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# LOCAL DEVELOPMENT II URBAN PROJECT

Submitted to

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Submitted by

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in association with

PUBLIC ADMINISTRATION SERVICE  
DEVELOPMENT CONSULTING OFFICE

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**LAND MANAGEMENT  
BACKGROUND REPORT  
ON THE HELWAN  
AND ISMAILIA LAND DEVELOPMENT  
AND COMMUNITY UPGRADING PROJECT EXPERIENCES  
IN EGYPT**

**Prepared For  
The United States Agency For International Development (USAID)  
And  
The Government of Egypt (GOE)**

**September, 1990**

## TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
<b>I</b>	
<b>INTRODUCTION AND PURPOSE</b>	<b>1</b>
1.0 Introduction	
1.0.1 Partnership of Public/Private Sectors and Cost Recovery	1
1.0.2 Local Resource Mobilization Using Land As An Asset	3
1.0.3 Decentralization and Need for Land Management Organizations	4
1.0.4 The Land Management Unit (LMU) Versus Project Implementation Unit (PIU)	4
1.1 Report Purpose and Organization	5
1.2 Acknowledgements	7
1.2.1 USAID Representatives	8
1.2.2 LD-II Urban Land Management Staff	8
1.2.3 Ismailia Officials	8
1.2.4 Resource Documents	9
<b>II</b>	
<b>THE HELWAN EXPERIENCE</b>	<b>11</b>
2.0 Background	11
2.1 The Helwan New Community	11
2.1.1 Project Profile and Physical Planning Background	11
2.1.2 New Community Institutional and Operating Framework	13
2.1.3 Community Participation Issues	15
2.1.4 Lessons Learned From The Helwan New Community	18
2.2 Helwan Community Upgrading Program	18
2.2.1 Upgrading Project Profile and Planning Background	18
2.2.2 The Legal/Institutional Framework (Community Upgrading Program)	37
2.2.3 Helwan Community Upgrading Program Organization and Operating Framework Issues	37
2.2.4 Helwan Project Upgrading Community Participation Issues	44
2.2.5 Helwan Community Upgrading Program Lessons Learned	46

## TABLE OF CONTENTS

<u>Section</u>		<u>Page</u>
<b>II</b>	<b>THE HELWAN EXPERIENCE (Cont'd)</b>	
2.3	Roil of Consultants/Contractors/Outside Donors and Entities (Both Projects)	47
2.3.1	Consultants	47
2.3.2	Credit Foncier Egyptian (CFF)	48
2.3.3	Contractor Firms	48
2.3.4	Consultant Assistance to EAJP Executive Agency For Joint Projects	48
<b>III</b>	<b>THE ISMAILIA EXPERIENCE</b>	49
3.0	Background	49
3.0.1	Establishment of the Ismailia Planning and Development Agency (IPADA) and Other Projects	49
3.0.2	Purpose of IPADA	49
3.0.3	Recent Developments	49
3.0.4	Overview of Selected Projects Under the Ismailia Experience	50
3.1	Project Profits and Background Summaries	50
3.1.1	The Hai El Salaam and Abu Atwa Projects	50
3.1.2	Project Implementation (Hai El Salaam Project)	51
3.1.3	The Ismailia Planning and Development Agency	57
3.1.4	The Industrial Area Project Profile and Background	59
3.2	Legal/Insitutional and Accounting Framework of Ismailia Projects	60
3.2.1	Legal/Institutional Framework	60
3.2.2	Accounting Framework	61
3.3	Ismailia Project Organization and Operating Framework	62
3.3.1	Project Organization	62
3.3.2	Project Contracting Authority and Ability to Raise Revenues From Services	63
3.3.3	Project Implementation Procedures	64
3.3.4	The Ismailia Planning and Development Agency	65

## TABLE OF CONTENTS

<u>Section</u>		<u>page</u>
<b>III</b>	<b>THE ISMAILIA EXPERIENCE (Cont'd)</b>	
	3.3.5 Project Implementation Conditions	70
	3.3.6 Project Administration of El Hekr (Hai El Salaam) Project as Proposed By the Consultants to Ismailia	74
	3.4 Community Participation Issues in Ismailia Projects	76
	3.5 Role of Consultants/Contractors/ Outside Donors	79
	3.6 Lessons Learned and Recommendations Based on the Ismailia Experience	81
	3.6.1 Requiring Adequate Time for Institution Building	81
	3.6.2 Ismailia Planning and Development Agency as a Demonstration Project and Training Resource	81
	3.6.3 Strengthening Capacity of Local Government in Ismailia to Plan and Implement Development	81
	3.6.4 Training	82
	3.6.5 Lessons for Institution Building	84
<b>IV</b>	<b>RECOMMENDATIONS</b>	86
	4.0 Organization Format	86
	4.1 Summary of Lessons Learned	86
	4.1.1 Definition of Projects and Community Participation	86
	4.1.2 Allocation of Land Resources and Functions of Land Management Organizations	86
	4.1.3 Conditions of Land Sales and Affordability Issues	87
	4.1.4 Project Costs and Delays	87

## TABLE OF CONTENTS

<u>Section</u>		<u>Page</u>
IV	<b>RECOMMENDATIONS (Cont'd)</b>	
4.2	<u>Step By Step Process of Project Identification and Design</u>	87
4.2.1	Identification of Governorates Lands in Relation to Defining Community Upgrading Versus New Lands Development Projects	87
4.2.2	Identification of Target Beneficiaries; Their Needs, Priorities, and Costs Through Community Participation	88
4.2.3	Issuance of Appropriate Decrees and Governor's Orders	89
4.2.4	Demonstration Project Development and Financial Plans	90
4.2.5	Current and Five Year Office Operating Budgets	91
4.3	Sample Project Decrees and Governors Orders Based on the Ismailia Experience	92

## TABLE OF CONTENTS

### TABLES

<u>Table No.</u>		<u>Page</u>
1	Different Policies for Recoverable Cost	2
2	Comparison of Cost For Owner Program Versus Government Built Flats	14
3	Helwan New Community Report and Rate of Occupancy	19
4	Helwan New Community Construction Progress and Report Summary	20
5	Total Cost of Upgrading Improvements	22
6	Cost/Meter	23
7	Areas Description of Upgrading Communities Areas	24
8	Cost by Area Served	25
9	Cost Per Capita	26
10	Summary/and Unit Costs of Proposed Helwan Community Upgrading Standards	28
10	(Cont'd)	29
10	(Cont'd)	30
10	(Cont'd)	31
10	(Cont'd)	32
11	Fact Sheet: Hai El Salaam (El Hekr) Project (As of 1980)	52
12	Status of Land Sales by Auction Concession Plots In the Hai El Salaam Project	56
1	Statement of Investment Revenues And Expenditures For The Period 7/1/87 To 3/31/80	67
1	(Cont'd)	68
2	Balance Sheet As of June 30, 1988	69

## TABLE OF CONTENTS

### FIGURES

<u>Figure No.</u>		<u>Follows Page</u>
1	Helwan New Community	11
2	General Site Layout of Helwan Community and Type of Plots Provided	11
3	Helwan Community Upgrading Project Locations	21
4	Street and Pathway Costs Related to Population Density	27
5	Water Supply Costs Related to Population Density	27
6	Sewage Disposal Costs Related to Population Density	27
7	Location of Hai El Salaam and Abu Atwa Project in Ismailia Governorate	50
8	Hai El Salaam Project Area	50
9	Abu Atwa Project Area	50
10	Organization Structure	62

### APPENDICES

APPENDIX A: ISMAILIA PROJECT DECREES AND GOVERNORS ORDERS A1-A17

APPENDIX B: RESOURCE DOCUMENTS/ ARTICLES / REPORTS B1-B2

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## Section I

### INTRODUCTION AND PURPOSE

#### 1.0 Introduction

Implementation of various projects involving land and housing markets in Egypt has been accomplished with mixed results and many lessons learned. This is particularly relevant when cost-recovery strategies involving informal or squatter settlements are programmed as project objectives. Other projects have been implemented for non-residential land uses including industrial and commercial property. Successful projects that recover annual operating costs and expenses to service sites for private sector companies have been implemented in Egypt for industrial zones.

**1.0.1 Partnership of Public/Private Sectors and Cost Recovery** - Partnership of the public and private sectors and involvement of informal (squatter) communities is not therefore new to Egypt when designing and implementing new lands development and community upgrading projects. This experience has varied widely but has been most successful where key Egyptian decisionmakers and officials have appreciated the necessity to minimize external donor subsidies to implement projects.

Different policies for implementing recoverable project costs have been realized in the Helwan New Community and Housing Upgrading Projects; the Manshiet Nasser World Bank Community Upgrading Project in Cairo Governorate; the Hai El Salaam and Abu Atwa Community Upgrading Projects in Ismailia; and in Aswan, with the Nassriya Community Upgrading Project. Regarding upgrading projects, the Manshiet Nasser Project by the World Bank achieved the most cost-recovery by component cost element. This materialized primarily because the project minimized capital intensive improvements and services so the beneficiaries could afford to pay the costs of such improvements.

Table 1 summarizes the extent of cost recovery for the upgrading projects and shows, therefore, the mixture of cost-recovery policy results based on local experience in Egypt. With the exception of Helwan, most new land development projects have occurred to support upgrading project improvements, wherever possible. In Ismailia, new land development projects were identified for an industrial zone and for cooperative housing to serve this industrial zone.

TABLE 1

## DIFFERENT POLICIES FOR RECOVERABLE COSTS

Cost Component Or Services Provided	Existing Government Practice	*Helwan Upgrading Project	Manshiet Nasser World Bank Project	Ismaitia Projects	Aswan Nassriya Project
Community Service Centers	None	None	None	None	None
Off Site Infrastructure & Capacity Improvement	None	None	None	None	None
Water at Public Taps	None	N.A.	N.A.	None	None
Piped Water Network	None	Part	Full	Part	Plot Charge
Water Connection	Full	Full	Full	Full	Full
Sewerage Network	None	None	Full	Part	Plot Charge
Sewerage Connection	Full	Full	Full	Full	Full
Electricity	Full	User Fee	User Fee	Full	User Fee
Street Lighting	None	N.A.	Full	Part	N.A.
Improved Roads & Paths	None	Part	Full	Part	Full
Tree Planting	None	N.A.	N.A.	Part	None
Land Value (Govt. Land)	None	Full	Full	Full	Full
Design and Supervision (6% on relevant items)	None	Full	Full	None	Full

\* From USAID 0066 Project Paper

Source: "Recovering Development Costs For Community Upgrading: An Analysis of the Experience In Egypt", by Dr. Sawsan El Messiri, Cooperative Housing Foundation, Dec., 1989. (Follows page 3)

policies/g

**102** Local Resource Mobilization Using Land As An Asset - These same decisionmakers have also realized that land is a key capitalization resource to accomplish project objectives and pay for needed infrastructure services. Targeted beneficiaries have ranged from private industry companies to illegal squatters.

Land tenure or title, therefore, in exchange for costs of providing or maintaining certain government installed services has been one cost-recovery mechanism. Other cost recovery mechanisms such as direct charges, betterment taxes and user fees may have limited impact in very low income neighborhoods and communities because of affordability and willingness to pay issues. Political consequence often weigh very heavily in this process.

Planning experts have continuously debated the extent of cost-recovery possible in low-income urban communities. Some experts have stated that full cost-recovery may not be possible in certain situations for the very poor. This same source emphasized, however, the need for cost reduction as a first step along with the acceptance of lower standards consistent with beneficiary affordability and willingness to pay for certain improvement needs. The following best highlights these considerations<sup>(1)</sup>.

"Cost reduction is only the first step in achieving cost recovery; proper pricing of housing and public services is equally important. User charges, betterment taxes, and other methods can recoup the cost of providing services to project residents. Prices for lots and houses can be set at full market value, and credit for home mortgages or improvement loans can be made available at interest rates that reflect the real cost of money in what are often highly inflationary economies. If standards are sufficiently low and costs are kept to a minimum, a substantial portion of the poor will be able and willing to pay for the shelter that is provided. It will not, of course, be possible to serve the very poor and achieve full cost recovery. Where households need subsidies, donor policies argue for keeping them to a minimum and targeting them carefully to well-identified beneficiaries (Cohen 1986)"

Proper project design and implementation strategies using land as an asset have proven to be successful in developing cost-recovery mechanisms that work because land title has been a motivation factor with low to middle income beneficiaries to pay for needed project improvement costs or services. This emphasizes that shelter goals or provision of services can be realized not so directly through government but through the actions of the private sector; the self-help energy of individuals; and the coordinated efforts of community organizations and community participation.

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1. Shelter Policy and Planning in Developing Countries by Howard J. Sumka, Urban Development Officer in the Office of Housing and Urban Programs of the United States Agency for International Development, American Planning Association Journal, Spring 1987, p 174..

**1.03 Decentralization and Need For Land Management Organizations** - Decentralization powers to manage land under public ownership has been vested with the Governorates through various laws. Controlling informal (squatter) settlements has been a major objective of public housing policy in Egypt. This has been particularly relevant since the informal sector is contributing to most of the housing stock and public housing cannot by itself contribute substantially to the housing stock supply in timely fashion. Governorates that have substantial vacant or even encroached upon land resources have opportunities to design projects whereby land tenure can be used as a successful cost-recovery mechanism to minimize outside donor subsidies. An organization to effectively implement projects through land tenure in exchange for recovering costs of improvements is needed in the urban governorates. This administrative entity can be in the form of a Land Management Unit (LMU), or Agency which provides Technical Assistance and loans, (generated from various revenue sources), to individual Project Implementation Units (PIU's). The LMU is also needed to monitor land use markets and collect necessary land planning information to identify and design successful projects. The establishment of these units need not interfere with existing master planning organizations within the governorates and in fact should compliment such existing functions. The work of these units requires close coordination and cooperation with both outside and inside governorate organizations in executing project implementation strategies.

**1.04 The Land Management Unit (LMU) Versus Project Implementation Unit (PIU)** - Land Management Units or Agencies based on Egyptian experience can provide therefore the following functions

- Acquisition of land from other government resources or the private sector;
- Resolution of land tenure conflicts through cost-recovery strategies;
- Allocation, sale, and leasing of governorate land; to develop a source of funds for use in paying for project improvement costs;
- Technical Assistance within the Governorate on land use markets and other land planning information to properly design projects;
- Provision of funds or loans to projects involving the provision of services to informal settlements. (Such funds would be generated from the sale or auction of land resources within the governorate, but outside project areas for example);
- Provision of funds or "seed" money to begin other investment type projects in the governorate. (Such projects may or may not be targeted for low-income area beneficiaries); and finally,
- Set policy regarding the extent of cost-recovery necessary for projects, based on needs and priorities.

A Governor's decree authorizing the Land Management Unit (LMU) to implement the above functions and to retain revenues is needed. Such revenues may come from land leases, sales, or auctions as a basis to provide loans or cross-subsidies to project activities, (administered by individual Project Implementation Units), or from other project or non project revenue sources.

Based on local government experience separate decrees are needed on a project basis to authorize Project Implementation Units (PIU's) to administrate large complex projects which would have separate accounts under the Housing Fund. Egyptian experience points up the need for Project Implementation Units to be located at site areas for large projects. The Project Implementation Unit would employ field teams to implement land tenure for example, with the inhabitants of upgrading settlement areas as required.

Local Egyptian experience, however, points up the necessity to start projects small or in phases, until revenues generated from land sales or other sources can be leveraged and allocated towards paying other project improvement costs. The LMU itself may handle small projects, and has done this based on local experience.

A separate Board of Directors or Executive Committee for the Land Management Unit and each Project Implementation Unit (PIU) is needed to approve operating budgets in a revolving fund concept under the Housing Fund. Separate accounts for the LMU's and PIU's are permitted under the Housing Fund which has it's own Executive Committee chaired by the Governor. The Governor has the power to allow the retention of revenues generated from projects or from services of the LMU as vested in his relationship to the Housing Fund under Law 43 of 1979.

## **1.1 Report Purpose and Organization**

This report reviews the Helwan and Ismailia experiences in Egypt to appreciate what has to be done to properly implement projects through appropriate land management organizations. Each of these case studies varied in the project definition and implementation process including the legal and institutional framework to monitor and effectively carry out project objectives. Certain positive lessons can be learned from each experience. The Ismailia case however has substantially implemented the land tenure and revenue generating process in its projects, whereas the Helwan case is moving forward to institutionalize or formalize this process and has essentially just begun the revenue generating element of its program.

Recommendations are presented at the end of the report to summarize a step by step process involving project definition and implementation through newly established Land Management Units in the urban governorates. A companion document titled "Project Development and Local Resource Mobilization Using Land As An Asset" was developed based on many of the recommendations and lessons learned from the Helwan and Ismailia project experiences. The report outlines suggested laws and necessary powers of LMU's to effectively implement projects.

This report is organized into the following four sections:

I	Introduction and Purpose
II	The Helwan Experience
III	The Ismailia Experience
IV	Recommendations

Under sections II and III above, specific issues are discussed based on available data as follows:

- **Project Profiles and Background** - Information is presented addressing project objectives and physical planning background; existing, and future population; project costs and phasing; project revenues; "who" developed the plan and "when" was it developed; an overview of costs and cost-recovery achieved by cost component; project standards and issues including types of plots, their size, price, etc. are also discussed and summarized.
- **Legal and Institutional Framework Issues** - The legal and organizational structure to execute project objectives; the role of the Governor and Secretary General; and membership of a respective policy committee or Board of Directors is discussed;
- **Land Management Organization Operating Background** - Land Management organization or agency financial operating procedures are discussed including the role of the organization in providing loans or cross subsidies to projects through land sales, and the accounting framework for this process; the method of land sales is summarized including, the use of auctioneers to determine land prices and the use of special separate accounts in a revolving fund concept, is discussed as appropriate; etc..
- **Community Participation Issues** - The extent of community participation in defining and implementing projects; prioritizing needs, determining affordability and willingness to pay are

discussed; "how" affordability surveys are accomplished, and a review of sample application agreements to "lock-in" commitments of targeted beneficiaries, etc., are also presented as data was available.

- **Role of Consultants/Contractors/Outside Donors** - The amount of Technical Assistance or direct financial aid is discussed; "when" and for "how long" the Technical Assistance Consultation was provided is discussed; the ability to work with local contractors etc., is summarized, and finally,
- **Status of Project and Lessons Learned** - A summary of where projects stand in Helwan and Ismailia including specific lessons learned regarding the institutional framework and project development process is presented.

Section IV will summarize recommendations and needed powers and legal framework of a Land Management Unit (LMU) to successfully function. Additional recommendations are presented regarding a step by step process of project identification and development and establishment of public development organization to implement projects.

## 1.2 Acknowledgments

The information in this report was collected based on several field trips to Helwan and Ismailia as follows:

- Various field visits and discussions with Habiba Eid, the Ismailia Planning and Development Agency Director, in 1988;
- Field visit to meet Ismailia Governor (March 24, 1990);
- Field visits to Helwan (April, 12, 1990);
- Field visits to Ismailia (April 7, through 10, 1990) to meet the Governor and other Governorate authorities in Hai El Salaam and Abu Atwa upgrading projects as well as other projects;
- Field visit to Ismailia on April 15, 1990 to get follow-up information and Project Decrees.

With the cooperation of USAID officials and Governorate authorities in Ismailia, other background data was obtained. The following individuals contributed to the collection of data and the development of this report:

**1.2.1 USAID Representatives:**

- A. Mohamed W. Saleh
- B. Seif Allah Hassanein

**1.2.2 LD-II Urban Land Management Staff who contributed to this report and their primary areas of responsibility were as follows;**

- A. Richard Heald, (Report organization; Introductory Remarks; Recommendations);
- B. Hatem El Dergbamy, (Project Profile Data; Role of Consultants/Contractors and Outside Donors).
- C. Habiba Eid, (Legal and Institutional Framework; Organization Operating Background; Role of Consultants/Contractors/Outside Donors; Lessons Learned;) and,
- D. Suzanne Moubarek (Community Participation; Lessons Learned; Project Organization and Operating Background; Role of Consultant/Contractors/Outside Donors).

**1.2.3 Ismailia Officials:**

- A. H. E. Governor of Ismailia, Abdel Moneim Emara;
- B. General Director of Housing Directorate,  
Eng. Salah Khalef;
- C. Financial Director for Governorate,  
Mr. Abdallah Mohamed Ahmed;
- D. Director of Hai El Salaam Project,  
Mr. Mohamed Kotb;
- E. Survey Engineer in El Salaam Project,  
Mr. Abdel Halim El Nawas;
- F. Head of the Social Research in El Salaam Project;  
Mrs. Naglaa Khaled;



- G. **Head of Administrative Affairs in Abu Atwa Project;**  
Mrs. Nadia Ayoub;
- H. **Survey Engineer in Abu Atwa Project,**  
Eng. Tolba Mohamed; and.
- F. **Head of Industrial Project in Ismailia,**  
Mr. Mohamed Younis.

**1.2.4 Resource Documents** - In the preparation of this report, the following documented resources were used to develop the following sections:

Section II - The Helwan Experience;

- Handouts - from the Helwan Housing and Community Upgrading Program from USAID;
- Audit of Helwan Housing and Community Upgrading in Egypt - Project No. 263-0066, United States Agency for International Development (USAID), Inspector General Audit Report No. 6-263-98-1, October 31, 1988.
- Credit Mechanism in Community Upgrading, prepared for USAID by Neil S. Meyer, October, 1985.
- Housing and Community Upgrading For Low Income Egyptians - Final Evaluation Report Project No. 263-0066, prepared by Robert R. Nathan Associates, February, 1982.
- Income Study For Helwan Factory Workers, by CHF International, Inc. prepared by Eng. Samir Shawky, Azza Atwa, April, 1987.
- Implementation Planning Guidelines For Upgrading of Informal Communities, (263-0199) prepared for USAID by Paul Gabele of CHF, August, 1985.
- Recovering Development Costs for Community Upgrading - An Analysis of the Experience in Egypt, prepared for USAID by Dr. Sawsan El Messiri of CHF, August 1989.
- Helwan New Community Project Cost & Cost Recovery Analysis, February, 1987 by (CHF).
- Loans Program to Fund the Helwan New Community Structure, by (CHF)
- The Helwan Housing and Community Upgrading Project for Low-Income Egyptians - The Lessons Learned, prepared by D. Gardner and A.P Van Huyck Consultants to PADCO, Inc. for USAID, February 1, 1990.
- Seminar Proceedings - Core Housing and Site and Services Projects for Low Income Groups, co-sponsored by Cairo University/Massachusetts Institute of Technology, Technological Planning Program Ministry of Housing A.R.E. Ministry of Development and New Communities, A.R.E. January 29-30, 1979.

### Section III - The Ismailia Experience:

- Report on Ismailia Governorate Land Management Unit Operations and Funding, prepared for USAID/Cairo by Wilbur Smith Associates, in association with Public Administration Service, Deloitte Haskins and Sells, Development Consulting Office and Engineering and Geological Consulting Office, October, 1988.
- Urban Projects Manual: A Guide to Preparing Upgrading and New Development Projects Accessible to Low-Income Groups, prepared for the Overseas Development Administration by Clifford Culpin and Partners, Ove Anep and Partners, Roger Tym and Partners. Published by Liverpool University Press in Association with Favestead Press, 1983.
- Housing and Community Upgrading for Low-Income Egyptians, for Ministry of Reconstruction and State Ministry for Housing and Land Reclamation, (April 1985).
- Summary Ismailia - Demonstration Projects Promotional Material, Based on final reports by Clifford Culpin and Partners, May 1978.
- Ismailia Governorate Project Promotion Publications: (in Arabic)
  - Abu Atwa Project Agency;
  - Hai El Salaam Project;
  - Industrial Zone Project, 1987.
- Documentation from the Ismailia Experience Sharing Seminar on Local Development Projects, early 1990.
- Internal memos and correspondence from David Sims to Habiba Eid on the Hai El Salaam Project Agency and the Ismailia Planning and Development Agency.
- Documentation and memos by Habiba Eid submitted to Habitat in 1987 on Community Participation.
- Project close-out documentation and notes on lessons learned by Clifford Culpin Associates regarding the Ismailia experience.
- Annual awards focus on Innovative Housing. The Urban Edge Vol. 13, No. 9, November, 1989, World Bank publication highlighting Ismailia experience.

## Section II

### THE HELWAN EXPERIENCE

#### 2.0 Background

The Helwan experience consisted of planning, design, and construction implementation of basically two projects. Program objectives included enabling government to extend services to deprived areas and to provide housing to low-to moderate income households which would not have been available in the housing stock. One project consisted of a new community (new lands development) project, while another program consisted of providing upgrading improvements to seven existing informal settlements lacking basic urban services.

The informal settlement communities included seven areas or Ezbet Zein; Arab Rashed; Ezbet Arab Ghoneim; Ghoneim El Baharia; Kafr El Elw; Ezbet El Bagour; and Ezbet Sidki in the Helwan District of Cairo. A land title program was a major objective of these community upgrading projects to recover development costs.

Key organizations or entities involved in the implementation of these projects consisted of the Executive Agency for Joint Projects (EAJP) affiliated with the Ministry of Housing and Utilities; Cairo Governorate; and the Credit Foncier Egyptian. The United States Agency for International Development (USAID), and the Government of Egypt (GOE) provided most of the funding for the projects.

#### 2.1 Helwan New Community

##### 2.1.1 Project Profile and Physical Planning Background

2.1.1.1 Area and Location - The New Community envisioned the construction of 6,697 core (expandable) housing units along with 512 additional lots on a 150 hectare site in the industrial suburb of Cairo known as Helwan (See Figure 1 shows the location of the project and general area of the project in relation to selected upgrading areas.

2.1.1.2 Project Subdivision Summary Details - The size for plots containing core units was to range from 50-65 square meters. The core units themselves were to start from a basic wet core of 4 square meters and range up to a 30 square meter three room house. Individual plots of 100 square meters without any type of unit were to be sold at auction. (See Figure 2).



Source: Housing and Community Upgrading for low-  
 Income Egyptians Helwan, A.R.E.  
 planning studies for Ghoneim el Baharia, Volume 1

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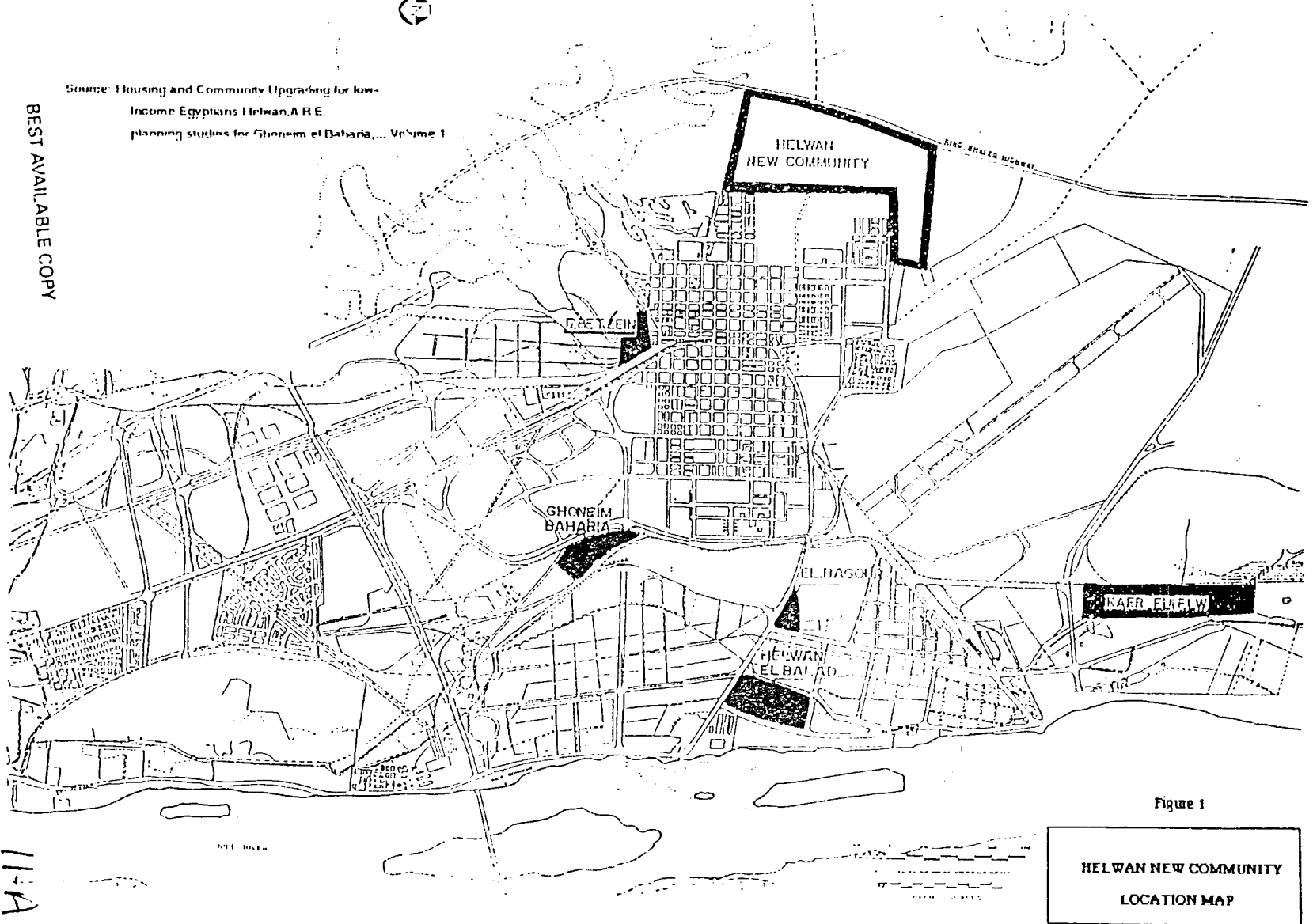
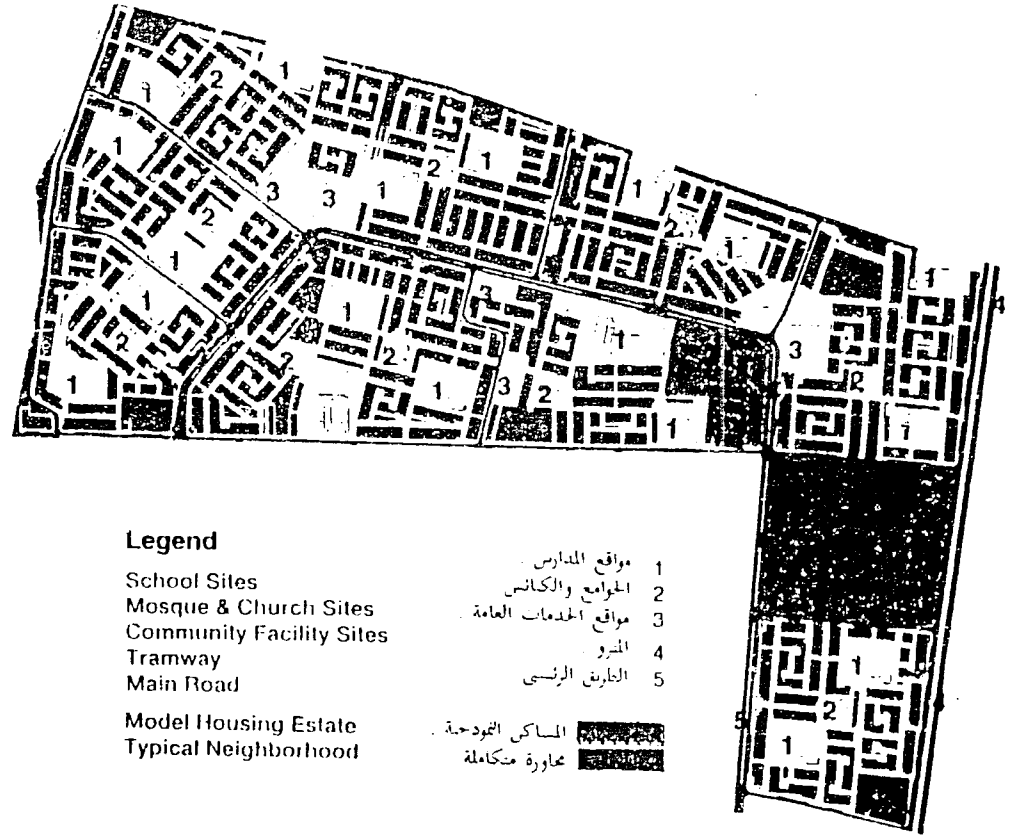
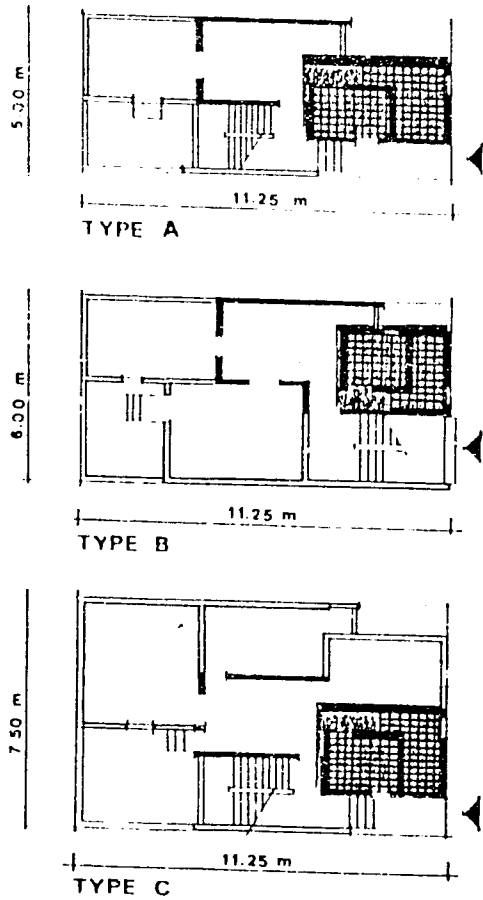


Figure 1

HELWAN NEW COMMUNITY  
 LOCATION MAP

11-A



**Legend**



- |                          |   |                      |
|--------------------------|---|----------------------|
| School Sites             | 1   | مواقع المدارس        |
| Mosque & Church Sites    | 2   | الجماعات والكنائس    |
| Community Facility Sites | 3   | مواقع الخدمات العامة |
| Tramway                  | 4   | المترو               |
| Main Road                | 5   | الطريق الرئيسي       |
| Model Housing Estate     |  | المساكن التوددية     |
| Typical Neighborhood     |  | محاورة متكاملة       |

Figure 2

GENERAL SITE LAYOUT OF  
HELWAN NEW COMMUNITY AND  
TYPE OF PLOTS PROVIDED

Types of plots provided. أنواع قطع الاراضى المتاحة.

