeted like any other overhead item. I know of a case where new low income housing schemes with many new, untrained staff had budgeted so little for training that they could not even afford to print training manuals.

Yet, next door, the same government had spent huge amounts on Engineering Consultant's fees and solar heating units for a high income project. Misplaced priorities? Anti-poor bias? Maybe, but the real reason was more related to what I call the storeshelf theory of project mal-administration. Engineering consulting proposals and things like solar heaters have appeal because they are neatly packaged and ready for purchase "off the shelf" so to speak. Training for low income housing is different and less importable. Less may be invested in such training because we don't know how to specify our needs.

As a rule, the success or failure of your housing project will depend on how well you train your staff. Most of this training will have to be done in your country, usually by the implementing organization..

If your staff lacks basic education, you may have to modify your methods to accommodate the level at which training is practical. For example, the SHHA in Gaborone Botswana found that construction supervisors had difficulty with maths needed to do simple calculations of affordability of building material loans. A special "homemade" slide rule was devised to overcome the problem.

Staff motivation is important and cannot be swept under the rug as too sensitive or too culturally based. Self-help housing staff must have a real concern for the cause of helping the poor. For example, they must agree to work on weekends when most self-help activity takes place.

Motivation can be inspired by good leadership, but it helps to start with good personnel selections. Unfortunately some housing programs do not have full control over their personnel recruitment. I recommend that, wherever possible, the implementing organization should have, as a minimum, veto rights over personnel selections.

Allocations of Plots or Housing Units

I am continually amazed at the lack of attention given to allocation of plots. Well managed housing programs seem to collapse when they reach the allocation stage and the plots are given to anyone almost at random. This is disastrous for low income projects. We must remember that higher income people have the option of coming down to take low income plots, but low income people cannot go the other way. . .and the low income people may have no other choice but unauthorized settlements.

Unless plot allocations are managed properly, shelter sector planners may be confused. They will assume that plots targeted for the poor reach the poor. Weak on-site implementation may have delivered the plots to the wrong income group.

How should allocation be implemented?

Since plot allocation is one of the first steps for site and service project planning for allocation implementation must start early. You will usually have to investigate each application to verify that they meet your carefully designed allocation policy. In Botswana, our recent projects used a point system that is weighted in favor of lower income families. Photographs and identification are required and we check against a master file for possible double plot allocations. Our policy gives plots to those with the greatest need first. For example, someone living in a substandard house without sanitation would get more points.

All the information needed for processing is on our application form along with a point calculation worksheet. This is printed on a three-part, color coded, no carbon required paper to speed the flow of paperwork. The flaw in our system is that orientation of new self-help plotholders is not done in much detail until after plot allocation. We may revise our methodology to introduce more preapplication orientation. This may prevent people from applying for a program based on self reliance when they are not prepared to accept the terms of such schemes. You will hear more about plotholder education in the papers to be presented tomorrow.

Construction Process

A major part of the self-help construction process is the operation of a building material loan scheme. That will be the subject of a discussion this afternoon to be led by my colleague from Botswana, Mr Makhwade.

I will restrcit my comments on the construction process of two questions at the center of constant debate by housing people:

The first question: IS SELF HELP OR SMALL CONTRACTOR THE BEST METHOD FOR BUILDING LOW INCOME HOUSES? In Botswana, we utilize both method under the umbrella of "self help" because we see this as an affordability issue rather than an implementation issue. Unless affordable solutions are planned for families in the 20th to 40th income percentiles, the long term prospects for meeting your national housing needs are bleak. We know that self help and building material loans require extra effort, but we see no alternative. Most low income people can pay for materials or labor, but not both.

The second question: WHAT IS THE PROPER ROLE FOR STAFF IN THE CONSTRUCTION/ TECHNICAL ASSISTANT POSITIONS? I am aware that in some projects, the construction staff are known as building inspectors. We believe that the code compliance should be a by-product of the supervision and teaching activities of construction staff. If these staff are known as building inspectors, then you may slip back into the old, outdated pattern of trying to resolve low income housing problems by forcing people to build, using ever increasing and unrealistic building standards. We favor the more constructive approach of offering both the carrot and the stick.

Project Administration

We usually think of managers and administrators as decision makers. . .decision makers with good judgment. If this is true, why do some on-site housing managers with above average judgment fail as project administrators? The answers lie not with their reasoning ability, but with their ability to get the important facts needed to make good decisions. Perhaps the garbage in--garbarge out cliche about computers also applies to humans.

There are some shortcuts to the task of gathering information that may be useful to you.

1. You don't want to know everything. . .just the critical indicators. The indicators can alert you to the need for more details.

2. You must have an alarm system. You may need to be involved in determining what some of the minor indicators are to be watched, but you may not wish to personally monitor them. You must have an effective and dependable staff/system to alert you from the limits that you set. Your "bell ringers" must not be timid. They should not fear taking your time discussing the minor purchase of a piece of steel if that piece of steel is holding up construction of a bridge that, in turn, is holding up the housing project across the river.

3. You may be wondering if all the information collection that I am describing will overwhelm your staff. I doubt it and I offer two reasons.

   a. Time is available from time wasted fighting fires, that is, responding to emergencies that could have been avoided.

   b. You may find "free" managerial information if you organize your project on a systems basis. Later today, Mr. Campbell will explain the accounting system we use in Botswana's self help schemes. We found, when setting up that system, that little extra effort was needed to obtain valuable information from work that was already done for accounting reasons. In a sense it was free.

4. There are some management aids that show when and where decisions must be made in various phases of a project. You may have used a bar chart. PERT/CPM are based on what is called a network plan, which in a sense is a grown-up bar chart. PERT is Program Evaluation and Review Technique and CPM is Critical Path Method. Time does not permit full discussion of these aids, but I have written material with me for those of you with an interest in planning, scheduling and monitoring.

What kinds of activities or key indicators should we track in a typical project? I offer the following as an incomplete list:

1. Cash Flow

   You must track funds needed for capital items and revenue expected for recurrent

services. Cash flow should be simple, assuming a functioning accounting system, but it is sometimes neglected perhaps because it lacks visibility.

2. Infrastructure Installation

You should set up monthly goals for activites like surveying, road construction water standpipes, sanitation, etc., then compare those goals with actual progress.

3. Development of the Implementing Organization

You should look for the rate of personnel appointments, construction of warehouses, offices, etc. As the organization matures, you may establish in-house certificates for staff reaching certain levels of proficiency. You may then track the percentage of staff reaching these levels.

4. Plot/house allocations

Using your long term project objectives as a guide, set long-term goals and break them down to monthly goals. Actual allocations are then compared against the plan.

5. Self-Help Construction Progress

This appears to be easier than it is in practice. Some projects set goals for the number of units to be completed by a certain date based on the proposed allocation schedule and then compare this with completions. This is better than nothing, but it is like the ship captain letting his ship hit the rocks before starting corrective action. Since self-help construction may take a year, waiting until the end to measure progress is not useful. I suggest monitoring at 5 stages: start, 25%, 50%, 75% and completion.

I wish that I had been given another hour to talk about project administration. This is an area that needs more information exchange. With my remaining time, I propose to give your a series of one line suggestions on various project administration and maangement topics:

Program self evaluation - Always conduct a base line study of the beneficiaries if possible.

Plotholder feedback - Make it easy for plotholders to complain, it hurts sometimes, but it will help you in the long-term.

Plotholder communication - If possible, set up a special team to do things like publish mini-newspapers for plotholders.

Staff effectiveness - This is often improved by improving internal communications. Make it easy with telephone, radios, and courier systems.

Misuse of transport - Try controlling your transport by central radio dispatcher.

Material and revenue losses - Can be reduced by using one of the receipting systems that captures a copy of the receipt in a locked box that cannot be opened by the clerk.

Staff turnover - The setbacks can be reduced and training improved by writing all your standard operating procedures in detailed procedure manuals.

I would like to conclude my remarks by returning to my paper's title. On-site implemention is the key to successful low income housing schemes. There are no easy solutions, but if the countries represented in this room accept the implementation challenge, many more African families can move from bad housing to decent, safe and sanitary homes.

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TANZANIA'S EXPERIENCES ON IMPLEMENTING LOW-INCOME HOUSING PROGRAMS: A CASE STUDY ON SITE AND SERVICES AND SQUATTER UPGRADING PROJECTS, BY MR. JORAM M. L. MGHWENO, DIRECTOR, NATIONAL SITES AND SERVICES PROJECTS, TANZANIA

I. Introduction

After several years of providing conventional finsished public housing in the 1960s, Tanzania has now placed more emphasis and resources on sites and services and squatter upgrading projects since the late 1970s. The high cost of providing finished conventional public housing, the magnitude of the urban housing problem, and the social and economic costs of slum clearance programs have dictated such policy changes. Despite a number of problems encountered in the implementation of sites and services and squatter upgrading projects, this later approach seems to be the most feasible approach and widely accepted by urban residents than any other housing program wholly or partly financed by the Government. The problems faced and being faced are, however, not insurmountable. Given time (i.e., learning by doing), good planning and coordination, and availability of more experienced field staff, these problems can be overcome. Apart from benefiting more people than any other previous approach, this approach appears to be least costly on the part of the Government and the individual both in the short-run and long term. The policitical will and social support behind the program renders it more feasible than any other housing strategy geared to solve the housing problems of low income urban families. What is required now is consolidation of the achievements gained so far and planning and acting on the basis of past experience to improve project implementation.

This paper concentrates mainly on the experiences of sites and services and squatter upgrading schemes in the country for five main reasons:

A. The provision of conventional public housing has not been very successful in meeting the housing needs of low-income families who constitute the majority of the urban and rural populations in Tanzania.

B. Government now puts more emphasis on sites and services and squatter upgrading projects as the least costly solution at the moment to the Government as well as the most effective approach to the solution of low-income housing problems.

C. It is in accordance with Tanzania's national philosophy which states that people are the basis of development and that it is the people themselves who are laregly and ultimately responsible for their own development.

D. It reterates Tanzania's approach to development which looks at the Government as a catalyst in the development process with the people being the main actors especially in the provision of decent housing, community facilities and utilities.

E. By placing more emphasis on local available and abundant resources, i.e., people, their labor and public participation at the grassroot level in house construction and improvement and not excessively relying on scarce resources like finance, capital and machinery, this approach stands a better chance of being more successful and effective in meeting the housing needs of low-income families than previous housing programs. What follows below in sections II-III is a brief review of the few housing programs implemented so far and the lessons learned from the implementation of these projects. Finally, Section IV briefly summarizes suggestions aimed at the improvement of project implementation.

II. Review of Past and Present Low-Income Housing Projects

Before independence, the provision of public housing in Tanzania (then Tanganyika) was based on the basis of race and income. Both the German and British Colonial Governments provided conventional public housing for their nationals in Tanzania. The Asian Community was served by Asian landlords while the housing needs of the indigenous African population were not catered for by the Colonial Governments and Asian landlords. When Tanzania obtained her independence in December, 1961, she abolished the provision of public housing on the basis of race and income. Since then, a number of public institutions have been created to provide housing or finance the provision of housing in the country.

One of such public institutions is the National Housing Corporation (NHC) established in 1962 to provide conventional finished public (low-cost) housing for low-income households One of the major tasks NHC was given after its creation was slum clearance of the worst types of housing in all major urban areas of the country that existed before and their subsequent redevelopment to higher standards. In 1969, the slum clearance program was shelved away by the Government for the following major reasons:[1]

A. Net addition to the total housing stock was very small (i.e., about 400 units per annum).

B. Social costs especially disruption of family or clan life of residents in slums and squatter areas.

C. Social and political pressure among residents in slum and squatter areas who felt that they were being pushed out of the best located residential areas in the towns and cities to remote and unserviced lands.

D. High economic costs resulting from (1) high compensation for the demolished properties and (2) demolition of low income housing which represented big and valuable family investments and national wealth.

E. Squatter eradication policy was merely shifting the problem of squatters and slums from one part of the town or city to another.

F. Slum clearance, by reducing the stock of low-income housing, was aggrevating overcrowding and health hazards in the remaining squatter settlements.

G. Conventionally provided low-cost housing was not affordable by low-income housing such that they being the target group, could not benefit from the scheme. Hence publicly provided "low-cost" housing because of its high economic rents ended up in the hands of middle and high income families.

H. Slum and squatter eradication policy of the 1960s had underestimated and oversimplified the urban housing problem.

After 1969, NHC concentrated on the provision of finished conventional public housing on undeveloped. By July 1980, NHC had constructed a total of 13,468 units in Tanzania since its creation thus giving an average of 748 new units a year mainly in regional and district centers.

Tanzania Housing Bank (THB) was established in 1973 as a financial institution to mobilize individual domestic savings, external finance and offer mortgage facilities to individuals, groups, cooperatives and institutions or firms for the purposes of constructing and/or improving houses, flats, etc. THB was also created to promote housing development and deal in real estate development.

The main sources of THB's finance are public deposits, the Workers and Farmers Housing Development Fund, external grants and revenue by way of repayments of housing loans. For example, public deposits increased from Shs. 188.9 million in 1976 to Shs. 288.7 million in 1977 thus giving an increase of 21%.[2] Moreover, the Workers and Farmers Housing Development Fund increased from Shs. 140.4 million in 1976 to Shs. 223.4 million in 1977. The fund is meant to be a cheap source of finance from which farmers and workers can borrow money at low interest rates to build low cost and better houses.

Over the 1973-1979 period inclusive, THB advanced loans worth Shs. 827.5[3] million to construct 22,532 residential units. Out of this total figure, 11,540 dwelling units worth Shs. 354.4 million were in rural areas while 10,992 units worth Shs. 473.1 million were in urban areas. Hence more dwelling units were financed in rural areas than in urban areas. On the average, THB financed about 1,570 new dwelling units per annum in urban areas and about 1,650 new dwelling units per annum in rural areas, thus giving a total average of 3,220 new units per annum in both urban and rural areas. Of recent, THB's capacity to advance loans for house construction has increased to just over 4,000 units per annum.

