

CAMBODIA UPDATE :

These are Somsook's notes about a two-day visit to Cambodia, January 23-24, 2014

There were two teams on this visit:

- **First team:** Nad, Maurice, Acharn Nut and Caroline (from DPU) went to organize the field visits for DPU students who will be coming to Cambodia in May 2014, in collaboration with CAN-Cam.
- **Second team:** Somsook and Somsak visited key government and bilateral institutions with the CDF Foundation team to talk about the next stage of housing policy and ACHR collaboration in Cambodia.

Meeting with the Ministry of Land Management, Urban Planning and Construction

Mr. Im Chhun Lim is the Minister.

ACHR's support for developing a housing policy in Cambodia: In May 2010, "Circular 3" was issued by the Cambodian government, and it was a progressive housing policy, based largely on the ideas and the work of the UPDF, with inputs from ACHR, with a focus on community-driven, collaborative and citywide slum-upgrading, with on-site slum upgrading as the first housing redevelopment option, and relocation within the city to free government land only in cases where in-situ upgrading was not possible. Then, two years ago (March 15, 2011), ACHR sent a concept note to the Cambodian government to Ministry of Land with suggestions for how to set up a CODI-style government institution to support a people-driven housing program in Cambodia. Somsook met with the minister at that time. After some delay, the government now seems to be ready to set up some kind of Housing Department, and is asking for ACHR's continued collaboration about how to do this.



During this meeting, it was agreed that ACHR would continue to assist in the "Capacity building" of the Ministry and staff through the following six activities:

1. Organize exposure trips (joint teams - government and community) to Thailand and CODI
2. Invite Minister of Land Management to visit Thailand.
3. Organize a training workshop on "Capacity building for officers on housing process for the poor.
4. UN-Habitat will assist the minister to see how the 5-year Housing Plan for the country will take shape, with the CDF Foundation playing a key role and being given some status in the government policy
5. Sign an MOU between the Ministry, CDF Foundation, UN-Habitat and ACHR. Vanna at UN-Habitat volunteered to prepare a draft of this MOU.
6. Start work in one pilot area, to test the collaboration between the Ministry and CDF Foundation, where they will concretely work together. One suggestion was to select one good province and work on both the existing good urban process and then expand into the rural areas also. The Ministry can help facilitate solutions to the land issue, which is serious in both urban and rural settings, but good to start with a target city or two.

This is an important step in boosting the status of the CDF Foundation, institutionalizing it and getting it accepted by the bigger system in Cambodia.

Meeting with new Governor of Phnom Penh

The city of Phnom Penh recently got a new governor. Mr. Pa Souteavong is the new Governor of Phnom Penh Municipality. He may come with the approach of concentrating more on private-sector construction, but he stressed the need to help the city's urban poor and do more serious work on urban poverty, with a clearer policy on land, housing and slum redevelopment. There has recently been a lot of pressure on the municipality and negative publicity from human rights groups about the evictions at Borei Keila and Boeung Kak Lake, and this may partly explain the new governor's openness to the problems of urban poverty.



Phnom Penh, with a population of 2.2 million, now has 12 urban districts ("Khans")

What happened to the old UPDF? The part of UPDF that deals only with Phnom Penh (at least the part of the fund with Hun Sen's budget) has been taken under the Municipal Government's wing, and they have turned it into an NGO and changed the name to *UPRD (Urban Poverty Reduction Fund)*. The UPRD is being run by one woman (who used to work for the UPDF), who now sits in the old UPDF office (which belongs to the Municipality and was given to the UPDF when we signed the original MOU). Meanwhile, the part of UPDF which covers the rest of the country and supports the community savings network and city-based CDFs around Cambodia (and in Phnom Penh also) has been turned into the CDF Foundation. The CDF Foundation office is still in the old UPDF office, and there were rumors that the Municipality intended to evict the CDF Foundation from this office space, but now it has been agreed that the Municipality's UPRD and the independent CDF-Foundation will share the office, for the time being.

Telling the Governor that the CDF Foundation would like to come back, to assist the Municipality!