Source: Helwan Housing and Community Upgrading Program (Handout).  
(Of USAID library).

11-8

- 2.1.1.3 **Project Approach** - The approach of the New Community project was to assist beneficiaries by providing them with designs to expand their units along with loans for construction. It assumed most plots would contain three-story units when completed. The project was to include a model house component that would contain not only the basic units to be offered but units demonstrating what could eventually be constructed.
- 2.1.1.4 **Population** - At 5 persons per family unit, the project was projected initially to have some 36,000 people and an additional 74,000 when all units were completely finished based on another 5 + persons, per family unit, per floor, for each plot.
- 2.1.1.5 **Current Status of The New Community Program** -All of the infrastructure (water, sewerage and electricity) is in place and the mechanism for home mortgage loans has been established as of this time.

The project has been sub-divided into ten neighborhoods. However, in five of these neighborhoods; (No. 1,2,5,9 and 10), the GOE changed the concept entirely and has moved to construct five and six story walkups on 1,200 plots. This is consistent with what it has traditionally been done in Egypt.

Some 3,800 apartments are now being constructed in neighborhoods 1 and 2 (walk up flats), with another 924 units in neighborhood 5 having signed contracts to buy. Five hundred (500) of these are completed and 375 beneficiary families have moved in and occupied the units.

No construction has started yet in neighborhoods 9 and 10, which will contain about 3,000 apartments. In regards to the remaining neighborhoods; (3, 4, 6, 7 and 8); the core housing concept was also abandoned in favor of a construction by owner approach.

This change was approved after USAID determined that the "core until" approach limited flexibility of site use and precluded cooperation between neighbors in such areas as utilizing the same contractor to build a block of units at the same time using common foundations. The concept adopted involved the award of a block of approximately 30 plots to beneficiaries. These beneficiaries would form a building cooperative. The assumption is that the beneficiaries will eventually add additional flats through construction of second and third stories when they can afford them for the purpose of renting or for use of relatives.

The latest information available at this time is that this component will consist of 4,700 plots. Construction of houses in neighborhood 3 and 4 is underway, with some 200 plots sold by June 1988 and another 200 by October, 1988. The neighborhoods are about 50% complete, but the current schedule is running behind.

(A detailed comparison of progress is shown in Table 2 between the construction by owner program and the fully complete walk-up apartments being constructed by EAJP.

**2.1.2 New Community Institutional and Operating Framework** - The Executive Agency for Joint Housing Projects (EAJP) under the Ministry of Housing and Utilities had the institutional authority and was the primary operating entity coordinating the implementation of the Helwan New Community.

Law 135/1981 was issued to give a five (5) year grace period to those who violated Law No. 52/40 which governed informal settlements and subdivision of projects on agricultural lands. During the five year grace period the General Organization of Physical Planning (GOPP) would assist governorates in the replanning and upgrading of informal settlement areas. After the five (5) year grace period, no upgrading projects for areas outside the physical plans prepared by GOPP would be recognized. The Ministry of Housing would issue a decree to provide planning areas with infrastructure and local government would be allowed to recover the costs of infrastructure services from owners according to the size of their parcels. The Helwan New Community was implemented partially as an effort to demonstrate innovative housing alternatives and was eventually part of this replanning process. The original operating framework, was in place prior their law with the establishment of the EAJP, which somewhat contradicted decentralization purpose of this law and others such as Law 43 1979.

It should be noted that informal settlements occurring on governorate lands outside city boundaries after the five (5) year grace period would not be subject to community upgrading project actions. These illegal communities would be required according to the legal institutional framework currently in existence to resettle in government provided housing projects and be subject to demolition and court sentences for developers according to interpretations of the 1981 law.

The provisions of Law 135/1981 allowed the Governorate to participate in the cost-recovery of infrastructure costs implemented by the Central Government through the sale of land parcels. This is also a major provision of Law 43/1979 (Article 36) governing the collection of revenues from project land sales serviced by government under the Economic Housing Fund. The Governor has the ultimate authority to set up separate accounts under the Housing Fund and

Table 2

## COMPARISON OF COST FOR OWNER PROGRAM VERSUS GOVERNMENT BUILT FLATS

## Construction by Owner Program

## Cost of Plots and Construction Loans

Type	Area m <sup>2</sup>	Land Cost LE	Construction Cost LE	Total Cost LE	Down Payment LE	Monthly Payment LE
A	56	3,375	6,000	9,375	700	57
B	67	4,050	7,000	11,050	1,200	65
C	84	5,063	8,000	13,063	2,000	74

Repayment over 30 years - simple interest of 7%.

## Government Built Flats

## Cost of Flats:

Type	Area m <sup>2</sup>	Cost LE	Down Payment LE	Monthly Payment LE
A	50	8,400	1,550	LE 34
B	54	9,395	1,781	LE 36
C	62	11,391	3,391	LE 42

Repayment over 30 years - Simple interest 7%.

SOURCE: The Helwan Housing and Community Upgrading Project  
For Low-Income Egyptians "The Lessons Learned"  
February 1, 1990. Prepared by Donald Gardner and  
Alfred P. Van Huyck Consultants to PADCO, Inc.

loans/g

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stipulate how much revenue is to be retained for project activities versus how much is to be returned to Housing Fund, for implementing public housing projects. The role of EAJP as a general organization and the Cairo Governorate often was confused regarding the operating framework for the Helwan New Community. A Presidential Decree is now being requested regarding the EAJP as a General Organization with inputs from the Governorate.

- 2.13** Community Participation Issues - During the design and implementation of the Helwan New Community major community participation issues revolved around the affordability of real estate including the type of housing design desired. Though the core housing concept was initially proposed it was abandoned for apartment walk-up housing, a more traditional means of construction. Housing affordability and market analysis of targeted beneficiaries, (including acceptance by Government of Egypt (GOE) Authorities), was controversial and is debated in recent lessons learned documentation.

The idea was that the core housing approach would maximize the input of individuals, would reduce subsidies by lowering standards and making available credit so families could afford to pay and, thus, lower the cost to government and enable it to expand its housing programs for low-income families. Beneficiaries in the project, except for those buying plots at auction, would be limited to those whose income did not exceed the 60th income percentile, be employed in industry in Helwan but reside elsewhere and not own another dwelling elsewhere in the Cairo area. Size of the unit for an individual would be determined by ability to pay under the loan program.

- Changes in Housing Concept Policy - USAID subsequently approved the change to five to six story walk-ups on the basis that these flats, to be sold without "subsidy", would provide more variety to potential buyers and highlight the contrast between different approaches.

Because the switch to walk-up apartments was formally endorsed by USAID only after the fact, USAID did not approve the use of AID funds for construction of the units. The EAJP instead obtained financing from the General Organization of Housing and Building Cooperatives (GOHBC). EAJP will repay the GOHBC from the repayments of the loans it makes to the purchases of the units.

In summary, the cost of housing under the construction-by-owner program is expected to range from approximately LE 9,000 to LE 13,000 for units on plots sized from 50

to 85 square meters, including land. The cost of the government flats for units of approximately the same size or slightly smaller are expected to range from LE 8,000 to LE 11,000. The lower cost for the completed apartments is due to the land costs, including infrastructure, being distributed over the full number of stories, whereas in the owner construction program the first floor units absorb all of the land/infrastructure costs. Nevertheless, initially the apartment unit will be offered to buyers at a lower cost and on a ready to move in basis and where the buyer will not have to participate in a construction program.

- **Loan Program Background** - The loan program, both for purchase of the plot and for the construction of the unit, has been established, and is operating. CFE has a branch office in Helwan to carry out the program. CFE has now disbursed LE 3.5 million, but it is not clear the number of loans that have been made. The maximum loans for construction are LE 6,000, LE 7,000 and LE 8,000 for the three sizes of plots against construction costs which CFE says are currently running at LE 7,500, LE 9,000 and LE 3,360 to LE 5,040 i.e., LE 60 per square meter. Thus, for even the smaller plot and unit, the downpayment to the beneficiary is now running almost LE 3,000. Out-of-pocket costs are even higher since the beneficiary must pay 1-1/2 percent of the loan amount to CFE for processing the application.
- **Issues of Affordability** - According to a USAID funded study on "Lessons Learned", what is not clear is how affordability is achieved through the estimated monthly payments. Information provided by USAID indicates, for instance, that the monthly payments for a 56 square meter plot and finished unit would be LE 74. This is presumably based on a LE 11,063 loan, i.e., total cost of LE 13,063 for plot and construction with an LE 2,000 downpayment. This is hardly within the payment capacity of a worker earning LE 140 per month, the maximum currently permitted according to that USAID information in tables. e.g. 25 percent of 140 would be 35; LE 74 would be over 50 percent of the stated maximum income.

The "Lessons Learned" report referred to a USAID funded study by an Egyptian firm, Integrated Development Consultants, which was to investigate the selection criteria and affordability issues. Their report dated October, 1989 states the "Operational definition of affordability as shown in project plans have not been met, with a particularly great gap during the first years of the mortgage period". (p. 29). This report made a strong case of why the affordability criteria is not a very useful criteria. The report noted that if affordability were measured at 30 percent on household income instead of 20 percent or 25 percent, many more of the beneficiaries would have met the affordability criteria.

They also showed how various levels of expected wage and salary increases to the beneficiaries over the next five year, would increase the percentages of affordability.

- **Issues of Subsidies Regarding Interest Rates** - The report did not explore the even larger question of the subsidy involved in the project. There was not any estimate of the "write-down" subsidy (i.e., how much of the total investment will not be recovered through principal payments); however, it is likely to be considerable. The report indicated it was possible to estimate the interest rate subsidy. The flats are being financed at 4 percent annual interest for 27 years. This reflects no change from government policy of the past decade.

An example for the Plot C land and building construction was sited. The loan portion is LE 11,063 resulting in a monthly payment of LE 73.7 (7 percent for 30 years). If it is assumed that the 15 percent interest rate of the Credit Foncier represents "market interest", then the financial subsidy can be calculated. The monthly payment on the same LE 11,063 loan would be LE 139 (90 percent increase) or conversely the payment of LE 73.7 could amortize a loan of LE 5,800 (or LE 5,263 lower). If there is a substantial percentage of arrears incurred as well, consistent with overall government experience. This unintended subsidy will, of course, add to the totals.

- **Implications of Contractor Payment Arrangements Through the Block Captain Approach** - The "Lessons Learned" report went on to indicate there is not a repayment record on loans made to date since they are all too new and there is a one-year grace period before repayments must start (interest is paid, however). One problem which has arisen is that some of the individual borrowers do not want to give a power of attorney to the block captain of their section so he can receive disbursements from CFE for payment to the contractor. They want to be paid directly by CFE so that they individually can pay the contractor, not a satisfactory arrangement, but reflecting their apparent belief that they can control work on their units better in this way.

Contractors, as a result, have been coming to CFE and saying they cannot get paid by either the block captain or the individual. This points up the kinds of problems arising when individuals have to cooperate on building houses where the whole approach is a new one. It underlies some of the resistance by the GOE to this approach and why there is a feeling that it is simpler to provide a completed unit.

- **Use of Auctions to Sell Plots** - With regard to the new community program, 1,300 plots ranging in size from 100-200 square meters to be used for commercial business

are to be offered at auction to the highest bidders. This program is underway. CFE will offer financing on its regular terms, i.e., 14-15 percent over a short term for land.

**2.1.4 Lessons Learned from the Helwan New Community** There were major modifications made to the new community development program throughout the decade, 1980 to 1990. Half of the new community neighborhoods will have completed apartment units, some of five and six stories in height. The other half will have first floor completed units constructed with the assistance of construction loan financing. Some of the major considerations learned regarding the Helwan New Community are summarized as follows from the report titled "Lessons Learned":

1. The people that count in the Housing Ministry charged with responsibilities for implementing the project, including the Minister, never bought the concept of a core housing project. Egyptian authorities at the Central Government level do not really buy the concept of construction-by-owner being tried in half of the project at present. The feeling is that once the initial first floor units are completed, the adding of additional units in the form of second and third floors will be chaotic at best, control will be impossible, and sub-standard communities will result. This points of the need for sufficient marketing strategies with government authorities. As well as targeted beneficiaries to determine on a small scale basis of certain housing concepts are affordability and targeted beneficiaries and government will accept such new concepts.
2. An obvious lesson learned is that if a demonstration project is to be attempted, it should be much smaller than the Helwan New Community project. If innovation is being sought (i.e. attempting to reach lower-income families with more affordable solutions through self-built, or core housing, projects), then a more modest project is easier to introduce and can be finished more quickly. Helwan was so large that, even if it had not had technical problems, it would have taken years to construct; so there is ample time for those people opposing the concept to drag their feet and attempt to get it changed. This is exactly what has happened.

The current status as of October, 1989 of the Helwan New Community Project Component can be summarized to Tables 3 and 4. Table 3 shows the status of the New Community and rate of occupancy as of October, 1989. Table 4 shows the construction progress and schedule of planned progress anticipated up to December 1990.

## **2.2. Helwan Community Upgrading Program**

### **2.2.1 Upgrading Project Profile and Planning Background**

**2.2.1.1 Project Population and Location** - The neighborhood upgrading projects are divided into separate infrastructure improvements works in six existing neighborhoods of Helwan. These include five (5) illegal and poorly urbanized communities in Helwan

Table 3

HELWAN NEW COMMUNIT REPORT AND  
RATE OF OCCUPANCY  
(AS OF OCTOBER 31, 1989)

HOUSING AND COMMUNITY UPGRADING  
PROJECT HELWAN  
HELWAN NEW COMMUNITY STATUS REPORT AS OF  
31-Oct-89

RATE OF OCCUPANCY

NO	PLANNED		COMPLETED		UNDER CONST.		EXPECTED COMPLETION SCHEDULE		COMPLTD VS PLANNED RATIO	NO	PLANNED		COMPLETED		UNDER CONST.		RECEIVED BY BENEFICIARIES		FAMILIES ACTUALLY LIVING IN HMC
	FLATS	PLOTS	FLATS	PLOTS	FLATS	PLOTS	FLATS/ DATE	PLOTS/ DATE			FLATS	PLOTS	FLATS	PLOTS	FLATS	PLOTS	FLATS	PLOTS	
1	2,040	0	0	0	2,040	0	200 / 30-Nov-89	100 / month	0%	1	2,040	0	0	0	2,040	0	0	0	0
2	1,721	0	0	0	1,721	0	1,721 / 15-Aug-91	/	0%	2	1,721	0	0	0	1,721	0	0	0	0
3	601	0	0	0	601	0	400 / 31-Dec-89	201 / 31-Mar-90	0%	3	0	601	0	0	0	601	0	0	0
4	550	0	0	0	550	0	450 / 31-Dec-89	100 / Jun-90	0%	4	0	550	0	0	0	550	0	0	0
5	324	0	699	0	325	0	100 / 31-Dec-89	100 / 31-Mar-90	76%	5	324	0	699	0	325	0	600	0	570
6	393	0	0	0	393	0	393 / 31-Dec-89	/	0%	6	0	393	0	0	0	0	0	0	0
7	703	0	0	0	703	0	703 / 31-Dec-89	/	0%	7	0	703	0	0	0	0	0	0	0
8	624	0	0	0	624	0	624 / 31-Dec-89	/	0%	8	0	624	0	0	0	0	0	0	0
9	1,287	0	0	0	1,287	0	1,287 / 31-Mar-92	/	0%	9	1,287	0	0	0	0	0	0	0	0
10	1,604	0	0	0	1,604	0	1,604 / 31-Mar-92	/	0%	10	1,604	0	0	0	0	0	0	0	0
										2,040	2,071	699	0	4,005	1,151	600	0	570	

1 Constructed under the Construction By Government Program

11 Plots sold to factory workers and are being built under the Construction By Owner Program

Table 4

HELWAN NEW COMMUNITY CONSTRUCTION PROGRESS  
AND REPORT SUMMARY  
(AS OF OCTOBER 31, 1989)

\*\*\*\*\*  
REPORT SUMMARY  
\*\*\*\*\*

9,275 FLATS WILL BE CONSTRUCTED UNDER THE CONSTRUCTION BY GOVERNMENT PROGRAM IN NMS 1,2,3,7,8, 10

2,371 PLOTS WILL BE BUILT UNDER THE CONSTRUCTION BY OWNER PROGRAM IN NMS 1,4,6,7,8, 9  
4,065 FLATS ARE UNDER CONSTRUCTION IN NMS 1,2 & 3 (CONSTRUCTION BY GOVERNMENT)  
499 FLATS ARE COMPLETED, OF WHICH 540 RECEIVED BY BENEFICIARIES & 570 FAMILIES ARE CURRENTLY LIVING IN THE NMC  
1,151 HOUSES ARE UNDER CONSTRUCTION IN NMS 1 & 4 (CONSTRUCTION BY OWNER)  
9 HOUSES ARE COMPLETED UNDER THE CONSTRUCTION BY OWNER PROGRAM

360 FLATS ARE SCHEDULED FOR COMPLETION IN NMS 1 ON 30-Nov-89 | 1987 FLATS ARE SCHEDULED FOR COMPLETION IN NMS 9 ON 31-Mar-92  
199 FLATS ARE SCHEDULED FOR COMPLETION IN NMS 1 PER MONTH  
1,751 FLATS ARE SCHEDULED FOR COMPLETION IN NMS 2 ON 15-Aug-91 | 1504 FLATS ARE SCHEDULED FOR COMPLETION IN NMS 10 ON 31-Mar-92

121 FLATS ARE SCHEDULED FOR COMPLETION IN NMS 5 ON 31-Dec-89 |  
192 FLATS ARE SCHEDULED FOR COMPLETION IN NMS 5 ON 31-Mar-90 |

484 HOUSES ARE SCHEDULED FOR COMPLETION IN NMS 3 ON 31-Dec-90 | 161 HOUSES ARE SCHEDULED FOR COMPLETION IN NMS 7 ON 31-Dec-90  
291 HOUSES ARE SCHEDULED FOR COMPLETION IN NMS 3 ON 31-Mar-90 |  
150 HOUSES ARE SCHEDULED FOR COMPLETION IN NMS 4 ON 31-Dec-90 | 524 HOUSES ARE SCHEDULED FOR COMPLETION IN NMS 8 ON 31-Dec-90  
190 HOUSES ARE SCHEDULED FOR COMPLETION IN NMS 4 ON 30-Jun-90 |  
592 HOUSES ARE SCHEDULED FOR COMPLETION IN NMS 6 ON 31-Dec-90 |

\*\*\*\*\*

CONSTRUCTION PROGRESS

NO	PLANNED		CONST. COSTABLE		DISBURSED		PERCENT. COMPLETE	
	FLATS	PLOTS	FLATS	PLOTS	FLATS	PLOTS	FLATS	PLOTS
1	2,169	0	23,79	*****	12,96	*****	59%	*****
2	1,751	0	19,47	*****	4,59	*****	72	*****
3	0	691	0	0	3,80	0	2,45	64%
4	0	350	0	0	2,47	0	2,25	48%
5	924	0	9,53	*****	6,12	*****	74%	*****
6	0	592	0	0	2,24	0	9,99	9%
7	0	762	0	0	4,25	0	6,99	9%
8	0	524	0	0	4,12	0	9,99	6%
9	1,987	0	9,90	*****	9,90	*****	92	*****
10	1,504	0	9,90	*****	9,90	*****	92	*****
	9,275	1,671	49,79	19,57	29,59	4,78	41%	23%

\* All amounts in million Egyptian pounds

and one in North Cairo, encompassing some, 10,000 families or roughly 50,000 people). The upgrading of informal settlement areas began in 1980. A location map of these neighborhoods is shown in Figure 3.

2.2.1.2 **Density** - The average density is 700 persons/hectare. Existing roads are 3 to 6 meters wide.

2.2.1.3 **Project Components** - The upgrading program consisted of the provision of piped water and sewerage facilities along with schools, health centers and community centers. Provision of these facilities was to be coupled with programs to provide legalization of tenure, a home improvement loan program and a vocational training center. Technical assistance was to be utilized to organize community associations to maximize potential benefits.

2.2.1.4 **Project Data Summaries** - Summaries of project cost data and more detailed descriptions of the existing community areas are included in the following tables from the report titled "Recovering Development Costs For Community Upgrading: An Analysis of the Experience in Egypt"<sup>(2)</sup>:

- o Table 5, Total Cost of Upgrading Improvements;
- o Table 6, Cost/Meter;
- o Table 7, Areas Description of Upgrading Communities Areas;
- o Table 8, Cost by area served; and
- o Table 9, Cost per capita.

2.2.1.5 **The Current Status** - The seven areas, all in Helwan, comprising some 100,000 people have been upgraded with water, sewer system and roads. One controversial issue is that the sewer systems were supposed to tie in to the major trunk system being constructed with EEC financing. The project has encountered major delays and the secondary sewer system has not been usable until the main trunk line is finished.

All community facilities comprising schools, community centers and related facilities were complete by early 1989 with only minor exceptions.

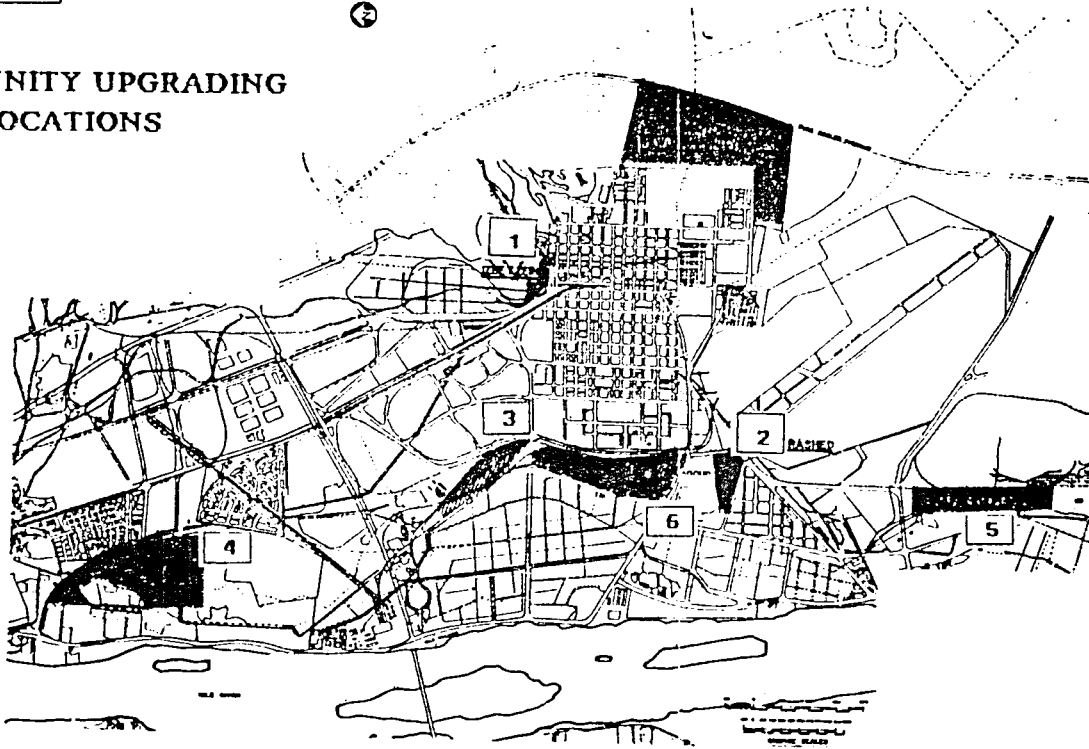
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<sup>2</sup> These tables are based on Cost Reports provided by USAID.

Figure 3

HELWAN COMMUNITY UPGRADING  
PROJECT LOCATIONS

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Source: Helwan Housing and Community Upgrading Program (Handout).  
(Of USAID library).