When the total annual output of new dwelling units by public housing institutions and the financial resources the Tanzania Housing Bank has, are compared with the task ahead of them, it is obvious that the magnitude of the housing problem is too big to be managed through a conventional and formal approach. For example, the total urban population in Tanzania was 183,862 people in 1947. This figure increased to 364,072 people in 1957, 685,547 people in 1967 and 2,172,850 people in 1978.[4] This gives average growth rates of 6.5%, 6.0% and 9.2% over the 1948-1957, 1957-1967, and 1967-1978 period respectively. Such high rates of urban growth create big pressures on the housing sector. Current population estimates indicate that the total urban population of Tanzania is increasing by 199,900 people or 47,596 households per annum. This means that 47,596 new dwelling units have to be provided each year just to meet the housing needs arising from annual population increases. The cost implication of such figures is that Tanzania needs to invest Shs. 2,855.8 million per annum just to meet the housing needs of annual population increases. This figure is far several times what Tanzania invests in housing in a year. For example, over the past 15 years, (i.e., 1965-1980), the Government earmarked and set aside about T.Shs. 1,295.7 million for housing. But a large share of this money was spent on other construction works not related to housing and this considerably the amount of money actually spent on housing.

In addition the combined annual output of all public institutions is estimated to be less than 500 new dwelling units per annum. Moreover, the Tanzania Housing Bank, despite being a large mortgage institution in the country, has not since it came into operation in 1973, financed more than 4,500 new dwelling units in a year. Therefore, it is physically and financially very difficult to solve the urban housing problem in Tanzania through a conventional approach. When the Government realized the enormity of the urban housing problem, it shifted its emphasis from the provision of conventional housing to a large scale program on sites and services and squatter upgrading housing as shown below.

The National Sites and Services and Squatter Upgrading Project started 7 years ago has two main components:

--Provision of basic planned and serviced plots, i.e., the provision of surveyed plots in planned residential layouts to be allocated to low-income families. This approach is also expected to accommodate and contain the proliferation of squatters in a planned urban context.

--Squatter upgrading which involves the provision of community facilities such as primary schools, health and nutrition centers and permanent markets for each of the squatter neighborhoods to be upgraded. It also involves the provision of secure tenure, basic infrastructure and utilities especially water supply, power supply, storm water drainage system and roads, street lighting on major roads, and electricity to community facilities.

The National Sites and Services and Squatter Upgrading Project is the unit established under the Housing Division, Ministry of Lands, Housing and Urban Development to plan, design and implement the program. Phase One of the Project started in 1974 involved the provision of about 9,000 serviced plots in three major towns--Dar es Salaam, 7,450 plots, Mbeya 850 plots and Mwanza 1,900 plots.[5] In addition, 9,680 houses in Dar es Salaam, 2,050 houses in Mbeya with a total population of 160,000 people were expected to benefit from squatter upgrading.[6] Under Phase One urban dispensaries and clinics, primary schools, piped water supply at public water kiosks (one kiosk per 50 houses), permanent markets, community education centers, access roads, drainage systems have been provided.

Phase Two for 1977-1981 whose implementation was scheduled to begin in 1978 is planned to benefit 315,000 low-income urban dwellers in 5 urban areas: Dar es Salaam, Iringa, Morogoro, Tanga, and Tabora. This squatter upgrading project benefiting 315,000 people was estimated to represent 26% of Tanzania's estimated urban population in 1976 and to provide improvements to 40% squatter settlements in Tanzania Mainland as existed in 1976. The serviced plots to be provided under Phase Two of the Project represented 75% of the needed plots by the year 1981 for all urban population as estimated in the project.

When Phase Two is complete in 1981, it was estimated that 475,000 people would have benefited from the program. According to those estimates, this figure represented 73% of the estimated national total of urban squatter housing.

The program was designed to be implemented under Tanzania's philosophy of socialism and self-reliance with the people doing their house construction and improvement works using their own resources and labor while the Government plays a catalyst role through the provision of infrastructure, utilities and community facilities. This is in accordance with Tanzania's philosophy that people are the basic and most important resource in development and that they are the ones who are ultimately and most responsible for their own development. In addition, it is a recognition of the fact that the role of providing decent housing is a family and individual responsibility for every Tanzanian.

When reflecting back, this approach shows that a lot has been achieved. For example, instead of demolishing individually built low-cost housing, this program has preserved many low-rental housing units. For example, in Dae es Salaam, along one upgraded area, Manzese was estimated to have 15,000 dwelling units with a population of about 180,000 in 1980 or 16.5% of Dar es Salaam population totalling 911,000[7] people in 1980 have benefitted from this program. While in the original estimates about 7,600 houses were expected to benefit from squatter upgrading in Manzese, resent survey figures indicate that twice as many houses as existed in the early 1970s have benefitted from the program. This is due to a high rate of densification in Manzese and other squatter areas in urban areas in Tanzania. It is possible that the number of people to benefit from Phase Two of the program may increase from the original number of 475,000 people to 950,000 people or more because of the high rate of densification and population increase in squatter settlements. Therefore, more people have benefitted from this program than is shown in official documents.

Field observations have shown that squatter settlements represent substantial investments in the form of individual savings and family labor. It is estimated that these settlements now house over 65% of Tanzanian's urban population. To condemn squatter settlements to demolition under a slum clearance program would be condemning the housing of the majority of the urban population in Tanzania who are mostly low-income people. Briefly stated sites and services and squatter upgrading project in Tanzania has had several advantages notably:

A. It has avoided the demolition and subsequent reduction of low-cost and low rental housing for low-income families.

B. It has respected the view that it is the people who are responsible for providing for their housing needs.

C. Squatter housing has been preserved and this represents a substantial part of Tanzania's fixed capital formation and national wealth.

D. Official acceptance of Squatter Settlements have encouraged self-help construction and house improvement activities in these areas.

E. Such house construction or improvement activities have created employment opportunities to many local craftsmen and the labor force some of whom would have been unemployed, i.e., they have contributed to the reduction of urban unemployment and underemployment.

F. Program is flexible and therefore has received support from low-income urban residents.

G. Provision of serviced plots in sites and services areas has benefitted more people from a given budget than the provision of public finished conventional housing. That is, the program has been able to benefit and reach more people than if the same amount of public funds were spent on constructing conventional dwelling units.

H. It has also given people the rare opportunity of gradually constructing and or improving their own housing according to their needs, priorities and resources.

I. As a corollary to H, it has reduced the burden and unnecessary responsibility on the part of the State of providing decent housing for every Tanzanian family in a situation where it is practically, financially and physically impossible for the State to do so. Indeed the magnitude of the housing problem is beyond what the Government can afford.

Summing up then, the current National Sites and Services and Squatter Upgrading Project when compared to other past housing schemes, seems to be the most feasible and potentially effective approach to the solution of Tanzania's urban housing problem. The political will and social support behind the program renders it a more feasible alternative than any other alternative in the country at the moment. What follows in the next section is a discussion of the experiences from project implementation.

III. Lessons from Implementation Experience

After several years of implementing projects on low income housing, a number of points have become obvious among which include the following:

--Slow rate in plot consolidation.
--Higher demand for sites and services plots than provided.
--Shortage of building materials which has adversely affected the rate of house construction by individuals.
--Budgetary constraints and foreign exchange shortage to import the required inputs for project implementation.
--Ill defined coordination between various authorities.
--Poor or inadequate maintenance of utilities, and infrastructure provided.
--Shortage of skilled on-site technical advisory personnel to assist and advise would-be house builders on self-help house construction.

When the National Sites and Services and Squatter Upgrading Project was being planned in the early 1970s, the world economic recession had not set in. Consequently, the whole planning exercise was based on more or less stable prices. But when it started in 1973 with many countries beginning to experience it from 1974 onwards, the price structure changed dramatically thus distorting all previous plans which were based on a stable economy with stable prices. Economic recession not only reduced total national output, but also total aggregate demand in many countries.

Because of this development, many would-be builders have failed to obtain the materials required. Consequently, it takes them a very long time to complete construction even of a simple structure.

Establishment of building materials depots in the project area so that low-income would-be builders could easily and cheaply procure the necessary building materials has become a remote idea at the moment. This is because of two reasons:

1. There is a general shortage of building materials such that opening up material depots would be unnecessary and unproductive because they would remain for most of the time empty and hence serve no useful purpose except to create a few jobs for a few people.

2. The country's economic problems especially the cuts in public expenditure do not allow any substantial increase in staff or workers in the public sector.

However, this paper realizes and argues the idea that building materials depots in project areas are essential tools in speeding up project implementation, because low-income families cannot effectively compete with middle and high income families in the market for building materials. Therefore, although there are very many things which the Project Unit could have done to improve on-site implementation and management of low-income housing projects in urban areas in Tanzania, the difficult economic situation prevailing in the country does not allow for such things to happen.

Because of lack of adequate qualified manpower and shortage of materials, construction of infrastructure and community facilities especially in Phase One took a longer time than planned. This delay is partly due to the fact that the whole approach of sites and services and squatter upgrading and indeed the Project on a large scale was new to Tanzania such that there were initial teething problems. In contrast, many World Bank financed low-income housing projects in African countries have been located in one town or city in each country. Notable examples are Lusaka in Zambia, Nairobi in Kenya. For these countries coordination might have been easier than Tanzania's. Hence Tanzania's pioneering project has been quite demanding on the country's very limited resources.

Developing countries had no alternative but to absorb the economic shocks originating from price increases in oil prices and manufactured goods and machinery from advanced industrialized countries. Tanzania has not been an exception to this phenomenon. Prices have been rising very fast in this country as well. For example, the price of cement has trebled in few years from Shs. 18/ = per bag of kilograms 50 in 1977 to Shs.54/ = per bag in 1979. Inflation in the building industry is now estimated to be in the order of 25% per annum. Therefore, these unanticipated economic problems have adversely affected Tanzania and her ability to implement projects including low-income housing projects.

Notwithstanding the great desire on the part of plotholders to complete their house construction as soon as possible, house consolidation has been very low. For example, out of about 2,400 serviced plots in Sinza and Kijitonyama Sites in Dar es Salaam, which were allocated in 1976/1977 only 29.7% of plots were fully developed by early 1980. Delay in house construction has been caused by a nation wide shortage of building materials especially cement, roofing iron sheets, electrical and plumbing fittings, sanitary ware, reinforcing steel, various types of nails, etc. One contributing factor to this general shortage has been the rapid increase in the domestic demand for these materials against limited capacity in local production and import capacity of the above mentioned materials.

The national capacity to import has been by declining. This is due to the decline in export volumes and falling world prices for Tanzania's major export crops especially sisal, coffee and cotton which usually earn her substantial foreign exchange. The ever rising import-bill of oil has also reduced Tanzania's capacity to import other consumer commodities, raw materials, spares, and machinery for her industries. For instance, it has been recently estimated that in 1981, Tanzania will spend about T.Shs. 3,000 million on importing lesser quantities of oil against the 1973 figure of shillings 240 million[8] which bought a larger quantity of oil than that which will be bought with Shs. 3,000 million this year. Because of shortage of foreign exchange less spare parts and less raw materials for the building material industries are imported for example in the manufacture of roofing sheets; reinforcing steel, nails, etc. As a result of foreign exchange shortage, some of the building material industries have been operating at 30-50% of installed production capacity. Shortage of building materials has led to rationing of major building materials especially cement so that high priority projects like schools, dispensaries, and clinics, bridges, highways get first priority before other uses get their share.

As Table 1 shows, the multiplicity of actors involved in the implementation and maintenance of Sites and Services and Squatter Upgrading Projects located in several towns make coordination rather difficult. Such a situation is likely to create a situation whereby one responsible actor does not reserve enough funds for maintenance of the areas hoping that the other actor will take care of maintenance when this second actor has not done so or thinks likewise.

Maintenance of constructed infrastructure and community facilities has become another major problem in the low-income areas. According to project implementation arrangements, sites and services and squatter upgrading areas once completed, would be handed over to local authorities. (i.e., town and city councils) for their continued maintenance and administration. But experience shows that urban local authorities are not well staffed nor do they have adequate funds and equipment to maintain and run the utilities, infrastructure and community facilities provided in squatter upgrading and sites and services areas. Maintaining

TABLE 1

RESPONSIBILITY MATRIX - PROJECT MANAGEMENT

FIG. 2. ADMINISTRATIVE FUNCTIONS	MINISTRY OF LANDS HOUSING & URBAN DEVELOPMENT.					OTHER MINISTERIES			LOCAL ADM.	PARASTATAL ORG.		OTHERS	
	SITES & SERV. PROJECT UNIT	SURVEYS & MAPPING	LAND DEVEL. SERVICES	URBAN PLANNING	BUILDING RESEARCH	TREASURY	ECO & PLANNING	WORKS	URBAN COUNCILS	HOUSING BANK	TANESCO ELECTRICITY	CONTRACTOR	CONSULTANT
1. PROJECT PLANNING	●					O	O						
2. PROJECT FINANCING	O					●	O						
3. PHYSICAL PLANNING													
4. - SITE SELECTION	O								O				
5. - LAYOUTS	O			O					O				
6. CADASTRAL SURVEYS	O	O											
7. ENGINEERING DESIGNS	O								O				O
8. INFRASTRUCTURE CONSTR.												●	
9. SUPPERVISION CONSTR.	O							O	O				
10. PLOT ALLOCATIONS (RES)	O		O						●				
11. VALUATIONS			●										
12. COMPENSATION (HOUSES)	●								O				
13. HOUSE REGISTRATION	●								O				O
14. PREPARATION OF TITLES	●		O						O				
15. RELOCATION ASSISTANCE	●				O								
16. COMMUNITY ORGANIZATION	●								O				
17. DESIGN OF COM. FACILITIES	●							O	O				
18. CONSTRUCTION OF COM. FACIL.	O								O			●	
19. SUPPERVISION (COM. FAC.)	O							●	O				
20. MANTENANCE (INFRAST)									●				
21. PRERATION & MAINT (CF)									●				
22. DESIGN POWER SUPPLY	O												
23. CONSTR. POWER SUPPLY											O		
24. OPER. (MAINTAINANCES) (PO)									●		O		
25. HOUSE IMPROVEMENT LOANS										O			
26. COST RECOVERY SERVICE													
27. CHARGE						O							

KEY. ● PRIMARY DIRECT RESPONSIBILITY

O SECONDARY RESPONSIBILITY

Source: J. Mghweno: "Management of Squatter Area Upgrading Programme. Brief c... the Tanzania Case" Workshop on the Management of Squatter Area

these new and big project areas adds on to the maintenance problems of the local authorities particularly because the task demands a substantial number of skilled staff, large funds and equipment--resources which the authorities do not have. Since almost all local authorities in the country are still heavily dependent on Central Government for funding their annual recurrent and development budgets, and given the self-imposed Government restraint on public expenditure which has been in operation since 1978, raising more money to finance the maintenance of such infrastructure and community facilities has become even more difficult for local authorities than before. Poor maintenance has led to a rapid deterioration in the physical quality of infrastructure and community facilities (e.g., for schools, community centers). This has in turn reduced considerably their economically useful life time and their usefulness or benefit to local communities.