We used this meeting to let the new governor know that the CDF Foundation - and those of us who have helped support Cambodia over the last 20 years - would like to assist the Municipality in its work of resolving the city's urban poverty and housing problems. We presented him with a list of the 120 communities that have been upgraded - only in Phnom Penh! We also informed him that the CDF Foundation and ACHR's ACCA Program have a plan to support the upgrading of all the khans in PNH - but we will start with two khans! And we asked his suggestions on how to proceed.

Somsook explains to the Governor basic concepts of community-driven slum upgrading: It is a gradual way to improve housing conditions, and the support organization's workers can learn and grow with the communities along the way, through the actual upgrading process. The problem continues to be a lack of experts in Cambodia who can assist this kind of community-driven process. So upgrading is a gradual process, in which people learn by doing, and it shows that it is possible to do a lot in changing the lives of a big number of people, with very little money. This is an important aspect in a country with scarce resources, like Cambodia. Plus, upgrading gives communities a chance to upgrade many aspects (such as savings, welfare, health - not only physical housing), and in good collaboration with their sangkat and khan authorities. And the poor communities in Cambodia have implemented their upgrading process so well that many other countries in Asia and Africa want to come and see and learn from their experiences.

Governor's idea: "Comprehensive" Housing pilots in each khan: The governor's idea is to do a series of pilot slum redevelopment projects, "*One khan, one slum*", though it's not clear whether he is thinking of on-site upgrading or relocation. He did say that the Municipality would like to do these housing pilots in a "comprehensive" way, with an emphasis on getting the private sector and the NGOs to work together on different aspects, in order to change the slums. His idea may be contractor-built reconstruction, or relocation - he may not accept our idea of community-driven and on-site slum upgrading.

The problem with **BOREI KEILA** :

In 2003, after the Prime Minister announced the "100 Slum Upgrading Policy", a pioneering land-sharing agreement was reached between the Municipality of Phnom Penh and the large Borei Keila slum community (with ideas and support from UPDF and ACHR), in which the 1,776 families would be re-housed in 10 apartment blocks built on a small part of the same site, by the private developer who was granted the concession to develop this inner city public land and who would develop the rest of the site as high-end housing. The people would get the 4x12m apartments completely free, and the developer would pay for them, using part of the huge profits they expected to earn from sale of the market-rate developments.



A famous project and a good solution: The project was high-profile and much-visited, and a point of pride for the Municipality, which had this beautiful project to show one very practical and win-win way of solving the urban poor housing problems in the city without evicting anybody - and still allowing the development of the city to continue.



Breaking the deal: But by the time the 8th apartment block was finished and occupied, the land values in the area had risen so high that the developer decided to break its agreement. By then, there were more families claiming rights in the project than the 352 families from the original list. After getting the approval of the former Governor of Phnom Penh, they announced a plan to relocate the remaining families (which by now included many families who weren't on the original list, but insisted they had a claim to a unit in the project) into an undeveloped piece of land without infrastructure, 45 kilometers away, outside the city. Besides the land plot, the MPP gave each family a bag of rice, 10 zinc sheets and a few bamboo poles. Meanwhile, on the land reserved for the last two apartment blocks, the developer built some very expensive market-rate housing and sold it off at a great profit, so there was no longer any chance to finish the land-sharing project as agreed. The developer also broke another part of the agreement, in which the ground floor open spaces were to be managed by the community as markets and workshop spaces and community centers for the residents. But with the Municipality's support, the developer subdivided these open spaces under the apartment blocks into market stalls and started charging people rent to use the spaces.

A very big, very angry and very loud backlash: This breaking of the agreement provoked a very angry response from not only the Borei Keila community and the 340 families (approximately) waiting for their flats, but created a scandal, and made Borei Keila one of the hot cases (along with Boeung Kak Lake) on the international housing rights agenda, with the Municipality being shown in a very bad light. A lot of demonstrations and bad publicity for the municipality.

Phnom Penh's new governor Sucheatevong says that the problems with these two difficult eviction cases (Borei Keila and Boeung Kak Lake) have been solved! He has told the company to give back to the community the ground floor spaces under the apartment blocks - which don't belong to the company. He is also trying to relocate the remaining families to some kind of temporary site, since it is clear nobody can survive on the company's far-away relocation site and nobody will go. He doesn't say where this land is or how it will be acquired, or how the process will be realized. So it's still not clear what is going to happen to these 340 families from the old Borei Keila slum.

