



VIETNAM

CDF NETWORK GIVES ACCA A BIG HEAD START IN VIETNAM :

ACCA in VIETNAM :

PROJECT CITIES (total 9)

- Viet Tri
- Vinh
- Lang Son
- Ben Tre
- Hung Yen
- Thai Nguyen
- Hai Duong
- Ha Tinh
- Ca Mau

SMALL PROJECTS

Small projects approved : 41
 In number of cities : 8
 Total budget approved : \$120,000

BIG PROJECTS

Big projects approved : 2
 In number of cities : 2
 Total budget approved : \$80,000

IMPLEMENTING GROUPS

The ACCA projects in all nine Vietnamese cities are being implemented by a close collaboration between the Associated Cities of Vietnam (ACVN), the National Community Development Fund (CDF) savings network, the National Women's Union and the NGO ENDA Vietnam.

STRONG country, STRONG people.

"This ACCA Program is a very important starting point for Vietnam's community development process. Vietnam is a very strong country, and we Vietnamese are very strong people. Who else has won wars against both the French and the Americans? The government is also very strong, and this can sometimes be a problem. Usually, it is the government which mobilizes people to achieve the government's objectives. We want to use the ACCA Program to help change that, so that the people can mobilize the government to achieve the people's plans and objectives. That is the challenge for us."
 (Tran Minh Chau)

Vietnam is another country which starts the ACCA Program with a big head start. Over the past ten years ACHR and ENDA-Vietnam have been supporting a process of strengthening community savings groups and setting up city-level community development funds (CDFs) to link these savings groups in a growing number of Vietnamese cities. In each of these cities, the women's union and the communities are working together. This "CDF Network" started in five cities, then grew to eight, and has now spread to 28 cities around the country. But so far, these savings group networks have worked only on income generation activities, and some very small upgrading projects in the communities, not on the more complex and more urgent issues of land or housing.

In the current market-oriented phase of Vietnam's development, many of the old socialist collective housing projects are being bulldozed and redeveloped, as the inner-city land they occupy becomes more commercially valuable. And the poor families who live in these neighborhoods and housing blocks are finding themselves facing either eviction or the prospect of having to pay for brand new, contractor-built housing they cannot ever hope to afford. This is happening all over the country. So for the CDF network and ACCA, the key issue has been how the savings groups, the communities and the Women's union can begin to use the strength of their savings network to deal with these problems of land and housing.

Showing an alternative people-driven redevelopment model : With support from ACCA, teams of community architects are helping communities in several cities (especially Viet Tri and Vinh) to show a different way to redevelop Vietnam's poor inner-city neighborhoods, by getting the communities to start making their own redevelopment plans and getting the city and the Women's Union involved. If these first people-driven housing projects go well, it will be possible for the process to expand to city-wide scale and to many other cities as well. The goal in Vietnam is ultimately to mainstream community-driven development. And this is happening through savings, through city-wide housing and by bringing the city, the women's union and the communities to work together, at the same time.

Partnership with ACVN : In 2007, the CDF network forged an important new partnership with the Associated Cities of Vietnam (ACVN), a national union of 92 of the country's 96 towns and cities. Through workshops, national meetings and exchanges, the ACVN is helping facilitate the sharing of ideas between cities and promoting community savings and community-driven upgrading as key aspects of its work in its 92 member cities. ACVN and ENDA are leading partners in the implementation of ACCA in Vietnam and are two keys to scaling up the process around the country. With this national linkage between cities already in place, when a process works in one city, it spreads to other cities almost automatically.

ACCA TARGET : 100 VIETNAMESE CITIES BY 2012

The ACCA Program has begun in nine cities so far, but the program's key implementing partners are thinking nation-wide and have set an ambitious target of bringing 100 cities into the community savings/CDF and upgrading movement by 2012. And the work of expanding this national process continues: surveying new cities, starting savings groups and forming networks, inviting new cities to join workshops and milestone events in other cities, helping communities in new cities to prepare their small projects and building teams of community leaders experienced with their own housing and savings projects to visit other cities to help start savings, expand the CDF network and help other communities plan their ACCA projects.

