

APPENDIX TO IPUP PROJECT PAPER

AN OVERVIEW OF DATA NEEDS AND
DATA COLLECTION FOR INTEGRATED PROGRAMS
FOR THE URBAN POOR (IPUP) PROJECTS

Prepared for:

Office of Urban Development
and
Office of Housing
Agency for International Development
Washington, D.C.

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PLANNING AND DEVELOPMENT COLLABORATIVE INTERNATIONAL

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May 31, 1978

Mr. William Miner
Office of Urban Development
Agency for International
Development
Washington, D.C.

Dear Mr. Miner:

PADCO is pleased to submit this paper under Contract AID/otr-C-1627, Work Order No.5. This paper draws on PADCO's experience and upon techniques developed in several different planning projects by PADCO in the developing countries.

The paper has been prepared for use as an appendix to the IPUP Project Paper. It outlines the use of three different techniques for data collection: 1) secondary source surveys; 2) the interpretation of aerial photographs; and 3) selective field surveys. It explains how data from these sources can be combined and used for project identification and appraisal in integrated programs for the urban poor (IPUP) projects. It also interprets how the Guidelines for Formulating Projects to Benefit the Urban Poor in the Developing Countries can be used in this process.

The exact procedures which should be used for data collection and analysis will, of course, vary from city to city, depending on the existing data base and the types of projects under consideration. The general methodology described here has been prepared in such a manner that its elements should be adaptable to the needs of most IPUP projects.

Sincerely,

James O. Wright, Jr.
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Senior Economist

JOW/dmc

P A D C O

AN INTERNATIONAL COLLABORATIVE FORMED TO PROVIDE GOVERNMENTS AND PRIVATE CLIENTS IN AFRICA, ASIA, LATIN AMERICA AND THE NEAR EAST WITH INTEGRATED RESEARCH, PLANNING AND MANAGEMENT SERVICES FOR URBAN AND RURAL DEVELOPMENT.

AN OVERVIEW OF DATA NEEDS AND DATA COLLECTION
FOR INTEGRATED PROGRAMS FOR THE URBAN
POOR (IPUP) PROJECTS

The purpose of this appendix to the project paper is to highlight the means by which data can be collected and analyzed as part of ongoing IPUP efforts. This appendix draws from methodologies developed by PADCO in several different developing countries. It also draws from the Guidelines for Formulating Projects to Benefit the Urban Poor in the Developing Countries* and interprets how these guidelines can be used to identify and appraise IPUP projects.

The design of successful IPUP programs requires a comprehensive review of urban social and economic conditions and of existing delivery systems for shelter, infrastructure, and social services. This information should be analyzed to determine target group characteristics and needs, to identify the priorities and goals for those groups, and to identify appropriate projects and policies for them.

Figure I illustrates the methodology suggested for IPUP project formulation, from the initial gathering and interpretation of data to project and policy formulation. Data is to be collected through a combination of national and local secondary source surveys of service needs, delivery systems and utilization (boxes 1-6); selected field surveys (boxes 7-9); and the interpretation of aerial photographs (boxes 10-18). The information thus collected is to be combined in several analyses, as described below, to profile target groups and to develop appropriate goals, projects and policies for them (boxes 19-23). Figure I also shows how the Guidelines for Formulating Projects to Benefit the Urban Poor in the Developing Countries can be used in the project formulation process. The guidelines can be especially useful for the activities described in boxes 19 through 23.

Many of the specific details of the methodology are beyond the scope of this appendix. However, reference will be made to more thorough explanations and examples both in the guidelines and in other documents.

*PADCO, Inc., Guidelines for Formulating Projects to Benefit the Urban Poor in the Developing Countries. Prepared for the Office of Urban Development, AID, Washington, D.C., April 1976. These guidelines are currently being edited for publication by Praeger Publishers in book form. It will be part of the Praeger Special Studies Series and will be called Urban Action in the Third World: Guidelines for the Formulation of Projects.