Inadequate or poor maintenance has created many erosion problems especially in the squatter upgrading areas in Dar es Salaam where we experience heavy tropical storms. Because of lack of adequate and regular maintenance, the open drains provided for storm water drainage along the new access roads have been blocked. With hard ground, this has increased the volume and rate of surface run off. It has also created many gullies which have damaged many access roads, dug into the foundation of many individual houses. Living in the affected houses has become more dangerous and less attractive than before. The market value of such affected houses has also been reduced substantially. Erosion and the creation of gullies has left many water pipes in the open such that water system has at times been disrupted through breakages, etc. Cutting of roads by gullies created by surface run off has made a number of access roads provided in the upgraded squatter areas impassable. Indeed, this has defeated one of the major objectives of the National Sites and Services and Squatter Upgrading Project which is to improve circulation in squatter areas and make the settlements easily accessible throughout the year.

Government decentralization which became effective on July 1, 1972, has become another problem area especially in ensuring effective plan and project implementation and management. Under the Decentralization Act of 1971, many development and administration functions in the regions and districts in the country have been transferred from Central Government Ministries to regions and districts such that regions and districts are in charge of their own affairs and development in their respective regions and districts. While the Ministry of Lands, Housing and Urban Development remains responsible for policy formulation on land, urban development and housing, the administration and development of urban areas falls under the Prime Minister's Office, which is in charge of Regional Administration and Local Government including urban and councils. And plot survey, for example, is the responsibility of urban local authorities which are under the Prime Minister's Office. With such a division of tasks, project monitoring, monitoring of plan or project implementation and feedback becomes very often difficult because of accountability problems. Sometimes, it is difficult for the Project Unit in the Ministry of Lands, Housing and Urban Development to know how many plots in a particular sites and services area have been allocated or are still unallocated or have not been developed by the allottees for a given period.

Indeed the assumption that local authorities would take over maintenance responsibilities once the construction work in each sites and services area or squatter areas is ready has not worked well in Tanzania.

Given limited financial and manpower resources at their disposal, and given overlapping functions, the tendency has been for local authorities to refrain from taking responsibility on areas which would claim a large share of their meager resources. Typical examples are pot holes on urban roads and breakdowns of the urban water supply network/system.

Indeed this is logical and in their best interest to do so because they have very many competing local demands over the same limited resources. On the other hand, it has always been easy for a local authority to claim credit on good areas especially where and when many residential plots are planned and surveyed or urban dispensaries and clinics or new water supply networks are provided by the National Sites and Services and Squatter Upgrading Project Unit. This could be partly due to the overlapping and apparent ill-defined functions between local authorities and the Project Unit or to poor coordination between the two in the early stages of planning the whole program especially the time before implementation started in 1975. Indeed this raises a central issue on the rapidity with which these project areas have been planned to be handed over to local authorities. It also raises another important question on the financial arrangement agreed for the project. Had there been from the very beginning, a well built in financial mechanism in the project that would ensure a smooth handing over and adequate future maintenance by Tanzania Local Institutions, such problems might not have arisen or could have been minimized.

Another implementation problem the project has faced is inadequate technical personnel who can work in the project area to advise and assist people on self-help house construction. Qualified and experienced architects and technicians are in short supply. The Ministry of Lands, Housing and Urban Development, for example, has got only two housing cooperative officers who can assist and advise would-be home builders who would like to form a housing cooperative or build their houses on a cooperative basis. Given the financial restraint on public expenditure imposed by the Government on all Government Ministries and Public

Institutions, it has not been possible for the Project Unit to employ all the staff it requires to ensure effective implementation of the project. Therefore, although the project requires technical staff to speed up the implementation of the project, it is not financially possible now to employ such staff.

Despite having low local production of building materials compared to present effective demand in the market, the distribution of building materials seems to be another major problem causing the present shortage of building materials in many rural and urban areas in Tanzania. For example, arising from the multiplicity of factors as shown in Table 1, particularly the Tanga cement factory which is the second cement factory to the one in Dar es Salaam started production late last year. But the Tanzania Railways Corporation does not have enough railway wages to carry the cement produced in Tanga to other towns in the country. Transporting the cement by road makes it very expensive and contributes to raising the cement price above the level the majority of low income families can afford. In turn, the shortage of foreign exchange makes it difficult for Tanzania to import the required number of railway wagons and lorries or oil. Tanzania is now likely to move into a situation where there may be enough cement in some places and no cement in others because of transport difficulties hence no construction work proceeds or construction work cannot start or proceed because there are no imported reinforcing steel due to lack of foreign exchange. This will apply to the construction of multistory residential blocks, hotels, community facilities, bridges, water storage tanks, etc.

The high demand and pressure for the residential plots in sites and service areas has been and remains an intricate management and implementation problem. Although the plots in the project areas were meant for low income families (people earning less or up to T.Shs. 1000 = per month in Tanzania), experience has shown that many plots have been allocated to middle-income families or low-income families have passed them to well-to-do families. Being sometimes the only available planned and surveyed plots, there has been a very big demand for plots in sites and services areas particularly in Dar es Salaam. Moreover, Tanzania's national policies and philosophy explicitly discourages the creation of separate residential areas be they exclusively for low-income families or for middle or high-income families. Another useful lesson is that however noble or good project objective may be, they have to be consistant with cherished national policies otherwise their implementation will be difficult if not impossible as long as such national policies remain unchanged. One implication from this analysis is that in Tanzania, and indeed in many African Countries, there cannot be low-income housing projects exclusively for low-income families. Probably there could be schemes exclusively for high income groups because the poor and middle income groups cannot afford to go higher in terms of higher standards and costs. One other important lesson which we have learned in Tanzania is that once the needs of high and middle income families are not well catered for, you cannot effectively prevent them from taking up plots in low-income housing project areas.

Standards as enbodied in the Building Code, or Building and Planning Regulations formulated in the 1930s during British Colonial rule have proved inappropriate to Tanzanian conditions and a big obstacle to self-help construction activities especially for low-income urban families. Existing building and planning regulations for all urban areas still insist on the use of permanent building materials for everybody wishing to build a house on planned and surveyed plot within township or city boundaries. Insistance on old building regulations by local authorities in a situation of a big national shortage of permanent building materials and a decline in purchasing power of the people has slowed down house construction especially by low-income families. Many permanent building materials (or raw materials) like plumbing and electrical fittings, sanitary ware, fittings, reinforcing steel are still imported into Tanzania from abroad. To continue insisting on imported building materials in a situation of serious foreign exchange shortage only retards self-help construction activities by people and defeats. The whole concept of self-reliance. In addition, the world economic recession which began in 1973, has pushed up tremendously the prices of permanent building materials to very high levels such that very few, if any, low-income families can now afford to build even a small house of 25 square meters purely using permanent building materials in a span of 2-3 years. Hence, standards have become another major problem in the implementation of low-income schemes.

IV. Conclusions

On the basis of the experiences on our performance, it is clear that there is need to review the operations of the project for a number of reasons. The National Economy is not going to be any better within the near future. Inflationary conditions are becoming worse, thus increasing prices of building materials when the purchasing power of the population has been declining. A machinery to develop fully the concept of "self-reliance" in urban areas will have to be worked out.[9]

With regard to community facilities, the country has had a long experience on the construction of community facilities through self-help. The people are provided with building materials and they provide all the labor. They actually organize themselves and undertake all construction works. This arrangement which has worked well in rural areas is not well established

in urban areas especially in the planned areas. A deliberate effort should be made to effect self-help construction programs in urban areas.

With regard to the provision of infrastructure facilities, work has so far been undertaken by contractors. Construciton of roads and water supply in rural areas has largely been done through self-help. In urban areas, especially squatter upgrading areas, the contractors would undertake their work in partnership with residents in squatter communities. The communities would organize and do all the preliminary works. Such works would include digging ditches for the water pipes and such related works. The contractors would then install water distribution systems. This system has not been tried in Tanzania's projects. With the present conditions we may have to negotiate with contractors and find out how much saving is going to be made out of the partnership. As an incentive, a proportion of the savings accruing out of this aspect of self-help should be ploughed back into the community for a community program agreed upon by the people.

Another area where costs can be reduced is in actual house construction. The government has made it known that individuals have the responsibility of providing for their own housing needs. The Government role is in the provision of incentives in the form of technical assistance, production of building materials, financial lending operations, etc. So far the Project Unit has had limited extension services. The community development aspect of the project has been very weak. It has already been prepared to establish a technical services organization to actually work with the people in the project. These will assist in the formulation of housing cooperatives, and other community associations geared to assist in efficient house construction systems.

As was presented in the above sections, constructed infrastructure has begun to wear out because of lack of maintenance. It was also indicated that local authorities will not have the capacity to undertake maintenance works in the near future. Starting with squatter upgrading areas, people will have to be called upon to assist like in the case of construction of infrastructure, while the authorities will have to provide the basic equipment (e.g., the wheel barrels, spades, hand pulled rollers, etc.) Furthermore, a proportion of the service charges acruing from the community will have to be ploughed back into the community to serve as an incentive for this undertaking. In the same manner, the communities should be involved in collecting the service charges.

Table 1 above is an overview of the various factors involved in project implementation. The current problems may not be only of coordination but of placing the project in the organization involved with urban development. When both Phase 1 and 2 of the sites and services and squatter upgrading projects were started, the urban councils had not yet been reinstated. In future projects of this kind, we will have to plan and implement more within the context of the urban councils or any other organization directly involved with urban development and administration.

Moreover, the projects have been lacking in having deliberate and well articulated plans and programs for the creation of employment opportunities within the communities. Such activiites are vividly missing particularly in sites and services areas. In squatter upgrading areas, this aspect has been introduced on experimental basis. Employment generation is an important component in low income projects and will have to be provided for in almost the same proportion just as infrastructure and community facilities are being provided.

Tanzania's National Sites and Services and Squatter Upgrading Project is the only nation-wide World-Bank urban financed project in Africa. That type of uniqueness has its own problems especially during the initial learning stage. Almost all major towns in the country now want to have that program. One way of ensuring replicability of such a program is to generate enough local funds through an efficient and effective tax collection mechanism of urban areas. If such a tax were imposed and effectively collected from all landlords in say Manzese Dar es Salaam at the rate of Shs. 20010 = per unit, then Dar es Salaam City Council would collect Shs. 3 million from Manzese. Such tax revenue could then be used to improve the level of service provision in such areas especially water supply maintenance of access roads, schools, urban dispensaries and clinics, refuse collection and garbage disposal. Indeed there is a need to relate the level of service provision to tax revenue so that urban residents benefit from being taxed instead of such tax revenue being spent on other purposes.

It is further suggested that, in order to ensure adequate and regular maintenance of utilities, infrastructure and community facilities provided and that these continue to benefit low-income families for a long time, advance planning for adequate financial resources should be done at the early project planning stage so that there are sufficient resources for maintenance purposes when such needs arise. In addition, the skilled personnel required for such maintenance works should be made available from the early stages of the project. Probably handing over very fast the management and maintenance of such big projects to local authorities which do not have adequate funds to execute such tasks may not be the right approach. Such responsibilities should only be transferred to local authorities gradually and after they have been well prepared to take over such responsibilites. The financial implication of this suggestion is that the project unit once it is being formed, should foresee taking

a larger share of the maintenance and running costs than it has been in the past.

Finally, granted that there is political will and social support behind the project, then more emphasis should be put on the provision of planned and surveyed plots so that individual families or groups bulid their houses in a planned environment while leaving space for roads, schools, dispensaries, water supply, etc. which can then be provided by the Government where and when resources allow it to do so. This would reduce the creation of squatter settlements in unplanned manner. Indeed experience shows that old planning and building regulations have become an obstacle to the promotion of self-help construction activities. For example, the procedures one has to go through before one can get a building permit to build a house in a new site are very many and cumbersome and difficult to understand to a common man. The would-be builder is required to submit to a local authority building plan drawn by a qualified architect or drawn to the required architectural and engineering standards before the local authority can approve his building plan and issue him with a building permit.

Various stages of house construction have to be verified and approved by a building inspector before one can move to the next stage of construction. Since many people cannot follow these procedures, they end up building their houses outside the law, i.e., in unplanned areas where there are no or few regulations to follow. This partly explains the reason why house construction in unplanned areas like Manzese, Dar es Salaam is proceeding at a faster rate than in sites and services areas like Sinza and Kijitonyana. As argued above, insistence on old and inappropriate planning and building regulations has tended to lead to the proliferation of unplanned (squatter) settlements in many urban areas in Tanzania. There is, therefore, a strong argument for the need to simplify present building procedures so that they truly reflect local conditions and take into account the low level of literacy of the majority of low-income urban families.

FOOTNOTES

1. S.M. Kulaba, Urban Redevelopment Policies in Dar es Salaam, Tanzania, M. A. degree dissertation, University of Nottingham, England, U. K. May, 1976

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Plenary sessions. Top: Gabon delegation headed by Mr. Francois Nguema-Ebane. Bottom: Botswana delegation headed by Mr. R. M. Makhwade.

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TUNISIA CORE HOUSING PROJECT FINANCED UNDER HOUSING GUARANTY, BY MS. LEE DENNISON, REGIONAL HOUSING ADVISOR, OFFICE OF HOUSING, NEAR EAST AND NORTH AFRICA

The third Housing Guaranty Program in Tunisia financed construction of over 1,400 core houses on nine sites.

These houses were built by la Société Nationale Immobilière de Tunisie (SNIT) with financing through the HG borrower, la Caisse Nationale d'Epargne-Logement (CNEL). Keys were delivered to purchasers in 1979 and early 1980. Purchasers made downpayments of one-third and received mortgage financing for the remaining two-thirds through CNEL.

The houses were designed as expandable cores on fully serviced lots, including sewer, water, electricity, public street lighting, and road networks. The sites also include land for commercial and community building such as markets and schools. The house designs vary slightly by site and provide from 20 to 30 m2 of habitable space. The lots are from 77 to 112 m2. A wall encloses all lots, providing privacy and the basis for expansion. Only minimal finishing such as cement floors, windows doors, electric light switches, and exterior whitewash was provided. Purchasers have usually added floor tile, window shutters or bars, and higher walls and metal doors for the courtyards, even if they have not yet constructed additional rooms.