Verticals and horizontals : We can talk about city-wide saving and community-driven development, but it's not so easy to change the relationships in a city to make that possible, especially in Vietnam, where the relationships between the people and the city authorities and the Women's Union are still overwhelmingly vertical. It's difficult for cities to change those vertical relationships by themselves, but the horizontal links between communities within a city and between cities can be a powerful force to soften those relationships and create a counterbalancing set of horizontal relationships. The national workshops and committees and the exchange visits of community leaders and city officials are all being used to create this horizontal platform between communities and between cities. And that's why ACVN's role is so crucial. Because ACVN is accepted and respected by the city authorities, they can intervene proactively and can open more room for the active participation of people in the city development process.

DOUBLING AND TRIPLING THE ORIGINAL ACCA INVESTMENT

One of the striking characteristics of the ACCA-supported small projects in Vietnam has been the high contributions communities have been able to leverage from their local governments. Why is this? In many Vietnamese cities, the government's action plans put infrastructure development in their newly-expanded rural communes on top of the priority list. Many of the small municipal projects in these semi-rural areas to build roads, drains and water supply systems are managed as joint ventures between local governments (who provide the funds) and communities (who build the projects) - this is something quite common in Vietnam. But usually, it's the local government that manages the projects and controls the money, and the people who contribute. *With ACCA, we're trying to turn that equation around!* In most of the small infrastructure projects implemented so far in Vietnam, the original investment from ACCA has been tripled or even quadrupled by contributions from the city and from the communities. Plus, since the communities all use the ACCA funds as revolving fund loans, that \$15,000 per city is already being paid back and going on to help other communities make improvements and unlock more local and government funds.

CITY: VIET TRI

Northern Vietnam

Viet Tri is a small "Class 2" provincial city, about a 2-hour drive from Hanoi, in northern Vietnam. Although it is very old, Viet Tri was a very small town until after the war, when the government encouraged migrants to come here and work in the state-run factories it was setting up, to help transform Viet Tri into an important industrial city in the north of Vietnam. More than half the municipal area is still mostly agricultural, with a factory or two scattered amidst beautiful farms and rice paddies and little clusters of forest.

POOR COMMUNITIES IN VIET TRI : Of the 71 poor communities in Viet Tri, 52 have insecure land tenure (2,049 households), and 19 are facing immediate eviction (878 households). The CDF network in Viet Tri has conducted community-based survey and mapping in two wards to identify community needs and promote savings groups, but no city-wide survey has been carried out yet. There aren't any totally informal squatter settlements in Viet Tri, of the sort we see in other Asian cities, but there are two kinds of poor settlements in the city with housing, land and environmental problems :

- **Vertical slums :** Dilapidated, run-down collective social housing in low-rise blocks (2 - 4 stories), where low-income people stay, which the government wants to demolish and "redevelop" with new housing. The families living in these buildings are in clear danger of eviction and will probably be forced out eventually.
- **Row-house slums :** There are also run-down collective housing developments for workers (mostly ground floor rowhouses), where the occupants do not have land use rights. In these settlements, there is a mix of poor and not-so-poor households. The government wants eventually to redevelop all these old collective housing developments, by either demolishing and rebuilding them *in-situ*, or by relocating the people to newly-developed housing elsewhere - or some combination of the two (as in Nong Trang Ward). Either way, the redevelopment process is so far conceived only as a conventional, top-down, state-planned, contractor-built process, with almost zero participation of the communities, and in which the people are expected to pay for everything: land-use rights, infrastructure and new housing, to the tune of \$4,000 - \$5,000 per household! There are six or seven of these redevelopment projects in Viet Tri, and the project at Nong Trang Ward is the first to be redeveloped in the Province's urban development plan for Viet Tri.

STRONG SAVINGS BUT NO EXPERIENCE WITH LAND OR HOUSING ISSUES : The CDF / community savings process in Viet Tri began in 1998 and is by now quite strong and active, with good support from the Women's Union, especially with income generation. There are now nearly 4,000 savings members (mostly women) in 244 small savings groups, with combined savings of over US\$ 150,000. The city's savings process got a big boost in September and December 2008 when ACHR, ACVN, ENDA and the Women's Union organized two big seminars here, and many new savings groups were launched then. The big question when the ACCA project began in Viet Tri was how to use the savings and CDF process to mobilize people to take on housing and upgrading activities, not just income generation. This is also the big question for most of the Vietnamese cities in the CDF network.