- |              |             |
|--------------|-------------|
| 1 ZEIN       | 4 SIDQUE    |
| 2 RASHED     | 5 K. EL ELW |
| 3 GHONEIM B. | 6 EL BAGOUR |

21A



Table 5

## TOTAL COST OF OPERATIONS

ITEMS	ZEIN	KAMEL	MOHAMED	MOHAMED S.	SISSIE	K. E. ELW	EL BAGDADY	TOTAL
<b>INSTRUCTIONAL:-</b>								
<b>ON SITE:-</b>								
DESIGN & SUPERVISION	154,556	255,374	640,403	141,046	374,016	43,036	60,417	1,694,838
EQUIP.	64,233		49,990					114,223
DESIGN & SUPV. TOTAL	199,831	255,374	690,393	141,046	374,016	43,036	60,417	1,809,060
CONSTRUCTION	605,851	1,664,623	2,926,452	1,670,336	3,664,244	1,787,010	331,722	12,964,440
<b>ON SITE TOTAL</b>	<b>804,682</b>	<b>2,142,597</b>	<b>3,616,845</b>	<b>1,811,382</b>	<b>4,038,260</b>	<b>1,830,046</b>	<b>420,139</b>	<b>14,773,465</b>
<b>OFF SITE:-</b>								
DESIGN & SUPERVISION	45,925							45,925
OFFSITE COLLECTION DESIGN	40,446	40,640	40,640	40,640	40,640	40,640	40,640	284,481
EQUIP.	30,517		27,202					116,029
DESIGN & SUPV. TOTAL	127,433	127,642	40,640	40,640	40,640	40,640	40,640	462,475
CONSTRUCTION	251,155	522,495				152,035		125,173
<b>OFF SITE TOTAL</b>	<b>429,588</b>	<b>650,137</b>	<b>40,640</b>	<b>40,640</b>	<b>40,640</b>	<b>172,675</b>	<b>40,640</b>	<b>1,722,155</b>
<b>GENERAL TOTAL</b>	<b>1,234,270</b>	<b>2,642,734</b>	<b>3,723,575</b>	<b>1,852,026</b>	<b>4,118,902</b>	<b>2,002,721</b>	<b>460,779</b>	<b>12,495,620</b>
<b>RES. FACILITIES:-</b>								
SCHOOL NO. 1		140,010	732,431	225,462	504,227	312,517		1,614,647
SCHOOL NO. 2			465,121		221,022			746,143
COMMUNITY CENTER			425,722		221,022		172,551	824,295
WATER CENTER			114,540					114,540
PCO OFFICE		13,272	12,212					25,484
FEEDING HALL							22,412	22,412
ADDITIONAL TRAINING CENTER		42,000						42,000
FEEDING		2,100	4,120		10,300			16,520
BARBER		15,411			1,474			16,885
SOL. INVESTIGATION			45,204					45,204
<b>RES. FAC. TOTAL</b>	<b>0</b>	<b>224,056</b>	<b>1,500,244</b>	<b>225,462</b>	<b>1,127,724</b>	<b>312,517</b>	<b>224,954</b>	<b>4,077,463</b>
<b>RES. &amp; INFRA. TOTAL</b>	<b>1,234,270</b>	<b>2,866,790</b>	<b>5,223,819</b>	<b>2,177,488</b>	<b>5,246,626</b>	<b>2,315,238</b>	<b>725,733</b>	<b>16,573,083</b>
<b>GENERAL:-</b>								
CONTR. TRIP	22,222	91,102	121,222	60,222	14,027	42,742	12,222	364,737
LAND PURCHASES	10,122	27,412	42,722	12,122	42,222	12,122	2,222	147,000
RELOCATION	2,222	24,122	42,222	12,022	22,222	22,222	2,222	124,000
CONTRACT	22,222	44,222	127,222	42,222	101,222	42,222	14,222	393,334
REPAIRS/MAINT.	2,222	2,222	14,222	2,222	14,222	2,222	1,222	48,334
TRIP	2,222	22,422	42,412	14,222	14,222	17,222	2,222	127,700
TRAVEL EXP.	2,222	2,222	2,222	1,422	2,222	1,522	2,222	14,000
TRAINING OF WELLS	4,422	12,022	22,222	1,022	12,122	2,422	2,422	75,000
<b>GENERAL TOTAL</b>	<b>50,000</b>	<b>222,762</b>	<b>426,544</b>	<b>147,191</b>	<b>404,510</b>	<b>172,902</b>	<b>52,950</b>	<b>1,581,763</b>
<b>RES. &amp; INFRA. &amp; GEN. TOTAL</b>	<b>1,284,270</b>	<b>3,089,552</b>	<b>5,650,363</b>	<b>2,324,679</b>	<b>5,651,136</b>	<b>2,508,140</b>	<b>778,683</b>	<b>18,154,846</b>
<b>ADMINISTRATION:-</b>								
TRIP	142,222	222,222	422,222	222,222	602,222	227,222	22,222	2,274,222
EVALUATION	10,222	22,222	42,222	12,222	42,222	12,222	2,222	172,222
TRAINING	2,422	17,222	22,222	11,222	22,222	12,222	2,222	102,222
TRIP & TRAVEL	121,222	154,222	221,222	221,222	221,222	221,222	221,222	2,200,000
TRIP EXP.	2,222	24,122	42,222	12,022	22,222	12,222	2,222	150,000
<b>ADM. TOTAL</b>	<b>278,110</b>	<b>439,988</b>	<b>738,110</b>	<b>357,708</b>	<b>927,110</b>	<b>375,110</b>	<b>227,110</b>	<b>3,000,000</b>
<b>GENERAL TOTAL</b>	<b>1,562,380</b>	<b>3,529,540</b>	<b>6,388,473</b>	<b>2,682,387</b>	<b>6,578,246</b>	<b>2,883,250</b>	<b>1,005,833</b>	<b>20,154,846</b>

RECOVERY DEVELOPMENT COST - BY DR. SAWSAN EL-MESSIRI - 1989. USAID LIBRARY.

Table 6

## COST/BETRE

ITEMS	DESIGN	CONSTR.	OPERATION	MAINTENANCE	STORAGE	K. EL. ELW	EL. BACUP	TOTAL
<b>INFRASTRUCTURE :-</b>								
<b>ON SITE :-</b>								
DESIGN & SUPERVISION STUDIES	2.75	2.00	1.65	1.14	0.53	0.22	7.31	1.05
DESIGN & SUP. TOTAL	2.75	2.00	1.65	1.14	0.53	0.22	7.31	1.05
CONSTRUCTION	30.25	14.61	7.87	13.45	5.13	5.33	30.68	6.24
<b>ON SITE TOTAL</b>	<b>40.23</b>	<b>16.61</b>	<b>9.52</b>	<b>14.59</b>	<b>5.66</b>	<b>5.55</b>	<b>38.19</b>	<b>7.29</b>
<b>OFF SITE :-</b>								
DESIGN & SUPERVISION	2.30							0.04
OFFSITE COLLECTOR DESIGN STUDIES	2.03	0.22	0.11	0.33	0.01	0.21	2.65	0.18
DESIGN & SUP. TOTAL	4.33	0.22	0.11	0.33	0.01	0.21	2.65	0.22
CONSTRUCTION	14.56	6.25				0.72		0.20
<b>OFF SITE TOTAL</b>	<b>18.89</b>	<b>6.47</b>	<b>0.11</b>	<b>0.33</b>	<b>0.01</b>	<b>0.93</b>	<b>2.65</b>	<b>0.42</b>
<b>INFRA. TOTAL</b>	<b>61.66</b>	<b>23.08</b>	<b>9.63</b>	<b>14.92</b>	<b>5.74</b>	<b>10.49</b>	<b>41.07</b>	<b>10.48</b>
<b>PUB. FACILITIES :-</b>								
SCHOOL (1)		1.05	1.94	2.74	0.70	1.63		1.25
SCHOOL (2)			1.22		0.46			0.50
COMMUNITY CENTER			1.12		0.37		14.22	0.56
YOUTH CENTER			0.35					0.40
PO OFFICE		0.11	0.02					0.02
FESTIVAL HALL							7.85	1.00
VOCATIONAL TRAINING CENTER		0.37						0.32
FENCING		0.05	0.01		0.01			0.01
BANKS		0.15			0.00			0.01
ECOL. INVESTIGATION			0.12					0.02
<b>PUB. FAC. TOTAL</b>		<b>1.74</b>	<b>4.76</b>	<b>2.74</b>	<b>1.07</b>	<b>1.63</b>	<b>24.07</b>	<b>2.57</b>
<b>PUB. &amp; INFRA. TOTAL</b>	<b>61.66</b>	<b>24.82</b>	<b>14.39</b>	<b>17.66</b>	<b>7.21</b>	<b>12.12</b>	<b>65.14</b>	<b>13.07</b>
<b>GENERAL :-</b>								
CON. WRS.	1.45	0.71	0.40	0.45	0.20	0.23	1.51	0.28
LAND PURCHASES	0.51	0.21	0.12	0.12	0.01	0.10	0.22	0.11
RELOCATION	0.45	0.15	0.11	0.12	0.05	0.05	0.45	0.10
COMPUTER	1.20	0.50	0.22	0.34	0.14	0.24	1.22	0.25
ECOL. VCH.	0.17	0.07	0.04	0.05	0.02	0.02	0.12	0.04
MAPS	0.47	0.20	0.11	0.14	0.06	0.05	0.51	0.10
ANAL. STUDY	0.04	0.02	0.01	0.01	0.00	0.01	0.04	0.01
MANAGE. OF WELLS	0.22	0.09	0.05	0.06	0.03	0.04	0.24	0.02
<b>GENERAL TOTAL</b>	<b>4.72</b>	<b>1.96</b>	<b>1.12</b>	<b>1.31</b>	<b>0.56</b>	<b>0.73</b>	<b>5.07</b>	<b>1.01</b>
<b>PUB., INFRA. &amp; GEN. TOTAL</b>	<b>66.42</b>	<b>27.70</b>	<b>15.48</b>	<b>19.06</b>	<b>7.97</b>	<b>13.09</b>	<b>71.06</b>	<b>14.09</b>
<b>ADMINISTRATION :-</b>								
TR. AL.	7.12	2.97	1.45	2.04	0.54	1.40	7.62	1.31
EVALUATION	0.23	0.22	0.15	0.15	0.01	0.10	0.27	0.11
TRAINING	0.32	0.13	0.02	0.05	0.01	0.01	0.34	0.07
ENR. & P.M. ADM.	4.55	2.75	1.25	1.25	0.72	1.20	7.04	1.40
OPER. ADM.	0.45	0.15	0.11	0.12	0.02	0.04	0.42	0.10
<b>ADM. TOTAL</b>	<b>12.67</b>	<b>6.22</b>	<b>2.98</b>	<b>4.21</b>	<b>1.32</b>	<b>2.75</b>	<b>16.06</b>	<b>2.95</b>
<b>FINAL TOTAL</b>	<b>79.09</b>	<b>33.92</b>	<b>18.46</b>	<b>23.27</b>	<b>9.29</b>	<b>15.81</b>	<b>87.12</b>	<b>17.04</b>

RECOVERY DEVELOPMENT COST -BY-DR. SAWSAN EL-MESSIRI - 1989. USAID LIBRARY.

Table 7

DESCRIPTION OF UPGRADING COMMUNITIES AREAS

AREAS	TOTAL AREA			RESIDENTIAL AREA			POPULATION
	HECT.	FEDDAN	SQ. M.	HECT.	FEDDAN	SQ. M.	
AL-ZEIN	8.00	7.18	30,100	2.00	4.78	20,000	8,000
EL-SABOUR	1.50	4.58	18,000	1.10	3.68	11,000	2,000
MATA EL-ELW	37.40	67.48	272,000	19.15	45.55	151,500	8,500
ISHAKHEIM	40.00	98.50	400,000	28.00	50.44	280,000	22,000
BARAZEH BAHARIYA	22.00	22.58	220,000	12.40	29.51	124,000	7,570
ISIDOUH	75.00	178.50	750,000	71.50	170.88	715,000	22,900
RASHED	21.00	45.98	210,000	12.50	30.70	125,000	15,745
TOTAL	200.41	478.82	2,000,100	157.85	374.45	1,578,500	100,815

RECOVERY DEVELOPMENT COST -BY-DR. SAWSAN EL-MESSIRI - 1989. USAID LIBRARY.

Table 8

## COST AREA BREAK

TYPE	TOTAL COST	PERCENTAGE OF COST FROM TOTAL COST	AREA OF COMMUNITIES SERVED	AVERAGE COST/SK. OF COMMUNITIES SERVED
<b>INFRASTRUCTURE :-</b>				
<b>ON SITE :-</b>				
DESIGN & SUPERVISION	1,674,855	6.24%	1,573,500	1.08
STUDIES	114,123	0.42%	400,000	0.29
DESIGN & SUP. TOTAL	1,808,978	6.66%	1,573,500	1.15
CONSTRUCTION	18,764,440	67.72%	1,573,500	8.84
<b>ON SITE TOTAL</b>	<b>14,972,466</b>	<b>54.38%</b>	<b>1,573,500</b>	<b>9.51</b>
<b>OFF SITE :-</b>				
DESIGN & SUPERVISION	65,925	0.24%	26,000	3.30
OFFSITE COLLECTION DESIGN	284,461	1.02%	1,573,500	0.18
STUDIES	118,049	0.43%	149,000	0.79
DESIGN & SUP. TOTAL	468,435	1.72%	1,573,500	0.30
CONSTRUCTION	182,718	0.67%	344,500	3.48
<b>OFF SITE TOTAL</b>	<b>1,729,186</b>	<b>6.33%</b>	<b>1,573,500</b>	<b>1.09</b>
<b>INFRA. TOTAL</b>	<b>16,701,652</b>	<b>60.71%</b>	<b>1,573,500</b>	<b>10.48</b>
<b>P.U.B. FACILITIES :-</b>				
SCHOOL (1)	5,000,000	7.48%	1,548,000	1.52
SCHOOL (2)	784,180	2.92%	1,073,000	0.72
COMMUNITY CENTER	565,544	2.12%	1,103,000	0.51
YOUTH CENTER	114,540	0.42%	330,000	0.35
FIU OFFICE	31,751	0.12%	509,000	0.06
FESTIVAL HALL	36,418	0.13%	11,000	7.84
VOCATIONAL TRAINING CENTER	48,000	0.18%	129,000	0.37
PENCING	21,024	0.08%	1,227,000	0.02
BANQUE	16,880	0.06%	347,000	0.05
SOL. INVESTIGATION	42,804	0.17%	257,000	0.17
<b>P.U.B. FAC. TOTAL</b>	<b>4,072,438</b>	<b>15.01%</b>	<b>1,223,500</b>	<b>3.28</b>
<b>P. U. &amp; INFRA. TOTAL</b>	<b>20,774,120</b>	<b>75.73%</b>	<b>1,573,500</b>	<b>13.07</b>
<b>GENERAL :-</b>				
CONL. OFF.	524,824	2.02%	1,573,500	0.33
LAND PURCHASING	170,000	0.63%	1,573,500	0.11
RELOCATION	150,000	0.55%	1,573,500	0.10
COMPUTER	395,154	1.47%	1,573,500	0.25
TECH. / VEH.	53,184	0.20%	1,573,500	0.04
MAFE	107,760	0.40%	1,573,500	0.10
MAN. STAFF	14,000	0.05%	1,573,500	0.01
DRAINAGE OF WELLS	72,000	0.28%	1,573,500	0.05
<b>GENERAL TOTAL</b>	<b>1,823,976</b>	<b>5.64%</b>	<b>1,573,500</b>	<b>1.01</b>
<b>P. U., INFRA. &amp; GEN. TOTAL</b>	<b>22,157,120</b>	<b>81.38%</b>	<b>1,573,500</b>	<b>14.08</b>
<b>ADMINISTRATION :-</b>				
T. A.	2,374,387	8.74%	1,573,500	1.51
EVALUATION	174,822	0.65%	1,573,500	0.11
TRAINING	102,867	0.38%	1,573,500	0.07
SAFF / FIU ADM.	2,500,000	9.10%	1,573,500	1.40
OFF ADM.	120,000	0.45%	1,573,500	0.10
<b>ADM. TOTAL</b>	<b>5,052,076</b>	<b>18.44%</b>	<b>1,573,500</b>	<b>3.18</b>
<b>EXPEND. TOTAL</b>	<b>27,141,120</b>	<b>100.00%</b>	<b>1,573,500</b>	<b>17.24</b>

Table 9

COST BREAKDOWN

TYPE	CEM	AS-EC	BRANIP	BRANIP B.	BRIDGE	I. E. C.	EL. BRIDGE	TOTAL
<b>INFRASTRUCTURE:-</b>								
<b>BRIDGE:-</b>								
DESIGN & SUPERVISION STUDIES	16.82	16.41	20.11	17.92	15.21	5.19	26.21	101.87
DESIGN & SUPV. TOTAL	16.82	16.41	20.11	17.92	15.21	5.19	26.21	101.87
CONSTRUCTION	75.72	115.70	93.43	212.62	142.25	215.20	113.24	1256.89
<b>BRIDGE TOTAL</b>	<b>100.54</b>	<b>132.11</b>	<b>113.54</b>	<b>230.54</b>	<b>157.46</b>	<b>220.39</b>	<b>139.45</b>	<b>1358.76</b>
<b>OFFSHORE:-</b>								
DESIGN & SUPERVISION STUDIES	6.24							6.24
OFFSHORE COLLECTOR DESIGN STUDIES	3.02	2.52	1.27	5.16	1.27	4.40	15.25	22.89
DESIGN & SUPV. TOTAL	17.12	2.52	1.27	5.16	1.27	4.40	15.25	44.05
CONSTRUCTION	26.25	22.24				16.24		64.73
<b>OFFSHORE TOTAL</b>	<b>43.37</b>	<b>24.76</b>	<b>1.27</b>	<b>5.16</b>	<b>1.27</b>	<b>20.64</b>	<b>15.25</b>	<b>109.78</b>
<b>INFRA. TOTAL</b>	<b>153.91</b>	<b>156.87</b>	<b>114.81</b>	<b>235.70</b>	<b>158.73</b>	<b>240.03</b>	<b>154.70</b>	<b>1468.54</b>
<b>PUB. FACILITIES:-</b>								
SCHOOL 101		2.76	23.00	42.12	15.47	27.22		110.57
SCHOOL 102			14.47		12.72			27.19
COMMUNITY CENTER			12.31		10.22		51.21	75.74
YOUTH CENTER			2.27					2.27
PL. OFFICE		0.26	0.27					0.53
FESTIVAL HALL							22.21	22.21
VOCATIONAL TRAINING CENTER		2.22						2.22
FENCING		0.24	0.22		0.22			0.68
BARBER		0.22			0.02			0.24
EDUC. INVESTIGATION			1.42					1.42
<b>PUB. FAC. TOTAL</b>		<b>5.42</b>	<b>37.42</b>	<b>42.12</b>	<b>28.71</b>	<b>27.22</b>	<b>73.42</b>	<b>236.33</b>
<b>PUB. &amp; INFRA. TOTAL</b>	<b>153.91</b>	<b>162.29</b>	<b>152.23</b>	<b>277.82</b>	<b>187.44</b>	<b>267.25</b>	<b>228.12</b>	<b>1704.87</b>
<b>GENERAL:-</b>								
CONV. O&M	4.22	2.72	4.72	7.22	2.22	7.22	2.22	30.52
LAND PURCHASING	1.27	1.72	1.42	2.22	1.27	2.22	2.00	11.12
RELOCATION	1.22	1.24	1.22	2.22	2.22	2.22	1.72	14.42
COMPUTER	2.22	4.02	2.22	2.42	2.22	2.42	4.22	21.52
EDUC. & TECH.	0.42	0.27	0.42	0.72	0.24	0.72	0.22	3.02
WATER	1.22	1.22	1.22	1.22	1.22	1.22	1.22	9.52
ANAL. STUDY	0.12	0.14	0.12	0.12	0.14	0.12	0.12	0.74
EXPENSES OF TRAVEL	0.22	0.72	0.22	1.02	0.74	1.02	0.22	5.74
<b>GENERAL TOTAL</b>	<b>11.22</b>	<b>12.24</b>	<b>12.22</b>	<b>21.50</b>	<b>12.22</b>	<b>21.52</b>	<b>16.22</b>	<b>107.22</b>
<b>PUB., INFRA. &amp; GEN. TOTAL</b>	<b>165.13</b>	<b>174.53</b>	<b>167.05</b>	<b>306.34</b>	<b>209.66</b>	<b>288.77</b>	<b>244.32</b>	<b>1812.09</b>
<b>ADMINISTRATION:-</b>								
T. A.	17.22	24.22	12.22	22.12	22.22	22.22	22.22	142.42
EXHAUSTION	1.22	1.21	1.42	2.40	1.74	2.40	2.22	14.61
TRAINING	0.22	1.02	0.22	1.42	1.02	1.42	1.22	10.22
EXHAUSTION	12.22	22.22	12.22	22.22	22.22	22.22	22.22	142.42
OPERATION	1.22	1.24	1.22	2.22	1.42	1.42	1.22	14.61
<b>ADM. TOTAL</b>	<b>32.12</b>	<b>50.11</b>	<b>27.12</b>	<b>52.22</b>	<b>52.22</b>	<b>52.22</b>	<b>52.22</b>	<b>314.29</b>
<b>GRAND TOTAL</b>	<b>350.16</b>	<b>371.43</b>	<b>354.20</b>	<b>664.70</b>	<b>471.92</b>	<b>629.24</b>	<b>512.94</b>	<b>3937.26</b>

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**2.2.1.6 Urban Upgrading Project Standards** - Table 10 outlines project standards according to JHP Engineering and Planning design documentation for the Helwan upgrading projects, which included cost data inflated to mid 1985 prices. (This documentation was provided in the report titled, "Implementation Planning Guidelines For Upgrading of Informal Communities" by Paul Gabele- CHF International August, 1985). Figures 4, 5, and 6 summarize graphically unit cost relationships to population density respectively for streets and pathways (Figure 4); water supply (Figure 5); and sewage disposal (Figure 6).

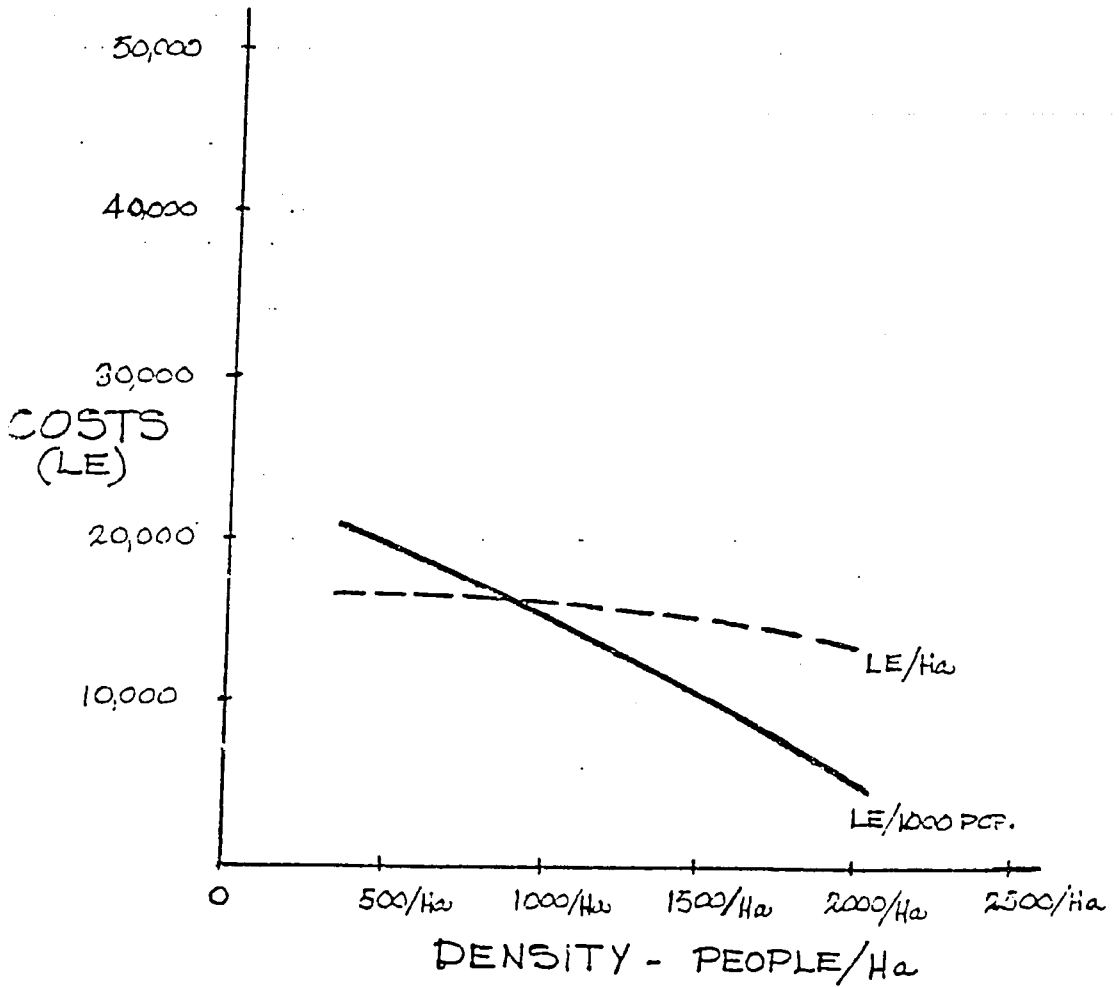
## **2.2.2 The Legal/Institutional Framework (Community Upgrading Projects)**

**2.2.2.1 General Background** - The USAID report by CHF titled "Regularization of Land Title For Informal Communities in Cairo - An analysis and proposed Approach" indicate significant changes have occurred in the legal framework within which the upgrading projects operated since they began in 1980. In 1978, when the project paper for the first upgrading projects was being finalized, there was no official policy regarding informal settlements except for the ambiguous framework of Law 29/66 which granted discretionary powers to municipal authorities to service these areas. There was little understanding of the principles of upgrading at the local level and periodic questioning of the underlying concepts at the central level.

Since 1980, the government has been striving to control the chaotic patterns of settlement expansion. Law 135/1981 mandated the regularization of informal settlements. With the enactment of this law, upgrading was recognized as a national shelter policy. Following the enactment of Law 135/81, governors turned to the legislature for new rules to govern the transfer of state land to settlers. Existing rules set by Presidential Decree 549/76 authorized such transfer only by charging occupants the full market value at the time of the sale.

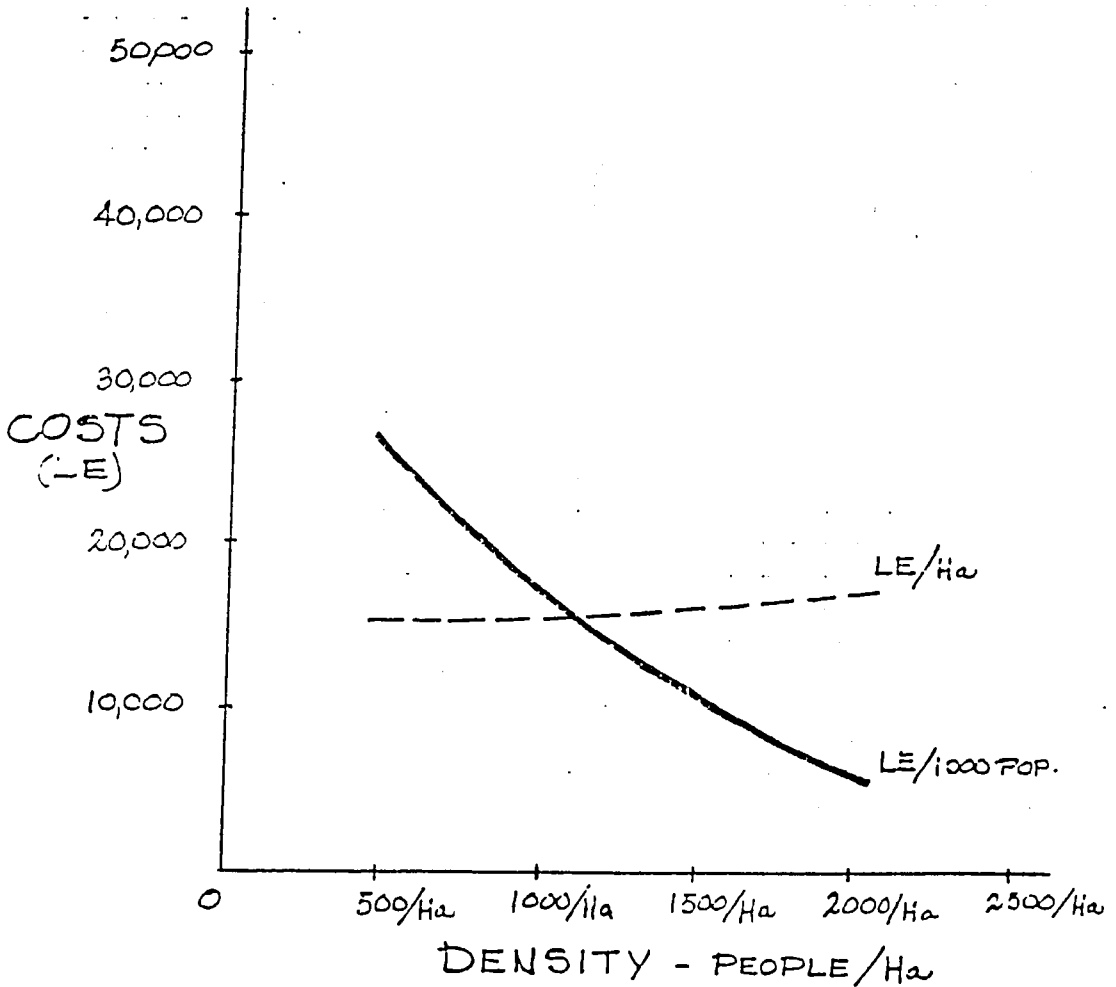
**2.2.2.2 Laws and Decrees** - Key laws and decrees which together constitute the legal framework within which any program for regularizing title are to be considered are outlined below. The main guidelines of a land tenure program are derived from the following laws and decrees; as they influenced development in Cairo Governorate.

- Law 31/1984
- Law 34/1984
- Ministerial Decree 857/1985



STREET AND PATHWAY COSTS  
RELATED TO POPULATION DENSITY

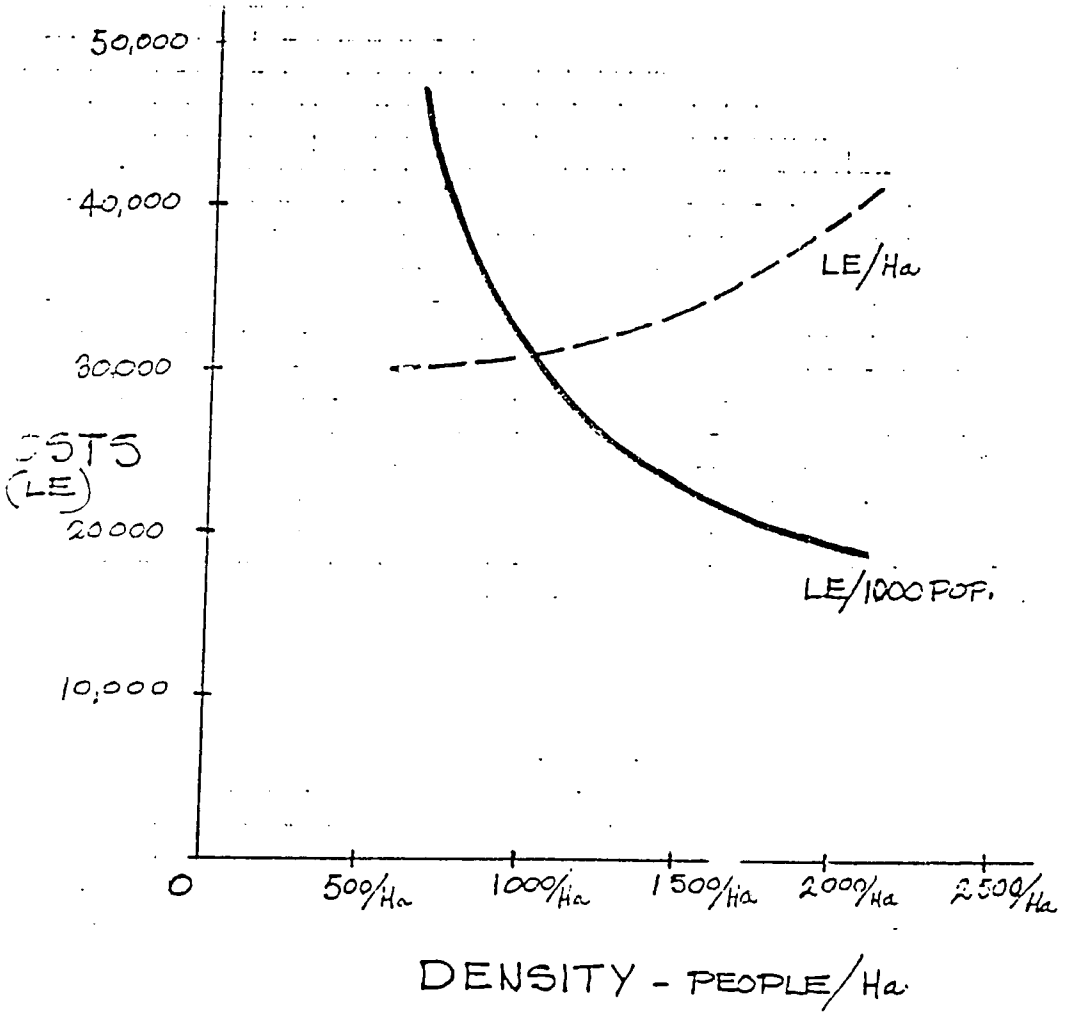
Figure 4



WATER SUPPLY COSTS  
RELATED TO POPULATION DENSITY

Figure 5





SEWAGE DISPOSAL COSTS  
RELATED TO POPULATION DENSITY

Figure 6

Table 10

SUMMARY/AND UNIT COSTS OF PROPOSED HELWAN COMMUNITY UPGRADING STANDARDS

1. Roads and Access

a) Level of service: (Primary Roads)

- surfaced primary access road within project - 150-200 meters width
- emergency vehicular access road within - 75-100 meters width
- pedestrian access to every plot

b) Design standards: (where achievable)

- primary access road - 2 way paved 6 meters wide, min. ROW 8 meters
- emergency vehicular - one way, graded, min. ROW 5 meters
- pedestrian dominated roads - where paved 2-5 meters wide, min. ROW 4 meters, normally graded only
- pedestrian pathways - unpaved but graded as required, 2-4 meters ROW

NOTE: In communities having irregular street patterns, provision of curbs are recommended on all vehicular access roads as a control measure against encroachment.

c) Unit Costs\*

- cost per hectare - LE 14,000 (high density)  
LE 17,000 (low density)
- cost per capita - LE 5 (high density)  
LE 20 (low density)

---

\* JHP engineering and Planning Design reports for Helwan upgrading projects, inflated in mid-1985 prices.