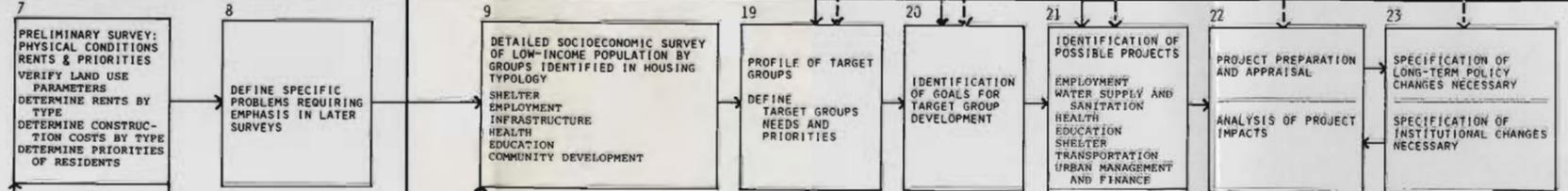
FIGURE I:
THE PREPARATION OF IPUP PROJECTS AND THE USE OF THE
GUIDELINES FOR FORMULATING PROJECTS TO BENEFIT THE
URBAN POOR

NATIONAL/LOCAL SURVEY
OF SERVICE NEEDS,
DELIVERY SYSTEMS, AND
UTILIZATION

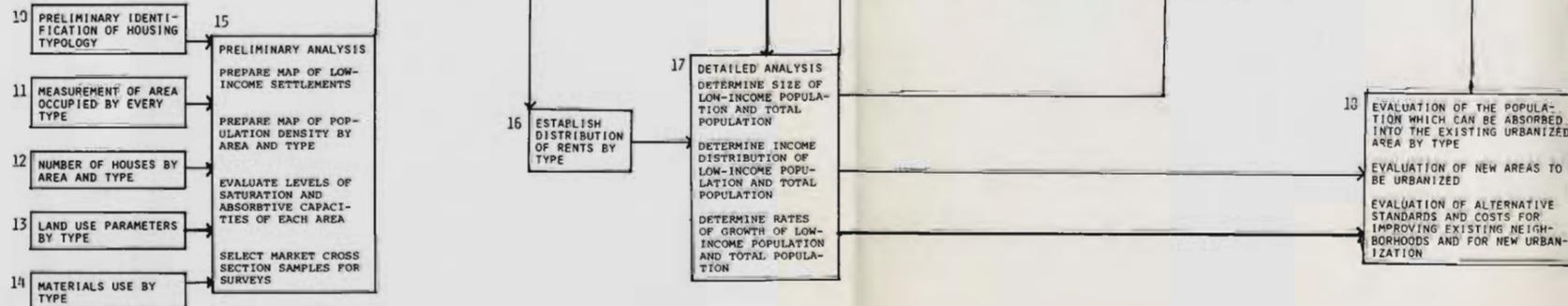
- 1 DEMOGRAPHIC/SOCIAL CONDITIONS
NATIONAL/LOCAL POPULATION GROWTH; RURAL-URBAN MIGRATION
SOCIAL AND CULTURAL CHARACTERISTICS; FAMILY SIZE; SPECIFIC
DEMOGRAPHIC CHARACTERISTICS OF LOW-INCOME POPULATION.
HEALTH CONDITIONS; EDUCATION; COMMUNITY ORGANIZATION
- 2 ECONOMIC CONDITIONS
MACROECONOMIC PERFORMANCE
URBAN INCOME DISTRIBUTIONS
URBAN EXPENDITURE PATTERNS
EMPLOYMENT
- FORMAL AND INFORMAL SECTOR
- UNEMPLOYMENT AND UNDEREMPLOYMENT
- SPATIAL PATTERNS IN SMALL SCALE ENTERPRISE
- MARKETING, CREDIT, AND OTHER CONSTRAINTS OF SMALL-SCALE
AND LABOR INTENSIVE ENTERPRISES
- 3 SHELTER CONDITIONS OF THE URBAN POOR
HOUSING STOCK
EXISTING INFRASTRUCTURE AND URBAN SERVICES
SETTLEMENT PATTERNS
- 4 SHELTER DELIVERY SYSTEMS
LAND MARKETS, LAND TENURE
CONSTRUCTION TECHNOLOGY, LABOR, MANAGEMENT
BUILDING MATERIALS
FINANCING OF HOUSING AND INFRASTRUCTURE: FORMAL AND INFORMAL
INSTITUTIONS IN THE FIELD OF HOUSING AND RELATED INFRASTRUCTURE
LEGISLATION GOVERNING HUMAN SETTLEMENT, E.G. ZONING, RENT
CONTROL, TITLE REGISTRATION
MAJOR CONSTRAINTS
- 5 HEALTH DELIVERY SYSTEM
EXISTING PROGRAMS FOR PREVENTIVE AND CURATIVE CARE FOR THE
URBAN POOR
INSTITUTIONS
MEANS OF FINANCING (PUBLIC OR PRIVATE)
COVERAGE, PRINCIPAL CONSTRAINTS
- 6 EDUCATION DELIVERY SYSTEM
EXISTING FORMAL AND INFORMAL PROGRAMS FOR URBAN POOR
INSTITUTIONS
MEANS OF FINANCING
COVERAGE, PRINCIPAL CONSTRAINTS