SMALL PROJECTS : The community savings network in Viet Tri (as in the other ACCA cities in Vietnam) decided to use the \$15,000 ACCA budget for small projects to start a special revolving fund for small infrastructure improvement loans, which are given to communities at 0.3 - 0.5% monthly (4 - 6% annual) interest. But they use that loan money to negotiate for the bigger money! They originally estimated that this small \$15,000 seed capital from ACCA would be matched by an additional US\$ 20,000 contribution from communities and leverage another \$5,000 - \$10,000 from the local authorities. But in fact the contributions from both communities and local authorities has far surpassed that target. Plus, since they use the ACCA funds as revolving fund loans, that original ACCA investment is already helping other communities make improvements and unlock more local and government funds. Four small projects have been completed so far :

- **Song Thao Block, Tien Cat Ward (16 households benefit** in a community of 38 households) Drainage. Total project cost \$1,779 (\$1,112 from ACCA + \$667 cash contribution from community)
- **Na Community, Block 5, Van Phu Commune (270 households benefit** in a community of 675 households) Paved walkway. Total project cost \$10,002 (\$2,778 from ACCA + \$4,133 in cash and materials from the community + \$5,152 cash from the local government).
- **Co Do Community, Block 2, Van Phu Commune (180 households benefit** in a community of 396 households). Paved walkway. Total project cost \$10,002 (\$1,667 from ACCA + \$3,334 cash from the community + \$4,840 cash from the local government + \$167 from the private sector).
- **Hung Community, Block 5, Van Phu Commune (270 households benefit** in a community of 675 households). Paved walkway. Total project cost \$32,663 (\$2,778 from ACCA + \$10,778 cash from the community + \$19,108 in cash from the local government).

PROJECTS WORTH 7 TIMES THE ORIGINAL ACCA INVESTMENT :

The ACCA investment of only \$8,335 has mobilized another \$18,911 in cash and materials from the community, and \$29,266 in cash from the local government, bringing the total value of the four projects so far to \$56,513. That means that the ACCA budget accounted for less than 15% of the total project costs, and that the projects were worth almost 7 times the original ACCA investment.



Communities do it faster : It took the community in Van Phu Commune just one month to build their new road. Compare that to a similar project in Ho Chi Minh City, which went through the government bureaucracy and took six years!

CITY INFORMATION :

URBAN POVERTY IN VIET TRI

Total urban population	41,114 households (185,013 people)
Urban poor population	2,650 households (11,925 people)
Number of slums	71 communities
% population in slums	6%
Survey conducted in only 2 wards so far	

SAVINGS

Date savings started	1998
Savings groups	244 groups
Savings members	3,830 members
Total savings	US\$ 159,588
CDF started	2002

ACCA BUDGET APPROVED SO FAR :

Small projects (5)	\$ 15,000
Big projects (2)	\$ 40,000
City process support	\$ 3,000
Seed capital to boost CDF	\$ 2,000



2 BIG PROJECTS :

Two big land and housing breakthroughs in Viet Tri :

The ACCA big project funds are being used to partially support two important, alternative people-built housing demonstration projects in Viet Tri (one relocation and one reconstruction on the same site), both of which have been used to persuade government authorities to allow people to do it another way. The \$40,000 from ACCA has been combined with an earlier grant of \$30,000 from Selavip, which by itself was too small to get any housing project going. With both these grants, the available pool of funds is \$70,000. There is an old saying in Vietnam that when we eat rice, we have to share the same small piece of salty fish, to give flavor and nourishment to the rice. In the same way, the community people are seeing how they can use this small budget to make beautiful houses for as many people as possible.

1

FIRST PROJECT : Nearby relocation of the community at Block 5, Van Phu Commune (42 households initially) to free land provided by the government.