SOURCE: "Implementation Planning Guidelines for Upgrading of Informal Communities". Pages 14,16,18,20,21, and 22. Paul Gabele August, 1986. JHP engineering and planning design reports for Helwan Upgrading projects, inflated to mid-1985 prices.

Table 10 (continued)

2. Water Supply

a) Level of service: (when off-site supply permits)

- availability of on-plot water - 60-80% of plots
- public stand pipe within - 150 meters
- fire hydrants within - 150 meters
- fire hydrants spacing - 200 meters max.
- available min. pressure head

- service connection - 25 m at peak
- hydrants - 7 m at fire

- consumption, on plot water - 80-120 l/c/d
- consumption, others - 40-60 l/c/d

b) Design Standards:

- public stand pipes - 1 per hectare or 1 per 500 persons
- on-plot connections - neighborhood or block metering (1 meter for 100-150 units)

- fire hydrants

- min. pipe size - high density 150 mm
- low density 100 mm
- connect to existing lines - high density 100 mm

c) Unit Costs:\*

- cost per hectare - LE 15,000 (low density)
- LE 17,000 (high density)
- cost per capita - LE 6 (high density)
- LE 24 (low density)

---

\* JHP engineering and planning design reports for Helwan Upgrading Projects, inflated to mid-1985 prices.

Table 10 (continued)

3. Sewage Disposal

a) Level of Service: (When off-site disposal permits)

- piped sewerage available to - 60-80% of plots
- cesspits or aqua-prives to cesspit evacuation - 20-40% of plots
- sullage disposal to sewers - improved vault pumping service

b) Design standards:

- design flow - 80% of water consumption
- infiltration factor - 10% (varies with site)
- min. pipe diameter - sewer - 175 mm
- house connection - 150 mm
- manhole spacing - max. 75-100 m on straight and at all intersections, changes of level and direction.
- inspection chambers - "eye rods" in tops of manholes in streets less than 3 meters wide.
- house connections - director to sewer via "Y" or "T" connector, production of "Y" section to be locally made.

c) Unit Costs:\*

- cost per hectare - LE 30,000 (low density)  
LE 38,000 (high density)
- cost per capita - LE 20 (high density)  
LE (low density)

4. Schools:

a) Planning standards:(short term - assumed enrollment 65%)

---

\* JHP engineering and planning design reports for Helwan Upgrading Projects, inflated to mid-1985 prices.

Table 10 (continued)

●	classrooms required:		
-	basic school (prim./prep/)	-	1 classroom/650 pop.
-	primary school	-	1 classroom/820 pop.
●	land area required:		
-	basic school	-	0.55 - 0.6 Ha
-	primary school	-	0.4 Ha
●	school model:		
-	basic school (Ghoneim)		24 classrooms + laboratories
-	primary school (Rashed)		18 classrooms
●	students/classroom		40-45
●	number of shifts/classroom		2 shifts
●	vertical expansion	-	basic school, to 33 classrooms
		-	primary school, to 25 classrooms
b)	<u>Unit Costs:</u> *		
●	basic school		
-	cost/school	LE	750,000
-	cost/classroom	LE	31,250
-	cost/capita	LE	48
●	primary school		
-	cost/school	LE	300,000
-	cost/classroom	LE	16,700
-	cost/capita	LE	20

---

\* JHP construction contracts and design estimates for Helwan Upgrading projects, inflated to mid-1985 prices. Costs do not include land acquisition.

Table 10 (continued)

5. Community Centera) Planning standards:(short term)

- service standards: - 10,000-30,000
- central location preferred
- land area required
  - new facility - 0.2 - 0.25 Ha
  - expansion of existing - N/A
- assembly space shared with school
- vertical expansion

b) Unit Costs:\*

- general, health center
  - cost - LE 210,000
  - cost/capita - LE 1.0
- health unit (approx. 400 M<sup>2</sup>)
  - cost - LE 70,000
  - cost/capita - LE 1.4

6. Sports and Recreationa) Planning standards: (design population)

- service population - varies
- land area required - 0.3 m<sup>2</sup>/capita  
(min. multi-purpose play area, 6000 m<sup>2</sup>)
- play area shared with school

b) Unit Costs:\*

- earthwork and facilities - LE 100,000 - 150,000
- cost/capita varies

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\* JHP construction contracts and design estimated for Helwan Upgrading Projects, inflated to mid 1985 prices. Costs do not include land acquisition.

- Governor's Decree 225/1986
- Local People's Council 183/1986
- Governor's Decree 261/1988

A chronological summary of key provisions of these laws and decrees, together with the regulations governing their implementation is summarized from the report to USAID titled "Regularization of Land Title For Informal Communities in Cairo-An Analysis and Proposed Approach" as follows;

- Law 31/84 empowered Governorates to dispose of the land through negotiated sales, conditional upon recipients obligation to utilize and develop the land in accordance with the purpose specified in the sale agreement. Violation of this clause would lead to the cancellation of the sale and loss of title. Also item five of Law 31 exempted those who legalize their land and title according to the law, from the penalty of imprisonment.
- Law 34/84 - On the 27th of March 1984, Law 34/84 emphasized the penalty for encroachment by considering it a crime. This law amended the penal code by adding a paragraph which stipulated that anyone who encroaches on agricultural or vacant land would be sanctioned by imprisonment or fined not more than LE 2,000 or both penalties. The property illegally appropriated would be required to be returned.
- Ministerial Decree 857/85 - Executive regulations for Law 31/84 were finally issued on June 24, 1985 by Ministerial Decree 857/85. The decree spelled out the conditions under which vacant government land could be transferred to occupants who had brought these waste lands into use prior to March 1984 when the law was passed. The decree did not define the modalities of land transfers, however, beyond reiterating that they were to occur through sales agreements negotiated directly between the occupants and the authority having administrative jurisdiction over the land. Local government units have thereby been given wide discretionary powers to define their own operational procedures.
- Review of Operational Procedures - In the Cairo Governorate, the operational procedures were set by different committees composed from both the executive body and local council of the Cairo Governorate. After reviewing the previous decrees and laws, the Account and Financing Committee of the Economic Housing Project, proposed that the sale of government land would be authorized only in those cases where there are buildings which do not conflict with the planning. It would also be possible to lease land temporarily to occupants. These recommendations were transferred to Cairo Governorate Local Reports Council for its approval.
- Governor's Decree 225/1986 - On August 9, 1986, the local council approved Decree 4 of 1986 of the Economic Housing Account and Financing Committee. The decree covers detailed conditions and terms for the disposition of government properties in accordance with

the previous laws and decrees. Based on these detailed conditions, the Cairo Governor issued Decree No. 225 of 1986 which covers regulations for settling cases of those taking hold of state land in the Cairo Governorate.

- **Procedures and Policy** - A committee headed by the General Secretary of the Governorate was formed to supervise procedures settling cases of those taking hold of state land. An office at the Governorate Properties Administration was established for executive procedures. Thus, not until 1986, did the Cairo Governorate have a set policy for legalizing land title. Only in October 1986 did the Governor take the first step in implementing the land sale program by issuing an announcement in the newspaper. It was announced that occupants could obtain for LE 5, a form on which to submit a request to purchase their plots and to provide preliminary site survey information in support of the that request. In addition, the occupants were to be charged a fixed fee related to the size of the plot a kind of "pre-payment" before the value of the land has been estimated. This fee is currently set at LE 10 per square meter. In addition, administrative fees of LE 1 per square meter are levied to enable the government to undertake a field survey of the settlements.
- **Reassessment of Procedures and Policy** -The Governorate set up offices for selling the application forms starting from 18 October 1986 to 17 November 1986. Applications were accepted from only 12 districts in Cairo according to a set schedule. Helwan district was one of the identified 12 districts.

In 1987, one year after starting the first procedure for selling government land, however, only 27,432 had purchased application forms. Out of this number only 720 occupants had paid the pre-payment of LE 10 per square meter. Moreover, none of the 720 occupants who have paid, have yet been granted their land title, due mainly to these constraints: the lack of capacity within the Governorate; the antiquated survey; and the title allocation system and procedures.

This unsatisfactory result forced Cairo Governorate to reassess its regulations and procedures. Consequently, a committee was formed by Cairo Governorate Local People's Council Decree No. 1 of July 1987 to review the regulations for disposition of state properties, in order for them to better comply with citizen's conditions and their means of payment.

The specialized committee had its first meeting on December 16, 1987 and submitted its report in March 1988. In this report, the specialized committee proposed a set of procedures for implementation. The committee recommended that Item 3 of the Governor's Decree (No. 255) which stated that occupants are charged a fixed fee of LE 10 per square meter as a kind of "pre-payment", should be eliminated.

The report was discussed by the main committee and they agreed on all the proposed items except for the major proposal of delaying the advance payment until deciding on the price. The committee also urged the Governorate to speed up the procedures for the 720 people who had already applied. The proposed items in the final report of the committee were incorporated in the Governor's Decree 261/1988



which supplemented the previous Decree of 225/1986. Following the issuing of the Governor's decree a second press statement was announced by Cairo Governorate. The announcement specified a period of two months for applying to purchase government land. After this period, those who have not applied will lose their right to buy the land and measures will be taken against them according to the law.

In summary, it has taken the Cairo Governorate four years to finalize its regulations and operational procedures for disposing government land. Key provisions of these various laws are summarized as follows;

- **By-Laws of Law No. 31 for 1984:**

1. The concerned Administrative Organization has the right to dispose of the state's lands to people who have laid their hands on it before the execution of this laws, i.e. before the beginning of April 1984.
2. The disposition of the land will be done through public selling with the possibility of paying the price by installments.
3. The one taking hold of the land applies personally to purchase the land during six months from the date this law is put in effect.
4. The aforementioned would be in accordance with rules and restrictions decided by the Ministry's Council for political or economic or social considerations.
5. The buyer is obliged to use the land for the same purpose it was sold for, as stated in the sale contract. In case of breaching this condition, the contract would be automatically dissolved a compensation paid by the purchaser if necessary.
6. Exemption of cases settled by this law from assigned punishment or penalties for encroachment on state properties.
7. The rules established by this law should not conflict with other laws enacted for the disposition of the state's properties.

- **Ministerial Decree 857 of 1985:**

In order to dispose of state owned property one of the following conditions should be fulfilled:

1. Permanent structures have been erected on the occupied parcel, the demolition of which would inflict a severe hardship on the occupant.
2. Parcels kept vacant are part of a project owned by the occupant and considered an integral element or a necessary complement to its operation.
3. Plots vacant or occupied do lie within the boundaries of a permanent residential settlement.

4. Parcels used for productive, tourist or other commercial services project, which the authorities deem beneficial to the community.

- **Decree 183/1986 of the Local People's Council:**

The Council in this decree approved the following recommendations made by the committee composed of the Balance and Urban Committee:

1. A time limit of six months, which starts from date of issuing local people's council decree, is set for the Governorate to put this decree in effect. A report for the implementation is to be presented to the council at the end of the six months.
2. A study is to be carried explaining how to deal with those who capture the state owned land and abstain from applying to the Governorate.
3. The council is to be provided with a detailed statistical statement about that land which will be dealt with through sale and that which will be dealt with through lease.
4. Encroachment on the state owned land had continued after the date of the issuance of the Presidential decree 31/1984. These cases lately increased due to the belief that as previous illegalities has been legalized a similar thing would happen in the future.
5. The Governorate should check these lands through responsible districts and investigate the measures which had been keen to protect them from being encroached upon.

- **By-Laws of Cairo Governor Decree No. 225 of 1986**, (after the approval of Account and Financing Committee of the Economic Housing Project and Cairo Governorate Local People's Council):

1. Disposition of State's Properties will be as follows:
  - a. Real estate development and encroachments which doesn't conflict with the approved area plan would be settled through sale according to Ministerial Decree 857 of 1985.
  - b. Encroachments which conflict with the area plan are to be dealt with through leasing it, provided that the contract should clarify that the area is a state property and that this conflicts with the general area plan and that leasing is only temporary for a specific time limit which the Governorate considers necessary for putting the decree into effect.
3. Disposition of state's land is to follow the following steps:
  - a. The one taking hold of the land would be given a specified purchase form for LE 5,100.

- b. An amount of LE 10 (ten pounds) would be collected for every square meter purchase (as mentioned in the purchase contract) until a specialized committee ends its survey of area confinement and size and estimate of land price in addition to cost of infrastructure, which would be decided later.
- c. From each applicant, one pound would be paid per each meter purchased for administrative expenses. This sum would be used for incentives for workers, buying stationary, maps...etc.

- **By Laws of Governor's Decree 261/1988:**

This decree supplemented the previous Governor's Decree 225/1986 by adding the following items:

1. Applications are to be reviewed carefully to make sure that encroachment took place before 1984.
2. Pricing of each plot is to vary according to its: size, location street width, kind of use and its share in the cost of infrastructure.
3. Tendering the price with the occupant is to take place as soon as the pricing committee makes its estimate.
4. It is possible that the purchaser would repay up to 75% of the value over a period of ten years with an interest of 7 percent. The Governorate has the right to mortgage the property until all installments are paid.
5. Registration fees are to be paid by the occupant.
6. If occupants of government land do not apply during the specified period, they will lose their right to buy the land and they will be punished according to the law. Encroachment on government land is a crime according to Law 34/1984. Its penalty is imprisonment or a fine or both penalties.

It is clear from the preceding legal review that the sale of government land and collections of proceeds is now not only an initiative within the Cairo Governorate but also a national priority for Egypt.

## 2.2.3 **Helwan Community Upgrading Program Organization and Operating Framework Issues**

The following framework issues are excerpted from the report titled "Regularization of Land Title For Informal Communities in Cairo: An Analysis and Proposed Approach". As mentioned previously significant changes occurred in the institutional framework since the beginning of the Helwan upgrading project. The most important institutional reform relates to the decentralization of legislative and executive responsibilities which strengthened the role of local

government. This led to a progressive transfer of executive authority from the central ministries to the units of local government. The Governorates now hold considerable powers in the areas of planning, housing and land development.

"In the process of shifting responsibilities from central ministries to local government units, the changes have led to a paradoxical situation for the upgrading projects. Mandate, (i.e. the responsibility of implementation according to the Grant agreement) and capability remained vested in the EAJP under MOHU, while legal jurisdiction was transferred to various Governorates and district authorities.

"In implementing the Helwan upgrading project, this paradoxical relation constrained EAJP in carrying out the upgrading activities in general and the land tenure program in particular. EAJP's ability to recovery costs became dependent on providing security of land tenure as a reward for payment; although EAJP had the primary responsibility for securing land title for residents, the Governorate still maintained the legislative authority over land tenure.

This attenuated division in roles and responsibilities between EAJP and the Governorate made it necessary for EAJP to legitimize its role with the Governorate as well as to find a way to combine cost recovery with the granting of land title. To accomplish this goal, negotiation started between Cairo Governorate and EAJP in November 1986. Several meetings have been held since that time, which have produced the following results:

1. The principle of cost recovery through legalizing land title was fully accepted by the Cairo Governorate, as documented in the minutes of meeting and the correspondence between EAJP and Cairo Governorate.
2. EAJP started to be represented in meetings of the Cairo Governorate which discuss the issue of selling government land.
3. The Executive Council of the Cairo Governorate has endorsed upgrading as an implementation policy for the informal settlements and prepared urban plans for six new communities. In response to an EAJP request, Decree 61/88 was issued to designate these communities for a new upgrading project in Helwan; the decree also delineates vacant land in these new areas for public facilities.
4. The Governor sent a letter on 11 May 1986 to USAID expressing this interest in sponsoring new upgrading projects similar to those of Helwan and Manshiet Nasser in partnership with EAJP.
5. A study of the cost upgrading was presented to the Cairo Governorate and the cost per square meter was estimated at LE 20. EAJP emphasized that the aim of cost recovery is to replicate similar projects; nonetheless affordability is constrained by the incomes of inhabitants, and affordability should be the major factor in determining the percentage of cost recovery in regard to land and infrastructure cost. It was agreed that infrastructure costs will be added to the sale price of the land.
6. The Cairo Governorate delegated the authority to EAJP to design the implementation program for legalizing land title in the existing upgrading areas in partnership with the Governorate. This program had to be within the established legal framework for selling government land. This was a major step by Cairo Governorate to recognize that EAJP had the knowledge and skilled staff, the procedures and the lines of communication with Helwan upgrading communities to play a key role in a program of land title and regularization.

Recognizing the need to establish a legitimate role for itself in the land tenure process, EAJP started the first step in implementing a land tenure program. It requested the General Organization for Surveying (GOS) to provide a quotation for land surveys of the Helwan upgrading communities. GOS gave a cost estimate of LE 157,000 and a time frame of 26 months to complete the survey work for six communities. GOS began work in October 1986 and has now completed most of the work.

During the course of implementation, the Cairo Governorate has recognized the effort needed to implement such complex projects. It also has perceived the value of having EAJP as a central management unit which adopts upgrading as a legitimate shelter program for low-income Egyptians. On the other hand, EAJP has recognized that to institutionalize future upgrading projects, the existing distribution of responsibility between the central and local government has to be in accordance with statutory authority and jurisdiction.

**2.2.3.1 Recommended Organizational Structure of New Upgrading Areas** - The successful implementation of the upgrading project in South Helwan resulted in more cooperative and smooth relations between EAJP and Cairo Governorate. To institutionalize the role of EAJP and the Governorate in a proposed future upgrading project, a partnership agreement was reached on 11, March 1987. This agreement identified the roles and responsibilities of each party. While the Governorate would assume responsibility for implementation, EAJP's roles would include funding, planning, coordination, overall management and technical support.

1. The Role of EAJP:

EAJP is a central agency already vested with the mandate for undertaking "community upgrading project", and possessing competence and experience in planning and implementing such projects. As an Executive Agency of the MOHU, EAJP will be called upon to formulate "community upgrading" policy. At one point in 1986, it was expected that EAJP would become a General Organization specialized in urban "community upgrading" projects. (There is already a proposal in a Presidential Decree concerning this issue.<sup>3</sup>) Until this decree is issued, EAJP could be restructured to meet its new role of institutionalizing "community upgrading". As an executive agency of MOHU, EAJP would establish a high level policy committee, grouping officials in the name of under-secretary and above. As a General

3.

A proposal was drafted by EAJP to the High Committee of Politics headed by the Prime Minister in 1986. The Minister of Housing (Mohamed Mohsen) presented the proposal but it was refused. EAJP was trying to push the proposal for another time by other means but till now they have not succeeded. Recently, the new Chairman Abdel Wahab El Sabca believes that there is no need for EAJP to become a General Organization because they can get their independent identity by having a "private box". This box will allow them to keep their own funds and have their independent budget. The new Chairman is very active in this direction and he might achieve this financial independence very soon. If this new direction succeeds then EAJP will remain as a central agency under the MOHU. The previous proposed role (in any future projects) for EAJP as a General Organization would also apply as a Central Agency.

Organization, EAJP would have representatives of the Governorates and utilities on its board. The board would perform this high-level policy formulation function. Its decrees would be endorsed by the Minister of Housing and have the force of administrative law.

The purpose of the General Organization or EAJP as a Central Agency is to set the overall policy at the national level and to coordinate the various participating line ministries, as well as developing the Governorates' capabilities in upgrading.

EAJP's roles in the future projects will include:

- a) Training local units to implement integrated upgrading programs that would enhance the Governorates abilities and capabilities in planning, budgeting and implementation functions.
- b) Setting upgrading policy and planning guidelines.
- c) Strengthening the planning, programming, monitoring and budgeting capabilities.
- d) Instituting unobstructed channels of communication with the Governorates and other autonomous central agencies involved in upgrading activities.
- e) Assisting Governorate and District implementation units in selecting sites for upgrading, promoting community organization and public participation, introducing cost recovery and credit programs, carrying out urban planning and engineering design, preparing tender documents and supervising public works construction.

2. Executive Committee:

A key feature in the management of new projects is to be the presence of an executive committee for "community upgrading" in each Governorate, the Executive Committee is to act as a project steering committee and a channel for interagency communication, so as to ensure the implementation of projects in the Governorate and manage their execution. This committee will be chaired by the governor or his representative. Relevant senior members at the Governorate level and district level as well as the chairman of EAJP or his representative will be members in this committee.

Functions of the committee will specifically include:

- a) Endorsing plans and proposals regarding the design and implementation of projects.
- b) Coordinating agency involvement in implementation.
- c) Evaluating the adequacy of existing executive regulations and recommending supplementary or alternative procedures.

- d) Assessing the capabilities of district agencies, delegating responsibilities to them and securing for them the support they need to undertake the tasks assigned to them.

3. The Role of Local Government in Upgrading:

A series of laws enacted between 1970 and 1982 have had the following impact:

- A twin hierarchy of elected local councils and executive councils has decentralized the decision-making processes and promoted active local participation in the administration of local affairs, and
- Urban districts and Governorates have each been granted a legal personality to become a unit of local government.

The organizational structure now recognizes the legal authority of the local units to implement "community upgrading" programs. The organizational structure of the new projects has a solid link with the three levels of the local government:

- First, at the local government level, a senior member from the Amana (Technical Secretary) will be presented in the board of the General Organization;
- Second, at the Governorate level, an "executive committee" with members from EAJP and the Governorate will manage the project; and
- Third, at the district level, an implementation unit will be formulated to execute the programs with the technical assistance of EAJP.

a) Popular Council Role in New Upgrading Projects:

The decision making mechanism in the new projects will follow the existing legal channels in the local government. Lower level units make recommendations to higher levels on matters of joint interest, and refer to them the decisions or matters of local interest for approval and adoption. Proposals from districts and other local units, and the governor, who refers them to the popular council with his recommendation. The council's action is communicated to the governor, who then issues the appropriate executive decrees. On the other hand, some issues will be initiated at the policy level and then go down through the previous channels. Therefore, it is a two-way process.

b) Project Implementation Units (PIU's):

At the district level, there will be a Project Implementation Unit (PIU). This unit will be responsible for implementing the project according to the designed plan. There will be a general manager responsible for the execution of the program. He will be a member of the executive committee at the

Governorate level to coordinate execution with work plans and policies. PIU's at the district level will be composed of members from the district and EAJP and they will be managed by the Governorates, but they will depend on EAJP for technical assistance. On the other hand, EAJP will monitor and assess the progress and work plans of the PIU's at the district level.

c) Field Team:

At the community level, a field team from both PIU's will be formulated. The purpose of this team is to establish the principle of a "bottom-up" approach and to mobilize local participation. They will have a permanent office in the community. Processing of the implementation plan will be carried out from this office.

After setting the legal framework and organizational structure for the new upgrading project, both EAJP and the Cairo Governorate were in a strong position to start implementation. Unfortunately, however, the Governorate lacked the necessary funds. These developments took place after USAID approved a project identification document (PID) for a new upgrading project. USAID has been hesitant to finalize a project until the land title and cost recovery procedures were in place. To speed up the implementation of a land title regularization program in the upgrading area of Helwan, however, EAJP proposed to assist the Cairo Governorate in designing this program. In response to this proposal, a Joint Committee from Cairo Governorate (7 members) and EAJP (4 members) was established by a Governor's Decree (No. 1988). According to the organizational chart in the agreement, the joint committee is headed by the deputy governor.

4. The Role and Structure of The Joint Committee:

a) Structure

A joint committee was established in Cairo Governorate form EAJP and the Governorate. The committee is headed by the deputy governor and includes the following members:

Deputy Governor	Chairman
Director of the Housing Directorate in the Governorate	Member
Technical Consultant in the Governorate	Member
Director of Physical Planning in the Governorate	Member
Director of Legal Affairs in the Governorate	Member
Director of Properties Administration in the Governorate	Member



**Four members representing EAJP and its consultants**

EAJP issued a decree identifying its members as follows:

- General Manager of PIU
- Director of Planning and Monitoring Department
- Director of the Chairman's Office
- The CHF Social Development Consultant<sup>(4)</sup>

**b) Function**

The Joint Committee is mandated to consider policy decisions concerning new upgrading projects. The committee is currently giving priority attention to the land title program due to its important implications for the future of upgrading.

The Joint Committee has the following responsibilities:

- a) Organizing and monitoring a land title and cost recovery program in the ongoing upgrading project implemented by EAJP. This program will be run in accordance with the organizational structure set in the agreement between EAJP and Cairo Governorate. Both EAJP and the Cairo Governorate will establish a field team to start processing the land title program.
- b) Reviewing proposals for new upgrading areas and setting the criteria for the selection of new upgrading projects.
- c) Identifying the sources of funds for new projects.
- d) Issuing the necessary approvals for new projects and identifying the means of cooperation between the local government and EAJP.
- e) Issuing the necessary decrees for establishing the implementing units in each project. It also establishes the structure and its relationship with the different units in the new organizational structure according to the guidelines set in the Organizational Charts appended.
- f) Formulating rules and regulations of work and specifying the tasks and responsibilities of various implementing units. It also supervises the system of responsibility delegation.
- g) Approving the main implementation plans and carrying out periodic evaluation and reviewing progress reports.
- h) Instituting effective mechanisms to promote coordination and cooperation between EAJP, the Cairo Governorate and other autonomous organizations involved in upgrading activities in

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<sup>4</sup> This member was changed after the end of the CHF contract, under which advisory services in the area of upgrading, inter alia, were provided to EAJP.

order to enhance the steady progress of project implementation.

- i) Setting the policy for self-financing of upgrading projects by encouraging local participation and supplying cost recovery principles.

## 2.2.4 Helwan Community Upgrading Participation Issues

Residents of the upgrading areas in Helwan reacted strongly to Governorate decrees and regulations. They expressed their view in the various meetings that were held with representatives from Cairo Governorate and EAJP. In a memo signed by most of the leaders in these communities and presented to the Deputy Governor in February 1987, the following views were expressed, as excerpted from the USAID report "Regularization of Land Title For Informal Communities in Cairo an Analysis and Proposed Approach"

1. Residents of these communities had been allocated government land by the government as in the case of Rashed and Arab Kafr El Elw. In the case of Rashed their original area was flooded in 1946 and the government moved them to Arab Rashed. Residents of Kafr El Elw were moved by government to Arab Kafr El Elw. In the 1950s, the government surveyed occupants as Hekr. Hence, they feel that they are legal and have been paying regularly to the government like the "hekr".
2. A common objection among residents of these areas is the advance asked by the Governorate. They see that LE 10 per square meter, (which is one of the terms of regularizing land title as announced by the government in the newspapers), is not feasible or affordable. They also objected to an advance being required prior to identifying the price. Registration fees of LE 1 per square meter should be considered as an advance.
3. They recommended that the price be set according to the time of settlement and not according to the time of land sale. Several examples of prices in the 1950s and 1960s were quoted which ranged from 25 piastres to one pound. They also quoted the prices at which the public sector (such as cooperatives and agricultural reform) had sold its land and requested to be treated similarly.
4. They requested that there should be variation in the price according to the kind of tenure, i.e. Hekr or encroachment. Also, the amount of advance should vary from one community to another, since Helwan is not like Heliopolis.
5. They referred to the fact that most residents in these communities had taken home improvement loans. Repayment of these loans will limit their affordability for land sale payments.
6. They requested that leadership of these communities be represented in the committees of pricing and processing of the land tenure program.

Other excerpts from the USAID report "Lessons Learned" indicated the relative success of the community participation in the upgrading project components. As follows:

" One aspect of the community upgrading projects receiving considerable praise has been the community organization and participation work of the technical assistance contractor. A sustained effort has been made to work with the communities selected for upgrading and to build up the capacity of local neighborhood. This aspect of the project is now recognized as a high priority in development assistance work throughout the donor community.

Community participation in loan programs is another interested component. The first home improvement loan was made in March 1981 and to date nearly 3,000 loans have been made with almost LE 5 million outstanding. No new loans, however, have been made since June 1987 because of lack of funds. Repayment is over 20 years by borrowers who are employed by companies, 10 years for self employed. The latter must have a guarantor. In the case of company employed borrowers, the company confirms the employment and the salary, but does not guaranty.

Loan size determined by CFE on the basis of the repayment period, the 7 percent interest rate that is charged and allowing 25 percent of income toward repayments. According to CFE, some 300 loans are delinquent, about 10 percent. One problem is with company employees who leave the company for some reason and then stop making payments.

Extending land title to the occupants of these communities has still not been achieved and this is a further problem. It is bogged down in the Cairo Governorate.

A small enterprise loan program was introduced into the upgrading component of the project at some point and, presumably, formally approved; although, this review did not turn up in the documentation. This program provides for extending small loans to enterprises in the upgrading areas for working capital, shop improvement and equipment. There have been some 327 loans made to date and the outstanding balance on all loans is almost LE 600,000. The fund started with a capitalization of LE 300,000.

Loans are made for five years on the basis of a promissory note. The interest rate is 7 percent, plus 3 percent additional for administration, for a total of 10 percent. Delinquencies, according to CFE, are running at 25 percent. CFE cited, as one reason, that some borrowers obtained their loans and then moved. This is questioned by some as unlikely in this kind of neighborhood, but was definitely cited by CFE as a problem.