The sale prices for the houses varied according to local construction costs, local design, and date of construction: these prices include a 270 TD subsidy by the Government of Tunisia ($648).

SNIT-NORTH	SNIT-CENTER	SNIT-SOUTH
El Ouardia VI 2750 (6600)	Sousse 2300 ($5520)	4 sites 2200 TD ($5280)
Sidi Fathallah 2630 ($6312)	Monastir 2300 ($5520)	
	Mahdia 2420 ($5808)	

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TRANSFERRING LESSONS LEARNED IN PROJECT IMPLEMENTATION TO NEW PROJECT PREPARATION, BY MS. PAMELA B. HUSSEY, ASSISTANT DIRECTOR USAID OFFICE OF HOUSING, EAST AND SOUTHERN AFRICA (RHUDO/NAIROBI)

During project implementation, we often find that we are repeating the same mistakes in a new project as in the project just completed. We scratch our heads and wonder why we are going through the same fiery ordeal. Why are we confronting the same obstacles? Didn't we learn from the crucible of experience?

The candid response often is that, yes, we thought about the constraints and all the irritating problems that caused delays, but we just didn't take the time to catalogue them and reflect on remedial measures in preparing the new project. This resistance to profiting from our mistakes may be part of the human condition, but it is not inevitable.

One of the most effective tools we have in avoiding this pitfall is the project evaluation. Evaluations are built into the design of most large low-cost housing schemes and AID is required to regularly evaluate all the projects it sponsors. So over time, a systematic body of knowledge is acquired. Project experience is reported on and documented. A sponsoring agency, such as AID, can play an important role in ensuring that these lessons learned in implementing projects are thoughtfully considered and addressed in prparing a new project.

In Kenya, to take an example, we have sponsored three Housing Guaranty projects up through project implementation over the last decade. The last two were low-cost schemes. One was a $5 million program with the National Housing Corporation which as constructed nearly 1000 core units in 11 secondary towns. The other was a $10 million scheme in which 3000 expandable core units were built at one site in Nairobi, with the Nairobi City Council.

As in any large program, we have learned some very hard lessons. However, in designing two new very large schemes in Kenya, one in Nairobi and one in 11 small towns with populations of 4,000 - 15,000, we have tried to profit from our mistakes. During the project preparation process, we have worked with the planning and implementing institutions to incorporate into the project design either specific remedial actions or methods for ensuring the most significant issues or problems are addressed prior to loan disbursement. I would like to summarize very briefly here what some of these lessons are--which have been revealed through project evaluation and how they have been considered or responded to in preparing the new projects.

Lessons Learned	New Project Preparation Responses
1. Lack of consensus on Project & Institutional objectives, e.g.: --Housing standards --Role of national and local institutions --Recurrent budget requirements for delivery of public services. --Housing pricing policies and direct and indirect subsidies	1. --New requirement that local authorities agree in writing to a set of shelter policy and program principles prior to project identification. --Provision of funds to prepare and conduct short-term orientation training for local elected and technical officials to ensure informed decisions are made on subproject proposals.
2. Project preparation process inadequate e.g.: --Lack of market survey to determine effective demand and shelter and community facilities preferences --Lack of agreement with the Commissioner of Lands to reserve the necessary land.	2. --Formal and informal surveys to determine prevailing shelter, facilities and employment conditions, needs and preferences all willingness to pay for improvements. --Formation of Joint Consultative Committees for each town to consider and accept town development plans prior to handing over to implementing agency. (JCC's to have representatives from the local authority, ministries of housing, finance and legal government, national housing corporation, commissioner of lands, and district commissioner. Requirement that town development plan be approved by the Physical Planning Department during project preparation rather than after implementation has begun. Requirement that land be reserved prior to project implementation.

2. (cont.)	
--Lack of site selection criteria	--Agreement with government on acceptable site selection criteria as a condition for disbursement of loan funds.
--Ex post facto inclusion of local authorities in project identification process	--Membership of local authorities on Joint Consultative Committees and use of short-term training and seminars to review issues and proposals and become informed partners in project preparation decision making. Use of a project preparation manual to provide a standard methodology for assessing shelter development needs and identifying new projects.
--Inadequate coordination among Ministries and between the National Housing Corporation and Local Authorities.	--Formation of a national interministerial committee to formulate the general policy preparation and identification and to coordinate the timing of ministry inputs.
3. <u>Poor post-occupancy management of housing schemes, e.g.:</u>	
--No agreement or written plan for estate management	--New requirement, as part of project preparation, for an acceptable post-occupancy management plan from each local authority which will set forth plans for such things as collections, delinquency management, tenant education and delivery of public services, including maintenance of public facilities.
--Inadequate local authority estate management capacity	--Technical assistance to local authorities in training local officials in promotion of popular participation in community development, in records management and in alternative methods of public service delivery.
--Violation of tenant purchase agreements	--Introduction of continuing tenant education programs to communicate terms of agreements, continuing debt obligations and penalites for violations. Formation of government task force to review and revise tenant purchase agreement to conform to current realities and needs.

THE IMPORTANCE OF SHARED OBJECTIVES, BY MICHAEL J. LIPPE, REGIONAL HOUSING AND URBAN DEVELOPMENT OFFICE, TUNIS, USAID

I want to reflect today on what have been some of the more important implementation lessons which I have learned over the past ten years working in shelter projects in Southern, Eastern and Northern Africa.

Typically, in the kinds of projects most of us here are concerned with, there are four major participants: the government; the external financing agency, the local authorities; and the project beneficiaries, residents of squatter or site and service areas. The interaction of these four will in large measure shape the project and its benefits, and determine whether these benefits will be limited to the direct beneficiaries or will have wider effects.

Each of these groups, dynamic and changing in themselves, is, more importantly, almost certain to have a different perception of what is supposed to happen in a project and what it expects to gain. Each group considers certain things important while other elements are either unnoticed or unappreciated. My own experience is that problems are much more likely to develop when one group fails to accommodate one way or another, either knowingly or not, the interests of another group.

No one group, I would venture to say, and in spite of much disagreement from all sides, should believe that it has a monopoly on the truth.

To recognize that interaction is essential, that compromise is inevitable, that each group has a part to play in acting rather than reacting is to begin a process which will eventually result in an improved project. To disregard the interests of others or to assert interests on their behalf without adequate consultation or knowledge will correspondingly diminish a project's return.

Another aspect of this process of learning from one another and eventually, hopefully, evolving a project with a maximum of shared objectives, concerns our abilities to accurately predict what is possible to achieve. Generally, we underestimate the amount of time it will take to organize and implement a project. We overestimate our own efficiency and we underestimate the complexity of the task and the personnel needed to accomplish our objectives. Our shared objectives dissolve before a wave of reality.

Examples of these phenomena are common. Perhaps each of us has come across the following situations:

1. Agreement is reached between the government and an external donor for an upgrading project. Although project documents point to the need for a large project team, two years later the team has not materialized, project costs are mounting, and progress is slow. The causes: probably a failure on the part of the government and the financing agency to talk through in the beginning the various staff positions needed, coupled with an optimistic and unrealistic assumption that personnel would be available.

2. A second example: In the early stages of project implementation it becomes apparent that the local authority, responsible for allocating land to the project, wishes to impose lot size restrictions and to relocate the site, leading to greater project costs and higher beneficiary payments. The reasons: a lack of thorough consultation between the parties during the initial planning of the project.

3. A final example: a core housing project nears completion but when the houses are marketed it turns out that there are few buyers. Or a variation on this: an upgrading project in which services have been installed meets strong resistance from the inhabitants to making the monthly payments. The reasons: in the first instance a failure to perform a thorough socio/market analysis, i.e.to seek out and contact the potential beneficiaries and a failure, in the second, to make known to the upgrading beneficiaries at an early stage their responsibilities in the project as well their benefits and possibly to consult with them or through their representative concerning the merits of those benefits.

There are no quick solutions to these problems. With proper planning and close consultation, however, a more realistic project should emerge. Staff constraints, budget preparation, administrative and technical approvals should not come as surprises midway through the project.

There is one device which seems to be gaining popularity these days and which, if properly structured, can serve both consultation and training purposes. This is the short seminar. It is usually no more than two or three days long, during which the different groups have an opportunity to become familiar with the various aspects of the proposed project or with the next implementation stage of the project and to provide their inputs into specific decisions.

Timing of such seminars is important as is who is to attend.

The seminar can also be used as a device to familiarize project participants in the administrative requirements of other agencies, e.g., disbursement procedures of the donor agency.

The role of AID in each of these situations I have presented should be a supportive one. My own view is that not only must AID adhere to the pursuit of shared objectives, it will often find itself in the situation of being the one party in the best position to assist participants achieve full exploration of the issues. To the extent that this responsibility is abdicated by project planners and implementers, there will be difficulties ahead for the project.

I would like to end on an optimistic note. Fundamentally, I believe each of us is deeply committed to better exercising what powers we have in these matters. With each other's cooperation and with that extra effort to achieve a measure of shared objectives I have no doubt that much can be accomplished.

Thank you.

PLENARY SESSION

IMPLEMENTATION OF OCCUPANCY WITH SPECIAL REFERENCE TO WORKING WITH BENEFICIARIES, BY LLOYD MORRIS, USAID RESIDENT TECHNICAL ADVISOR, KENYA HOUSING PROGRAM

Introduction

Implementation of occupancy--also called estate management or project management, has four aspects: working with beneficiaries, money, materials, and management agency staff. All four aspects are found in every shelter project, whether it involves upgrading, serviced sites, or completed houses.

The paper on this subject, which you have received, identifies the main features in each of the four aspects. It also argues that project management should begin with project planning in order to:

--Learn from experience with existing projects and,

--Adapt the management process and make it an integral part of the project plan.

By participating in project planning, good managers can help to describe or define:

--the probable beneficiaries,

--the best benefit package,

--costs and affordability, and

--proper roles for project implementors.

We have too little time today, to look closely at every aspect of management. So, I will focus upon one aspect, working with beneficiaries, which affects every management task, including contribution to project planning. In considering this aspect, we should examine:

(a) Working with groups, including:

--Reasons for collaboration,

--Conditions for success,

--How it affects

-project planning, and
-post-occupancy management, and

(b) Working with individuals, including:

--Orientation

--Collections, and

--Maintenance

Reasons for Collaboration

There is increasing evidence that collaboration is necessary to maximize cost-effectiveness in shelter projects. Let me point out two reasons:

First, beneficiaries and agency staff have complementary capacities. Beneficiaries have an intimate understanding of their own felt needs; they also can provide intermittent labor or other inputs for occasional large jobs, and they can pay for benefits. Agency staff have special skills required for technical tasks: they have time available to perform routine work, and they have the legal powers to make contracts and enforce rules.

Second, collaboration is needed because, when beneficiaries are not involved in project planning and management, they are more likely to feel dissatisfied, and more likely to turn their feelings into adverse political action. If they are very dissatisfied, their first action may be to block the project.

Experience in Karachi, Pakistan, clearly illustrates this point. Two major attempts to upgrade one large squatter settlement, were blocked by resident protests, which were inspired because

the plans were to demolish many of the houses. The third attempt, unlike the first two, was designed to maximize resident involvement, and it resulted in very rapid resident action to carry out the agreed level of demolition.

An additional benefit in the Karachi case was a reduction of mutual mistrust between beneficiaries and agency staff, and a consequent increase in willingness to collaborate in other project tasks. Thus, the practical result of collaboration can be not only better and cheaper project management but also a strengthened sense of community and consensus. In other words, prosaic concern for cost-effective project management can make a fundamental contribution to broader goals of national development.

From the management agency's point of view, collaboration usually can help in building rapport and trust, clarifying felt needs, defining acceptable solutions to meet those needs, and legitimizing consequent policy and program decisions. However, collaboration can also cause problems, if encouraged without regard to its political and bureaucratic implications.

In situations where there is considerable political tension, opportunities to collaborate may be viewed with suspicion, or may be manipulated to advance political goals which have little to do with shelter delivery. Even where such tension is not a significant problem, a relatively rigid bureaucracy can react adversely to collaboration.

Felt needs seldom conform to jurisdictional boundaries between agencies. Consequently, when a project manager acknowledges a felt need which he is not authorized to address, he must decide whether to seek new authority or to encourage others to become involved. Either action may be viewed by others as an intrusion.

Alternatively, he can do nothing, but non-action in one area tends to diminish support for the process of collaboration in all areas.

Conditions for Success

So what are the key conditions for success? Clear communication is vital to successful collaboration, but clarity is not easy to achieve. Clarity requires more than careful speech and appropriate audio-visual media. Clarity also requires mutual trust, which depends upon agreement regarding overall project goals and social values.

But, we cannot expect mutual trust to appear by some kind of magic. Sincere efforts to collaborate with beneficiaries in shelter projects can help to create that very condition of mutual trust which is essential for collaboration to succeed. These efforts may thus contribute in some small way to national unity and peace. From this first condition of mutual trust, a few other conditions may be deduced.

First, there must be political understanding and support for the concept of collaboration, because it involves the sharing of decision-making power. Building high-level political support for community participation in decision-making should be an important task for senior housing officials.

Second, leaders must be prepared to demonstrate official patience, because it takes time to develop a new way of working. This is especially true where a legacy of mutual mistrust separates beneficiaries from agency staff.

Third, the beneficiaries must percieve potential direct benefits. Collaboration is not often useful in regard to such project elements as a new city water reservoir that would be far from all residential areas. It is useful for reticulation within the project area.

Collaboration in Project Planning

Let us now consider how the concept of collaboration can be applied in project planning. Beneficiaries can be involved very easily in planning for the upgrading of existing projects and informal settements. Indeed, they may even initiate the process by demanding certain improvements.

Working with the residents, the project management agency may handle all technical and legal tasks in planning and execution of the improvements. Where such work exceeds the capacity of the agency, it may call in specialists. The agency then should participate in the process, and actively facilitate beneficiary participation.

In a new development, collaboration should begin immediately after selection and orientation of beneficiaries. There are always some decisions which can be postponed, until beneficiaries are able to participate.

For example, before occupancy, individuals can contribute to design of their own homes, as recent experience in Botswana clearly shows. After occupancy, they can collectively contribute to the design of other project elements, such as community facilities or public service delivery

systems. This fact was repeatedly demonstrated, even without agency assistance, in the Karachi upgrading area mentioned a moment ago.