URBAN POOR PROJECT GUIDELINES

FIELD SURVEYS AND
PROJECT
DEVELOPMENT



INTERPRETATION OF
AERIAL
PHOTOGRAPHS



LEGEND

- Indicates order of data analysis and project formulation.
- - - - Indicates points at which the guidelines can best be used.

National/Local Survey of Service
Needs and Delivery Systems

Demographic, Social, Economic
and Shelter Conditions

FIGURE I, Boxes 1-3

Much of this information is already collected for AID housing guaranty (HG) shelter sector assessments (SSAs). SSAs call for a review of demographic, social, economic, and shelter conditions; especially those of low-income groups. The precise details required for this assessment are outlined in other publications.* The expanded survey of social conditions for IPUP purposes should include more detailed information on health conditions and on the education and skill levels of the low-income population.

Much of the information required for the survey of existing conditions and delivery systems will be available from existing secondary sources. Census data and special surveys may be useful and are sometimes essential. Frequently, international agencies, universities or volunteer organizations have undertaken research or specialized studies which can be used. Local health and family planning officials may have reliable health data. Education and labor officials can be useful sources of information on learning and skill levels. In any case, it is important to fully exhaust existing secondary source materials and to utilize local experts before undertaking expensive and time-consuming field surveys.

In the survey of economic conditions one area in particular may have to be expanded beyond the scope normally covered in SSAs. Information on employment should be expanded as a foundation for potential employment generation projects. If available, information should be gathered on current formal and informal sector employment, unemployment, and underemployment. Studies or specialized surveys may be available on these and other aspects of low-income employment. It is important to know the spatial patterns and space needs of low-income employment. The markets for the products of small-scale and labor-intensive enterprises must be analyzed to see how they can be expanded and what skills, credit, technical

*For further detail see Guidelines for Preparing a Shelter Sector Assessment, SER/H Manual Order 44-1, September 20, 1977.

assistance, equipment, space, and infrastructure will be required to support this expansion. Information in these areas may be lacking and may have to be gathered in field surveys.

Delivery Systems for Shelter,
Health and Education
FIGURE I, Boxes 4-6

SSAs detail the elements of the shelter delivery system which should be investigated. These include land markets and the land tenure system, construction technology, labor and management, building materials use, the financing of housing and related infrastructure, institutional relationships, legislation governing shelter and human settlement, and major constraints in the shelter delivery system. The informal shelter delivery system should also be investigated. Much of this information can be gathered from existing sources, especially from institutions and local experts working in the field. Useful information on the informal housing delivery system may be especially difficult to find, however.

Additional information on social sector delivery systems is needed to plan more comprehensive IPUP programs. Information is needed on existing health delivery systems and systems for pre- and postnatal care and family planning. The relative emphasis of curative versus preventive programs should be assessed as well as the effectiveness of health delivery institutions. The particular impact of the health care system on poverty groups should be analyzed. This should be in the context of other sector programs related to health including water supply, sanitation, and housing. The potential for new health care programs in low-income neighborhoods should be assessed.

Existing formal and informal education programs for the urban poor should be analyzed including the adequacy of existing facilities and institutions, the impact of formal education on poverty groups, and the relevance of curricula for low-income groups. The efficiency of nonformal education programs in health, sanitation, and family planning should be evaluated. Adult remedial education as well as on- and off-the-job vocational education should be examined. The potential for new education programs for low-income groups should be assessed.

Additional Information Which
May be Necessary
FIGURE I, Boxes 1-6

The categories do not necessarily exhaust the secondary source survey requirements for developing IPUP projects. Other types of projects may be appropriate. In some cases governments or international assistance agencies may have already assigned priorities to certain sectors. Available financing may be limited to certain sectors. Programs in additional sectors -- such as transportation, communication, environmental protection, food supply and nutrition, public safety, disaster relief, solid waste removal, or urban management -- may also be important to priority poverty groups. In those cases, the survey can be expanded according to specific needs.