Total financial inputs into the upgrading project components, according to USAID records, were about LE 30.5 million in Spring, 1989. Almost LE 5 million was attributed to the technical assistance. The TA contractor devoted a large part of its effort to the upgrading component.

This component of the project generally has been viewed as successful and is definitely considered to have had an impact on policy thinking at the GOE and/or at the governorate level. The problem, however, of vast numbers of people living in illegal settlements with very poor services must be dealt with. Therefore, programs that attempt to address a specific and visual problem with basic improvements have greater receptivity than those introducing a new way to build new housing. Obviously, any group of people living in such areas will be happy to get the services and tenure. But, if this approach is to be adopted on a large scale, the question of cost and where the resources will come from must be addressed.

The issues of land title and cost recovery in the Helwan project upgrading component have yet to be resolved; but both must be settled before the upgrading program approach can be extended in a major way. This project has gone ahead without the resolution of these issues.

Although the governorates have title to land, the overall question of land title remains a national issue. A new law passed in the early 1980s specified that squatters could be provided with title to the land on which they lived. Before that, the settlements were considered illegal and therefore nothing was done. But the process of providing title has been going very slowly. The

Cairo Governorate sees it as a difficult issue since it does not want to establish a precedent that title will be automatically granted in all informal areas.

There is also the issue of what to charge. The technical assistance contractor completed both a land titling report and a cost recovery report financed by AID. The project Paper contained a cost recovery plan for on-site infrastructure through plot charges and tariffs, none of which are in effect yet. One problem is that the major trunk sewer system to which the project communities were to inoperable and will probably be so for several years. This is outside of AID's control (the trunk system is financed by the EEC) but AID declined to finance an alternative off-site collector. Until the sewer system is hooked up and the land title question resolved, it is difficult to set up a system of charges.

There is an additional issue related to providing land title. Many squatter areas, and Helwan appears to be no exception, are located in areas where the land is very valuable because of its location, e.g. urban centers often grow up around squatter areas. When infrastructure is provided to this land, followed or preceded by providing title, the land can become extremely valuable and the beneficiary has the potential to reap a significant windfall.

Apparently, this is a potential problem in Helwan where outside "investors" are already exploring possibilities. The possible result will be that investors buy up a lot of properties, demolish existing structures and build for a different income level. The former resident has a quick infusion of cash and then must find another place to live. The Governorate is now working on ways to solve this (e.g. 99 year leases, giving title but with the proviso that the beneficiary must get approval to sell; or, if sold, it must be sold back to Governorate). It is an unresolved issue and one reason the title question is still pending.

Although both the home improvement and small enterprise loans have moved ahead and have been considered successful, there are serious questions as to replicability. As it stands now, CFE is administrating the program for a fee at an interest rate will below market. Unless it were to lend at rates at which it could recover its costs, both transaction costs and interest costs, and have a solid security in the form of title to property, there is no chance it would continue this program on its own.

## 2.2.5 Helwan Community Upgrading Program Lessons Learned

The following considerations are summarized from the USAID funded report "Lessons Learned" on Helwan regarding documented lessons learned:

- 1) It is widely recognized that a project should be a self-contained set of activities. The crucial failure of an outside donor project to provide the essential sewer lines should have been considered in advance and the dependency avoided. In this regard, it is interesting to recall that the World Bank selected areas where rehabilitation of the sewer lines was the activity to be undertaken, rather than the construction of new lines depending on off-site development in order to obtain any benefits.
- 2) Most upgrading projects worldwide would not have attempted massive high standard improvements to the infrastructure and community facilities. When the total urban area suffers huge deficits in these kinds of facilities, there is always a high probability that the low income target groups will be "bought out" by others seeking to obtain the benefits (and who are in a better financial position to maximize the opportunities). Conversely, it makes little sense from an overall economic development sense to now try to restrict the process of capitalizing on these major improvements through the

overall renewal of the site to a higher and better use. The point is that upgrading should be related to the affordability and standards required by low-income target groups.

- 3) All donors today recognize that charging below market interest rates on loans for home improvement or enterprise development is an unwise decision for the obvious reasons, now self-evident in the Helwan project. If the financial intermediary cannot sustain the loan program and cover the costs of loan origination and servicing with its own funds, then the project will stop once the initial capital grant funds have been expended.

However, in defense of the Helwan loan program, it should be noted that the World Bank and AID both were attempting to move interest rates from very low levels toward market rates through incremental changes in lending of the publicly provided funds during the 1970s. The failure of this approach was not self-evident until the early 1980s and donor policies were changed.

- 4) The land tenure issue has plagued upgrading programs worldwide. Unless agreement is clearly reached at the outset, it makes it much more difficult to clarify it during the course of the project. Since land tenure issues are of such paramount importance, it is surprising that it has taken all of these years to make them a subject of study. The use of alternative forms of tenure, other than "fee simple title", is reasonable approach.

Other lessons learned include the following:

- The Helwan upgrading project did not start early by readjusting the illegal land property parcels to get more efficient lot sizes and more effective cost recovery.
- The project did not fix early the land price from to effectively calculate the cost recovery potential for the infrastructure. As a planning exercise affordability and willingness to pay for title was not reviewed early with targeted beneficiaries to ascertain practical implementation strategies.
- There are no improvements in the street width in the upgrading areas. This has had a considerable perceived impact on physical areas. If the community is willing to pay for higher standards of improvements then these should be planned.
- Always work within existing institutions that have the authority to implement projects. Cairo Governorate had the institutional authority to generate revenues from land sales and the Governor can direct retaining such revenues within projects by orders or decrees. It is unclear setting up the EAJP as a general organization will have this authority. This has resulted in inappropriate delays; and finally,
- Always insure through a step by step phased process or the implementation of smaller projects that the revenue generating component of projects will balance the costs. This assumes that community participation in affordability and willingness to pay regarding new cost recovery concepts are workable.

## 2.3 Role of Consultants/Contractors/Outside Donors and Entities (Both Projects)

- 2.3.1 Consultants - In 1976, AID provided a group of consultants headed by a staff member of AID's of housing that worked as a team (The Joint Housing Team) with Egyptian counterparts

from the Ministry of Housing and the Ministry of Planning and the team produced a report titled "Immediate Action Proposals for Housing in Egypt" which focused on shifting the emphasis of GOE housing programs to lower-income groups; reducing subsidies, encouraging the private sector role, and developing both a land policy and overall national housing policy.

**2.3.2** Credit Foncier Egyptian (CFE) - CFE has a branch office in Helwan to carry out the loan program which apparently met infrequently.

**2.3.3** Contractor Firms - The US A&E firm, designed the project foundations on the Helwan new community, another firm, Basel Nasser (BMW), in a joint venture with the project, provided design and construction management services for building construction, U.S. Commodity procurement services and training in construction management.

- The Egyptian firm, Arab Bureau, did all design work for the Helwan New Community including the completion of foundation work after the USAID firm left the project.

**2.3.4** Consultant Assistance to EAJP Executive Agency for Joint Projects - The Cooperative Housing Foundation (CHF), gave technical assistance to EAJP particularly in the upgrading project components. It was involved in the preparing the report "Housing and Community Upgrading for Low-Income Families" in 1977 which formed the basis of this upgrading programs. CHF, with its almost \$ 6 million contract plus another LE 3.7 million in local costs was a major part of both projects.

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## Section III

### THE ISMAILIA EXPERIENCE

#### 3.0 Background

Ismailia authorities designed the Hai El Salaam and Abu Atwa Upgrading projects to be self-financing from the beginning. These development programs came about originally as a part of the involvement of the British Overseas Development Administration which provided Technical Assistance (TA) on-site and direct aid to implement these projects. Clifford Culpin Associates were the TA Contractors over the period from 1978 to 1985. They were the consultants who developed the Master Plan for Ismailia in 1974. It should be noted that other project development programs were initiated in Ismailia over the period from 1980 to 1990.

#### 3.0.1 Establishment of The Ismailia Planning and Development Agency (IPADA), and Other Projects

The Ismailia Planning and Development Agency was established later as a project along with other projects under Governor's Decree 425/1986. Projects under this Decree included the Abu Atwa Upgrading Project; the Hai El Salaam Upgrading Project; the Upgrading Project for Manshiet El Shouhada; The Kantara Shark Urban Planning Agency; the Fayed City Upgrading Agency; Abu Swer Upgrading Project; the Safa/Zamzam/Marwa Upgrading project; and the Ismailia Industrial Zone Project. The Ismailia Planning and Development Agency was considered one of several projects including the above under the Housing Fund established by Decree of the Governor. Each project was organized with an account under the Housing Fund and is authorized to retain revenues by the Governor who is chairman of the Housing Fund.

#### 3.0.2 Purpose of IPADA

The Ismailia Planning and Development Agency became self-sustaining after the British involvement in Ismailia. Its functions included providing reviews and updates of the Master Plan, and was to be a funding source to projects by providing financial resource cross-subsidies from the sale of higher valued land uses. The master plan review and update function of the agency came about from frustration of Ismailia officials to work with the General Organization of Physical Planning (GOPP), to update in a timely fashion, the Ismailia Master Plan. The Governorate wanted also to exert more control over management of governorate lands.

#### 3.0.3 Recent Developments

Recently, the Governor of Ismailia executed a decree turning over most of the projects to the authority of local district administrative units. The Urban Planning and Land Management Agency remains in a coordinating role however. This completes a natural evolution whereby

after projects and their administrative project implementation units reach most of their intended objectives, the Districts then assume responsibilities for maintaining and monitoring original program activities.

### **3.0.4 Overview of Selected Projects Under the Ismailia Experience**

The following specific projects are discussed in this section

- 1.) The Hai El Salaam Upgrading Project;
- 2.) Abu Atwa Upgrading Project;
- 3.) Industrial Zone Projects;and,
- 4.) The Ismailia Planning and Development Agency;

The Industrial Zone projects are discussed only to show that projects for land uses other than those targeted for upgrading of deficient urban and informal settlement areas can be implemented under land management organizations based on local Egyptian experience in Ismailia.

## **3.1 Project Profiles and Background Summaries**








**3.1.1 The Hai El Salaam and Abu Atwa Projects** - Figure 7, shows the general location of Hai El Salaam and Abu Atwa Projects in Ismailia Governorate. Figure 8 shows a more detailed area for the Hai El Salaam project and Figure 9 shows a more detailed area of the Abu Atwa project. Both of the projects had two objectives, first to upgrade the existing low-income areas in the city and second to develop new areas. These projects depend on using land values as a source of finance. The projects urged individuals to build their own houses and presented opportunities to low-income individuals to buy land at a low price from which to build their homes. This policy increased the potential supply of housing units while minimizing state subsidies to development. Hai El Salam was an informal settlement immediately north of Ismailia. Abu Atwa was a collection of rural villages to the south of the city.

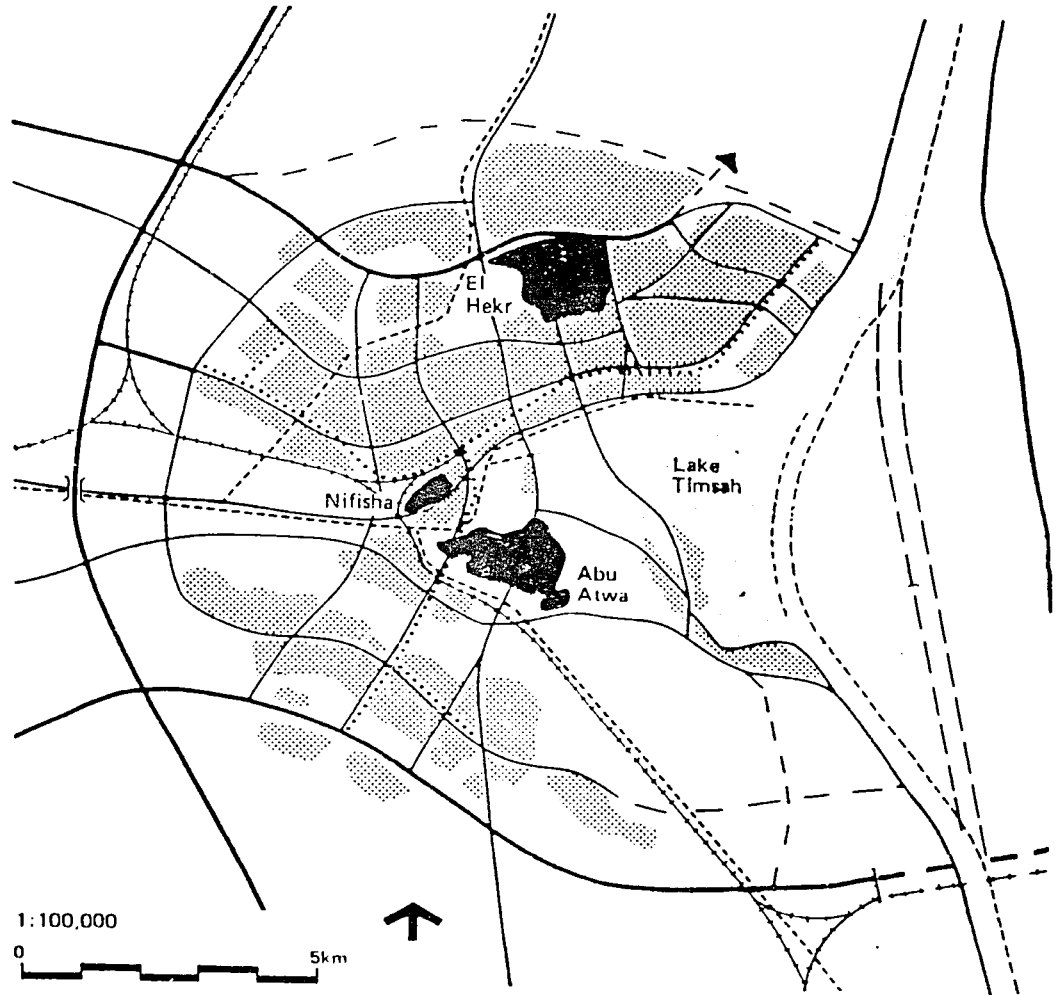
- **Hai El Salaam and Abu Atwa Project Initiation Process** - In 1978, a decree was issued by H.E. the governor, providing for the formation of a Board of Directors for the two projects in El Salaam and Abu Atwa. The Board of Directors consisted of 23 members, comprising members from the local popular councils. The project decree resolution for allocating the project land in the Hai El Salaam project was issued in 1979. This allocation consisted of 226 hectares of which 132 hectares of this land was encroached upon by the illegal sector and 94 hectares was vacant land. The population of El Salaam project in 1978 was 37,000 persons. The project envisioned a planned and



Figure 7

**LOCATION OF HAI EL SALAAM  
AND ABU ATWA PROJECT  
IN ISMAILIA GOVERNORATE**

-  STUDY AREA
-  FUTURE DEVELOPED AREA
-  PROPOSED MOTORWAY
-  PROPOSED ARTERIAL
-  SWEETWATER CANAL
-  RAILWAY
-  RAPID TRANSIT



**Location of study areas in the  
structure plan**

50-A

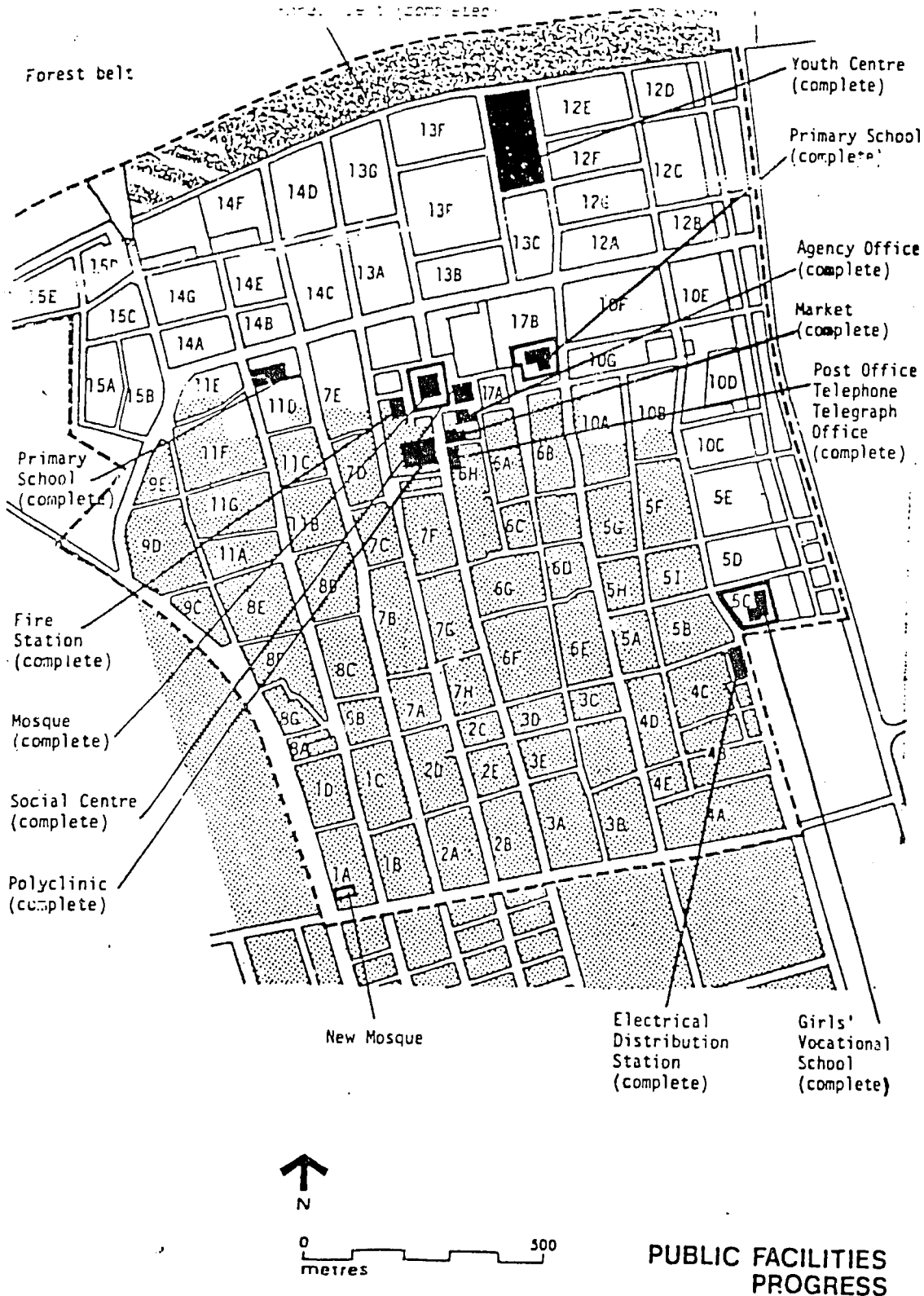
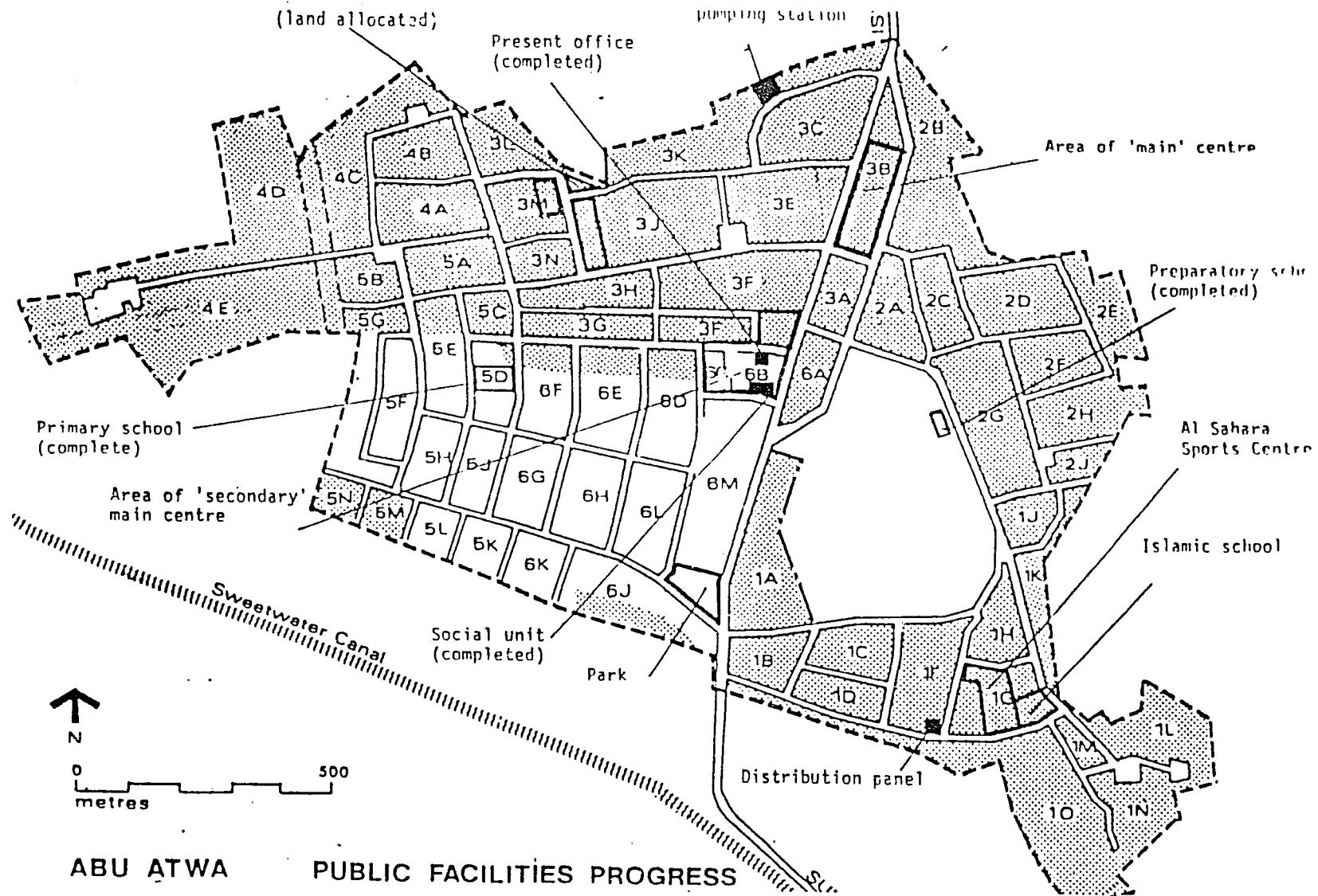


Figure 8

HAI EL SALAAM PROJECT AREA

506



50-C

ABU ATWA

PUBLIC FACILITIES PROGRESS

Figure 9 :

ABU ATWA PROJECT AREA

upgraded environment for accommodating some 90,000 to 100,000 persons. Total plots planned in the new areas would be 3,527.

The decision for establishing these projects was based on approval of the Ismailia Local City Council and the experimental projects report for El Hekr and Abu Atwa projects. The project planning development details are summarized in Table 11 for the Hai El Salaam (formerly known as the El Hekr Project).

In 1980, H. E. the governor issued a resolution allocating a 154 hectare land area for the Abu Atwa project. This allocation included 114 hectares of developed land and 40 hectares of vacant land. The existing population of the Abu Atwa area was 20,000 and the project was designed to accommodate 44,000 persons by the year 2000. A resolution was issued to separate the Board of Directors of Abu Atwa project from El Salaam project. The Board of Directors of each project was then limited to 9 members, including a members of the local popular council. (The chairman of the El Salaam Board of Directors was still the City Chief and member of the governorate local council.) The Chairman of Abu Atwa project remained the Chief of the 2nd District and the Chairman of Merkaz Popular Council.

**3.1.2 Project Implementation (Hai El Salaam Project)** - An example of the phases of project implementation and the magnitude of costs including details of outside donors to help finance certain project components is summarized as follows for each service improvement component of the El Salaam Project. The source for this data is the Ismailia Experience Sharing Seminar on Local Development Projects held earlier this year.

- Water Supply - USAID participated in implementing the phase one water supply plan. This plan provided two high tanks, at 2000 cubic meter a day capacity. Moreover, the main streets were provided with potable water through a 38 sq.km network. Phase one of the plan began in 1982 and was completed in November 1984. Water supply costs of the phase one plan may be summarized as follows:

-	USAID contribution:	\$	1,710,000
-	Egypt contribution:	L.E.	1,643,000

Phase Two of the water utility plan called for supplying interior streets with a 32 km pipe network. Preliminary costs were L.E. 1,100,000 with contributions as follows:-

-	Project Development Agency contribution:	L.E. 750,000; and,
-	The Suez Canal contribution at:	L.E. 350,000

Table 11

**FACT SHEET: HAI EL SALAAM (EL HEKR) PROJECT**  
(As of 1980)

**PLANNED PLOT SIZES STANDARDS:**

## Low Cost Plots (New Development Areas)

• <u>Small:</u>	-	25% of land allocation				
		Dimensions(m)	6x12	6x15	7.5x12	
		Area (sq.m)	72	90	90	
• <u>Medium:</u>	-	65% of land allocation				
		Dimensions(m)	6x18	7.5x15	7.5x18	9x12
		Area (sq.m.)	108	112.5	135	108
• <u>Large:</u>	-	10% of land allocation				
		Dimensions(m)	9x18	12x12	-	-
		Area (sq.m.)	162	144		
• <u>Concession Plots:</u>						
		Dimensions(m)	15x24	18x24	24x24	
		Area (sq.m.)	360	432	576	

**PLANNED PLOT COSTS:**

	<u>Class</u>	<u>Ordinary</u>	<u>Corner</u>
	A	10.00	12.00
	B	4.00	4.50
	C	2.25	2.50
Concession Plot		Open Market Price	Open Market Price

**PLANNED PAYMENT TERMS:**

	<u>Class Payment</u>	<u>Down Payment</u>	<u>Repayment Period (years)</u>
	A	100%	-
	B	50%	10,15,25
	C	10%	10,15,25
Concession Plot		100%	-

SOURCE: Ismailia Demonstration Projects by Clifford Culpin and Partners (Promotional Material), 1978.

- o Sanitary Drainage - In coordination with the National Authority for Potable Water and Sanitary Drainage, Ismailia governorate agreed to include the district in which Hai El Salaam project was located within USAID projects. Phase One called for providing sanitary drainage by subdividing the project, supplying a piped network in increments and constructing a drainage station, 49 km<sup>2</sup> long. In summary the USAID contribution was as follows for the following items:

<u>Item</u>		<u>Cost</u>
● Project Design	\$	10,000
● Pipes Supply	\$	100,000
● Pumping Station	\$	2,000,000
		<hr/>
USAID Total	\$	2,110,000

The Government of Egypt contribution consisted of 3,000,000 LE. A total drainage network of 29,380 km<sup>2</sup> has been implemented and Phase Two is now underway regarding a continuation of the network. Phase Three aims at supplying interior lines in the older established areas of Hai El Salaam with a sanitary drainage network. Efforts are now being exerted to raise the required funding for this implementation. Project management has undertaken thorough inspections of the main drainage network.

- Roads: Phase one called for construction of an integrated network, which was to be accomplished after completing the sanitary drainage connections. Costs were L.E. 12,750,902 paid in full from the project development budget. Other roads have been completed at a cost of 600,000 LE. Phase Two of the project roads component called for connecting and completing the planned roads of Phase One. The total length of roads would be approximately 15 km. Estimated costs of L.E. 3,000,000 would be needed to implement this plan.
- Electricity: Phase One called for the El Salaam development project to implement and pay the total costs of the electrical network or L.E. 1,500,000. Phase Two called for the MOE Rural Electrification Authority to contribute L.E. 683,744 for electric transformers and lampposts. Services have been performed by the development project to provide the Phase One electrical network.

- Old District Project Component - In the old district, of the Hai El Salaam project there are more than 37,000 families living in poor environmental conditions. The project service improvements to this area included setting up a special administration called the "mechanical expeditions", which provided cars for pumping out sewerage, loaders for house-removals, garbage, equipment etc. Total costs were L.E. 979,258 provided from project development budget. Another improvement to the environment included assistance in planting the district with trees. The objective was to beautify the area by having more green space as an environmental buffer zone. During the summer vacation, all university students, institutes, and schools participated in providing the labor for this effort.
  
- Project Social Services and Environmental Improvements - The project provided educational and cultural services to district inhabitants. Total project contributions for these facilities were L.E. 1,209,914, and contributed to bringing into existence:
  - A youth center;
  - 4 open playgrounds;
  - 4 market places;
  - A cultural and social club; and,
  - A mosque.

The youth forest, an environmental improvement project has become an important attraction sight. As a result the project could thus participate in a Flower and Spring Festival organized by the governorate. Total costs of the youth forest of L.E. 671,262 was paid from the project budget. Total project contributions for the open space environmental improvements amounted to L.E. 1,650,520.
  
- Educational Facilities - The Ministry of Education built four primary schools, two preparatory schools, one secondary school and a "Light and Hope" Institute. The project contributions for establishing some classrooms and additions totalled L.E. 18,347.
  
- Health Facilities - The Ministry of Health built an integrated Medical Center. The project contributed L.E. 94,081 for building the hospital external command unit. The Social Affairs Directorate built a social unit for community development and the Telecommunications Authority provided the district with a post and telephone service.

- Summary of Hai El Salaam Project Contribution: - Total project contributions for infrastructure and services may be summarized as follows:

- Electricity	:	L.E.	683,744
- Sanitary Drainage	:	L.E.	120,347
- Roads	:	L.E.	1,275,902
- Education	:	L.E.	18,347
- Health	:	L.E.	94,081
- Social Services	:	L.E.	1,209,914
- Environmental Improvement	:	L.E.	1,650,520
- Third Regional Planning Center:	:	L.E.	33,476
			_____
Total		L.E.	5,086,311

- Project Revenue and Expenses - As of May, 1990, Total Revenues amounted to some 6,650,988 LE and total expenses 5,086,311 LE. Revenues generated from the auction of concession plots above amounted to almost LE 4,300,000 by the end of 1989. These are summarized in Table 12.

Continuous follow up on the part of the Governor and both the executive and the popular leadership greatly contributed to the success of the Hai El Salaam project. Moreover, Ismailia citizens were able to feel the importance of what is being done to raise the standard of living. In fact, the efforts on both the official as well as the popular level were completely intertwined. A new Property Public Relations Office was set up to facilitate registration of preliminary contracts of sale.