Meeting with key international development agencies:

- UN-Habitat
- World Bank
- German Technical Cooperation (GIZ)
- European Union (EU)

Mr. Sok Vanna is the UN-Habitat's Program Manager in Cambodia. He also sits on the board of the CDF Foundation. For Somsook's visit, he arranged a meeting with representatives from three key agencies working in Cambodia, which unfortunately do not coordinate much with each other, but each runs its own programs independently. The UN-Habitat is now seeking funding and still working out what role they should play in Cambodia.

1. World Bank: The WB is back in Cambodia, after a long, tough confrontation with the government over evictions in Phnom Penh and after a long period of suspending all lending and aid to the country. Now there has been a reconciliation and the WB is back in Cambodia, exploring how the WB can support the country. But they have to be very cautious. The WB's new country manager is Mr. Alassane Sow, from Senegal, who seems like an open person and was easy to talk to. Earlier, WB had developed a project (a loan to Cambodia?) to redevelop Boeung Kak Lake and had allocated the budget. But then the government gave the project to a private sector company instead, and the WB was pushed out. There is still some \$40 million budget left hanging for the Boeung Kak WB project. And so after they lost the project, the WB joined the housing rights groups who attacked the government about the Boeung Kak evictions.

- **No finance for the poor in Cambodia:** Somsook made the point that in her view, the problems here in Cambodia are so serious because there are no development agencies working properly - especially funding agencies. And one of the main reasons why there is so much poverty and so many evictions is because poor people don't have access to any finance for any aspect of their development. So for the World Bank, it would be good to look at ways of getting finance directly to poor people, as a long-term poverty-solving strategy for the World Bank (to which the country manager replied, "Yes, *me too!*")

2. German Development Assistance (GIZ) They are funding some of UN-Habitat's development projects in Cambodia, and seem to want to deal with the land issue in Cambodia.

3. European Union: The EU is mainly a funding agency, and it has a budget of some 100 million Euros earmarked for Cambodia (mostly for NGOs, through the usual small project proposals). They would like to use these funds to address the serious problems of land and housing rights and eviction in Cambodia. The high-profile eviction cases and land rights violations in Cambodia in recent years have helped the EU and European partners to pay more attention to the housing rights and eviction problems in Cambodia and invest in finding solutions - even in the German Parliament, where the evictions in Cambodia have been discussed.

- From this discussion, we decided that the CDF Foundation will develop a proposal to submit to the EU.

- From this meeting, it is clear that land is a serious issue in the eyes of international development agencies working in Cambodia, and they seem to be playing a more important role in the government than in the past.
- It seems that there are a lot of funding opportunities and a lot of good intentions, but not enough coordination among these different organizations. And we heard from many people we met that it would be good to have a platform in which all these different groups can sit together and know who is doing what.



CDF Network Accounts and Book-keeping workshop in Phnom Penh

A group of 25 community leaders, from 15 cities with CDFs, came to the beautiful bamboo community training center in Phnom Penh to join a 3-day workshop (Jan 23-25) on how to do accounting work and assess each other's financial and accounts management systems. They used peer-to-peer learning to strengthen the different cities' financial capacity - in the same city, and between cities. All the groups who came, brought their accounts to show the others and discuss.



DPU Students to do field studies in Cambodia

The CAN team from Thailand (Nad and Nut) joined the CAN-Cam team and Caroline from DPU to explore possible areas for this year's field studies, for the visiting DPU students. This year, there will be about 30 students coming, and the idea was to find areas where the studies would be beneficial to both the visiting students and the local communities they visit.

- The idea was to select areas for the DPU field study which will be beneficial for both the students and for the people who live in those communities.
- Initially, the DPU staff were keen to keep all the field sites in Phnom Penh, but after some discussion, it was agreed that there are often exciting things happening in smaller and less difficult cities which can show a different dynamic and greater possibilities. So it was decided that the students would be divided into four groups: 2 groups would study communities in Phnom Penh (perhaps in a good Khan like Roessei Keo), and 2 - 3 other groups would go to a smaller city not too far from Phnom Penh. So the group will get a richer understanding of the different levels of the city process.
- Nad will provide more information when he gets back.