The two basic policies of

--collaboration with beneficiaries in project planning, and

--incremental implementation of project plans.

are synergistic, that is, if either policy makes any sense, then they make more sense when applied together. Out of this conclusion, we can draw one other--that surveyed plot schemes and gradual upgrading of informal settlements may be the most efficient use of scarce public funds.

If this is so, it is largely because beneficiaries have an intimate knowledge of their own felt needs and priorities. For example, in South India, a medical training center undertook a health education program. It was not as popular as they had expected, because the beneficiaries were too poor to afford the better diet they were urged to adopt. Wisely, the beneficiaries insisted that they first needed advice on increasing their incomes. The project managers listened to the people, and then revised the project.

Where manager and beneficiaries already agree on sectoral priorities, collaboration is still useful. For example, where agreed priority needs include opportunities for self-employment within the dwelling or plot, experience with existing projects may suggest physical design features which would facilitate appropriate self-employment activites. Experience also may suggest supporting services to be provided or coordinated by the project manager, such as vocational training, management advice, business loans, organizing of worker-owned and operated firms, and market analysis and product development. However, such services may be under-utilized if they are perceived, by the beneficiaries, either as:

--not meeting their felt needs, or
--not being intended for them.

Collaboration in design can minimize both problems.

Another example shows that cost effectiveness is influenced not only by clever technical design or shrewd choice of materials, but also by ways in which project residents actually use space. In a recent East African site and service project, many prefer to sublet a kitchen rather than to cook in it. Where such preference is widespread, it makes little sense to insist on building kitchens. Through collaboration in design, such errors can be avoided.

Collaboration in Project Management

Program goals and felt needs may call for a variety of post-occupancy activities. Successful self-help construction may require promotion of building groups, provision of advice on dealing with contractors, and disbursement of building materials and loan funds.

Informal education may cover basic literacy, child development, nutrition, gardening, health maintenance and home improvement, as well as vocational subjects.

Other important activities may include promotion of credit unions, clean-up and beautification compaigns, community news letters, recreational organizations, and adaptation of conventional health, education, sanitation and transport services to fit the needs of the residents.

In developing plans for each activity being considered, the residents and staff must decide who should implement each part of the work. The decisions may entail new roles for the staff as implementors, facilitators, and coordinators of work by themselves, or other agencies, and by the beneficiaries.

Some resources may be needed which neither project staff nor residents can provide. In most urban areas, some social welfare services are available, ranging from family planning guidance, to care for the handicapped. Similarly, some expert advice may also be available to help beneficiaries initiate a new activity, such as organizing a credit union. In such matters, resource identification, liaison and referral are often the best uses of project staff time.

Collaboartion after occupancy, that is, during project management, usually works beset when there is some kind of organized beneficiary group. It need not be formal, and where there is little local experience with popular participation, some experimentation may be required to define the most practical form. However, one can easily begin with a general-purpose form, such as an automatic homeowners' association, or a block committee, or a multipurpose coop, and then let it evolve as the people's needs and preferences may dictate.

Appropriate forms also include condominiums, cooperatives and tenant associations. All of these forms attempt to reconcile the dual interests of the resident, as an individual, and as

a member of the community. As these names imply, organized popular participation is compatible with any type of tenure.

Any voluntary group must have a common social bond uniting the members. Therefore, membership in resident groups generally should be open only to those living within a neighborhood, which is recognized as such by the members, even though such as area might vary from 10 dwellings to 500. In newly-occupied projects, of course, promotion of groups will accelerate the process of neighborhood definition.

Success, in organizing a group, depends in part upon the skill and insight of the organizer. He or she must be able to:

--create clear communication channels between beneficiaries and staff, and dissipate mutual mistrust where it is significant.

--explain the mechanics of collective action and the collaborative role of project staff,

--train voluntary leaders and accept a diminishing role as they learn to take over, and

--gauge and adjust the pace of group activity, during the formative period.

This last point needs some elaboration. People like to play, and they are encouraged by success. Recognizing these facts, it is important to promote in the beginning, some recreational activities, and some activities which will have a fast and highly visible payoff.

Further, group activities will be responses to felt needs, which are sometimes hard to predict. Management may anticipate certain activities and may prudently make preliminary contacts with outside agencies, which are likely to be asked for assistance. However, any specific formal request for assistance to the group should come from representatives of the group; where personal assistance is desired, the request should come from the concerned individual. Thus the pace is finally determined by interaction between the organizer and the group members.

Success should not be assessed in terms of intensity of participation. Experience suggests that participation will fluctuate widely. It can be very high when individuals see their welfare as significantly threatened from the outside, but potentially defended by group action. Less dramatic matters may attract fewer people and involve them less intensely. Only a few people are likely to show sustained continuous commitment to participation. However, activities sparked or influenced by these few regulars may appeal to most of the members.

Just as fluctuation is normal, the pace of voluntary activity tends to subside when a community is well established. Usually this is not a sign of failure, but of success in meeting the felt needs which originally inspired more intense activity. And usually, where the decline is due to less desirable causes, those causes and the need to attack them directly will be obvious.

In this review of working with beneficiaries as members of groups, we have considered:

--Reasons for collaboration,

--Conditions for success, and

--How it affects

-project planning, and

-post-occupancy management

In the time remaining, let's look at a few vital tasks involving working with beneficiaries as individuals. Specifically, we will consider:

--Orientation of beneficiaries

--Collection of monthly charges, and

--Maintenance of property.

Orientation of Beneficiaries - The management agency should aim to see each beneficiary making good use of opportunities offered, and accepting the related responsibilities. Since the immediate aim is to motivate, equal attention is needed to both what is said and how it is said.

Orientations should cover: plans for the project, including physical improvements and public serivces, and plans for popular participation in design, development and operation of these improvements and services. The content also should include the rights and responsibilities

of the individual in relation to his neighbors, and the project agency. Finally, the content should include such practical matters as when and how the rent, and the refuse, are to be collected. Through subsequent collaboration, these rules and procedures may be modified, but at the outset, they must be clearly defined, by the management agency.

The forms of presentation should vary according to the character of the audience, the nature of the material, and the response desired.

The language and idiom of the audience should be adopted wherever possible, and a variety of media should be employed to permit repetition of key ideas without monotony.

Comic books, cartoon posters, three dimensional scale models, and audio and video tapes provide not only variety but also high impact and clarity. Where material is essentially procedural, posters and printed instructions are essential, event if they must be read aloud to non-literate beneficiaries. If possible, instructions and other useful information should be compiled into a simple handbook and given to each beneficiary.

Where the aim to stimulate participation or commitment, street theater or social events or discussion groups can help. To encourage continuing involvement, notice boards are essential and a news letter is very useful. Boards should be at popular gathering places such as community centers or local markets. Another important communication system is a network, among the residents, of "block captains." They should help to spread information, and sample opinion or seek consensus among a few families, say, 10 to 20.

Where a formal beneficiary group is central to the project design, as in cooperative housing, three or four group orientation meetings are essential, and individual applicant attendance should be mandatory.

For the individual applicant, the orientation process should begin with an initial interview, which may also be used in determining eligibility. At the moment of handing over of house keys, or of signing a loan for home improvement, the essential points should be reviewed again, and acknowledged in a very standardized and structured manner. The aim should be to reinforce understanding, and also to establish a basis for future enforcement.

During orientation, handing over should be discussed and beneficiaries should be encouraged and helped to plan in detail for the event. They may need to consider the timing and expense of: obligations to a present landlord, provision for shifting construction of temporary or permanent shelter, purchase of furnishings, relocation of business or change of employment, or transfer of children to new schools. To facilitate this personal planning, beneficiaries need general guidelines, and also regular advice regarding construction progress, via posters, press releases, and formal notification of construction completion.

The handing over procedure should be planned in detail and it should follow a fixed sequence of steps with each step being documented. The sequence should begin with review and acknowlegement, by the beneficiary, of the main points covered in the preceding orientation. This should be followed by inspection of the dwelling or plot. The first monthly payment then should be made, and it should be confirmed that any deposits due have been paid. The lease or equivalent document then should be executed and finally, any keys should be handed over, along with vouchers for any removable house parts such as refuse cans or fly netting. The whole process should be outlined on a checklist, which should be signed, by responsible staff at each step, and by the beneficiary at the end; the checklist is then retained in the beneficiary's official file.

Orientation does not end with handing over, but it gradually merges with informal education in areas of felt needs ranging from homemaking and small enterprise operation, to leadership of beneficiary groups. Organizing and sponsoring much of this training eventually should become the responsibility of beneficiary groups.

Collection of monthly charges - this is inherently the toughest part of project management, but it can be made even tougher by lack of foresight and diligence.

Success starts with orientation of both residents and staff to the idea that residents must pay their occupancy charges on time. Low income families often do find it hard to pay on time, but if many fail to do so, then it is not the rich who suffer; it is other poor people. Delinquency reduces capacity to produce more housing, either directly through cash flow, or indirectly through impaired agency credit-worthiness.

Firmness is therefore vital. It must begin with public perception of the management agency as commited and competent to ensure timely collection. The image of firmness must then be given substance by diligent enforcement of a fair but systematic collection procedure. That procedure should include, if possible, the following elements:

--involvement of the community in the enforcement process

--encouragement of direct remittance by employers

--large security deposits and a short grace period

--late payment fees, which increase when default persists

--a formal pledge to pay, according to an agreed schedule, when arrears are to be recovered gradually

--a rapid eviction procedure including power to evict without resort to court

--a pre-approved waiting list of eligible applicants, with advance notice to those near the top of the list, and

--a staff committee to consider hardship cases.

Maintenance of property - Finally, as to maintenance, involving the residents can cut costs. In seeking agreement as to what work they can and should do, it must be recognized that many new residents may not have the maintenance habit. Therefore, education may be the most useful approach to involving residents in maintenance work. Such education should stress the value of preventive maintenance, routine inspection for initial signs of wear, and thorough house cleaning as a simple way of reducing wear and of discovering those initial signs.

Cultivating the maintenance habit takes time, and must both impart skills and encourage commitment. Many people will already have an interest such as gardening or child care, which can be a starting point for maintenance education. Specific educational tools may include "how-to-do-it" pamphlets, "beautiful home" contests and group discussion with child care counselors. Promotion of pride and skill in these related areas of natural interest, generally will provide direct benefits, and simultaneously encourage cooperation in project maintenance.

To wrap up this review, let's look once more at what we have covered:

--Reasons for collaboration

--Conditions for its success

--How it affects

-project planning, and

-project management

--Orientation of beneficiaries

--Collection of monthly charges and

--Maintenance of property

These points all should be considered in the context of the comprehensive management process,

--which should begin with:

-contribution to project planning, and

--which has four aspects:

-working with beneficiaries

-with money

-with materials, and

-with project agency staff.

Thank You.

MANAGEMENT OF A MINIMUM EQUIPMENT PARCELLING PROJECT CALLED UPGRADED LOTS, BY MR. KONAN-FERRAND, DIRECTOR GENERAL OF THE IVORY COAST SOCIETY FOR CONSTRUCTION AND HOUSING MANAGEMENT (SICOGI)

I. INTRODUCTION

It is difficult to find a definite solution to the low cost housing problems in vast cities like ABIDJAN, capital of the Ivory Coast, either due to lack of financial means or due to insufficient land reserves. In spite of measures taken by the Housing Societies, a large number of low income houses cannot be supplied with the result that squatter colonies and shanty towns have come up.

As the development of low income houses by private societies or state orgnaizations was insufficient, we had to resort to individual effort by the applicants by providing them with serviced plots of a certain standard and asking them to participate financially and manually in the building of their shelters. This is the origin of minimum equipments lots also called upgraded lots.

II. ABIDJAN, SPONSORED BY SICOGI IN 1976

A. Aims

1. To produce an intermediary type shelter, in between the rented shelters of the Building Societies and the service plots sold directly at cost price for standing operations. (Refer to the Building Society Shelter Plan)

2. To construct low cost self-help shelters and thus increase the SICOGI production to lower the shortage

3. To reserve this type of shelter for population groups whose income is approximately the same or slightly higher than the legal minimum income

4. To ensure good quality construction by making available to the owners standard plans which could be expanded or developed (see standard plans)

5. In order to preserve the esthetic beauty and unity of the area, SICOGI gives owners standard plans and on-site technical assistance.

B. Planning

This project plans the establishment of 1,000 serviced lots at 4 sites of 5 hectares each. Each lot is:

--100 sq. m: (10m x 10m; 8m x 12.5m)

--125 sq. m: (10m x 12.50m)

--150 sq. m: (10m x 15m)

--Traders--handicraft workers: (8m x 15,62m = 124,96 sq. m - 125 sq. m). (See standard plans)

Within each site, the lots have footpaths for pedestrians.

In addition to the basic facilities there is a water and sewerage network. We have also planned to have an overhead lighting system and plant trees.

Each lot also has the basic sanitary fixtures (WC and a tap) connected to the water and sewerage disposal system.

The owners will have to build their own shelters around the sanitary fixtures supplied at the beginning. The sites have streets 5m wide and a technical corridor which is 1m50 wide and thus there is enough space for the maintenance and passage of the various networks.

C. Constraints

At the present stage the project is affected by a certain number of constraints imposed by the specific objectives.

1. The LEM should be integrated within the classical project if a Building Society in order to obtain certain facilities: primary and secondary roads, schools, markets, etc. The target 1000 lots

included in the present report are situated at YOPOUGON, a suburb of ABIDJAN, where the SICOGI has undertaken several projects. (Refer to overall plan).

2. The land should have a slight regular slope to facilitate drainage and reduce general terracing.

3. The beneficiary chosen on the basis of their incomes, should be ready to build within a reasonable period of time so that there is no deterioration of the infrastructure.

III. MANAGEMENT OF THE 1,000 LOTS PROJECT

A. Objective

The objective of the LEM projects is that the land should belong to the State and thus avoid the complex problems of property rights at renewal of the lease and change to a public utilities zone.

For this reason, the beneficiaries sign a long term renewable lease fo a minimum period of 20 years. Thus, there is no sale of lots but a long term contract for an occupation lease.