All of these concerted efforts and endeavors helped provide inhabitants with a feeling of stability and psychological security. This motivated target beneficiaries to become active and willing to participate in decision making relating to his individual well being as well as to the development of his community. It is anticipated that the private sector alone would invest some 3 million pounds and build about 30 thousand housing units. This, as a whole, is a positive effort to radically solve the problem of overpopulation, which will continue until the year 2000.

- Operating Expenses - The following summarizes arrangements made regarding the payment of operating expenses for various project components;
  - Water Network - Water network operations and maintenance is undertaken by the Suez Canal Potable Water Utility. This is the entity authorized by the General



Table 12

STATUS OF LAND SALES BY AUCTION OF CONCESSION PLOTS  
IN THE  
HAI EL SALAAM PROJECT

The following table shows total area and revenues by the auction process of selling land over the period from 1980 through 1989 for the El Salaam project.

Year	No. of Plots	Total Square Meters of Area	Revenues Total Price (in LE)	Average Price Per Sq. Meter
1980*	11	8,340	159,091	19.08
1980*	18	6,754	273,905	40.55
1983	36	10,609	832,026	78.43
1984	35	10,328	1,191,825	115.40
1987	12	4,885	802,931	164.37
1988	31	4,192	242,187	57.77
1989	47	3,125	793,598	253.95
Total	190	48,233	4,295,563	89.06

\* There were two auctions held in 1980

# From 1990 a decrease in plot areas was completed so these could be sold easily, but data is incomplete at this time.

Source: Hai El Salaam (GOE) Project Staff.

haisalam/gh

Authority for Potable Water. Maintenance costs are charged according to the actual costs of supply to citizens. There is also a 10% increase in consumption value for maintenance.

- Electricity - Maintenance is undertaken in coordination with the project management and the electrical distribution company. Maintenance charges are taken as part of supply cost.
- Roads operations and maintenance is undertaken through the project. The project management, in coordination with the roads directorate and the heavy equipment project, undertake maintenance work depending on project self-financing sources, such as setting up a petrol station with an estimated monthly revenue of L.E. 10,000.
- Sanitary drainage operations and maintenance is undertaken through the project management, in coordination with the City Council Sanitary Drainage Directorate. Maintenance charges are collected with supply costs, in addition to 10% collected by the Potable Water Authority for sanitary drainage. There are also other self financing sources.
- The green space forest area is maintained on the project for environmental reasons. In the northern part of the project a forest was planted containing approximately 50 thousand trees along 1250 meters covering an area of 45 feddans, to serve as a wind and dust shield. The project Environment and Forest Improvement Division undertakes all maintenance and service work. There are also 100 feddans of green areas in different parts of the district serving as public parks.

**3.1.3 The Ismailia Planning and Development Agency:** - The Ismailia Planning and Development Agency was set up by Governor's Decree 200 in 1981 and subsequent Decrees, as a Governorate agency with independent financial and legal status. The purpose of the Agency was as follows:

1. Review the Master Plan and Prepare Short Term Action Plans for Development Areas. The Agency is responsible for review and approval advice on development applications as they relate to the Master Plan and land management policy implications. Important considerations include advice on what land uses should happen where, and setting land use budgets. Considerations also include to whether an area be allocated for industry or housing, or mixed use would be studied. If industry land uses where desired, how much land would be allocated for such uses, depended on how many people will be employed. If housing uses where desired, proposed density issues

were addressed. If cooperative housing was desired, how much land is already committed for this use versus how much is not developed, and whether there is enough land for housing for other income groups were relevant issues addressed by the agency. The above illustrates typical considerations that were often addressed by the Agency on land allocation policy related to implementation of the Master Plan. The Master Plan provided the framework of development. The Agency concentrated on project implementation, particularly in the built-up areas that were deficient in services. The Agency prepared plans for members of the city and for governorate controlled areas. The activities of the Agency therefore went beyond city limits to include the whole governorate. Most of the Agency activities included all the lands within governorate boundaries, as most of the land in Ismailia was owned or under the administration of the local government.

2. Implement Responsibility for Land Allocation and Project Development. The Agency had the power to allocate; to develop; and sell land in a similar manner as the Abu Atwa or Hai El Salaam projects. However, it could use the income generated from land sales on one site to develop another site in a cross-subsidy situation. As with Abu Atwa or Hai El Salaam, its main objective was not commercial or to simply to generate revenues blindly. Its primary objective was to promote the framework of the Master Plan and thereby satisfy the social, economic and physical well-being of the people of Ismailia through the most effective development possible. The main resource to implement projects was through the use of land as a revenue generating asset to pay for service improvements in deficient urban areas.

The Agency is involved in giving advice to the Governor on all major land applications that come to the governorate. This advice normally involved whether a land use proposed was acceptable, and whether the land area requested was reasonable for the use proposed. The Agency carried out some activities for upgrading the illegal or informal settlements and developing new land areas. It was involved in allocating land for public service purposes as well as developing industrial areas and extending utility services to such areas. Moreover, the Agency had the authority to construct some buildings through the Housing Fund in a proposed public housing development area. The aim was replacing illegal settlements in some upgrading project areas which did not comply with the conditions suggested for land tenure in exchange for cost of improvements. The projects of the Agency fall generally into two main categories; 1.), Those with the primary purpose of meeting Master Plan objectives; and 2.), those projects with the main aim of generating revenue to help pay for project improvements costs. Such projects would also have to comply with the Master Plan.

**3.1.4 The Industrial Area Project Profile and Background** - The 1st and 2nd Industrial Areas in Ismailia are located to the west of the city. They aimed at offering serviced land areas suitable for industrial land use activities, provided use of these lands created job opportunities. After legal status was provided and existing encroachments were removed, this type of development project was considered financed and developed locally, in accordance with the Ismailia Master Plan recommendations. The most significant aspect of this project is its ability to provide job opportunities to Ismailia governorate citizens. The 1st industrial area was divided into 6 feddan parcels. The 2nd International area was subdivided between 0.5 to 2.5 feddans. A part of this land was taken for establishing an area for workshops. Later, the workshop area was announced open for bidding and was prepared for that purpose. The area was designed on the basis of allocating a defined land area for public services.

In 1980, the Ismailia Governor issued a resolution to form a Board of Directors for the first industrial area project on an area of 360 feddans according to general planning guidelines including consideration of development specifications for the projects to be forwarded to the governorate. Feasibility studies discussing the need for land according to planning areas specified were also considered. In December 1981, a Governor resolution was issued allocating an area of 262 feddans for the industrial area which was an extension of the 1st industrial area. The urban planning authority provided maintenance equipment for it, extended utilities to service this area, and promoted it for sales to serious investors. The conditions for procuring land in this area were as follows as required of potential investors:

1. Complete a project feasibility study;
2. Tender design site plan explaining the land uses and the required area;
3. Forward a financial status statement or a bank account statement presenting details of the investor's account financing commitments to the implementation of the tendered project; and finally,
4. Obtain the General Industrialization Authority approval of the project.

The investor presents the above documents to the Ismailia Urban Planning and Development Agency. The Agency then transfers these to a committee composed of the Director of the Agency; the engineering consultant; the financial manager; and legal consultant. The committee has the right to obtain the support of any official that it deems important to take his opinion on the project feasibility. If the study is approved, it is forwarded to the Board of Directors then the Governorate Executive Council for approval. As the Industrial project is supervised by the Ismailia Urban Planning and Development Agency and its ownership is registered in the Cadastral Registration Authority for the Urban Planning Agency, it is not forwarded to the governorate for review of the Local Popular Council.

The 1st industrial area is still owned by the Amlak authority, and projects developed are conditioned upon the approval of the Governorate Executive Council and the Local Popular Council. Consequently a governor's decree is issued, approving the project and its allocated area, as outlined in study report with all the previous opinions. The investor is then informed of the necessity to pay the price of the land according to the following steps:

For the 1st area: A rate of LE 10 per meter square is paid and the price of the land is paid to the Amlak Directorate.

For the 2nd Industrial Area: LE 6,000 per Feddan is paid to the Urban Planning and Development Agency being the owning entity of the land.

In Addition to the above, an L.E. 1 per square meter is paid as administrative fees. L.E. 5 per square meter is paid as a down payment for utilities. This is paid in two installments; L.E. 2.50 per square meter in the beginning and 2.5 per square meter after a 6 month period.

In case the investor does not begin his project, his payments will be reimburse less a 15% as an administrative fee for review and processing his studies and approval papers.

### 3.2 Legal/Institutional and Accounting Framework of Ismailia Projects

3.2.1 Legal/Institutional Framework - It is important to emphasize that Law 73 of 1979 allowed the institutional and legal framework for the Governor to have decentralized authority to set up projects in Ismailia with separate accounts under the Economic Housing Fund. The model by-law for the financing account of the economic housing projects in the governorate was approved by the Governorate Council in its session conducted in Feb. 7th, 1980. Article 11, concerning the land, provided that the accounts will consist of the revenues and expenses generated from managing land prepared for construction.

Article 28 Law No. 43 - 1979, concerning the local government system, stipulated that "The Governor is allowed, after the Governorate Local Popular Council and within limits of the general rules laid by the Ministerial Council, to decide the rules for managing lands prepared for construction and owned by the state and local administration units.

It is within this legal framework of the Governorate that the rules for managing land are formalized. This includes the handling of illegal built-up areas on agricultural lands within two (2) kilometer limits of the neighboring governorate land which can be reclaimed by the governorate, after taking the opinion of the Ministry of Land Reclamation. The Governor however, has to notify the concerned authority with the procedures taken and issue resolutions within 7 days of taking such action.

**3.2.2 Accounting Framework** - The Accounting Committee of the Economic Housing Financial Account was established in each governorate under Law 43/79. The committee for directing this account was to be headed by the Governor and include the memberships of the Secretary General, General Director of the Housing Directorate, General Director of the Financial Directorate, a legal member, and the various Governorate Committee Directors.

Article 4 stipulated that: "The Committee can delegate some of its functions to the members or the Head of this committee. One of its members can select a representing member to handle tasks it defines. According this article, the Ismailia Governor issued a decree which delegated authority to manage the project accounting system.

This account is to have a balance between all revenues and expenditures through the fiscal year. The funds of the account are considered resources of the Governorate. Any account surplus is transferred at the end of each fiscal year to the following year. As such, revenues are retained within projects. The directing committee is not allowed to accept preconditioned donations or aid except upon the approval of the concerned Governorate Popular Council. There are three operating accounts in each governorate under Law 43 of 1979. These are:

- 1) The Services and Local Development Account;
- 2) The Economic Housing Projects Account; and finally,
- 3) The Land Reclamation Account.

The Governor of Ismailia issued resolution 425/1986 which affected use of the Economic Housing Projects Account. The resolution provided that the following projects be under this account. These projects included the Ismailia Planning and Development Agency; Hai El Salaam Upgrading project; Abu Atwa Upgrading project; Manshiat El Shouhada development project; Fayed City development project; Cooperative Housing Project; the industrial zone Project; Abu Sawer development project; and the Kantara Shark Urban Planning Agency.

The revenues achieved from the balance of each of the above mentioned projects is allocated to the benefit of the same project account at the end of each fiscal year, based on the Directing Committee of each of the previously mentioned projects preparing a financial status statement at the end of each fiscal year. This statement must show that any surplus achieved in the ending year is to be committed to the following fiscal year based on a fiscal statement budget plan attached. The beginning and end of the fiscal year has to be in conformance with the dates defined in the governorate general budget. The Governorate accounting manager and his affiliated financial body follows the financial affairs of the projects regarding the above previously mentioned accounts. This accounting manager has the right to order all data and documents from each project.

Each of the projects is established upon a Governor resolution in regards to forming an administrative authority and a directing committee for the project. Another resolution allocating the project land area is approved by the Governorate Executive Council. Each project has an independent accounting unit to handle all project financial affairs.

### 3.3 Ismailia Project Organization and Operating Framework

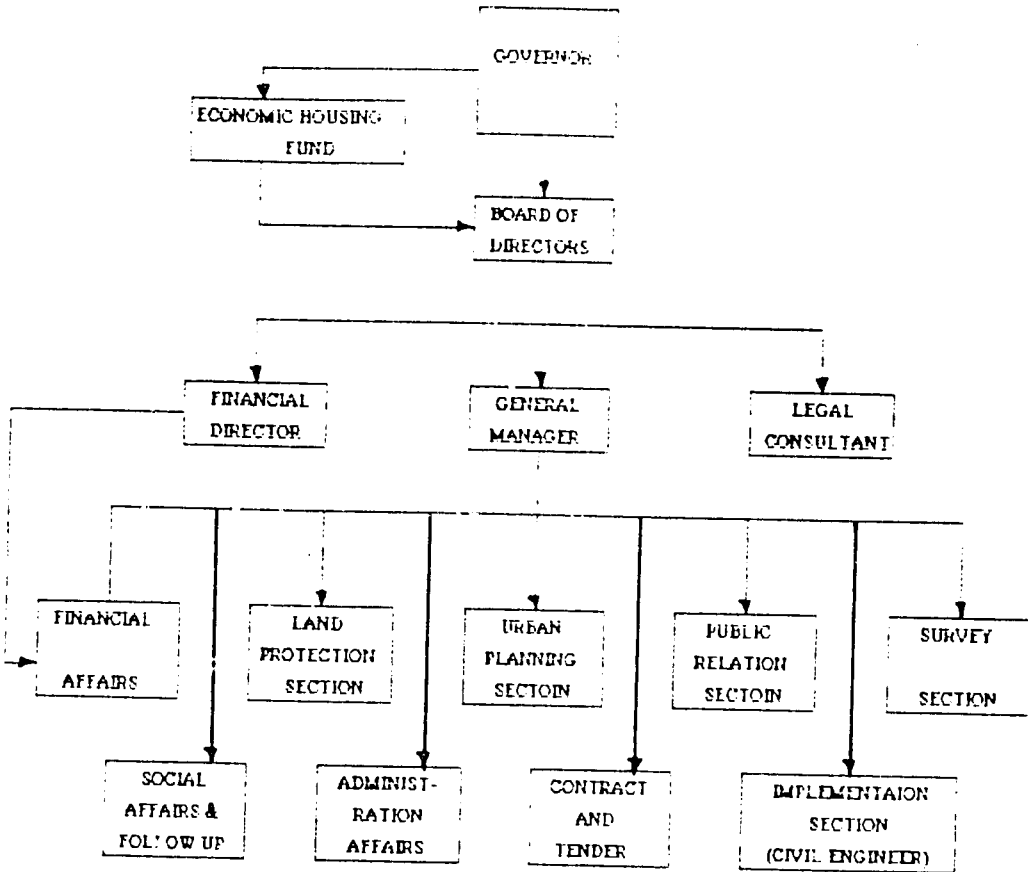
3.3.1 Project Organization - Figure 7 shows the organizational and operating framework of the Hai El Salaam, Abu Atwa, and Urban Planning and Development Agency as projects. Each project is set up as an independent entity with separate operating accounts under the Housing Fund.

The work of each project was performed through the following administrative divisions:

- Survey Section: - This division handles land surveys and plots areas and their characteristics on a map showing type of building, its area, and any fences or erections or other conditions from aerial photography, or other sources.
- Social Affairs and Follow Up Section: This department is specialized in recording characteristics of illegal section owners (squatters); the members of his family, the period they inhabit the land, the income level and ability to pay back costs of improvements in exchange for land title.
- Urban Planning Section: This department completes alternative planning layout schemes complying with the general planning of the project area as outlined through Master Plan guidelines. Alternative planning concepts include consideration of implementation strategies.
- Public Relations Department: This department is responsible for arranging meetings between residents and the project management to discuss the means for paying the price of land; to discuss planning alternatives and discuss the services and utilities required for the project area. Later on, meetings are arranged between the residents and the project representatives with the Governor. This occurs during periods that require the participation of citizens in setting priorities and discussing needs; also agreeing on a definite price for increased values of real estate as a result of services being provided, through the project committees.
- Administrative Affairs Section: This department compiles a file for legalizing the land ownership of the illegal sector. The file includes resolutions that provide for the illegal owner's readiness to execute the demolition order specified on the ownership card, and his readiness to pay the price of the land and the utilities in the defined period. The file will also grant the citizen proof of his ownership and the procedures to be followed later on regarding his ownership status.

## ORGANIZATION STRUCTURE

- HAI EL SALAM UPGRADING PROJECT
- ABU ATWA UPGRADING PROJECT
- ISMAILIA PLANNING AND DEVELOPMENT AGENCY (IPADA)



THE PROJECT OFFICE IN BOTH AREAS IS BE TO CONSTRUCTED ,FURNISHED ,AND STAFF RECRUITED. ACTIVITIES AND PROPOSALS ARE TO PUBLICISED IN THE PROJECT AREAS.

(FIGURE 10)

62-A



- Financial Affairs and Accounting Section: This department prepares orders to the banks for the benefit of the squatters or the buyer of the land through public sale. This section documents payments, advance payments, daily installments, classifies payments, and shows the price of the land/services or the administrative fees, and defines final ownership status.
- Land Protection Section: This department is responsible for periodic patrolling of the land allocated for the project. This section is responsible for attempting to remove encroachments as they occur, or taking appropriate procedures to notify the police and the related district in case of larger (more serious) encroachments.

The development projects started with a very limited number of staff. Later the required specialties were increased according to the work involvement of projects. Environmental upgrading departments were added later. Environmental Departments were annexed later on the upgrading projects, to protect and maintain open space areas. Cleaning departments were established, after the project was able to purchase cleaning equipment.

### 3.3.2 Project Contracting Authority and Ability to Raise Revenues from Services

Ismailia Governorate continued work upon the termination of the consulting office contract in Ismailia on March 1983. The Governorate completed this work without any external help. Governorate managed construction was extended to include other projects, (e.g. tourist villages and an international garden), on 4/17/1988 and 5/13/1988.

The authority to contract for work with other entities included consideration that the contracting office would be committed to execute any work and engineering constructions assigned to it by the Ismailia Governorate including a definition of a completion period for these works. These efforts were mainly survey work and general soils testing, general planning, executive planning, and preparing the civil, construction and execution designs, supervising the implementation etc. All such jobs were to comply with the conditions and dates defined in the specifications and conditions.

The Governorate Urban Planning and Development Agency or the individual project organizations committed itself to completing the work that is not mentioned in the specifications according to the conditions and terms set by Ismailia Governorate.

The Urban Planning and Development Agency or individual project organizations committed to completing the mentioned work through specialized consulting experts with internationally

recognized experience, and other contractors. The Agency and individual projects collected fees for the work performed for the Ismailia Governorate in the following manner.

1. LE 27 per feddan for Survey work;
2. Fees for soil testing were cancelled upon the advice of the Governorate engineering consultant, as the Suez Canal Authority performed this work;
3. LE 190 per feddan, for the planning work;
4. LE 790 per feddan, for executive planning, work;
5. 1.7% of the total cost is paid to the civil, construction and executive designs etc;
6. 1.7% of the total cost is paid for implementation supervision. (This amount is paid according to the conditions set in the specifications).

Additional fee are due to the Agency or project organizations as determined by a technical negotiating committee, composed of both parties. These fees would not exceed the going rate, and represented what was to be paid according to decision of the committee. The contract duration was 5 years, starting on the date it was executed.

### **3.3.3 Project Implementation Procedures**

The implementation of any work started as follows for various upgrading projects;

- 1) A preliminary listing of the heads of families in the study area was accomplished, concentrating on land owners and squatters, or illegal owners;
- 2) An inventory of existing buildings, defining their limits and preparing maps on 1:500 scale was then accomplished. These maps showed the status of the buildings and any building materials;
- 3) Detailed planning of the internal quarters was prepared including any proposed modifications of boundaries and quarters;
- 4) Land value and the means of payment for each piece of land was then calculated;

- 5) A determination was then made of ownership rights of each citizen to a piece of land he was encroaching upon including its limits was then accomplished;
- 6) Locating other land for the families who elected or were forced to evict their houses was then completed;
- 7) Follow up was then accomplished on construction work including monitoring progress on implementing project improvements; and finally,
- 8) Follow up regarding proper execution of the project conditions for turning over the preliminary an final contract regarding land ownership documents to the squatters was undertaken.

### 3.3.4 The Ismailia Planning and Development Agency

3.3.4.1 Legal Capabilities - The Ismailia Planning and Development Agency had the legal authority, and power, to enter into contract for land sales and to carry out legal processes in court. It also had the power to enter into contract and execute contracts as governed by laws for government. In the process of contracting, the Agency must publicly announce cost bids for items exceeding LE 20,000.00

3.3.4.2 Agency Administration, Staffing - The Agency is run by a General Director who is responsible to a Board of Directors. The Chairman of the Board of Directors, the General Director and all members of the Boards of Directors are appointed by the Governor of Ismailia. Members of the Board of Directors are usually from organizations who have dealings with the project, such as utilities, housing, and local representatives.

Most staff of the Agency are seconded to the Agency from other local government departments. Bonus salaries are paid by the Agency but the base salaries are paid by the organization of origin. Some staff (particularly engineers) are hired by direct contract. In this case, the Agency pays the total salary as well as taxes and social insurance.

3.3.4.3 Sources of Agency Operating Capital and Earnings - The Agency commenced operation with a LE 25,000 loan from the governorate which was paid back after the first land sales were realized, six months later. This was used to cover administrative costs. All funding other than this is self generated primarily from the sale of land.

On the establishment of the Agency, in 1981, it played an important role in land allocation and

in supervising the upgrading control through daily contact with the tendered requests for allocating land. The Agency is regarded as the primary resource for maps and information. It also cooperated with other agencies in the development and implementation of projects. The agency sold land relatively successfully which was allocated to it, in spite of resolutions issued to cancel the allocation of some land that were not serviced or developed, or to reduce the study area allocated for selected projects.

A work plan was defined for the land allocation conditions regarding land ownership which benefited from increases in land values as a result public service. Definitions of the type of ownership and the maximum period granted for developing the site were outlined. If the land was not developed within the given period, the governorate would take the land back and request payment of the user for the costs of utilities and any administrative expenses incurred up to that time. This practical implementation strategy on projects represented a built-in flexibility for the of the Agency and facilitated success.

Tables 1 and 2 summarize financial operating statement formats for the Ismailia Planning and Urban Development Agency. Table 1 shows the financial statement format for presenting investment revenues and expenditures of the Agency. Table 2 shows a balance sheet format reflecting assets and liabilities of the Agency. (Detailed financial information could not be released for these tables however.).

3.3.4.4 Agency and Project Operating Framework - The Board of Directors included key individual leaders in the Agencies or governmental bodies that are directly related to the project implementation, (e.g. the Survey Directorate, Amlak Directorate, a member of the Electricity Directorate, a high ranking employee in the potable water authority etc). The Board of Directors of El Salaam and Abu Atwa development projects would meet once every 3 months, in the beginning of the projects to pursue and follow-up on the general project. Daily activities were supervised by a committee formed of the Chairman of the Board of Directors, the Project Director, and the Financial Director. Each project had separate by-laws and resolutions for forming specialized committees for specific subjects. Examples include the Ownership Committee; Committee for Studying the Workshop Projects and a Technical Committee for studying specific specialized projects etc. Each Project had its legal section. This legal authority was used in negotiating land sales and performing legal binding procedures including the right to contract for public works.

Table 1  
Statement of  
Investment Revenues & Expenditures for the Period  
01/1987 To 01/31/88

Previous Months		Current Month		Total		Description	Previous Months		Current Month		Total		Description
L.E.	mm	L.E.	mm	L.E.	mm		L.E.	mm	L.E.	mm	L.E.	mm	
							Fixed Assets Services Projects Environmental Services Contributions						
													El Marwa Area

Table 1. (continued)

Statement of  
Investment Revenues & Expenditures for the Period  
7/1/68 To 6/30/68

Previous Months		Current Month		Total		Description	Previous Months		Current Month		Total		Description
L.E.	mm	L.E.	mm	L.E.	mm		L.E.	mm	L.E.	mm	L.E.	mm	
						Salaries, Wages & Fringe Benefits							Revenues
						Contracted Salaries							Credit amounts due
						Overtime							Fines
						Casual wages							Miscellaneous revenues
						Incentives							
						Other benefits							
						Administ. & General fees							
						Foreign							
						Advertisements & Publications							
						Public relations							
						Telephone							
						Water, Electricity							
						Fuel and Oils							
						Spare Parts							
						Repair & Maintenance							
						Equipment							
						Stationery							
						Printed materials							
						Miscellaneous expenses							
						Bank fees							
						Current Surplus							
						TOTAL							

Table 2

Balance Sheet  
As of June 30, 1988

ASSETS			LIABILITIES		
Total	Partial	Description	Total	Partial	Description
		<u>Fixed Assets</u>			Allocations for construction or utilities/Infrastructures and Environmental Services.
		Buildings			Credit Accounts
		Furniture			-----
		Equipment and Machines			Credit-Accounts under rectification
		Depreciation			Credit-Insurances
					Credit-Quarries
		<u>Services Projects</u>			
		Environmental Services			
		Contributions			
		<u>Current Bank Accounts</u>			
		Ismailia Development State Bank			
		Alexandria Bank-Ismailia Branch			
		<u>Bank Accounts (Reserves)</u>			
		Ismailia Development State Bank			
		Alexandria Bank-Ismailia Branch			
		<u>Other Debit Accounts</u>			
		Loans			
		Advance Payments			
		Bills			
		Debit Accounts Under Rectification			
		Debit Installments			
		TOTAL			TOTAL

The Agency was essentially involved controlling governorate owned land; selecting sites to be allocated for the various services projects; preparing urban planning projects; proposing amendments of organization outlines; determining area land use budgets; planning areas selected areas by the agency regarding service extensions; selling serviced land areas and using land sale revenues for various urban development purposes; studying industrial projects and their feasibility; and generally collecting all data, statistics and research work concerning land management project administration activity. The Agency had the authority to determine fees, that would generate revenues to cover the administrative expenses, with approval by the Governor.

The Agency set up administrative by-laws explaining the bonus incentive system. These administrative requirements simplified Agency work and the system of contracting with required labor that was not governmental in nature.

### 3.3.5 Project Implementation Conditions

Special conditions for granting land in built-up areas on side streets were developed for various projects. For these projects, the applicant would have to be;

1. A head of the family, possessing a family I.D.;
2. A citizen of Ismailia, or married to a citizen of Ismailia;
3. Priority would be given to district residents (within project area); and the
4. Applicant could receive any land from another development project in Ismailia.

The system of selling land by lottery was implemented in the beginning of construction for the development projects in Abu Atwa and El Salaam districts.

The projects adopted a system which required quick priority visits to the families in urgent need of renovation or reconstruction of their houses, without waiting for their turn to come, according a set work program. This system was eventually time consuming and required more effort than anticipated.

Project authorities worked on a priority basis on houses requiring demolition due to construction of new roads. These authorities also worked to reduce the size of demolition to the minimum and to execute it only when necessary. The other responsibility of these project authorities was to replace the residents to the nearest available land area to their original homes.



The rights of the squatters to encroached upon land was then fixed and based on aerial photography taken in 1977. The Governor issued a resolution to stop all encroachments after this time. The price was determined in the old areas as 2.25 m<sup>2</sup>. The price in the new areas was determined based on location and the grade of land area. These were outlined as follows:

Grade A: Frontage plot - LE 10/m<sup>2</sup>, and corner plot LE 12.0/m<sup>2</sup>;

Grade B: Frontage plot - LE 4/m<sup>2</sup>, and corner LE 4.5/m<sup>2</sup>;

Grade C: Frontage plot - LE 2.25/m<sup>2</sup>, and corner plot LE 2.25/m<sup>2</sup>;

The location of the land according to various grades was also considered in any terms of payment as follows:

- Area A on a street, (width: 15-20 m) its price is paid immediately;
- Area B on a street, (width: 10.5 but less than 15 m), one half of the price is paid in advance and the rest on 5 years); and finally,
- Area C on a street (width less than: 10.5 m), one quarter of the price paid in advance and the rest on 5 years.

3.3.5.1 Conditions for Giving Land to Squatters: - In the development area of El Salaam and Abu Atwa, the squatters project were made the legal owners of the homes they live in within any area of 150 meters square for LE 2.5. In case the house or the surrounding land is larger than the specified area, the inhabitant was allowed two pieces of land for his relatives of the first degree at 150 meters square. The price of other pieces is discussed with the Board of Directors to make a decision as appropriate. In El Shohada and Abu Atwa project areas, the price fluctuated between 12 LE to 17 LE per meter square. In the other development areas in the near of the city, the ownership arrangements were based on the description of the parcel according to aerial photography as follows:

- For a house appearing in the aerial photography, the ownership procedures were performed immediately; and,
- For a vacant piece of land close to the house surrounded with a fence and present in the aerial photography, 2 pieces are given plus the house; and,

Other specific conditions were defined are as follows:

- If the house is erected on a piece of land appearing on the aerial photography but it is encroached upon, and the squatter is given land tenure in exchange for cost of services, then he is forbidden to own another piece of land in other areas of the development. If a person owns more than one piece in the same area, he pays for them according to the price of the new areas.
- If the house does not appear in the aerial photography, planning is done considering the house as if it was not there. The boundaries are modified only to accommodate a 150 meter square land area only.
- If the house is erected after the area was registered, the demolition resolution is carried out and the relocation condition of the family is discussed with the Board of Directors.
- In case extra rooms are added after registering land including the house, demolition is carried out and the ownership procedures are frozen.
- Vacant land surrounded with a fence and appearing in the aerial photography (not including any buildings) is divided and the illegal sector is allowed half the parcel with a maximum of three pieces of land for his 1st degree relatives, provided it was proved that he did not own other land in the development area.

3.3.5.2 Procedures Selling Land by Public Auction - Parcels available for public sale through auctions are advertised, together with the sales conditions, building specifications and conditions as follows. The applicant first pays LE 500 as auction insurance. In case he wins the bid he submits of 30% of the price reached in the auction session plus a percentage as finder and administrative fees (L.E. 2.5 for the finder + 2.5 administrative fees). These fees are included in the project budget in order to plan it within the overall budget structure. The remainder of the price is paid as follows;

- 25% of the bid value should be paid 4 months of the sales session;
- 25% of the bid value should be paid within 8 months of the sales sessions;
- 25% of the bid value should be paid within 12 months of the sales session.