Interpretation of Aerial
Photographs and Field Surveys

In almost all cases, information from the national and local level surveys will have to be complemented by new information on the target group. For example, some housing stock data is frequently available but correlated with incomes or expenditures. Additional information is usually necessary to provide a useful format for project formulation. The amount of new information required will depend on the degree of detail achievable in the secondary source survey and the types of projects being considered.

Interpretation of Aerial Photographs*
FIGURE I, Boxes 10-18

The interpretation of aerial photographs together with selected field sample surveys have proven to be an excellent way to generate a citywide data base quickly for the development of shelter and related projects for low-income groups.

*PADCO is planning to undertake preparation of a detailed manual on the interpretation of aerial photographs for the analysis of low-income urban areas by the end of 1978.

First, aerial photographs of the city are to be prepared if recent ones do not already exist. A scale of 1:8,000 enlarged to 1:4,000 would be appropriate for analysis in most situations. The photographs are analyzed to identify a housing settlement typology to be used as a basis for subsequent field investigation of household characteristics. Most cities have identifiable areas with reasonably homogeneous house types and socioeconomic characteristics.

This is especially true in developing countries where squatter areas and other densely settled low-income areas are easily visible. The area occupied by each type should be measured, the number of houses in each type counted, and the land use parameters (lot size, street width, etc.) and construction materials prevalent in each area should be observed. The materials used for roofs can be easily identified from aerial photographs. Sometimes the sides of houses can also be identified. In any case, there is usually a high correlation between roof types and other construction materials used. This can be identified with limited field checking.

Next, maps should be prepared of the low-income settlements identified and of population density by area and housing type. Population density will have to be estimated initially from existing data on families per dwelling and persons per family by income group. This can then be cross-checked in field sampling. The degree of saturation, i.e. the extent to which available land is occupied, should be identified in each area of the city along with the capacity of each area to accommodate additional housing. Finally, a limited number of houses within each area should be identified for sample field surveys. The entire analysis to this point can be accomplished for a city of one million inhabitants by a team of six persons (three skilled technicians, three trainees), in three to four weeks if satisfactory aerial photographs are available.*

*See Plan de Developpement de Port-au-Prince et de sa Region Metropolitaine. Projet Nations Unies HAI/77/R-40. Volume I: Plan d'Ensemble, Annex Methodologique. (New York: United Nations, 1977). PADCO is currently applying this methodology in Yaounde, Cameroon and in Santo Domingo, Dominican Republic.

Preliminary Field Survey
FIGURE I, Box 7

A small field survey of physical conditions and rents (or imputed rents) should be carried out on the samples selected above. The samples can be small in number, because they are selected to be representative of the identified housing typologies. The information gathered on land use parameters, rents, and construction costs should be fairly representative because each housing type represents a homogeneous market area. The results from a small sample (10 to 20 per type) can be quickly extrapolated to an entire city.* Initial information can also be gathered at this stage on residents' priorities for development projects.

The results of the preliminary survey should be used to define some of the specific problems requiring further investigation in the more detailed survey (Figure I, box 18). The rent data can be combined with the housing typology to establish a distribution of rents by housing type (Figure I, box 16). Data on the percentage of household incomes and expenditures used for rent at various income levels are available in most countries. Where this is not available or reliable, it can be estimated and cross-checked in field surveys. This information can be used to convert the rent distribution into an estimated distribution of household incomes or expenditures. By combining the housing typology of the above results with demographic data (e.g. household size, occupants per house, population growth, migration) from the secondary source survey, the size of the total population, the size of the low-income population, and their relative rates of growth can be estimated (Figure I, box 17). This entire process can be accomplished in a city of one million with a staff of six in three to four weeks.

*The results will, of course, be subject to a margin of error, but they will yield adequate data for project planning purposes.

Detailed Socioeconomic Survey
of the Low-Income Population
Figure I, Box 9

At this point considerable useful information should have already been collected for IPUP project formulation including the size, growth rates, housing conditions, and income levels of the target population. Further detailed information on socioeconomic conditions is likely to be necessary prior to establishing target group profiles and proceeding with project identification.

A profiling of low-income target groups and the definition of their unmet needs and priorities for development should be the main product of additional field surveys. Some of the information gathered from secondary sources and from the analysis of aerial photographs will also be directly useful for this purpose.

Profiling Target Groups

Three basic types of target groups can be identified for project planning.* Each type will require different types of projects to meet its residents' needs.