For seven years, this dilapidated community of 146 households, in the still-mostly-agricultural outskirts of Viet Tri, had resisted attempts to evict them to make way for a provincial university-building project, and to relocate them to land nearby, where each family would get a postage stamp-sized plot, with no space for any trees or vegetable gardens. The community started savings in 2007, joined the national CDF network in 2008 and became the first case in Vietnam where all the 15 savings groups in the commune put their savings together in a common loan fund for members. After an intense half-year of negotiation and planning, the people were finally able to persuade the city authority to agree to a better deal: each displaced family will get a free 300m² plot (with space for house, vegetable garden and income generation activities), with some compensation for new house construction, and the whole new settlement will be designed and built by the people themselves, using a small sub-group system to organize the project and using the hollow concrete blocks they will manufacture themselves (using the machine from Thailand) to make the houses cheaper. The first 42 households got their land certificates in December 2009.



2

SECOND PROJECT : On-site reconstruction of the community at Blocks 3 & 4, Nong Trang Ward (337 households) with land-use rights from the government.

This large community of 337 dilapidated 1-room row-houses was built originally to house workers at a state-run factory, which went bankrupt a few years ago. When the government invited the Provincial Authority to make plans for redeveloping the community, the scheme they came up with followed a very high standard, with wider roads, bigger plots and larger houses - all of which the people would have to pay for. The plan would require 97 households to be evicted and those who stayed to pay more than they can afford for the new, bigger, contractor-built houses. The people objected and began negotiating with the city. Now, with help from ACCA and the Selavip project, the residents have finally persuaded the government to allow them to redevelop their housing and community in their own way, and to show the city a cheaper and better way to redevelop old, run-down neighborhoods like this one - not by developers but by the residents themselves.



In March 2009, the first batch of 56 families got their land-use certificates, in a big event, to which the community network and ACVN invited as many community people and government officials as possible, to let the whole city see this alternative planning process by people becoming something real, and to begin building a momentum for change in the city. The 60 square meter pilot house that the people in Nong Trang ward built, in September 2009 (after a housing design workshop with the young CODI architects and ACVN, and using the community-manufactured cement blocks made with the Thai machine) cost just \$1,600 to build, compared to the normal cost of the same house built by a contractor for at least \$2,500. That means that when the people do the work together, they can build ten houses for the price of six! It's much cheaper when people build.



Lowering costs by making their own BLOCKS :

A growing team of community architects from Viet Nam continues to work with communities in the ACCA process in Viet Tri and other cities. They have gotten strong support from visiting teams of community architects, community leaders and CODI organizers from Thailand, through a series of hands-on community planning and low-cost housing design workshops. In July 2009, the Thai team brought a concrete block-making machine to Viet Tri, and organized a week-long training program in Nong Trang, in which community builders from Chantaburi Thailand taught their friends in Viet Tri and Vinh how to make their own concrete and pre-cast building materials (blocks, paving slabs, toilet rings, etc), which will help lower the cost of their housing projects. But besides reducing house costs, the important point about block production by community people is that it helps them work together, plan together and build the confidence to manage and decide more things among themselves collectively. It is a form of empowerment through a very concrete process of working together.

CITY: VINH

Northern Vietnam

The coastal city of Vinh is Ho Chi Minh's birthplace, and it was recently reclassified as a "Class 1" city, even though its population is much smaller than in the other Class 1 cities like Hanoi, Danang and Ho Chi Minh City. The upgrading of Vinh's status has been a boon for civic pride, but a nightmare for the city's poor communities. With the Class 1 status comes a whole range of Class 1 urban planning standards and "modernization" imperatives the city must meet, like wider roads, larger land plots and higher buildings, and these changes are causing a lot of eviction and demolition of the city's many poor and "substandard" housing areas.

ALL COLLECTIVE HOUSING IN VINH TO BE DEMOLISHED AND REDEVELOPED : In the 1970s and 80s, under Vietnam's centralized planning system, Vinh was targeted to be developed as an industrial city. Many collective rental housing projects were subsequently constructed by different companies to provide housing for their employees and their families. Most of this housing took the form of very poorly-built one or two-room row houses of 15 to 23 square meters. There are now 142 of these collective housing developments in Vinh (with 3,386 households), and most are in badly deteriorated conditions. In many cases, the factories have sold these houses to the poor workers who occupy them, but because they didn't come with any land-use rights, the house owners are still vulnerable to eviction. In 2007, as part of the city's Class 1 modernization process, the Nghe An Provincial authority approved a proposal from the city to demolish and redevelop all these collective housing developments. As in Viet Tri, the redevelopments will involve upgrading these areas to higher planning standards, with wider roads, bigger plots and larger houses - all of which will be built expensively by contractors and all of which the people will have to pay for. And as in Viet Tri, most of these poor worker households can't afford such housing, and will end up being made homeless by the redevelopment process.