B. Distribution of Lots

The distribution is made by the Commission on the basis of files on candidates. The files give the following information regarding each candidate:

--Name
--Employer
--Nationality
--Profession
--Monthly Income
--Present shelter of the candidate

Considering the project objectives, the Commission chooses those candidates having an average income which is within the following scale of income:

--SMIG (Minimum guaranteed interprofessional salary) and 2.5 x SMIG: for lots of 100 sq. m.

--2.5 x SMIG and 5 x SMIG: for lots of 125 sq. m.

--5 x SMIG and 10 x SMIG: for lots of 150 sq. m.

In our project, an examination of the files of applicants for the 1,000 plots distributed since 1976, gives the following information:

+INCOME

--Income of 20,000 to 50,000 F/CFA = 58.1%

--income of 50,000 to 100,000 F/CFA - 41.9%

+PROFESSION

--Laborers, unskilled workers = 36%

--Employees, skilled workers = 30%

--Handicraft workers, Tradsmen, Contractors, Transport Workers = 34%

+NATIONALITY

--Ivory Coast = 88%

--High Volta = 3%

--Mali = 2.5%

--Undeclared and of different nationalities = 6.5%

+PRESENT SHELTERS

The beneficiaries of LEM projects were tenants of:

--SICOGI = 60%

--SOGEFIHA (State Housing Society) = 20%

--Individual tenants = 20%

--Undeclared = 10%

C. Rents

1. Financing

The financing conditions were as follows:

--long term 20-year loans at the rate of 5% - 80% of the cost

--medium term 7-year loans at the rate of 7% = 20% of the cost

2. Rental Breakdown

The rent includes the financial mortgage, access maintenance charges and management charges.

3. Rent Rate

In 1976, the average cost of the lots were as follows:

--lot of 100 sq. m : 206,000 F/CFA

--lot of 125 sq. m : 255,525 F/CFA

--lot of 150 sq. m : 305,250 F/CFA

Taking into account these costs and the financing conditions, we obtain the following monthly rents:

--1,680 F/CFA for lots of 100 sq. m

--2,000 F/CFA for lots of 125 sq. m

--2,340 F/CFA for lots of 150 sq. m

4. Rent Recovery

The receipts are sent quarterly and are due at the end of this period. The tenants may pay in advance. The results of the sales are satisfactory as the rent recuperation rate for the period covering the opening of the pay desk, from the 27th of the month to the 7th of the following month, represents an average of 93% of the 1,000 receipts delivered.

5. Settlement of Debts

The recovery of unpaid rents depends on the development of lots.

For undeveloped lots, reminders are sent to the parties concerned in order to normalize their situation. A tenant is found in default after failure to pay for 6 months. In this case, the lots are taken back and distributed to other candidates.

With regard to developed lots, after a lengthy and expensive legal procedure, the tenant is expulsed in accordance with the terms of the lease. SICOGI then chooses a new applicant who will accept the construction and the liabilities.

IV. LOT UPGRADING - SICOGI ASSISTANCE

(Refer to project documentation)

In order to safeguard the unity and the esthetic beauty of the area, the implementation of the construction is within the framework of SICOGI which gives technical assistance to the beneficiaries in two ways:

A. Supply of Standard Plans (See sketches)

SICOGI kindly puts at the disposal of LEM lot recipients different standard plans according to the area of the lots and the purpose of construction (shelter, trade, etc.). LEM gives the tenants a unique opportunity to obtain land at ABIDJAN and to have a shelter according to their taste. For this reason, the plan is chosen carefully taking into account the size and income of the family. The planned shelters can be improved and the tenant can expand his shelter according to his means and an increase in the number of people in the family.

If the construction and the use of SICOGI plans do not raise any particular problems for the beneficiaries. The delay of 6 months for development is not often respected. Six months after the signing of the contract, we obtained the following results for the 1,000 lots:

--Lots where no development had taken place - 32%

--Lots under construction - 31%

--Developed lots - 25%

--Developed and lived in lots - 12%

This rate of construction, which might seem insufficient compared to the LEM objectives, is, however, higher than that existing in classic lots at ABIDJAN where work generally starts after a period of 3 years. The insufficient rate of LEM development is not due to reasons of motivation or available technology, but due to a lack of financing. In fact, after contracts which the SICOGI had with the banks, they have not decided which banks will grant loans to LEM beneficiaries. As the latter are from the lower income groups, they have diffiuclty in obtaining credits. It is hoped that development banks and special housing banks will find a solution to this problem if we want to help the lower income groups to have a shelter. Business firms where these beneficiaries are employed could contribute to the solution of LEM's problems. This assistance could be given as loans or building materials. It is in the interest of the business firms to take these measures as a well housed worker is a willing and profitable worker.

B. Building Aid

The SICOGI has a permanent building technician for the 1,000 lots estate. He helps the beneficiaries for planning, construction, choice of materials, etc.

C. Methods of Constructions

On the 1,000 lots we have observed the following methods of construction used by the beneficiaries together with their corresponding percentage of importance:

--exclusively personal work - 3%

--job workers mainly - 82%

--contractors - 12%

--CASTORS system - 3%

V. CONCLUSION

The 1,000 serviced lots of YOPOUGON form the first part of the LEM project in Ivory Coast. There is no doubt as to the success of this project. After having rented the 1,000 lots, the SICOGI registered more than 5,000 requests. It is, therefore, a happy solution for low cost housing. The advantages are as follows:

--low cost

--free choice of the type of shelter taking into account the personal means

--mobilization of available private savings wasted on improvised housing zones to be ultimately demolished in favor of solid and permanent buildings.

--help of public grants for low-cost housing.

The LEM system has to become a replicable project and it is hoped that the institutions of developed countries which help the African States in the field of low-cost housing will give it more financial assistance.

FORMAL PAPER

SUBMITTED BY THE DELEGATION OF NIGERIA

INTRODUCTION

A civilian government succeeded a military administration on October 1, 1979; and the few months since then have witnessed a decidedly positive thrust in the housing sector.

Under the Federal Government program, housing is the second priority--ranking after agriculture

In full recognition of the need to decentralize the implementation process; especially because of the Federal system of government, the Constitution expressly vests housing functions in the respective state governments. To be sure, the Federal Government substantially complements such state government functions through itw own agencies.

To a large extent, policy and program control are centralized; and a National Housing Policy recently published indicates that the main thrust is to achieve a low-cost, high-impact service delivery system through:

--an improved financial mechanism

--rural integration

--rationalized land policy

--appropriateness of standards

--more effective linkage/coordination of related agencies and sectors

--training for housing service practitioners

THE APPROACH

Although there is a diversity of methodology from state to state, the basic approach may be described as three-pronged.

A. The Federal Government is directly providing a total of 40,000 housing units per annum, for sale to mainly the low and middle income groups, evenly distributed all over the country. This scheme forms the initial phase of an anticipated fully-integrated individual housing project.

   These units vary from the one-bedroom to the three-bedroom accommodation.

B. The Federal Housing Authority, the main implementing agency of the Federal Government, is committed to an on-going program of housing development in all the states. This program for all income groups comprises two parallel components: completed housing units and building plots.

   Each state Government similarly has its own implementing agency, invariably, a Housing Corporation, pursuing programs which complement the Federal efforts in the state.

C. Through the Federal Mortgage Bank of Nigeria, external loans are being channeled/on-lent to the state governments for multi-sectoral housing programs targetted to the low-income groups. Within these programs are such components as:

   --sites and services

   --upgrading

   --primary health care delivery and social infrastructure

   --employment generation through small-scale industries

   --credit delivery systems

The Mortgage Bank also undertakes conventional lending operations for housing developments by individuals, public/private corporate developers for all types of accommodation. These operations are exclusive of its commercial lending programs.

Commercial Banks and Insurance Companies are obliged to provide specific proportions of their loanable funds for housing developments.

Particularly in the case of commercial banks, where the aggregated lending under this obligation is below the prescribed level, the short fall is made available as long-term operational funds to the Mortgage Bank.

Under the same thrust, employers of more than 500 persons are obliged to provide staff housing estates; and as an incentive, building land is made available to such employers at no cost.

In some cases, a judicious relaxation of the regulations have been made to legalize the illegality of some existing informal types/systems of housing. In such cases, certain basic qualification criteria have been set so as to avoid detriment to the environmental quality.

Apart from price control on building materials, especially cement and iron bars, the National Supply Company has increased the quotas on imported materials, similarly, more private agencies have been allowed to import more such materials.

The various governments, Federal and State, are actively participating in the local production of essential building materials.

Through various legislative and administrative measures, institutional capability and linkage are being improved. Such measures include, inter alia:

--increase in the capital base and structure of the Mortgage Bank,

--expansion of the operational framework of the various agencies to secure a realization of the policy objectives of Government,

--a more active monitoring/evaluation role for the Ministry of National Planning.

The overall approach objective is for a total national housing production of 1 million units in 5 years.

SOME OF THE CONSTRAINTS

Although generally considered a high GNP nation, Nigeria has an estimated population of 80 million about 18% of which is urban. If only because of the sheer enormity of the costs, and considering the sectoral competition for resource allocation, therefore, public sector efforts on housing need to be substantially complemented by the private sector.

To a large extent, the costs of public sector housing services are subsidized. The sheer size of the demand potentials strongly suggests a need for the re-examination of the application and impact of subsidy.

Especially because of the greater attractions of remunerations in the private sector, it is becoming increasingly difficult to retain skilled manpower in the public sector. With a general shortage of skills, particularly in the middle-level cadre, and due to the mandatory period of training in the institutions, enough manpower is not being produced to meet shortfalls.

With a financing system that is basically embryonic, more and better finance mobilization techniques are necessary.

THE TARGETS

The various governments of the Federation are aware of the constraints and bottlenecks; and an objective posture has been assumed to ensure the realization of the cardinal objective of the National Housing Policy, i.e. to meet the fewer needs of many as economically as possible.

FORMAL PAPER

SUBMITTED BY THE DELEGATION OF SUDAN--HOUSING: PROBLEMS, POLICIES AND STRATEGIES IN SOUTHERN SUDAN

GENERAL INTRODUCTION

The Sudan is the largest country in Africa with an area of approximately 2.5 million square kilometers. (1) The population in 1979 was estimated to be seventeen and a quarter million, nine and a half million of whom are under the age of twenty. (2) Of the total population, twenty percent live in urban areas (towns with 5,000 or more people). (3) In the late 1970s, it was estimated that approximately forty-six percent of the population had access to clean water.

Historically, the agricultural sector has provided the basis of the Sudanese economy, accounting for 40 percent of gross domestic product (GDP)--most of the country's exports, and employs over 80 percent of the economically active population. It is estimated that while the country possesses over 810,000 square kilometers of arable land, less than 10 percent is actually cultivated and often traditional farming methods are used. A further 243,000 square kilometers offer suitable pasture land but these are largely underutilized by nomadic and semi-nomadic herdsmen.

The country has a wide range of cultural, geographical and socio-economic variations. The World Bank using a range of socio-economic indicators lists the Sudan as being among one of the twenty least developed countries in the world today. Of the two regions in the Sudan (Northern and Southern), the Southern Region is the less developed.

THE SOUTHERN REGION

The Southern Region is ringed along its southern boundaries by moutain ranges, cut by numerous rivers which flow into the Sudd swamplands in the central plains. The Sudd provides one of the major barriers to communications between the south and other parts of the country.

The total land area is 650,000 square kilometers an area substantially larger than the whole of Kenya. It is inhabited by 4 million people at an average density of about 6.1 persons per sqare kilomter. Only 10 percent of the population lives in what are usually classified as urban areas, those settlements with more than 5,000 inhabitants. The rest are scattered in small hamlets and settlements throughout the region. The economy is predominantly agricultural. There is of yet no industrial development of significance, although there are plans to build up commodity industries related to agriculture over the next ten years.

COMMUNICATIONS

The quality of the roads, river and air services is well below the standard required to allow sustainable development to take place. Indeed the Southern Region as a whole is landlocked and suffers from very poor communications. This combined with the low density of settlement, means that towns in the region are rather isolated from each other, and even to a large extent from their hinterlands. It would, therefore, be misleading to describe these towns (mainly provincial capitals) as forming an integrated urban system. Both because of their small size and the very poor communications they are largely independent settlements each serving as almost self-contained agricultural hinterland. As the region develops communications and interdependence will increase but at present each town may be regarded as an independent entity.

The end of the colonial period came on independence day on the 1st of January, 1976. The Southern Region had up until then, been a closed area and administered through a mixture of direct and indirect British rule. British Officials had held all the senior administrative posts while Africans mainly from the North held minor posts such as clerk-hips. The policing of the country was entrusted to British Officials with African subordinates in government emply wearing government uniforms. In the vast rural hinterlands away from the tight knit centers of administration, British influence was brought to bear on the native people indirectly through the chiefs and subchiefs and not directly through British Officials. This structure of government gave rise to the original urban pattern of small-size but well ordered towns. Land division and use within these settlements was highly ordered on classifications designed for the limited purposes of the British administration. This classification of land, it will be argued later in the paper, poses a major obstacle to present and future land use planning.

THE DISTURBANCES 1955-1972

It has been estimated that up to 1 1/2 million people died in the Civil War which raged between 1955 and 1972. The War (frequently referred to as disturbance) halted virtually all economic

activity in the region while seriously damaging buildings and communication networks as well as disrupting all services (education, health, transport, etc. . .). A good percentage of the population fled to neighboring countries such as Uganda, Kenya, Ethiopia, Zaire and Central African Republic. The War was finally brought to an end in March 1972 with the signing of the Addis Agreement. This ended the 17 years of fighting between the North and the South and secured for the South a high level of regional government autonomy. It must also be emphasized that whatever political compromises might have been reached the historic problem of the Southern Region's Colonial under development would never be solved unless rapid progress were made in the fields of education, social and economic development.

In the past nine years, little tangible progress has been made. The problems facing the region are enormous: the South's position, terrain, climate and lack of communications combined with the acute shortage of national funds both in local and hard currency present formidable obstacles. After the elections in 1980, the former National Minister of Culture and Information and present Regional Minister of Industry and Mining, Mr. Bona Malwal stated that:

> "Unless we do something spectacular in the way of improving the livelihood of our people, we have a real problem on our hands. . . People with social and economic disadvantages of such magnitude have nothing to lose"

It is with this statement in mind that I should like to take you through the enormity of the housing problem which faces us in the Southern Sudan.