Disadvantaged or handicapped households -- people who have little ability to improve their own conditions and who cannot readily benefit from traditional government assistance programs.

Potentially mobile households -- people who could improve their own conditions if provided with initial public support.

Already mobile households -- although still poor, people in this group have already demonstrated the capacity for continued self-improvement.

*Material in this section is excerpted from Social and Economic Components in Support of Housing Guaranty Projects (PADCO, October, 1976) and from Socioeconomic Survey Guidelines for Mellassine (PADCO, May 1977).

Information should be collected in the following categories if not already available, so that identification can be made of subgroups within the urban poor (disadvantaged, potentially mobile, and already mobile) and so they can be grouped according to their particular needs. The detailed socioeconomic survey should have a larger sample than the preliminary survey, but its size can be limited by choosing samples from each housing type.*

Human Capacity. Human capacity, the ability to engage in productive work, is measured with the following indices:

Rates of unemployment and underemployment.

Self-help spirit as demonstrated by a community's contributions to its own betterment.

Education skills as measured by school grade levels achieved by the adult population and existing literacy standards.

Vocational skills (clerical, skilled labor, craftsman, etc.)

Household Income. The range and distribution of incomes is an important indicator of households' abilities to take advantage of improvement projects. Household expenditure data may be easier to ascertain and will itself be useful information. In some cases it may be more accurate than income data.

Control of Capital Assets. Household assets are a good indicator of the priorities families have for future socioeconomic development.

Home Ownership. Renters should be distinguished from home owners. Owners should be further distinguished according to those who bought homes, built them, inherited them, or occupied them through some other means.

Ownership of personal property such as radios, watches, and bicycles.

Ownership and control of businesses.

*Examples of survey questions for gathering this information are given in Socioeconomic Survey Guidelines for Mellasine, Appendix I. PADCO, May 1977.

Ownership or control of land. Households who have no secure tenure should be distinguished from those with no chance of securing tenure and those with some potential for negotiating secure tenure in the future.

Access to Credit. Households may have no access to formal credit but some access to informal loans from family, friends, or moneylenders. Some households have no recourse to credit at all.

Permanence/Stability. It is necessary to differentiate between stable residents with a sense of commitment to the urban area and unstable residents who view their stay as temporary. The latter may be more interested in spending and investing in rural areas and eventually returning to those areas. They have little incentive to invest in cities or to find permanent employment and will require different types of shelter programs and social service support.

Figure II shows how the data from this part of the survey can be used to classify target groups. It is intended as illustrative; the precise classification of poverty groups will depend on local conditions. Some subjective judgment and rough estimating will have to be used to classify the target population.

Priorities for Socioeconomic Development

The survey should give respondents the opportunity to list their own priorities for social and economic development. Families can list those factors with which they are most concerned and which most inhibit their development.

Availability of IPUP Program Components

The current availability and utilization of services must be assessed to determine deficits. Information of the following types is required.

Health Care. Information is required on the availability and utilization of health care facilities and services. Such services include maternal and child care, family planning, nutritional information, vaccinations, rodent and pest control, and first aid.

FIGURE II

Sample Framework for Identification of Target Groups

Target Group Characteristics	Target Groups			Relevant Indicator
	Disadvantaged Households	Potentially Mobile Households	Already Mobile Households	
Human Capacity:				
Unemployment/underemployment	High	High-medium	Medium-low	Percentage labor force unemployed
Community effort	Low	Medium-high	High	Percentage in self-help projects
Educational skills	Low	Medium-high	Medium-high	Grade level attained by adults
Vocational skills	Low	Medium-high	High	Percentage labor force with skills
Household Income	Very low	Low-stationary	Low-improving	Monetary value
Control of Capital Assets:				
Home ownership	Minimal	Minimal-partial	Partial-high	Percentage households owning home
Personal property	Minimal	Minimal-some	Some	Ownership of household items
Businesses	Minimal	Some	Some-a lot	Ownership of businesses
Land tenure	None	None-partial	None-permanent	Category of tenure
Access to Credit	None or informal	None or informal	Informal-formal	Percentage of households with loans by type
Permanence/Stability:*				
Migration	High	High-medium	Low	Length of time in area/intention remain in city
Social	Unorganized	Partially organized	Organized	Group affinity and associations

NOTE: *In a recent study it was emphasized that many new migrants already have a high degree of social mobility. (See Sally Findley, Planning for Internal Migration. U.S. Department of Commerce, Bureau of the Census, GPO, Washington, D.C., 1977.) The main concern here is to measure the intent of households to stay and invest in cities.