STARTING A DIALOGUE AND SHOWING AN ALTERNATIVE : The poor communities in Vinh are not taking these big changes in their city lying down, though. Most of these collective housing developments have become tightly-knit communities over the years, and the people want to stay. In February, 2009, a city-wide training workshop on participatory planning and self-help housing construction was organized in Vinh by ACVN and ACHR, with technical support from a team of architects and community organizers from CODI in Thailand. In this workshop, the city authorities provided for the first time a full set of information about these plans to demolish and redevelop the city's collective workers housing. And this meeting opened up a public dialogue on the issue, and started a process of looking at cheaper, more community-managed alternatives to the city's expensive, contractor-driven redevelopment model (which are not written in stone after all).

SAVINGS IN VINH : The city has a large and richly-developed community savings and credit movement and a Community Development Fund, but the savings groups are still quite scattered. Many of them are still managed by the Women's Union and follow the traditional Vietnamese savings group models where all the members take turns getting the full savings kitty, or else have shares and withdraw all their savings at Tet - the Vietnamese New Year. The people have not yet been able to link the savings with issues of land and housing.

SMALL PROJECTS : The community savings network in Vinh (as in the other ACCA cities in Vietnam) decided to use their \$15,000 ACCA budget for small projects to start special revolving fund for small infrastructure improvement loans, which are given to communities at 0.3 - 0.5% monthly (4 - 6% annual) interest, repayable in 25 months. The idea of this system is to use the small ACCA projects as an opportunity to strengthen the savings and network and collaboration process in Vinh, since the savings groups in the city are still working more-less independently and not coming together. They estimate that these projects will directly benefit about 900 households, and should be completed quickly from 5 days to 2 months. They also originally estimated that this small \$15,000 seed capital from ACCA would be matched by an additional US\$ 25,737 contribution from communities and leverage another \$7,421 from the local authority, so the value of the small projects will total US\$ 48,158. Three of the projects have been completed so far, and all the projects have leveraged much more money from within communities and from the local authority than they had ever hoped.

- **Cell 3, Block 12, Doi Cung Ward (20 households benefit** in a community of 50 households) Underground sewers. Total project cost \$21,324 (\$3,000 from ACCA + \$16,366 cash and materials contribution from community + \$1,958 from local government)
- **Cell 4, Thuan 2 Village, Hung Hoa Commune (20 households benefit** in a community of 40 households) Paved walkway. Total project cost \$18,995 (\$3,000 from ACCA + \$11,521 cash and materials contribution from community + \$4,474 from local government)
- **Cells 1, 2, 3, Kanh Hau Village, Hung Hoa Commune (50 households benefit** in a community of 60 households) Underground sewers. Total project cost \$18,995 (\$3,000 from ACCA + \$11,521 cash and materials contribution from community + \$4,474 from local government)



CITY INFORMATION :

URBAN POVERTY IN VINH

Total urban population	108,802 households (435,208 people)
Urban poor population	3,386 households (12,463 people)
Number of slums	201 communities
% population in slums	11%
Latest survey conducted	No information

SAVINGS

Date savings started	August 2006
Savings groups	20 groups
Savings members	325 members
Total savings	US\$ 12,638
City Fund started	2006

ACCA BUDGET APPROVED SO FAR :

Small projects (5)	\$ 15,000
Big project (1)	\$ 40,000
City process support	\$ 3,000
Seed capital to boost CDF	\$ 2,000

PROJECTS WORTH 7 TIMES THE ORIGINAL ACCA INVESTMENT :

The ACCA investment of only \$9,000 has mobilized another \$39,408 in cash, labor and materials from the community, and \$10,906 in cash from the local government, bringing the total value of the three projects to \$59,234. That means that the ACCA budget accounted for just 15% of the total project costs, and that the projects are worth almost 7 times the original ACCA investment.