A simple interest (7%) is also collected with the due installment. In case, the full price is paid within 15 days from the bid awarding date, a 7% reduction is made from the price of the land. Special sales conditions sensitive to building heights stipulated that construction heights in Ismailia were not to surpass 5 meters. It was also stipulated that two meters of vacant area on each side plus 3 meters at the back of the plot in most of the new areas, be available. In addition not more

than 60% of the whole plot is required for development according to the urban planning law. Construction of commercial shops can be forbidden or allowed in the area according to specifications. The provision of Law 9/1983 concerning bids and tenders is applicable in this case. In case a citizen gives away his land to another person, the authority collects a 15% as administrative fees on plots ranging from 200 sq. meters to 400 sq. meters

**3.3.5.3 Procedures For Land Allocation** - The following summarizes procedures for project land allocation;

1. A memorandum presented by the Urban Planning and Development Agency is presented for review of the Secretary General, explaining the purpose of the allocation and the required area. The memorandum is then presented to the Governorate Executive Council for review and decision along with the appropriate feasibility studies.
2. If the purpose of the allocation is a development project, a resolution is issued by the Governor directly upon the approval of the Executive Council.
3. If the allocation is made for a different reason, e.g. the construction of a school or health service etc, the request document is tendered to the land allocation committee affiliated to the Governorate local council after the approval of the executive council for review. This would eventually be forwarded to the Local Popular Council session. Upon the approval of the Governorate Local Popular Council, the request is returned to the governorate so that the Governor issues an allocation decree.

**3.3.5.5 Conditions for Obtaining a Preliminary or Final Contract** - The Administrative Affairs Department in the development project prepares preliminary and final contract documents. They also issue an allocation resolutions for registration with the Cadastral Registration Authority. This permits for transferring the ownership to the inhabitants of project sites in the following manner;

- The citizen gets a preliminary contract after paying the appropriate administration fees. It is therefore easier for the individual citizen to tender requests for the various services authorities (potable water dept./sanitary drainage dept.) in order to extend utilities or services from main networks. The final contract is only granted upon completing the construction of extended services.
- The citizen often completed the construction work and executed project conditions e.g.: painting the front of his house with specified colors such as the white and blue

color of Ismailia Governorate. (A governorate resolution was issued concerning painting houses in the development areas with white and blue colors. The use of these 2 colors was later generalized in all Ismailia.). The engineering departments were notified to comply with this resolution.

- The inhabitant was also required to plant two trees in front of his home. In some cases, project management would plant a number of trees and collect the costs for this effort from the inhabitants involved. The inhabitant then gets the registered contract and becomes an official owner.
- If ownership occurs over an extended period because of financing terms, the buyer gets a preliminary contract only after he constructs the building. He cannot sell the land over a 5 year period. If it was proven that the citizen sold his property to others through registered power of attorney without referring to the appropriate Project Departments, a regulative resolution was issued, defining the percentage to be collected from project administration costs up to that time.

### **3.3.6 Project Administration of El Fekr (Hai El Salaam) Project As Proposed By The Consultants to Ismailia**

The following guidelines were put forward by the Ismailia Consultants, Clifford Culpin and Partners in their Urban Projects Manual of 1983. Some components of these guidelines such as for a building loan program for individual inhabitants required specific legislation, and were not implemented during the course of the project.

#### **3.3.6.1 Guidelines Regarding Formation of Project Agency** - The following guidelines were outlined regarding formation of the project administrative unit or agency;

"The Project Agency will be formed by Governor's Administrative Order and will be, ultimately, under the control and supervision of the Secretary General of the Governorate. Thus the Project Agency will be an executive Government body charged with administration of a specific Project Area for the public benefit. The Governor's Administrative Order will be preceded by the approval of the Project (design, finance and administration) from the Governorate and District Local Councils in full session.

Responsibilities and powers of the Project Agency will be set out in the Governor's Administrative Order, and will include these specifications:

(i) The Project Agency will have the power to manage all lands within the boundaries described separately respecting all individual rights as prescribed by law. Acquisition of land, not presently in use, by the Project Agency will be automatic with promulgation of the Order. It is understood that no base land payment will be necessary for Government lands.

(ii) The location of the Project Agency will be on site.

(iii) The Project Agency will have the power to sell lands to the public, at prices and under conditions that it chooses, providing that such prices and conditions are approved by the Secretary General of the Governorate.

(iv) The Project Agency will have the power to enter into contract agreements with all inhabitants of the area.

(v) (This article may require a decree waiving stipulations of Law 107 of 1976). The Project Agency will have the authority to manage its own budget separate of all local budgets, on two conditions:

a) that all revenue to the budget be spent on capital or recurrent improvements in the Area, after deducting necessary administrative expenses.

b) that all financial dealings be open to the auditing and inspection of the local office of the Ministry of Finance and/or the Governorate.

(vi) The Project Agency, as an autonomous public body, may solicit and act as guarantor (with collateral) for commercial or Government loans.

(vii) The Project Agency may enter into contract arrangements with private or public contractors or public agencies, for the construction or installation of utilities and services. It may also, for small works, enter into contract with non-registered contractors residing in the Area.

(ix) The Project Agency may, at its discretion, institute a building loan programme for the sale of limited quantities of building materials at official prices.

(x) The Project Agency may, in coordination with the Housing Directorate, institute a programme for the sale of limited quantities of building materials at official prices.

(xi) The Project Agency will have access to seconded personnel; for key positions, the Agency may directly recruit qualified persons.

(xii) The Project Agency may request that the Governor institute land expropriation proceedings.

(xiii) The Project Agency of El Hekr will be governed by one Board of Directors, the members of which will include (tentatively).

- The Secretary General of the Governorate
- Representative of the Governorate and District Local Councils
- Representative of the Ismailia City Council
- Representative of the Ismailia Housing Directorate
- Representative of the Amlak Department of Ismailia
- Representative of the Executive Agency of the MHR
- Representative of the local office of the Ministry of Finance
- The Project Manager of the El Hekr Project Agency."

**33.6.2 Functions of the Project Agency** - Functions suggested for this administrative agency were outlined as follows;

(i) The management of a programme for the demarcation and registration of plots already inhabited; also the management of the designation, relocation, and compensation of a certain number of households whose removal is necessary for public improvements.

- (ii) The management of a programme for the provision of marked plots to new settlers, including the processing of applications, selection of applicants, and assignment of plots.
- (iii) The arranging and issuing of contracts for programmes (i) and (ii) above.
- (iv) The collection of payments from contract holders
- (v) All printing, distributing and announcements of a publicity and information nature needed for programmes (i) and (ii) above.
- (vi) The maintaining of an independent budget (capital and current).
- (vii) The ability to negotiate and enter into contract agreements with contractors or with the Water Works Department, the Electricity Board, the General Organization for Sewerage and Sanitary Drainage, the Bus Company, or the Ministry of Wire and Wireless Communications. It may also correspond and communicate with these bodies for any matters concerning the Project Area
- (viii) The borrowing of money from banks or the National Housing Fund or the Co-operative Housing Society, also for the acceptance of loans or grants from foreign sources, provided these follow the correct routines.
- (ix) The setting up of a small building loan system for inhabitants of the Area in the absence of any such programme by other agencies.
- (x) The representation of the inhabitants of the Area to national Government and other bodies, for the provision of needed community facilities, such as schools and clinics. The Project Agency will need to communicate with the Government bodies concerned. This will be in concert with the elected representatives of the Area in the District and Village Local Councils.
- (xi) The setting up of a small building loan system for inhabitants of the Area in the absence of any such programme by other agencies.
- (xii) The setting of prices and the preparation of specifications and documents for the future sale of certain commercial and residential plots on the open market.
- (xiii) The organization and encouragement of self-help and community improvement projects; also organizational assistance to inhabitants wishing to qualify for utilities provision under Law 259 of 1956.
- (xiv) Co-ordinating with the City Council and, as part of community self-help programmes mentioned in (xiii), a capacity for small landscaping works and landscaping maintenance.
- (xv) A capacity for planning and design for neighborhood improvements, at least for the initial two years.
- (xvi) The provision of technical assistance to home builders to ensure that superstructures and pit latrines are built according to clearly defined standards."

### 3.4 Community Participation Issues in Ismailia Projects

One of the main issues which helped in the success of projects such as Hai El Salaam and Abu Atwa commitment to community participation. The process of community participation was very intense in

fixing land prices and in setting priorities for service improvements in deficient urban areas. This process may be summarized as follows:

1. There is an initial meeting between the Governor and area citizens to discuss the planning alternatives outlined on maps for project development. Citizens were encouraged to choose one of the alternatives to be implemented and approved. There were also discussions of proposed value of land per m<sup>2</sup> suggested by a committee.
2. The next phase involved choosing representatives from the area to coordinate with project staff in project implementation activities. These representatives would define any problems or obstacles created between the citizens and the project staff and work to help resolve such problems.
3. Direct and continuous meetings with development area representatives was instrumental in determining the citizen affordability capacity and willingness to pay for certain costs of improvements and was a dual effort conducted with certain project surveys.
4. Project surveys to identify the family ownership status and condition of residence in the development area were then undertaken. These surveys included information on the name of the owner, address, age, monthly income, number of persons/family, condition and construction type of building and its structural height.
5. The next step involved a negotiation phase between targeted beneficiaries and project staff. The residents preferred to negotiate individually and not delegate such an important issue with shared financial implications to community groups or local leaders. Although more time consuming, the Hai El Salaam and Abu Atwa Agencies now adopt this procedure. The Planning and Development Agency consulted with the community as a whole to seek their approval to proposals. Another modification was to increase the minimum plot frontages from 6 meters to 7.5 meters. Adverse comments forced this as an issue, because of the need of certain shelter structural conditions. The changes outlined did not materially affect overall project costs. They did however increase plot development options, improve replicability and popularity, and enhance social and political support. The original layout plans also proposed that low cost plots be on offset street right of ways, designed to encourage communal use. This was supposedly based on traditional local street patterns. However in implementing the proposals this was modified to incorporate a wider and more straight forward street design, on the grounds that local residents felt they were "more legal and modern".

6. **Community participation in financing the price of land for the cheapest plots was increased from LE 1.75 per m<sup>2</sup> to LE 2.25 per m<sup>2</sup> by the respective elected agency boards. This increase was not significant and purposely controlled, especially as inflation over the implementation period has been high for political reasons. The price of the more expensive plots has not been increased. Further, and in response to community action, the agency boards reduced the pay back periods originally proposed and introduced down-payments for all plots. Although compulsory payments are affordable, there have been practically no defaulters. The increased down-payments have probably slowed the rate of building for the poor families. The agency is refining these options as a result of recent monitoring and community involvement. In Hai El Salaam, the involvement of community groups was limited but more successful in Abu Atwa. During the implementation of Hai El Salaam, staff of the Agency identified local leaders and informal groups and established a dialogue and relationship with these groups in Abu Atwa. Key families acting community representatives, village leaders, political appointees, were also contacted and consulted through the implementation process. Community participation in project management has been through the open and direct access to the agency and on appeal to the governor if this did not work, and finally;**
7. **A set step by step procedure was implemented to commit agreements and arrangements of targeted beneficiaries to the land tenure process or other project cost- recovery options. This step process by step may be summarized as follows based on certain formalized acknowledgment procedures as evidence: by completion of various application forms;**
- **Acknowledging the fixed plot area boundaries by which the citizen put his hands in the past and according to a date mentioned that he is willing to possess this land according to fixing a price from participation in the project;**
  - **Acknowledging receipt of a land plot and understanding that construction must be in accordance to the project within fixed time;**
  - **Acknowledging from the citizen that he does not have any other land in the Ismailia governorate except within the project area,**
  - **Acknowledging from the citizen that he is ready to demolish his house according to project specifications, if it is not within readjusted boundaries or if the structure is beyond repair;**
  - **Completing an application form for ownership which included all inhabitant and family information. The application would also address the following considerations;**



- If inhabitants share a proposed owner's flat or house, then information on them was required in the application,
  - Information about the land and the building itself would be specified on the application form; and,
  - The ability to pay and terms of payment would be specified on the application also.
- Owner acknowledging that he will abide by regulations set forth regarding Ismailia Cadastre taxes as specified by appropriate Ismailia authorities concerning his real state.
  - Acknowledging that ownership of land would be in accordance to project decisions and regulations including acceptance of a fixed price and all the construction terms; and,
  - Accepting the final application form for the primary contract to acquire ownership of land

### 3.5 Role of Consultants/Contractors/Outside Donors

The purpose of the technical assistance programs was to help Ismailia governorate in executing projects in accordance with the Master Plan and implementing the upgrading projects in El Salaam and Abu Atwa districts. Culpin and Partners along with associated local urban development consultants provided most of this technical assistance to Ismailia. They were the consultants who developed the Ismailia Master Plan in 1974.

The ministry of development and the British Overseas Development Administration previously subsidized the technical assistance plan. The flexibility of the work plan of the consulting experts helped in its modification according to changing circumstances.

The consultants provided substantial assistance in the first two years of implementing the El Salaam project. This assistance was limited in the third year due to the upgrading of the staff and their ability to manage the project without the need for extensive assistance. The Urban Planning and Development Agency indicated that the flexibility of the work plan was behind the success of the project. The British Overseas Development Administration supplied the El Salaam and Abu Atwa upgrading projects with Sterling Pound 100,000 as a start up capital for constructing the initial building for a land banking and project site office, obtain vehicles, and other furnishing/equipment/material resources. This amount was paid in stages. The start up capital helped in initiating the project and in the eventual transfer to the self sustaining stage. The piloting plan of El Salaam project can be used under any social or

physical circumstances. Among the important factors for the success of the project are the method of management, the administrative and labor system, the presence of the project headquarters at the work site to correct any deficiency in elements that could lead to the deterioration of the other project components particularly the revenue generating potential of the project.

Moreover, these projects were planned so as not to need high technical standards. The staffing system was based on seconding experienced governmental staff. The aim of the project was to concentrate on finding a piece of land for erecting legal and suitable housing units for the low-income beneficiaries. The revenues from selling land would be used in extending and maintaining the basic services in the area the technical assistance program attempted to consolidate the technical resources of the project in three ways:

1. On the job training acquired, through working with the experts;
2. Conducting weekly symposiums to discuss and explain the project daily activities;
3. Issuing an urban planning guideline manual, explaining the phases of the project and reviewing the relation between the basic services, the residents standard of living, development of project alternatives and explaining the technical methods to be adopted in each alternatives. The project staff were responsible for the implementation and not the consultants. This implied that transfer skills of the consultant expert to the local labor must take place to allow successful project implementation. The vehicles, survey equipment, map printing, photocopying and typewriters provided by the consultants helped a great deal in the beginning until the project was able to purchase their needs through their own financial resources. The Ismailia projects attained other forms of assistance such as:
  - Seconding some members of governmental staff. These employees were able get a salary (by their original employer) in addition to an incentive pay (paid by the project);
  - Some of the public services e.g.: Schools, health units, were constructed by the relevant government agencies, the project was only responsible for providing the land; and contributions from project funds were for selected improvements,
  - The housing and utilities directorates provided building materials a subsidized price

Because no single existing government institution was able to manage the new program, an autonomous agency was set up to carry out the project. The British government provided a small, start up grant to assist in the establishment of a sites for services. In later project phases the United States Agency for International Development (USAID) provided direct financial aid assistance for certain infrastructure project components. Over the course of project development, full cost-recovery was never achieved for all project improvement components.

### **3.6 Lessons Learned and Recommendations Based on The Ismailia Experience**

This section, outlines some lessons learned and future recommendations for action. In institution building progress was gradual and progressive over a ten year period. General observations based on the experience of the consultants to Ismailia Governorate as excerpted from their report are as follows:

- 3.6.1 Requiring Adequate Time for Institution Building** - Culpin's experience in building other institutions in Ismailia more specifically the Hai El Salaam and Abu Atwa Project Agencies, suggested that three (3) years is a minimum period before these agencies could be independent. They further suggested that this may take up to ten (10) years. In either case, it was generally agreed that eighteen (18) months plus a six (6) month extension is too short a period, for establishing the Urban Planning and Development Agency. The consultants indicated the Agency was held together by a very energetic Director who has worked with them for some years, and who was previously the Director of the Hai El Salam Project. It is the staff in the second tier of management and in junior positions who still have much to learn in both the concepts and the techniques necessary for land management. Sufficient time for technical assistance is needed to establish momentum and good routines, in addition training to support this and give long term reinforcement strength.
- 3.6.2 Ismailia Planning and Development Agency As A Demonstration Project and Training Resource** - The Consultant suggested that the responsibilities and form of the Agency could be usefully applied to other Governorates in Egypt, particularly with the Government's commitment to decentralization. The Agency, as an operating model would be used as an important resource asset regarding programs of study and training which would be necessary if the Governorates and cities are to effectively carry out their own planning and development. An important point is that if a project is going to have a demonstration role, there has to be positive promotion. The ideas and experience can only be transferred elsewhere in Egypt if the successes achieved are publicized, information provided, and training based on the actual projects made available.
- 3.6.3 Strengthening Capacity of Local Government in Ismailia to Plan and Implement Development** - The work of the consultants concentrated on the setting up of the Ismailia Planning and Development Agency. However, close relations with the general operations of the Governorate and its local directorates has allowed identification of the requirements to improve its ability to promote development. Briefly, the following recommendations were outlined;
1. **Quality of Staff** - The most important is the need for improved quality of staff, particularly those in decision making positions. There is also a need for better assignment of staff to positions which best fit their qualifications and experience. Many people with high

qualifications and considerable potential are wasted because of unimaginative use of available staff. Better use involves positive manpower management, training and retraining.

Long Range Planning - There is a need for longer range planning, and particularly financial planning to highlight the advantages of financial independence and the freedom to plan a program from one financial year to the next. There were problems related to unplanned contributions to the Governorate Services Fund and Governorate investments suffered from being tied to year to year Chapter III investment allocations from Central Government. These make it very difficult to plan investments in accordance with the Master Plan, especially if there is very little flexibility in the use of allocated funds. Decentralized development can only be accomplished if the local executive and elected authorities have sufficient authority over the use of investment funds. This can either be accomplished by them having more of an influence on the way national funds are distributed or, preferably, by having more flexibility at the local level.

3. Coordination With Other Government Agencies - There is a need for better co-ordination between the Governorate and directorates in setting up and executing development projects. This is particularly true for projects requiring infrastructure and public services, such as, urban development projects. Co-ordination does occur through the Executive Committee of the Governorate, but this deals mainly with day to day problems. The long term view in budgetary planning and in co-ordinating the elements necessary for development is practically non-existent. The Urban Planning and Development Agency needs to participate in this long term planning process.

**3.6.4 Training** - The subject of training depends very much on whether it is provided as part of a direct technical assistance program, in which case it is primarily on-the-job training, or is provided by outside entities in which case it is primarily formal training. On the basis of the Ismailia experience in training programs over more than three years, a pilot training program and discussions with trainees; the following recommendations of Culpin were outlined regarding training requirements;

- Training programs should combine formal lectures and seminars with on-job training;
- Content of programs should be based on a continually updated assessment of the needs of the Governorate. Courses should be set at different levels to accommodate the wide range of present experience and training of the staff. The total time to be allocated for each program element will depend on the training staff available, as there will obviously be more on-job and less formal training if technical assistance is provided direct to Governorates.
- As a rough guide, the following subjects for a trainee with a university education, but no training in physical planning was proposed;
  - Long Term Planning Topics:
    - Human resources;
    - Economics;
    - Housing;
    - Transportation;

- Agriculture;
- Industry;
- Project Planning Topics:
  - Site planning;
  - Site Selection;
  - Housing (new);
  - Housing (upgrading);
  - Industrial areas;
  - Commercial;
  - Recreation;
  - Infrastructure;
  - Finance;
  - Legal;
  - Administration;
- Project Management Topics:
  - Plan monitoring;
  - Information system;
  - Industrial promotion;
  - Financial planning;
- Project Development Resource Skills:
  - Map reading and measurement;
  - Air photo interpretation;
  - Statistics;
  - Presentation;
  - Filing;
  - Operation of a computer with standard programs.

Other training recommendations included the following:

- Training should be pragmatic, and be based as far as possible on the experience which has been developed locally in the implementation of development programs. This is particularly true in the areas of sites and services; upgrading programs; and self financing in land development. Academic inputs should be limited. Training, might be organized by a training coordinator, who could call on local technical staff and academicians or consultants as necessary;
- Short courses run overseas should be considered as a very useful and attractive means of training senior personnel and decision makers;
- Lectures should use visual aids such as slides, overhead projectors and chart boards. The development of slide or tape/slide lecture packages is recommended as a means of allowing the experience of the international consultants to be packaged for use by a local training co-ordinator;
- Note pads should be provided for lectures;
- There should be some form of assessment and certification linked to the formal and on job training.

**3.65 Lessons for Institution Building** - The Consultants experience in setting up the Ismailia Planning and Development Agency, together with the previous experience of building the Hai El Salaam and Abu Atwa Agencies, produced several lessons on an approach which could be replicated in similar situations. The Agencies were all established by Administrative Order of the Governor, approved by Local Councils and operated under the relevant laws governing Local Administration. Hai El Salaam was established in 1978 to carry out upgrading of a poor area of the City and to provide a new area for expansion of the City.

The reason to set up these institutions was to carry out specific functions which could not be effectively met by the existing local government structures. They needed reasonable independence to function within their terms of reference and their results had to be visible in order to have a demonstration effect. These needs influenced the process of setting up the Agencies. The main concepts which guided the institution building process, are outlined below:

- A. Step by Step Approach to Institution Building - Orienting the institution towards achieving defined objectives, and only expanding staffing as work requires, in a careful step by step approach is recommended. The objectives of the projects were agreed with Central and Local Government, and the Consultants prepared detailed proposals to guide the development of the Agencies, but these were not seen as final. Rather, the final form developed over time, linked to the work needs and the capacity of the staff employed. In each case, the agencies started with a very small staff, normally only a project manager and secretary, and were progressively developed in parallel with the work load. This meant that it was always clear what skills were needed, and staff employed were needed and were fully occupied - a situation not, unfortunately, common in local government. Establishing the institution first with adequate staff was important before implementing projects. The expansion of staff would occur as project needs expanded.

It was, of course, important to have a work load from the start. This was accomplished by having a clearly defined task and by the Consultants taking the lead in the early days to establish momentum. The requirement for this depends very much on the person available as a Project Manager for the Agency.

- B. Working Within The Existing Structure - The responsibility of the Agency should fill a void in the existing administrative structure. It is important that the new institution fulfills functions which are only vaguely handled, or not handled by the existing structure. This means that it has an administrative function from the start, and avoids potential conflicts. El Salaam and Abu Atwa deal with squatter problems which no other department wanted to be involved with, or was able to adequately handle. The Urban Planning and Development Agency deals with development control, which was previously dealt with through technical advice based on the Master Plan. A reasonable information system coordinated by the Agency was welcomed by the Governor and the Local Popular Council.
- C. Use To The Maximum Extent Possible Existing Administrative Practices - The programs under which the agencies were set up in Ismailia did not have massive financial backing which would

allow the necessary influence to set up modern management structures and routines. To have attempted this would have been very time consuming, disruptive, and to some extent insensitive as local government has long established civil service codes. Above all, change for the sake of change is not necessary. The approach was rather to thoroughly understand the existing system, and to incorporate as far as possible these practices in the design of the new organizations. Modifications were only attempted when the existing practices were not effective. This was particularly important as the bulk of the staff of the Agencies was obtained by secondment from other Local Government Departments, a system which had advantages in bonuses had to be paid; and effectiveness in that better use was made of existing, under-utilized staff. In areas such as accounting, the standard balance sheets are well understood and are the basis of the official auditing system. They are not, however, a useful tool for financial management. For this reason a simplified parallel system was adopted to prepare cash flows as a management tool.

- D. Financial Independence - Perhaps the most crucial factor in the success of the agencies in Ismailia has been their legal independence in financial matters, and the continued respect for this independence. As entities aimed at financing urban infrastructure development, medium term budgeting free from annual budgeting uncertainties was essential. Within the context of Local Government, where annual funds allocated by Central Government are normally exhausted within the Fiscal Year, this independence has had to be jealously guarded.

This independence can, of course, only be obtained if funds are available. In the case of the Ismailia Agencies only limited inception or start-up funds were available, but these were essential to allow the Agencies to reach the point of selling land - the mechanism they have all used to finance development. In all cases, the Agencies worked to obtain funds as soon as possible. The first 500 plots in Hai El Salaam were sold ahead of schedule, and the Ismailia Planning and Development Agency developed and sold its first land within three months of its establishment. This early impetus also provided a valuable training opportunity for staff.

## Section IV RECOMMENDATIONS

### 4.0 Organization Format

This section outlines specific recommendations to implement projects and discuss the institutional framework for monitoring and accounting for project progress through the organization of a Land Management Unit (LMU) and associated Project Implementation Unit/s (PIU). A summary of lessons learned regarding local Egyptian experience cited in this report and a step by step procedure is presented to summarize first, the organizational framework to implement projects and secondly, the project identification and development process. Relevant existing laws and legal framework to implement projects and consolidate powers under the LMU or PIU are summarized in a companion document titled "Project Development and Local Resource Mobilization Using Land As An Asset".

### 4.1 Summary of Lessons Learned

The following considerations are summarized from lessons learned based on local Egyptian experience in Helwan and Ismailia.

- 4.1.1 Definition of Projects and Community Participation** - In defining projects always involve target beneficiaries or community leaders early to confirm needs; set priorities in relation to costs of improvements to satisfy these needs; and determined affordability and willingness to pay constraints to any cost-recovery strategies. Small projects or small initial project phases should be considered until cost-recovery and revenue generating commitments become substantial contributions to project cash flows.
- 4.1.2 Allocation of Land Resources and Functions of Land Management Organizations** - In the definition of projects, clear responsibilities must be established between project monitoring and implementation organizations. Such responsibility should be authorized through appropriate Decrees by the Governor or other Governorate authorities. These decrees or orders should emphasize retaining revenues from projects in separate accounts so these revenues can be allocated towards paying future project improvements. This encourages a self-sustaining project implementation program. Land resources should be allocated on a project by project basis consistent with cost-recovery strategies, and the need to subsidize any costs where appropriate within projects or between projects.



**4.1.3 Conditions of Land Sales and Affordability Issues** - Projects can control land speculation by setting limitations on land transactions and resales to those living in the project area or the Governorate in general. The governorate, through the LMU, can benefit from changes in title by charging fees associated with such changes. Land sale applications and negotiated commitments should be developed for low-income targeted beneficiaries in informal settlement areas based on affordability and willingness to pay in the early stages of development through effective community participation.

**4.1.4 Project Costs and Delays** - Project costs and delays can be minimized, if the project design is self contained. By self containment, the project should not have to rely on unnecessary coordination or scheduling of major off-site infrastructure works to be implemented so that connections of on-site project systems can occur in a timely fashion. If such dependency is necessary then major off-site infrastructure works should be in place first. Self containment also means issues related to land ownership are clearly defined to allow quick implementation of project activities by the LMU or PIU. In other words, the governorate should control the land for project activities.

#### **4.2. Step By Step Process of Project Identification and Design**

The following summarizes a step by step process of project identification and design suggested for newly established Land Management Units in the urban governorates.

##### **4.2.1. Identification of Governorate Lands in Relation to Defining Community Upgrading Versus New Lands Development Projects**

The identification of all governorate lands including vacant unserved or serviced land and encroached upon land areas must be done as a first step in the project design process. Upgrading projects should be designed to include, wherever possible, the following situations:

- Governorate Amlak lands (either leased or owned by the governorate), which have extensive encroachments;
- Nearby public housing establishments or new site areas;
- Project study areas for upgrading projects should minimize or have no private ownership parcels, or conflicts in ownership with other government entities so land tenure strategies and land title regularization can be facilitated.

If involvement of the informal sector in cost recovery strategies is to successfully occur, the above conditions should be identified as a basis to develop effective options. Such options include land tenure in exchange for recovering costs to provide service/utility improvements; and public housing or shelter if the land tenure option is rejected. Leasing of land could be another option provided lease terms cover costs to service sites. Study areas with minimal private ownership parcels will help to implement the land tenure options.

If new lands development is a project objective, then the identification of unserved land areas under governorate control should be prioritized keeping in mind the following considerations;

- Cost-recovery and market demand issues related to affordability and willingness to pay of targeted beneficiaries regarding necessary service improvements to unserved sites;
- Relocation strategies such as in providing temporary or permanent new housing locations for severely deficient urban communities dominated by private ownership parcels, which consequently limit options regarding land tenure as a cost-recovery strategy or where the use of user charges and betterment taxes are limited; and,
- Development strategies associated with the sale or leasing of land for higher valued land uses such as for upper income households. Investment projects such as for industry, commercial or touristic uses may be particularly advantageous to help cross-subsidize low-income project activities in various other parts of the Governorate.

#### **4.2.2 Identification of Target Beneficiaries; Their Needs, Priorities, and Costs Through Community Participation.**

One of the most important aspects of project design involves identifying the project beneficiaries and community leaders very early; then working with these individuals or their group leaders to identify project improvement needs, their cost consequences and subsequent priorities. This process involves the identification of beneficiary affordability and willingness to pay and prioritize certain project improvements. It points out the importance of community participation and involvement early whether the targeted beneficiaries are informal (squatter) settlers or private industry companies. Governors, Land Management Directors, and Project Implementation Unit Directors should be intimately involved in this process. These individuals should project strong leadership qualities in negotiating with targeted beneficiaries and community leaders regarding appropriate improvement needs and cost-recovery strategies to pay for these needs.

#### **4.23 Issuance of Appropriate Decrees and Governor's Orders**

The execution of appropriate decrees and Governor's orders should take place to formalize project implementation and administrative authority. This can be done at two levels either the project or LMU, simultaneously or separately, depending on available land resources within project areas. For example, if governorate land resources are available within project study areas, then a project decree can be executed first. If projects have limited land resources, then a decree to establish a Land Management Unit should be executed to permit the sale of higher valued land resources outside project areas to help pay for costs to implement project improvements. Another option would be to establish several projects under LMU control to promote cross-subsidies between projects.

In regards to the LD-II Urban Land Management Program, land management organization decrees have already been executed for all six participating urban governorates. A separate companion document titled "Project Development and Local Resource Mobilization Using Land As An Asset" addresses follow-up decrees to consolidate powers and authorities of the LMU or PIU to effectively implement projects. This report builds on the experience and guidelines put forward in this report.

**4.23.1 Project Decree Guidelines** - The following considerations and responsibilities are suggested regarding issuance of a Project Decree by the Governor under the Housing Fund as set up under Law 43/1979:

- Set boundaries of project areas;
- Set up functions and responsibilities of a Project Implementation Unit and delegate clear responsibility in land sales and auctions within project areas;
- Identify a Board of Directors including membership of key community leaders first and Popular and Local Council Representatives later;
- Determine start-up funds required and set up separate accounts under the Housing Fund. It should also establish a project financial plan and operating budget.