SOURCE: PADCO, Inc., Toward a National Policy for a Kampung Improvement Program, Directorate General Cipta Karya and United Nations, May 1976, p.103.

Educational Opportunities. Information is required on the availability and utilization of schools and classrooms per school age population. Accessibility to supplementary educational programs (adult literacy, preschool learning, day care, etc.) should also be assessed. Informal private education may also be important and should be assessed.

Community Development. The availability of community organization programs and facilities should be examined. Program types include family guidance counseling, provision of recreational and other community facilities, civic participation, and local self-help.

Employment Generation and Income Enhancement. Information should be gathered on current assistance to small enterprises through means such as the provision of technical support, industrial/commercial space, infrastructure, and credit. The availability of vocational and on-the-job training programs should also be assessed. The assessment of the needs of small enterprises in low-income areas and of current programs to assist them may require a separate survey sampling of small-scale entrepreneurs.

Employment generation programs may require additional specialized surveys such as surveys of the marketing potential for products of labor-intensive industry. Labor-intensive employment is not found exclusively within low-income settlements nor in small-scale informal enterprises. It may therefore be necessary to survey enterprises outside low-income communities. Some of these may be large-scale formal-sector enterprises which intensively use unskilled labor.

Other Possible IPUP Program Components. Depending on the types of IPUP projects being considered and the amount of information already available, it may be necessary to survey residents on the availability of a number of other possible program components. These include: transportation, communication, environmental protection, food supply, nutrition, public safety, legal assistance, and disaster prevention.

The Use of the Urban Poor Project Guidelines in the Development of IPUP Projects

After the initial collection and analysis of data, the Guidelines for Formulating Projects to Benefit the Urban Poor in the Developing Countries can be a useful tool in IPUP project identification and appraisal.

Profile of Target Groups

FIGURE I, Box 19

The guidelines suggest a somewhat more detailed methodology for target group evaluation than the one outlined above. Its use may be preferable in some circumstances. Poverty groups are considered in terms of: 1) their levels of current consumption and prospects for improving those levels; 2) the extent to which they already control and can be expected to control capital assets that could provide a basis for future consumption; and 3) their territorial orientation. The classification is intended to be dynamic, indicating not only present conditions but also prospects for changes in those conditions if no projects are undertaken. Chapter II of the guidelines outlines how households can be classified according to their consumption levels, assets, and territorial orientation and how this can be used to identify project opportunities.

Identification of Goals for Target Group Development

FIGURE I, Box 20

The guidelines suggest two fundamental goals for projects to benefit the urban poor: 1) the achievement of higher levels of essential consumption; and 2) the achievement of greater equity in the distribution of essential consumption. The term "consumption" is used in a broad sense to encompass all of the types of essential services which contribute to desirable living conditions -- including food, water, sanitation, fuel, electricity, clothing, shelter, essential information, recreation, and opportunities for participation in decisions that affect a person's future. Trade-offs must be made continually between increases in current consumption and the accumulation of human and physical capital necessary for increases in future consumption.

Another important goal is to reduce the levels of risk faced by the poor. Risks include physical risks from possible flooding or demolition, health risks from poor sanitation and medical care, and economic risks from uncertain employment and income sources.

Increases in consumption and assets by the urban poor should be the basic goals of project formulation. Thus, many measures such as improvements in employment or the achievement of a more equitable tax structure are really intermediate project purposes or instruments for achieving the more basic goals.

Chapter III of the guidelines discusses how goals can be formulated for target groups with specific needs. In Part IV of the guidelines the goals to which projects in each sector contribute are presented. These can be used to formulate more specific sector and project goals for target groups with particular deficits.

Identification of Possible Projects

FIGURE I, Box 21

The principal concern in project identification is to identify at least one project that will have a high probability of benefiting specified urban poverty groups. A sufficient number of alternative projects should be explored which have a reasonable probability of contributing to the specified goals.

The guidelines are especially useful as a tool in project identification. In Part II: Project Opportunities, the various types and subtypes of projects with potentially high benefits for the urban poor are listed. Specific examples are given for each type of project. This section is especially useful for the preliminary identification of potentially feasible projects by project officers who lack in-depth experience in each sector.