BIG PROJECT :

Another big land and housing breakthrough in Vinh :

BIG PROJECT IN VINH : On-site reblocking and reconstruction of the community at Block 6A, Cua Nam Ward (29 households) with land-use rights from the government.



The Cua Nam Ward is one of the neighborhoods in Vinh where the provincial authority has approved plans to demolish 142 units of old, “sub-standard” collective workers housing (with one-room row house units of 30 square meters) around the city and replace them with a contractor-built redevelopment with units of more than double the size (70 square meters is the province’s “minimum” house size), which people wishing to stay would have to pay for, at market rates. The 29 poor households living in collective housing in Block 6A wanted to stay, but they could never afford units in the new scheme.

So they decided to propose an alternative plan to the provincial authority, in which they redevelop their block themselves. As Mr. Le Viet Hung, a community leader in Block 6A, said, “We have been living here for 30 years, and our houses are in very bad condition, with leaking roofs and very hot in summer. We want the government to give us the land use rights so that we can improve our settlement and rebuild our houses ourselves. Now we have a lot of work to do, to show our government another way - besides the usual system of evicting poor families in collective housing.”

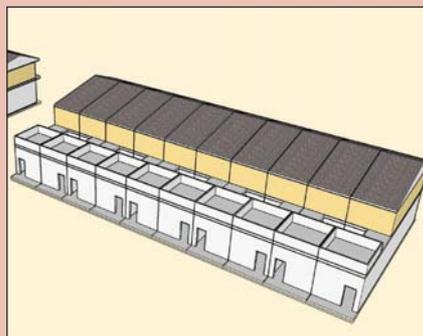
The plans they developed, with help from a local architect and the Thai team from CODI, include widening the lanes to five meters, laying proper drains and rebuilding their own small houses using a modest row-house design on 45 square meter plots. They used these redevelopment plans, which will be partly financed by the big project funds from ACCA, to negotiate, first with the city government. Once they got the city’s support, they used the force of that approval to negotiate with the provincial authority. The province finally agreed to the people’s proposal in early September 2009, and the community held its ground-breaking ceremony to start the house construction on 19 March, 2010.

This project sets an important new precedent in Vietnam : This is the first-ever case in Viet Nam in which urban poor communities living in collective housing have won the right to design and rebuild their own affordable housing on the same site. It is an important breakthrough because in cities all over Viet Nam, municipal governments keen on modernizing their cities are now on the warpath to demolish and redevelop their stock of run-down collective housing, which are seen as an eyesore. When the redevelopment is done by for-profit developers, as it usually is, the redevelopment process invariably means eviction and homelessness for most of the poor families who live there.

Using the ACCA project to challenge and change unrealistically high building standards, which make most new housing unaffordable to the poor. The province-set standard minimum house size of 70 sq. meters was challenged by the people in Cua Nam Ward, who have for 30 years lived in 30 sq. meter houses, and have successfully proposed building their own new 45 square meter row houses that are designed to more closely fit their affordability. This people’s standard has now been officially recognized and sanctioned by the local government. After winning approval for their community-driven redevelopment plans, the Block 6A community has begun to assist four other communities living in collective housing quarters elsewhere in Vinh City to initiate the same process, in which the communities develop their own rebuilding plan, and then design and build their houses together.



BEFORE : The roofs leaked, the kitchens had no ventilation, the toilets clogged - nobody in Block 6A wanted to keep living this way either.



AFTER : The modest 3m x 15m row houses they have designed and are building themselves cost just a fraction of the contractor-built alternative.



The problem of standards that are **TOO HIGH** . . .

In all cities in Vietnam, there is a system in which the communities have to link with the ward authority, the ward with the district, the district with the city and the city to the province. This centralized system has many tiers and it works very efficiently in Viet Nam. But sometimes there are problems, as when the system imposes the kinds of standards we see here in Vinh, where all houses are supposed to be 70 square meters or bigger.

That standard suddenly makes all the poor people’s existing houses in the city illegal and creates an artificial reason to evict them. People might have lived and prospered for centuries in their less-than-70-square-meter dwellings without any problem, but these kinds of new standards can suddenly create a lot of problems for them. Here in Vinh, the pilot project is showing a new alternative standard, which is more realistic and more possible for the city’s poor, to show the government and to persuade the system to come down a bit with its too-high standards and be a little more realistic.