HOUSING: PROBLEMS, POLICIES AND STRATEGIES

The essential characteristic of a housing strategy is the accurate definition of the problem. If we can say that there is no problem, then no 'corrective' action need be taken. Similarly, we cannot propose the appropriate corrective action, i.e., the solutions, unless we know the precise nature of the problem. This definition must be both quantitative and perceptual: a limited analysis may miss the crucial implications of certain phenomena which will have a direct bearing on the formulation of appropriate solutions.

It is estimated in the Regional Plan that the population of the Region will reach about 5 million inhabitants by 1995. This will mean an increase in the population of 2.1 million (about 72%) over 1973.

TABLE 1 POPULATION GROWTH IN THE SIX PROVINCIAL CAPITALS AND THE SUBSEQUENT DEMAND FOR RESIDENTIAL PLOTS

	1978	1995	Pop. Increase	Average Household Size 9.5	8.5	7
JUBA	100,000	336,000	260,000	1,600	1,800	2,185
WAU	65,000	238,000	173,000	1,070	1,200	1,455
MALAKAL	35,000	100,000	65,000	400	450	550
RUMBEK	18,000	91,000	73,000	450	505	615
BOR	5,000	31,000	26,000	160	180	220
YAMBIO	7,000	33,000	26,000	160	180	220
				Residential Plot Demand		

The example of Juba, the Regional capital, will be used as a detailed study to highlight the housing problems of the urban areas.

TABLE 2 JUBA POPULATION GROWTH 1955 - 1978

1955/56	11,000
1973	56,000
1978	80,000

The above table gives population figures for Juba at three dates: the first two are census

and the third is an estimate based on extrapolation of the recorded annual growth rate. The essential point which can be drawn from these figures is that Juba has grown very rapidly during this period: the average growth rate works out at 9.3% which is high by any standards.

PROBLEMS

The following are a number of selected indicators of the problems which have to be tackled:

1. Housing classification (1, 2, 3 and 4): it is obvious that this device inherited from the colonial period acts as an unreasonable constraint on housing development and should be altered.

2. Plot development: it is estimated that some 150 plots have been developed and allocated in the period 1973 - 1977 in the face of a cummulative demand of more than 800 per annum.

3. Land allocation: it is estimated that 50% of residential land is allocated for Classes 1 and 2 housing; yet these classes represent only 10% of all households in Juba.

4. Household size: one of the common arguments for the disproportionate allocation of land in favor of more prosperous households is the claim that their average size is much larger. A survey carried out in mid-1977 indicated that households in class 1 and 2 averaged 10.5 persons while those in other areas averaged 9.1 persons.

5. Housing rental: one feature of the shortage of plots and dwellings is the development of a thriving market in rented properties. A tukul (hut) costing some LS.150 to construct is rented at LS.10 per month, thus repaying the developer his capital outlay within 15 months.

6. Overcrowding: Class 1, 2, and 3 areas have an average occupancy rate of 3.1 persons per habitable room; Class 4 and squatter areas have an average of 3.9 persons per tukul.

7. Water supply: it is estimated that of the total population only 44,000 (55%) are served with piped water. Of these only 26% have individual water supply and, of the rest, less than 20 % are within 10 minutes walk of a cummunal tap. The actual flow of water is very erratic due to inadequacy and deficiencies in the existing waterworks and distribution system which was built in 1937 and it is not uncommon for people to queue up during the night to catch the flow.

8. Power supply: the existing power house can supply electric power of less than one meggawatt. The result is that a large part of the town is not getting electricity; and even the part which is served has constant power cuts due to either overload or mechanical failure.

9. Sewage disposal: only 33% of households have individual sewage disposal systems, 26% of these being bucket latrines and 4% pit latrines. The remainder of households are catered for by pit latrine blocks but the problems of neglect and lack of maintenance and misuse persuade many people simply to go into the bush.

10. Roads: There are a few paved roads of about 15 km. long and the rest are earth and badly scoured by water erosion due to the undulating topography.

To summarize, all the indicators point to a serious housing problem: not only are there insufficient facilities for a large proportion of households, but those facilities that do exist are most unsatisfactory. And the problems are becoming greater every year due to the current inability of the authorities to cope with the current rate of population increase.

HOUSING DEMAND

This is the basic exercise which we must carry out in order to quantify the problem. We aim to establish the number of plots required and the type, by relating them to the household income groups.

There are two components to the demand factor:

1. Latent demand: this refers to the existing demand within the town resulting from shared accommodation, squatters with no security of tenure etc.; in brief, all household who want a plot but do not have one at present. This component

is very important though hidden and may represent up to 50% of the total demand. However, there is at present not enough data to enable us to quantify this component and so we must simply recognize its existence for the time being.

2. Population increase: this refers to the demand through time caused by migration and the formation of new households within the existing urban structure. It is this component on which we will concentrate. Table 1 summarizes the additional population forecast for 1978 to 1995. This calculation is based on the following assumptions:

   a. The annual population growth rate will decrease in regular steps 9% in 1978 to 7% by 1995; this may be consistent with observed trends in African towns of similar size.

   b. Average household size is taken to be 9.5 persons. Both these assumptions tend to make the forecast a conservative one: a higher growth rate and a reduction in the household size (both of which are quite possible) would result in the annual additional household figure being significantly higher. Note that the household figures do not represent the demand for dwellings but for plots.

We now have to relate the numbers to income distribution in order to determine the levels of affordability, i.e. the amount individual households can afford to pay for housing. Strictly speaking, the household income distribution itself should be projected through the 17-year period in order to incorporate changes in the distribution resulting from development. However, for this exercise it will be assumed that the distribution remains the same throughout the 17-year period.

(Note: there is no certainty that the distribution will "improve," i.e., show reduced proportions in the lower income groups even though the actual incomes will presumably show an increase).

TABLE 3 JUBA: 1977 HOUSEHOLD INCOME DISTRIBUTION AND HOUSING AFFORDABILITY LEVELS

MONTHLY INCOME	CUMULATIVE %	25%	AFFORDABILITY LEVELS (LS) SLIDING SCALE 27%	
0-20	10	--	10%	--
21-40	40	7.5	10%	3.00
41-70	60	13.00	12%	7.00
70-100	75	21.00	15	13.00
101-150	85	31.00	18%	23.00
151-200	91	41.00	20%	35.00
200	100	--	25%	--

It is estimated that the average household currently spends some 25% of income on housing. However, this cannot realistically be used as a basis for calculating the types of plot to be provided. The 27% refers to all costs associated with housing; the plot development component forms only part of the total cost. Thus in assessing how much households can afford to pay for a plot, we must allow funds to be retained for construction of the actual dwelling (particularly if permanent materials are to be encouraged), water consumed and so on. A further point is that lower incomes should not be committed to spending a large proportion of their income on housing when food, for instance, is probably a higher priority.

In order to complete this exercise we have to convert the monthly payment into a physical component of development; in other words, how much will LS.8.00 per month, say buy in terms of housing services? At present, we cannot do this with any precision since the necessary unit costs are not available. There is a lack of case materials on which to base the exercise, principally because there has been no recent development of the type we are talking about.

However, we can utliize the experience of other countries as a very rough guide, bearing in

mind the exceptionally high costs of both imported and local building materials in the Southern Region. It is worth mentioning here that most building materials are imported including timber, which could actually be produced in large quantities locally but a number of factors restrain this development. Even local materials like bricks, stones, etc. . . .are difficult to obtain in some areas for reasons such as lack of firewood for burning, transport facilities, etc. . .

One comment about the monthly payment or charge, this should cover not only the capital development costs, i.e., the labor and materials needed to build the actual plot and appropriate services, but should also cover recurrent costs which will be incurred as a result of the development, e.g., maintenance of roads and water supply, refuge disposal, rent collection, administration fees, etc.. . As a very rough guide we can say that the economic charge for a given plot will be 1% per month of the toal capital development costs. This includes a component of recurrent costs and interest at, say, 7.5% over thirty years. Thus, for instance.

1. A demarcated plot 20 x 20 m with communal water supply @ 1 tap per 25 households; say LS. 200 or LS. 2.50 per month;

2. A fully serviced plot 20 x 20 m with gravel surfaced road frontage individual water supply and sewer connection: say LS. 2,000 or LS. 20.00 per month;

3. A conventional fully serviced dwelling say LS. 10,000 or LS. 100,000 per month.

Assuming that these cost examples are indicative of the scale of charges payable, it is clear that the majority of households can afford nothing more than a demarcated plot with some level of communal services. This realization is crucial in determining the emphasis of Government housing policy since it provides the realistic framework within which housing programs should be formulated to ensure that they do more than serve the needs of a small prosperous elite. It is also clear that the concept of "low-cost housing" as it is commonly understood, i.e., a cheap conventional fully-serviced dwelling constructed by the Government or similar agency, is rightly misleading according to Table 3. In fact, it represents a high-cost housing option since the cheapest possible dwelling is beyond the means of approximately 90% of households; efforts to achieve reductions in the cost of such dwellings can have little effect on the housing problems of the majority of households.

In addition, it highlights the inadequacy of the housing classification system: this places some 80% of the population in one class (i.e., 4th class) and divided the remaining 20% into three classes. This serves to obscure the full range of the housing spectrum by concentrating on the relatively minor distinctions among the more privileged sectors and over-simplifying the needs of the vast majority.

THE ROLE OF GOVERNMENT

What, then, is to be the role of Government in housing? Principally it should aim at encouragement and stimulation. At present, it tends towards constraint. This is due to the regulations and procedures which are currently implemented.

These are based firmly on outdated British Legislation, absorbed, during the colonial period, embodying the conservative view of town planning with its emphasis on control. It is considered that much of the Legislation is inappropriate to the conditions faced today. It thus must be recognized that this system was developed precisely to constrain development, to maintain the privileged position of certain groups at the expense of others and to reinforce socio-ethnic distinctions. It is essential to question the assumptions behind the existing Legislation to ensure that they are consistent with current socio-political philosophy.

The housing classification system is the best example of constraining regulations: the essentially continuous nature of the housing demand supply spectrum is borken down into discrete categories, distributed plot tenure and permitted building materials combined to reduce the incentive for individual initiative. In the 4th class areas, occupants may be displaced without notice (a function of their supposed temporary status) and permanent materials are not permitted. In 1st, 2nd and 34d class areas, only permanent materials are permitted thus holding the occupants at ransom to the fluctuations in the cost and supply of imported building materials and denying the obvious advantages of local tile or thatched roofs for instance.

HOUSING POLICY

Our major priority then is to redefine government housing policy on the lines of the analysis presented here. It must be directed at the real needs and the real potential. It is proposed that such a policy must be based on six principles:

1. All people should have the opportunity to lease plots at a charge within their financial means;

2. All on-site plot development costs and recurrent charges should be borne by the occupants;

3. Security of tenure must be guaranteed to encourage improvement of dwellings by owner occupiers;

4. No administrative or procedural constraints should be imposed to prevent an individual from developing in the manner of his/her choice (subject to public health and safety factors);

5. The design of new layout should incorporate maximum potential for the upgrading of dwellings and service provision on a communal or individual level;

6. Plots should not normally be allocated to persons already holding legal rights to another plot.

Thus, action within the terms of such a policy would take two forms:

1. The release of land for residential development: the provision of plots on virgin sites of different size and service levels geared to identified demand/affordability levels; these will be designed to incoporate the maximum potential for improvement so that the most basic (i.e., cheapest) plot may eventually be fully serviced.

2. The upgrading of existing areas: This will include both formal and informal (i.e., squatter) areas. The techniques for this process are well-tried in many places; they consist essentially of the selective insertion/improvement of basic facilities (e.g., roads, piped water, street lighting, surface drainage) to a standard commensurable with local affordability levels. An essential objective must be to minimize disturbance of existing residents. The demonstration of official support, particularly in "unofficial" areas can stimulate self-improvement among residents--security of tenure is the crucial factor here.

The problem of finance is crucial, this is a traditional weak spot of policy makers who tend to content themselves with the conception of grand plans with little or no thought of the implementation process. Even if the principle of charging all on-site costs to occupants is adapted and maximum economy is obtained in the layout, there will remain massive problems of initial funding especially in respect of essential supporting infrastructure works, such as water supply, etc. If a program is to be implemented on a scale sufficient to make a real impact, it is fair to assume that external financial assistance will be necessary. This is where we definitely need the experience of those international bodies like the World Bank, USAID, etc. particularly in residential plot development, associated infrastructure works, social facilities, building materials loans and the training of local staff.

In addition to capital development cost, there is a need to establish a revolving fund to finance actual dwelling construction. This could be done by setting up a Housing Saving Bank or similar institutions which would accept savings from the public and give out small loans to individuals. This is being done at present by a Department of Loans and Credit under the Regional Ministry of Finance and Economic Planning, but there is a lot to be done to make it effective to satisfy the needs of those who really need it most.

The essential long-term objective must, therefore, be to limit the Government's involvement in housing to those components which cannot be undertaken by individuals. At present, there is an implicit obligation on Government to be responsible for the planning, financing and physical implementation of the entire operation. For reasons that should, by now be clear, it cannot fulfill this obligation adequately. But--more important--it is not necessary for it to do so. Many of the components can be undertaken by individuals perfectly adequately.