**4.23.2 Land Management Unit (LMU) Organization Decree** - The following functions should be considered regarding a Land Management Unit organization to assist project development activities. A Decree by the Governor is needed to consolidate powers to perform the following functions:

- **Acquire land as a resource from other public entities or the private sector;**
- **Resolve land tenure conflicts in informal settlement areas through appropriate cost-recovery and land regularization strategies;**
- **Allocate, sell, and lease land, under governorate control, to finance projects, if needed;**
- **Set up a separate operating budget with authority to retain revenues generated from projects, the leasing of land resources, administration and service fees, and other revenue sources;**
- **Monitor land and housing markets including land value data and other land use planning information, particularly as it might relate to informal or illegal squatter settlements to identify community upgrading project needs and other housing needs;**
- **Identify potential funds or "seed" money from land sales, and select higher value land areas (concession plots) for sale in auctions to get start up revenues to cover costs of improvements for lower income/informal settlement projects.**
- **Establish a Board of Directors, or Executive Committee, to set land management policy, approve project feasibility or scoping reports. (This group reports directly to the Governor through Secretary General and could have a separate account under the Housing Fund).**
- **Set land pricing and allocation guidelines, and policy working with the Board of Directors and the Governor, and appropriate land pricing committees.**

#### **4.2.4 Demonstration Project Development and Financial Plans.**

The following activities should be initiated regarding project development:

- A. **Determine alternate project designs; or design the project in accordance with needs of targeted beneficiaries; including affordability and willingness to pay for certain standards of service; etc. (Determine project objectives; priorities; for upgrading versus new lands development projects)**
- B. **Determine project costs/phasing; and operations budgets;**
- C. **Determine implementation strategy and project financial plans;**
  - **Identify "seed" money or start-up funds required;**
  - **Determine cost recovery; and other sources of project development funds, cross-subsidy funding requirements, etc;**
  - **Address affordability/market viability issues;**

- Develop project financial plans; (identify short-term vs. long term financial resource parameters)

The development of project financial plans is particularly important. A suggested project financial plan format is identified in a separate document titled "Project Development Guidelines".

#### **4.2.5 Current and Five Year Office Operating Budgets**

The following activities should be addressed regarding and Land Management Unit or Project Implementation Unit (PIU) organization operating budgets:

- A. Determine and forecast annual revenues generated from projects or other sources;
- B. Determine and forecast annual office operating and maintenance expense flows;
- C. Estimate net revenues and subsequent allocations in a balance budget over a five year period considering;
  - Allocations to other projects;
  - Allocations to the Economic Housing Fund, other entities, or other debt service requirements (loans); and,
  - Allocations to office operations over a five year period.

A model LMU office operating budget should address the following financial components or issues:

- **Administration Expenses:**

- Bank profits, fees;
- Supervision and monitoring services fees consultants;
- Capital "start-up" fund or other debt service costs;
- Annual incentives;
- Salaries;
- Bonus incentives;
- Per diem guidelines and rates for attending meetings, conferences, training, etc;
- Transportation (fuel/oil);
- Maintenance of equipment;

- Major equipment/furnishing needs and purchases such as vehicles; cameras; surveying equipment and technical tools, etc.
  - Capital costs associated with projects funded through LMU resources;
  - Operations and maintenance costs associated projects funded through LMU resources.
- Anticipated Income Or Revenues:
    - General LMU administrative fees from projects providing consulting or project processing services, etc.;
    - Land sales through auctions; land tenure arrangements, etc.;
    - Land leases;
    - Other revenue generating mechanisms regarding cost recovery on projects or by the provision of services.

#### 4.3 Sample Project Decrees and Governors Orders Based on the Ismailia Experience

Appendix A addresses several sample decrees and Governor's orders issued regarding the Ismailia project development experience. These are presented to give an idea of a workable framework based on successful experience in Ismailia to implement projects or effectively carry out land development agency operations. The legal framework and relevant laws are cited in these decrees and orders.

17-1g.305

**APPENDIX A**  
**ISMAILIA PROJECT DECREES**  
**AND GOVERNORS ORDERS**

**This appendix includes project Decrees and/or Governor's orders for the following:**

- **Excerpts from Decree No. 425/1986 Issued by the Governor concerning the Ismailia Urban Planning and Development Agency;**
- **Regulations of Incentives Disbursement to Personnel Working in all Production and Services Projects Within Governorate Limits (Annex to Governor Decree No. 425/1986);**
- **Typical Legislation and Articles Regarding Use of The Economic Housing Fund, (From Ismailia Legal Authorities);**
- **Decree of the Ismailia Governor Regarding the Economic Housing Fund, Service Fund, and Reclamation Fund;**
- **Various Model Decrees Addressing the Following Topics;**
  - **Formulating a Land Price Estimating Committee;**
  - **Formulating a Committee to Sell Land By Auction; and,**
  - **Establishing Orders for the Demolishing of Certain Structures.**
- **Ismailia Governor Decrees (Arabic), addressing the following projects;**
  - **Land Allocation for Abu Atwa Project;**
  - **Allocation of An Industrial Area to the Urban Development and Land Planning Agency;**
  - **Decree No. 200 Year 1981 Establishing the Ismailia Planning and Development agency (IPADA).**

17-1g.306

EXCERPTS FROM  
DECREE NO. 425/1986

ISSUED BY THE GOVERNOR OF ISMAILIA

Page (2) - Item (C)

The following projects are considered among the projects included in account of funding economic housing;

- 1) Urban Planning and Development Agencies.

Article (2)

Marches and City Chief each in his field of specialty and within the limits of this boundaries are delegated to manage and organize similar projects located in their boundaries in the light of the rules implied in the previous Article except the following projects:-

- 1) A special account for land reclamation purposes.
- 2) The account of funding economic housing.

Article (10)

A committee for the follow up of Projects Affairs should be formed with the headship of the Secretary General and the membership of the following personnel:-

- 1) The Assistant Secretary General;
- 2) The Under-Secretary of Finance at Ismailia; and
- 3) The Governorate Director of Finance.

This committee will handle all administrative and financial issue pertaining to the projects following the Governorate, as well as review of modifications of the regulations mentioned in Article 8 of this Decree.

Article (3)

The Committee responsible for the management of each of the above mentioned project should prepare at the end of each fiscal year a balance sheet showing the financial status of the project and the profits achieved. Attached should be the project plan for the new fiscal year. This budget and plan should be submitted to the respective board of directors.

Ismailia Governorate

17-1g.306



REGULATIONS OF INCENTIVES  
DISBURSEMENT TO PERSONNEL WORKING  
IN ALL PRODUCTION AND SERVICES PROJECT  
WITHIN GOVERNORATE LIMITS (ANNEX TO  
GOVERNOR DECREE NO. 425/1986)

Section (1)  
Types of Projects Assessment

**Article (1)**

The projects following the governorate are decided according to the volume of their investment components either the materialistic or the corporeal into two divisions:-

**Type I**

- 1) The projects whatever their purposes are, either productive of services, and whatever their nature are which the component of their investment exceeds LE 200,000.

**Type II**

- 2) The Projects whatever their purposes are, either productive of services, and whatever their nature are which the component of their investment do not exceed LE 2000,000.

**Article (2)**

The committee formed by our Decree issued in these regulations will enroll the current projects and the future ones under the two abovementioned types. It will also modify any project if its financial status necessitates that.

**Article (5)**

The employees who are not committee members are entitled to receive incentives as decided by the administrative committees, on condition that these incentives do not exceed 100% of their original monthly salaries. The administration may decide to disburse 150% of their original salaries once a year once every six months on condition that it does not exceed 15% of the added value achieved. This should be done after setting the depreciation and contingencies aside. In all cases, the monies that the employees receive as incentives should not exceed 150% of their monthly salaries in their original agencies. Those who have rare vocations approved by the project's follow-up affairs committee formed by Article 10 of this decree are exempted from this condition

**Article (6)**

It is prohibited that any employee within the Governorate boundaries fill more than one position in the committees of projects management or their executive and administrative agencies.

**Article (7)**

If the need or the public demand necessitates that an employee fills in more than one position in the project committees or their administrative agencies, he has the right to choose the best of the benefit packages or have more than one package from more than one project on condition that they do not exceed the above mentioned limits.

**Section 3**  
**General Rules**

**Article (8)**

Concerning the new projects which are in their start-up stage or the future projects their employees are not entitled to received incentives or any benefit package from any kind except when they achieve a sufficient profit.

**Article (9)**

The rules of these regulation should not interfere with the rights of employees delegated for easual assignments in taking their payments disbursed on a casual basis as decided by the respective project committee.

**Some Financial & Administrative Rules**

**Article 10**

Law No. 9/1983 concerning Bids & Ouctions and their executive regulations are applied on all project following the Governorate.

**Article 11**

The committee of Project Management is given the authorities of the Under - Secretary shown in the above mentioned law and its executive regulations. The Committee may delegate all or parts of its authorities to the head of the Project committee or its manager.

**Article 12**

The Financial regulations and instructions applied in Governmental Agencies are herein applied on condition that they do not contradict with these regulations.

**Article 13**

The Project Management Committee may establish a system of labor appointment in the projects following the Governorate for non-government appointments and the appointments on a loan in ease of emergencies or if the project needs necessitates that. Also pension special regulations are herein applied.

**Date:** 4/27/1986

17-1g.306

96

**ISMALILA GOVERNOR DECREE:  
REGARDING THE  
ECONOMIC HOUSING FUND, .  
SERVICE FUND, AND  
RECLAMATION FUND  
DECREE NO. 425/1986**

**Governor:**

- After reviewing of law No. 43/1979 regarding the local administration and executive regulations, amendment by law No. 50/1981 and executive regulations.
- After reviewing of law No. 47/1978 modified by the law No.115 year 1983 concerning the civilian employees organization in the government, and its executive legislation.
- The decree issued by the president, No. 5 year 1979, authorizing the governor in the execution of presidential responsibilities;

**Article:-**

1) The following projects are to belong to the services and local development fund:

- Quarries project;
- Noras city project;
- Heavy equipment project;
- Bakery project;
- Wholesale project;
- Printing project;
- Transportation project
- Clubs projects;

2) The following projects are to belong to the **Economic Housing Fund**:

- Planning and Development Agency
- Upgrading Hai El Salaam Project
- Upgrading Abu Atwa Project
- Upgrading Manshiet El Shouhada
- Fayed City upgrading agency.

3) **Land Reclamation Fund**

- Youth agriculture;
- Reclamation laches on other water surface areas for development.

Each project has a separate budget and the surplus of each project are to go back to the housing fund at the end of every fiscal year.

Date: 4/27/1986

17-1g.306

**DECREE MODEL FOR  
(FORMULATING A LAND PRICE ESTIMATING COMMITTEE)**

Ismailia Governor

**Decree  
Ismailia Governor No      Year 19**

Ismailia Governor

Referring to:

- Law No. 47 year 1978 modified by the law no. 115 year 1983 concerning the civilian employees organization in the government and its executive legislation.
- Law No. 43 year 1979 modified by the law No. 50 year 1987 concerning the local government organization and its executive legislation.
- The Decree issued by the Government president No.5 Year 1979 concerning taken care of some of common authorization of the government president.
- Our decree No.      year 19 for establishing an administrative committee for planning and urban development and land planning.
- The memorandum of the urban planning and land planning agency concerning the approval of establishing a committee for estimating land price auction selling date on which had been

Decided

Article One

A committee is to be established for estimating land price which the selling process will be handled by the Urban Development and Land planning Agency on the auction date 8/19/1988 as follows:

- 1) General Manager of the urban planning and land planning agency in the governorate(Chief)
- 2) Eng. Said Saleh; (Member)
- 3) Eng. Abdel Hamed Nasr; (Member)
- 4) Mr. Said Abdel Gelil; and, (Member)
- 5) Mr. Saber Abdel Aziz. (Member)

Article Two

The committee has to review the minutes of meeting for the specification committee and prepare a report of their conclusions regarding the estimated land price and approve it by the general secretary of the governorate with the care of the application for the law No.9 year 1983 regarding the bids.

Article Three

This decree has to be applied after it has been issued and all whom being concerned have to implement it as every one job description.

Ismailia Governor

Date

Abdel Moncim Emara

/ /1990

17-1g.306

(FORMULATING A COMMITTEE TO SELL LAND BY AUCTION)

Ismailia Governorate

Decree  
of Ismailia Governor No. (815)  
Year 1988

Ismailia Governor:

Referring to the Law No. 47 year 1978 modified by the law 115 year 1983 concerning the civilian employees organization in the government, and its executive legislation.

- The Law No. 43 year 1979 modified by the law No. 50 year 1981 concerning the local government organization and its executive legislation.
- The decree issued by the government president No. 5 year 1979 concerning take care of some of common authority of the government president.
- Our decree No. 1161 year 1984 for establishing administrative committee for planning and urban development and land planning.
- The memorandum of the urban planning and land planning agency concerning the approval of establishing a committee for selling lands owned by the agency which has the auction selling date on 8/19/1988.

Decided

First Article

A committee is to be established to sell the land owned to the urban development and land planning agency, that the urban development and land planning agency, that the concession date is 8/19/1988 as follows:

1. The Consultant M. Taha El Said Matar - Chief
2. The Consultant M. Hosni El Sawaf - Government Council Representative - Member
3. Mr. Abdallah Ahmed - Ministry of Financial Representative - Deputy of Chief
4. Mr. Said Abdel Gelil - Member
5. Miss Habiba Eid - Member
6. Eng. Hassan Salama - Member
7. Eng. Abdel Hamed Nasr - Member
8. Eng. Nagen Gad Elhak - Member
9. Eng. Samir Nazmy Fanous - Member

17-1g.306

(A DEMOLISHING DECREE MODEL)

Decree  
Ismailia Governor No      Year

Ismailia Governor:

Referring to:

- Law No. 43 year 1979 concerning the local government organization and its modified laws and executive legislation.
- Decree issued by the government president No. 5 year 1979 concerning taken care of some of common authorization of the government president.
- The memorandum of the urban planning and land planning agency concerning the encroachment on the land which located between ----- and ----- on the road of ----- with a length of ----- and a width of ----- and a total area of -----

Decided

Article One

Demolishing by the administrative way all the encroachments on the land which located between ----- and ----- on the road of ----- with a length of ----- and width of ----- and a total area of -----

Article Two

This decree has to be applied after it has been issued and all whom being concerned have to implement it as every one job description.

Ismailia Governor  
Abdel Moncim Emara

Date: / /

17-1g.306

قرار

محافظة الاسماعيليه رقم (٥١٠) لسنة ١٩٨٠

محافظة الاسماعيليه :

بعد الاطلاع على القانون رقم ٤٣ لسنة ٧٦ باصدار قانون نظام الحكم  
المحلى ولائحته التنفيذية .

وعلى القانون رقم ٢٩ لسنة ١٩٥٨ بشأن قواعد التمرف بالمجان فى  
العقارات المملوكة للدولة والنزول عن اموالها المنقوله والقوانين  
المعدله له .

وعلى القانون رقم ٥٣ لسنة ١٩٤٠ بشأن تقسيم الاراضى المعدة  
للبناء

وعلى التقرير النهائى للمشروعات الايضاحية بالاقتراحات الرئيسيه  
لمشروعات تطوير الحكر وابو عطوه . وموافقة مجلس محلى بدينه  
الاسماعيليه بالمحضر رقم ٢٤١ فى ١٧/٧/١٩٧٨ .

وعلى قرار محافظ الاسماعيليه رقم ٨١١ لسنة ١٩٧٨ بإنشاء جهاز  
لمشروع تخطيط منطقتى الحكر وابو عطوه .

وعلى قرارنا رقم ٤٤ لسنة ١٩٧٩ باعادة تشكيل مجلس ادارة جهاز  
مشروع تطوير منطقتى الحكر وابو عطوه .

وعلى الخريطة المحددة الموافق عليها من الجهات المختمة .

قرر

مادة اولى :

تخصص الارض المبينه حدودها واطوالها وموقعها بعد والموضحة  
تفصيليا بالخريطة المرفقة لمشروع تطوير ابو عطوه وحدودها واطوالها  
كالآتى :

- ١ - الحد البحرى
- ٢ - الحد الشرقى
- ٣ - الحد القبلى
- ٤ - الحد الغربى

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مادة ثانية :

يكون هذا التخصيص بنقل ملكية الارض الموضحة الحدود والمعالم في المادة الاولى من هذا القرار والخريطة المرفقة لجهاز مشروع تطوير منطفة ابو عطوة ( بدون مقابل ) سواء اكانت هذه الارض ملك الاملاك الاميرية او الوحدة المحلية لمركز ومدينة الاسماعيليه . وعلى هاتين الجهتين اتخاذ اجراءات نقل الملكية للمشروع .

مادة ثالثة :

لجهاز المشروع سلطة بيع او تاجير وكافة التمرفات القانونية بشأن قطع الاراضى المقسمة المشار اليها والمعتمدة مع مشروع التخطيط التفصيلى للخريطة المرفقة . وذلك للقواعد التى يقررها مجلس ادارة المشروع .

مادة رابعة :

تؤول حصيلة وموارد بيع وايجار او اى تصرف قانونى او مالى اخر في ارض ابو عطوه المذكوره الى حسابات جهاز المشروع وتدخل ميزانياتها الخاصة ، ولمجلس الادارة حق التصرف من هذه الاموال . . بالطرق التى يحددها جهاز المشروع ، وطبقا للائحة المالية الخاصة بالمشروع .

مادة خامسة :

يسعى تقسيم ارض ابو عطوه من احكام القانون رقم ٥٢ لسنة ١٩٤٠ بشأن تقسيم الاراضى المعده للبناء .

مادة سادسة :

تحتترم كافة الملكيات الخاصة المسجلة الواقعه فى دائره هذا التقسيم .

مادة سابعة :

ينشر هذا القرار فى الوقائع الرسمية ويعمل به من تاريخ نشره .

محافظ الاسماعيليه

عبدالمنعم عماره

تحريرا فى ٤/٣٠ / ١٩٨٠

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Ismailia Governorate

Decree of

Ismailia Governorate No (1272) year 81

Allocation of an Industrial Area (363 Acres)

to the Urban Development and Land Planning Authority

محافظه الاسماعيليه

قرار

محافظ الاسماعيليه رقم (١٢٧٢) لسنة ١٩٨١

محافظ الاسماعيليه

- \* بعد الاطلاع على القانون رقم ٤٣ لسنة ١٩٧٩ بامدار نظام الحكم المحلى المعدل بالقانون رقم ٥٠ لسنة ١٩٨١ ولائحته التنفيذية .
- \* وعلى القانون رقم ٢٩ لسنة ١٩٥٨ بشأن قواعد التصرف بالمجان فى العقارات المموله للدولة والنزول عن اموالها المنقوله والقوانين المعدلة له .
- \* وعلى القانون رقم ٥٣ لسنة ١٩٤٠ بشأن تقسيم الاراضى المعده للبناء .
- \* وعلى قرارنا رقم ٣٠٠ لسنة ١٩٨١ بشأن جهاز التنمية العمرانية وتخطيط الاراضى .
- \* وعلى مذكرة جهاز التنمية العمرانية وتخطيط الاراضى بشأن طلب تخصيص مشروع المنطقة الصناعيه الخفيفه امتداد المنطقه الصناعيه الحاليه والخريطه المرفقه .
- \* وعلى موافقة المجلس الشعبى المحلى للمحافظة بجلسته المنعقدة بتاريخ ٨١/١٢/٢٢ .
- \* وبناء على موافقتنا .

قرر

مادة اولى :

تخصيص الارض المبين حدودها واطوالها وموقعها بعد والبالغ مساحتها ٣٦٣ فدان الموضحة تفصيليا بالخريطة المرفقة للمنطقة الصناعيه الخفيفه لجهاز التنمية العمرانية وتخطيط الاراضى وحدودها واطوالها كالاتى :

- ١ - الحد البحرى :
- ٢ - الحد الشرقى :
- ٣ - الحد القبلى :
- ٤ - الحد الغربى :

#### مادة ثانية :

يكون هذا التخصيم بنقل ملكية الارض الموضحة الحدود والمعالم فى المادة الاولى من هذا القرار والخريطة المرفقة لجهاز التنمية العمرانية وتخطيط الاراضى ( بدون مقابل ) سواء اكانت هذه الارض ملك الاملاك الاميرية او الوحدة المحلية لمركز ومدينة الاسماعيليه .

#### مادة ثالثة :

لجهاز التنمية العمرانية وتخطيط الاراضى حق بيع وتأجير وكافة التصرفات بشأن قطع الارض المقسمة المشار اليها والمعتمدة من مشروع التخطيط المناعى للمنطقة وفقا للخريطة المرفقة وذلك طبقا للقواعد التى يقررها مجلس ادارة جهاز التنمية العمرانية وتخطيط الاراضى .

#### مادة رابعة :

تؤول حصيله موارد بيع وايجار او اى تصرف قانونى او مالى اخر فى المنطقه الى حسابات جهاز التنمية العمرانية وتخطيط الاراضى وتدخل ميزانيتها الخاصة ولمجلس الادارة حق التصرف من هذه الاموال لنجاح المشروع طبقا للائحة المالية الخاصة بالجهاز .

#### مادة خامسة :

تعفى تقاسيم ارض المنطقة المناعية الخفيفه من احكام القانون رقم ٣ لسنة ١٩٤٠ بشأن تقسيم الاراضى المعدة للبناء .

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مادة سادسة :

تزال بالطريق الادارى كافة التعدادات الواقعة على الارض المضممه  
للجهاز بموجب هذا القرار.

مادة سابعة :

على الجهات المختصة تنفيذ هذا القرار ويعمل به من تاريخ صدوره  
وينشر فى الوقائع المعمرية .

محافظ الاسماعيلية

عبدالمنعم عماره

تحريرا فى ١٩٨١/١٢/٣٠

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قرار  
محافظ الاسماعيلية رقم (٢٠٠) لسنة ١٩٨١

محافظ الاسماعيلية

بعد الاطلاع على القانون رقم ٤٣ لسنة ١٩٧٤ بشأن نظام الحكم  
المطلى ولائحته التنفيذية .

وعلى القانون رقم ٤٧ لسنة ١٩٧٨ بشأن نظام العاملين المدنيين  
بالدولة .

وعلى ما عرفه علينا مندوبى برنامج المعونة الفنية بالاسماعيلية

وعلى ما عرفه علينا السيد / السكرتير العام بالمحافظة

وعلى موافقتنا .

قرر

مادة اولى :

يشكل بالمحافظة جهاز للتنمية العمرانية وتخطيط الاراضى بما يتفق  
مع التخطيط العام للمحافظة . ويكون لهذا الجهاز الشخصية الاعتبارية  
فى كافة النواحي المالية والادارية .

مادة ثانية :

يشرف على هذا الجهاز مجلس ادارة يشكل على النحو التالى :

- |       |  |
|-------|--|
| رئيسا | ١ - السيد الاستاذ سكرتير عام المحافظة    |
| عضوا  | ٢ - السيد المهندس / وكيل الوزارة للاسكان |
| عضوا  | ٣ - السيد المهندس / المستشار الهندسى     |
| عضوا  | ٤ - السيد / المستشار القانونى            |
| عضوا  | ٥ - السيد المهندس / مدير مديرية الطرق    |

- ٦ - السيد / مدير التخطيط بالمحافظة      عضوا  
 ٧ - السيد / مدير المساحة      عضوا  
 ٨ - السيد / مدير الاملاك      عضوا  
 ٩ - السيد / مدير ادارة الانتاج والشئون الاقتصادية      عضوا  
 ١٠ - السيد / مدير ادارة الحسابات بالمحافظة      عضوا

مادة ثالثة :

يتولى هذا الجهاز الاختصاصات الآتية :

- ١ - التنسيق والتحكيم فى الاراضى ملك المحافظة المخصصة للاغراض العمرانية طبقا للتخطيط العام .
- ٢ - اختيار المواقع التى تخصص لمشروعات كافة اجهزة الخدمات وجميع المشروعات السياحية والصناعية ومناطق الاسكان الجديدة .
- ٣ - اعداد مشروعات التخطيط العمرانى فى مناطق التوسع السكنى داخل وخارج مدن المحافظة قبل اعتمادها من المجالس الشعبية المختصة
- ٤ - اقتراح تعديلات خطوط التنظيم بـ مدن المحافظة بغرض تطويرها .
- ٥ - تحديد مسارات الطرق الاقليمية المحيطة بالمدن .
- ٦ - تحديد استخدامات الاراضى وشروط البناء عليها .
- ٧ - تخطيط بعض المناطق التى يقع عليها اختيار الجهاز وتوصيل المرافق اليها والتصرف فيها واستغلال حصيلة البيع فى مختلف اغراض التنمية العمرانية بالمحافظة .
- \* تجميع كافة المعلومات والاحصائيات والبحوث عن الاراضى ملك المحافظة .
- \* دراسة المشروعات الصناعية المطلوبة والجدوى الاقتصادية منها والمساحة اللازمة لكل مشروع وشروط البناء ومراحل التنفيذ .

مادة رابعة :

يضع الجهاز لائحة مالية وادارية وتعرض علينا للاعتماد .

مادة خامسة :

يكون للجهاز سلطة تحديد وقبول رسوم عن الخدمات التي يقوم بها  
لاصحاب الشأن . تدخل كإيرادات تغطية المصاريف الادارية للجهاز ...  
وتحدد هذه الرسوم بعد اعتمادها منا .

مادة سادسة :

للجهاز الحصول على قروض لاغراض التنمية بضمان الارض .

مادة سابعة :

يعيين للجهاز مدير فنى يصدر قرار بتعيينه منا .

مادة ثامنة :

على المذتمين تنفيذ هذا القرار كل فيما يخصه ويعمل به من تاريخ  
صدوره .

محافظ الاسماعيلية  
عبد المنعم عماره

تحريرا فى ١٩٨١/٢/٢

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## APPENDIX B

### RESOURCE DOCUMENTS / ARTICLES / REPORTS

- Annual awards focus on Innovative Housing, The Urban Edge Vol. 13., No. 9., November, 1989, World Bank publication highlighting Ismailia experience.
- Audit of Helwan Housing and Community Upgrading in Egypt - Project No. 263-0066, United States Agency for International Development (USAID), Inspector General Audit Report No. 6-263-98-1, October 31, 1988.
- Credit Mechanisms in Community Upgrading, prepared for USAID by Neil S. Meyer, October, 1985.
- Housing and Community Upgrading For Low Income Egyptians - Final Evaluation Report Project No. 263-0066, prepared by Robert R. Nathan Associates, February, 1982.
- Income Study For Helwan Factory Workers, by CHF International, Inc. prepared by Eng. Samir Shawky, Azza Atwa, April, 1987.
- Implementation Planning Guidelines For Upgrading of Informal Communities, (263-0199) prepared for USAID by Paul Gabele of CHF, August, 1985.
- Ismailia Governorate Project Promotion Publications: (in Arabic)
  - Abu Atwa Project Agency
  - Hai El Salaam Project
  - Industrial Zone Project, 1987.
- Making Land Development Work: The Process and Critical Elements for Success, by David Dowall, working paper No. 494 Institute of Urban and Regional Development, University of California at Berkely, February, 1989.
- Recovering Development Costs for Community Upgrading - An Analysis of the Experience in Egypt, prepared for USAID by Dr. Sawsan El Messiri of CHF, December, 1989.
- Regularization of Land Title For Informal Communities in Cairo: An Analysis and Proposed Approach, prepared for USAID by Dr. Sawsan El Messiri of CHF, August 1989.
- Report on Ismailia Governorate Land Management Unit Operations and Funding, prepared for USAID/Cairo by Wilbur Smith Associates, in association with Public Administration Service, Deloitte Haskins and Sells, Development Consulting Office and Engineering and Geological Consulting Office, October, 1988.
- The Helwan Housing and Community Upgrading Project for Low-Income Egyptians - The Lessons Learned, prepared by D. Gardner and A.P Van Huyck Consultants to PADCO, Inc. for USAID, February 1, 1990.
- Urban Projects Manual: A Guide to Preparing Upgrading and New Development Projects Accessible to Low-Income Groups, prepared for the Overseas Development Administration by Clifford Culpin and Partners, Ove Anep and Partners, Roger Tym and Partners. Published by Liverpool University Press in Association with Favestcad Press, 1983.
- Scoping Report for Relocation of Animal Breeders in Port Said Governorate prepared for USAID/Cairo by Wilbur Smith Associates, in Association with Public Administration Service, Deloitte Haskins and Sells, Development Consulting Office and Engineering and Geological Consulting Office, November, 1988.



- Draft Trainee Manual for Basic Land Management Orientation Workshop, prepared for USAID by Environmental Quality International (EQI) for Technical Assistance Contractor, Wilbur Smith Associates, in Association with Public Administration Service, Deloitte Haskins and Sells, Development Consulting Office; and Engineering and Geological Consulting Office, May, 1990 (English only)
- Land Management Project Development Guidelines, prepared for USAID/Cairo by Wilbur Smith Associates in Association with Public Administration Service, Deloitte Haskins and Sells, Development Consulting Office and Engineering and Geological Consulting Office, May, 1990.
- Land Management Planning Information System Guidelines, prepared for USAID/Cairo by Wilbur Smith Associates in Association with Public Administration Service, Deloitte Haskins and Sells, Development Consulting Office and Engineering and Geological Consulting Office, May, 1990.
- Conference/Seminar Proceedings Report, Land Management and Development Local Development (LD-II) Program, (Port Said, October, 1989) prepared for USAID/Cairo by Wilbur Smith Associates in Association with Public Administration Service, Deloitte Haskins and Sells, Development Consulting Office and Engineering and Geological Consulting Office, May, 1990. (Arabic and English).
- Helwan New Community Project Costs & Cost Recovery Analysis, February, 1987 by (CHF).
- Loans Program To Fund The Helwan New Community Structure, by (CHF).
- Housing and Community Upgrading for Low-Income Egyptians for Ministry of Reconstruction and State Ministry for Housing and Land Reclamation, (April 1985).
- Set of Public Ownership Laws and Applications, prepared by M. Rabie El Shafie, Supervised by Yehia M. El Saeid, Under secretary of State for Housing, Cairo Governorate. (Arabic only).
- Summary Ismailia - Demonstration Projects Promotional Material Based on final reports by Clifford Culpin and Partners, May 1978.
- Land Management Project Development and Local Resource Mobilization Using Land As An Asset, June, 1990 prepared for USAID/Cairo by Wilbur Smith Associates in Association with Public Administration Service, Deloitte Haskins and Sells, Development Consulting Office and Engineering and Geological Consulting Office, May, 1990.
- Seminar Proceedings-Core Housing and Site and Services Projects for Low Income Groups, co-sponsored by Cairo University/Massachusetts Institute of Technology, Technological Planning Program Ministry of Housing, A.R.E. Ministry of Development and New Communities, A.R.E January 29-30, 1979.

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