Part IV gives an outline of the types of projects to be considered in each sector which can be used to quickly identify project alternatives.

As indicated in Figure I, box 18, the information obtained in the interpretation and analysis of aerial photographs will also be useful for project identification. This is especially true for shelter projects. The analysis of the growth of the low-income population and the potential growth and densification of existing low-income settlements will facilitate the selection of an appropriate mix of community upgrading and sites and services projects. The information collected on materials usage can also be useful in evaluating alternative standards and costs for urban upgrading and sites and services projects.

Project Preparation and Appraisal and the Analysis of Project Impacts

FIGURE I, Box 22

In the project preparation and appraisal stages there should be a thorough analysis of the impacts of proposed

projects on the target groups and other groups. Chapter XII of the guidelines describes the use of impact analysis as a tool for identifying the effects of proposed projects on target groups, goals, and other variables. Projects can have impacts on the current consumption of the urban poor as well as on their accumulation of assets. In Chapter XII there is also a discussion of the ways in which impacts occur, the timing of impacts, and the level of detail to which impact analysis should be carried.

In Part IV the potential impacts (benefits and disbenefits) of each type of project are presented. For example, the benefits for the poor of reducing losses in existing water systems are increased consumption (increasing the consumption of safe water), capital accumulation (e.g. increased property values) and reduced risk (e.g. health risk). Disbenefits include reduced incomes for low-income households who previously earned money from water carrying. The lists of possible impacts in Part IV are not exhaustive, but they should alert project officers to the principal impacts on low-income groups which should be considered.

Part IV also lists the other likely impacts of projects in each sector on groups other than low-income groups. The list alerts the project officer to a range of possible consequences (benefits and disbenefits) for groups outside the target group. For example, water projects for low-income groups can also improve health conditions for higher income groups by reducing disease levels and the risk of epidemics. Water pricing reforms may require higher-income groups to pay higher user charges.

The guidelines point out that all impacts cannot be reduced to a single dimension and that many are not easily quantifiable. Because of this, the best that can be done in most cases is to organize listings of the various types of expected quantitative and qualitative impacts and identify the particular target groups likely to be impacted.

The guidelines do not contain all the techniques necessary for thorough project evaluation. For example, they do not discuss the use of cost-benefit analyses. The impact analysis methodology proposed in the guidelines is intended to supplement other well-established techniques by quickly identifying the impacts of proposed projects on the urban poor and on other groups.

Specification of Necessary
Policy and Institutional Changes

FIGURE I, Box 23

Individual projects often cannot be fully effective in benefiting the poor unless they are supported by appropriate basic policies. For example, projects which are intended to incorporate labor-intensive technologies are unlikely to be fully effective if national import regulations, industrial incentives, and minimum wage laws make capital-intensive investments too attractive. The principal types of policies which may be necessary for projects in each sector are presented in Part II of the guidelines.

In addition to basic policy changes, some projects may require action in other sectors other than their own if they are to be fully effective. For example, housing projects can require extensions of water and sewerage facilities or of public transport facilities. The main such complementary actions which may have to be considered for each sector are discussed in Part II of the guidelines and are listed for easy reference in Part IV.

Some institutional changes may be necessary for projects to be fully effective. For example, to implement educational projects it might be necessary to change the way the educational system is administered or the way educational programs are financed. Part II of the guidelines lists the principal institutional changes which may have to be considered in each sector. It also discusses the potential for participation in project planning, financing, and implementation by the urban poor themselves.

The feedback in Figure I from the identification of policy and institutional changes to project preparation and appraisal should be noted. It is frequently necessary and desirable to formulate long-range policies prior to project formulation.

Conclusions

This paper has outlined how three data collection techniques can be used to produce a sufficient data base for IPUP activities. It suggests how data from the three sources can be combined and used for project identification and appraisal.

The use of these data-gathering techniques requires experienced professionals with sound judgment. The combined

techniques will be subject to a margin of error, but they have the advantage of being faster than more detailed survey techniques while still yielding results which are precise enough for project formulation. Furthermore, the techniques yield data in the format required for project formulation; this is not the case with much census and survey data.

The process outlined in this paper must, of course, be adapted to the characteristics of individual local situations. It has already been used with some adaptation in several developing countries. The process outlined is mainly intended to assess demand conditions for IPUP activities. It enables the project planner to understand the needs and effective demands of the different subgroups within the target population. Further sector-specific expertise and information will usually be required to design the details of the projects to be supplied.