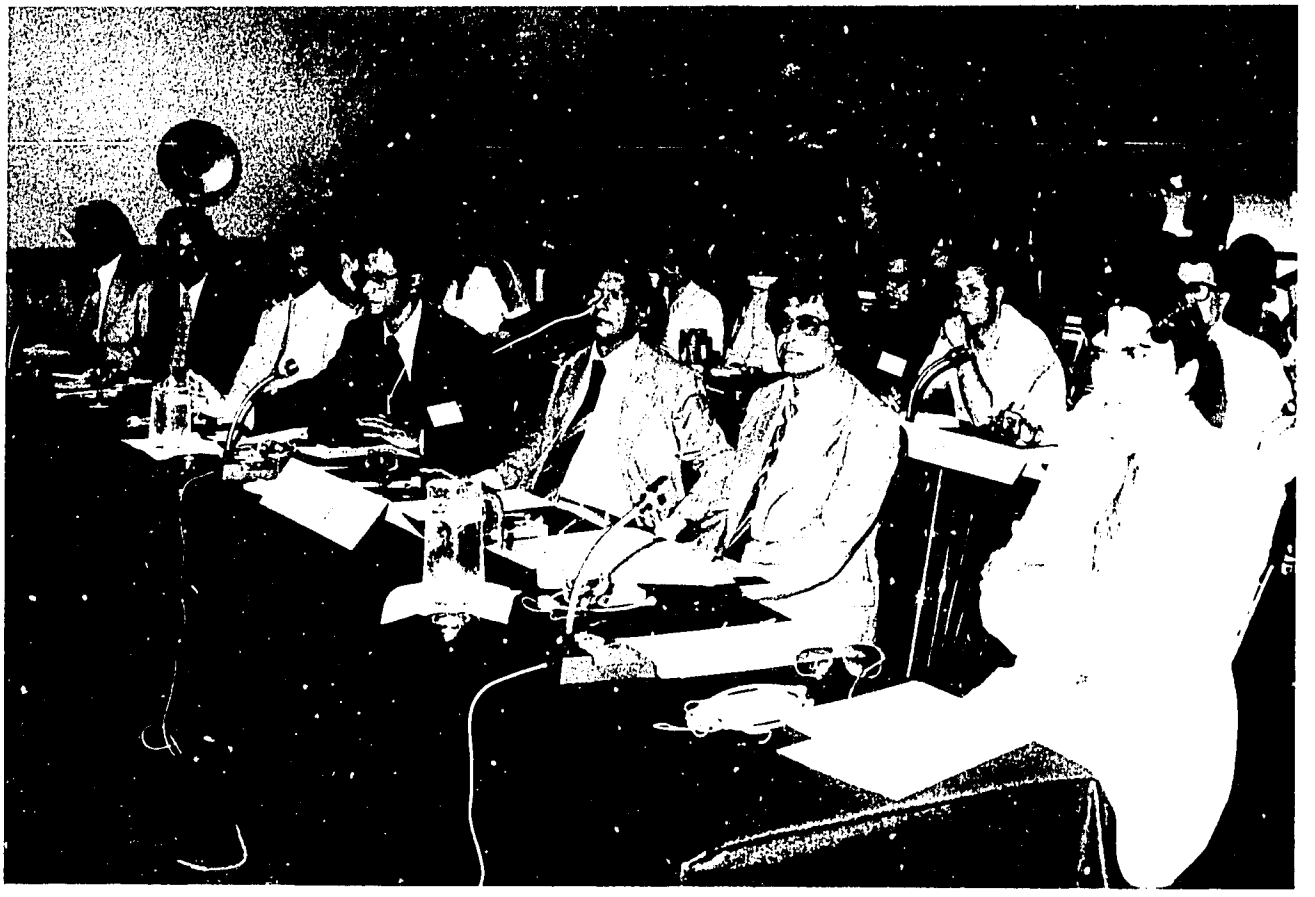
The principal areas in which Government must be directly involved are the overall policy planning and the development of major infrastructure works. For the details, it must create a climate which encourages and facilitates initiative, either by individual or by lower tiers in the administrative hierarchy, e.g., town councils, building societies, etc. . . .

CONCLUSION

It is hoped that this paper has contributed to some small way to increasing the awareness of the problems facing the Government of Sudan and in particular that of the Southern Region in the field of housing and why there will be no instant solutions. This paper has dealt mainly with problems of the urban areas and in particular, Juba. It has done so not because there are no problems in the field of rural housing or in the provincial towns, but because as of yet no solid information exists to help us define the problems in a similar way. However, some general conclusions can be drawn namely that many of the problems and the solutions proposed

are applicable throughout the Region. The first step requires that the administrators and politicians debate the issues and come to a consensus which will allow the existing policy to be altered in line with the needs of the mass of the population. The second step requires the help of the international community through funding agencies.

Finally, we would like to thank the Department of Housing of the Agency for International Aid of the United States Government for arranging and inviting us to participate in this seventh African Conference on Housing for two reasons: (1) It is a recognition of the African part of the Afro-Arab Democratic Republic of the Sudan; and (2) That our problems generally and on housing particularly are similar to those of our immediate neighbors of Kenya, Uganda, Zaire and Central African Republic--from whom we hope to learn.



Plenary sessions. Top: In the foreground Mr. Ouattara Bakary and Mr. Lassana Sacko of Mali delegation and Michael Lippe, AID/Office of Housing. Bottom: Mauritius delegation.

COUNTRY PRESENTATIONS AND SUMMARY REPORT

Chairmen: Hon. Eliezer Francois, Minister, Ministry of Housing, Lands and Town and Country Planning, Mauritius

Mr. Peter Kimm, Director, Office of Housing, Agency for International Development, Washington, D.C.

SUMMARY AND CONCLUSIONS BY MR. M. TOOFANY

Introductory Statement

This conference, the seventh one on housing in Africa, has attempted to learn from the experience which African countries have had with the relatively new field of implementing shelter projects for the total population, the vast majority of which are low income.

Based on this experience, the papers presented at this conference, and the content of the discussion groups, the following is an attempt to synthesize the results of the conference into a series of principles which might be applicable in varying degrees to our own countries.

The organization of the paper is based upon the three major subthemes of the conference; i.e.,

1. Policy Components to facilitate implementation
2. On-Site Implementation, and
3. Post Occupancy Implementation

To the extent possible, the results of the discussion groups have also been integrated into the three major sections.

I. POLICY COMPONENTS TO FACILITATE IMPLEMENTATION

A. An appropriate institutional framework which includes:

1. coordination of existing institutions at the national, regional and local levels, and
2. creation of new or adaption of existing institutions to better serve low income groups.

B. An appropriate legislative base which includes:

1. land legislation allowing for ease of acquisition, conveyance, and occupation--with tenure rights varying from certificates of occupancy through leasehold to freehold;
2. legislation to facilitate debt collection and provide adequate sanctions for nonpayments;
3. flexible housing and building codes based on performance standards;
4. land-use standards allowing for progressive shelter upgrading;
5. community development laws which facilitate community participation in the planning and design process.

C. An effective land policy which includes:

1. a comprehensive long term acquisition plan;
2. the specific designation of an appropriate institution to acquire land;
3. appropriate land taxation measures to discourage speculation and encourage development.

D. A comprehensive financial policy which provides for:

1. the minimization of subsidies, with existing subsidies targeted such that they have the greatest multiplier effect among low income groups.

2. determination of required resources to obtain planned shelter objective;

3. mobilization of internal resources through such means as:

   a. free and tied savings plans,

   b. employer tax fund for housing,

   c. mortgage discount facilities to tap surplus local funds.

E. A long-term manpower development policy which includes:

1. the recognition of the shelter sector as a basic sector requiring manpower development priority;

2. training local officials in a variety of skills for project implementation and management.

F. The development of appropriate standards which include:

1. affordability as the principal criteria in establishing project standards;

2. standards which allow for later improvement;

3. standards which allow for a maximum of self-help input;

4. standards which provide a maximum utilization of local materials.

G. The development of appropriate housing types which serve all income groups such that low income shelter solutions are not taken over by higher income categories.

II. PRINCIPLES OF ON-SITE IMPLEMENTATION

A. All project development stages must be realistically programmed to gain operational control of on-site implementation.

B. Long-range coordination, including annual budget reviews, must be achieved with related agencies in order to assure timely provision of off-site infrastructure and on-site community facilities.

C. On-site implementation of low-income shelter schemes not only requires conventional techniques of construction control but also management awareness of requirements for involving and educating the target population.

D. Market surveys are an essential tool to ensure that program design is based on target population priorities.

E. Project planning should be flexible enough to reflect problems encountered in on-site implementation.

F. Survey standards should be made less elaborate in order to accelerate site survey and plot demarcation.

G. Project construction could be accelerated by pre-qualifying those firms which have proven efficient in the construction of previous projects.

III. PRINCIPLES OF POST OCCUPANCY IMPLEMENTATION

A. Estate management experience should be a major input into new project planning.

B. Post occupancy decision making should be a joint process of occupants and management.

C. Special efforts should be made to ensure effective two-way communication between management and beneficiaries.

D. Project management should attempt to ensure political support for decisions made by the community.

E. Salary deductions and/or deposit at the financing institution are the most efficient means of debt collection for salaried beneficiaries.

F. Debt collection for non-salaried beneficiaries continues to be a difficult problem, the resolution of which requires improved on-site administration and community education.

G. For sites and services and community improvement beneficiaries, means to obtain building materials should be provided through on-site stocks or small construction loans.

H. The provisions of technical assistance in the form of prototype plans and building technicians can greatly accelerate on-site house construction.

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CLOSING CEREMONIES

Chairmen: Hon. Eliezer Francois, Minister, Ministry of Housing, Lands and Town and Country Planning, Mauritius

Mr. Peter Kimm, Director, Office of Housing, Agency for International Development, Washington, D.C.

CLOSING REMARKS, HON. ELIEZER FRANCOIS, MINISTER, MINISTRY OF HOUSING, LANDS AND TOWN AND COUNTRY PLANNING, MAURITIUS

It is with renewed pleasure that I find myself addressing this assembly. Five days ago when I had this privilege, I invited you to take full advantage of your presence here. From what I have heard from various sources, the success of the conference has been beyond expectations. I am told that all of you have had the opportunity of speaking, listening and discussing various papers and topics, and you have taken full advantage of it. I am gratified to learn that the presentation of papers by various countries were of a high level and that subsequent debates were lively. You will go back to your respective countries and settle yourselves again to your tasks, but I am confident that with the sharing of experience, achievements, and mistakes, we will all be in a better situation to offer to our countrymen the best possible living conditions in their respective environment.

I have observed with pleasure that each and every delegate here is aware of the extremely humane task he is embarked upon, and that in his own mind, he knows that the solutions to the housing problems in his country must take into consideration not only the technical needs, but also the cultural and social aspirations of his countrymen. If this spirit is maintained, if the properly apportioned resources are made available, and if the experienced gathered and exchanged is borne in mind, we shall all be able to improve the happiness of our citizens throughout the continent of Africa.

As I said earlier, our continent is in the limelight. The whole world is looking at us. If we succeed to bring improved housing conditions to our people, other countries will look at us with envy. Let us, therefore, work hard to achieve our goals so that we can be prouder still to belong to the African continent.

If we are richer in ideas after this week it is due to the Office of Housing of AID, and in particular, its director, Mr. Peter Kimm. He is one man whose wisdom is of world renown by now. We rely heavily on his advice, his encouragement and his help. He is lucky to be flanked by assistants as highly competent as Miss Hussey and Mr. Hagger, to mention a few. The AID organization in this conference has been very impressive and we are all very grateful to Mr. Kimm and his team. It would not be out of place here to express our gratitude to the management of this fine hotel, where the arrangements were perfect.

It will soon be time for us to depart. It will be a sad moment. For just a few days we have lived together as brothers and sisters. We have worked together as colleagues, yet we must now separate. On my side I shall keep a vivid souvenir of you all. On behalf of the Government of Mauritius, I convey to you all our deepest gratitude for having honored our country by the presence of so many brothers and sisters of the continent of Africa. Your stay was too short for us to offer to you all the best of our modest hospitality, still I hope that your stay here has not been too boring and you will wish to come back again some day.

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REMARKS AT CLOSING SESSION OF PETER KIMM, DIRECTOR, OFFICE OF HOUSING, AGENCY FOR INTERNATIONAL DEVELOPMENT, WASHINGTION, D. C.

First, I would like to thank our hosts for all they have done to make us feel at home at to enjoy our week here. While many people contributed to the effort, a special vote of thanks is due to Minister Francois and to Secretary Toofany, as well as their colleagues and associates.

Next I would like to thank all of the other people who helped to make this conference a success--to the Secretariat of the Conference, headed by Chuck Simanek, to the Hotel La Pirogue and its staff and operations manager, Bill Pollock.

Another special vote of thanks to our interpreters, Helen Kaps and Carol Walters, who have again done such an outstanding job and who not only speak fluent French and fluent English, but also fluent housing, which is not an easy language.

I want to thank U. S. Ambassador Gordon and his staff for all their help and hospitality and the assistance we received from the Embassy staff.

I want to thank my colleagues from USAID who worked long and hard to put the pieces together, especially Pamela Hussey and Bessy Kong, and the conference coordinators, Jim Upchurch and Bob Merrill.

Finally, I would like to thank all of you for your active participation as speakers, rapporteurs and discussants. Attendance was close to 100% throughout the week, despite the temperature, the lack of air-conditioning and the temptation of the beach.

In my opening remarks, I said that I, for one, am an optimist; that I believe that the awesome problems with which we grapple are resolvable, although a great effort is required on a sustained basis.

The work we have done this week has strengthened that optimism. I think the high quality of the African leadership present at this meeting is obvious to all. The papers presented and the ensuing discussion show how well the problems have been analyzed, and what significant steps are already being taken to come to grips with the problem.

We have reached consensus on some issues, with almost everyone agreeing on the appropriate course of action. With other issues, there is disagreement. This is as it should be. In my opening remarks I noted that we should take the experience of others and adapt it in accordance with our own culture and priorities. Certainly AID claims no monopoly on wisdom.

I do not mean to minimize the task before us; however, I am very proud to be associated with you, and I know this conference will indeed assist us as we go back home to continue our work.

This conference is now closed.

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COUNTRY PRESENTATIONS

Peter Kimm chaired the country presentations and summary reports session, prior to which he announced that Botswana had offered to host next year's conference, the 8th Conference on Housing in Africa. Following this announcement all 22 participating countries and most of the observing international organizations made brief presentations ranging from summary overviews of their respective low-cost shelter porgrams, with detailed project information, to brief closings and protocol remarks. These presentations indicated clearly that the developing African countries have not escaped the problems caused by rapid urbanization and that the practical nature of this conference and its emphasis on small groups allowed intensive discussions and exchange of ideas and experience among the delegates. It was also commented that the sharing of common problems and search for solutions through these conferences fostered a spirit of understanding among the African countries represented.

Keynote to each presentation was a special recognition of the superb hospitality extended by the Government of Mauritius and the excellent facilities and services provided by the La Pirogue management and staff. Appreciation was also extended to USAID for once again co-hosting the annual Conference on Housing in Africa.

Top: Mr. Samuel B. Falegan head of Nigeria delegation (left) and Mr. Boubakar Bako representing Niger (right) attend a plenary session. Bottom: Representatives from Kenya, Sudan, Egypt, Liberia, Mauritius, USAID Office of Housing, and others participate in discussion group.

LIST OF PARTICIPANTS

HOST: Government of Mauritius

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Miss Bessy Kong, Office of Housing

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Mr. Douglas Richardson, General Manager, Botswana Housing Corporation
Mr. Bernard G. Sesinyii, Town Clerk, Selebi-Phikwe Town Council
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