CITY: LANG SON

Northern Vietnam

Lang Son is a small "Class 3" city located in the beautiful mountains of Northeast Viet Nam, just 18 kilometers from the Chinese border and about a four-hour drive from Viet Tri. This is one of the poorest areas of Viet Nam. The city is divided into five urban wards and three semi-rural communes. The city's economy relies on cross-border trade with China and tourism, and has become a magnet for poor migrants from surrounding hill tribe areas. The city's infrastructure (water supply, roads, bridges etc.) is still very poor in the three rural communes, where most of the city's poor live - many in still quite village like agricultural communities. Most of the city's poor are members of ethnic minorities from the mountains (from the Tay, Nung, Man and Dzao hill tribe groups).

GOOD WILL FROM THE CITY GOVERNMENT BUT CONVENTIONAL APPROACH : Lang Son's local authority has a strong intention to support poor families with a comprehensive plan to provide vocational and agricultural training, micro-credit, housing and basic infrastructure improvements, but most of these programs are run along the lines of conventional welfare-delivery or micro-credit. There is also a very strong and effective cooperation between technical agencies in the city (like the Economic Development Office) and the various mass organizations working in Lang Son (like the Women's Union and the Farmer's Union) to help poor families. The city has already invested US\$ 26,300 from the city budget to provide loans to poor families, individually. And since the savings groups and CDF started in September 2009, the local government has committed to contribute US\$ 70,000 (\$25,000 each year) to the new CDF in Lang Son.

COMMUNITY PROCESS STARTING FROM SCRATCH : In December 2008, Lang Son was one of 11 new northern cities which participated in the national CDF workshop on "Scaling up CDF to contribute in the urban poverty reduction" in Viet Tri. Before that, there was no community process in the city, no savings groups, no community network. Lang Son was the only one of those 11 new cities to agree to join the national CDF network. Right after that workshop in Viet Tri, a small team (including Minh Chau, Thuy and two community leaders from Viet Tri) visited Lang Son on the first exchange visit and helped start the first savings groups. Within six months of starting the ACCA project, there were 9 savings groups, with 130 members, in Lang Son, with a total savings of about \$1,500. In February, 2009, a group of 15 people from Lang Son (including community leaders, city and ward authorities and Women's Union staff) came to Viet Tri to attend the training on community-based survey and mapping with the visiting Thai team. Since then, Lang Son has become an active member in the growing network of northern Vietnamese CDF cities.

6 SMALL PROJECTS : The community savings network estimates that the small \$15,000 budget from ACCA (which is being used as grants) will be matched by an additional US\$ 28,900 contribution from communities and leverage another \$24,616 from the local authorities, so the value of the small projects will total US\$ 68,516.

- **Co Man Village, Mai Pha Commune (270 households benefit)** Road building. Total project cost \$5,662 (\$2,000 from ACCA + \$1,862 cash and materials from community + \$1,800 from local government)
- **No Chuong 2 Village, Mai Pha Commune (96 households benefit)** Road building. Total project cost \$2,170 (\$2,000 from ACCA + \$170 cash from the community)
- **Quang Trung Village, Quang Lac Commune (50 households benefit)** Water supply system. Total project cost \$8,831 (\$3,000 from ACCA + \$5,243 from community + \$558 from local government)
- **Hoang Thuy Village, Hoang Dong Commune (15 households benefit)** Road building. Total project cost \$1,678 (\$500 from ACCA + \$678 cash and materials from community + \$500 from local government)
- **Na Pan Village, Hoang Dong Commune (100 households benefit)** Road building. Total project cost \$26,645 (\$2,170 from ACCA + \$1,580 from community + \$22,895 from local government)
- **Luc Khoang Village, Hoang Dong Commune (74 households benefit)** Water supply system. Total project cost \$17,275 (\$2,170 from ACCA + \$15,105 in cash and materials from the community)



CITY INFORMATION :

URBAN POVERTY IN LANG SON

Total urban population	86,005 people (21,527 households)
Urban poor population (government figures)	785 people (364 households)
Number of slums	35 communities
% population in slums	1% (gov. figure)
Latest survey conducted	April 2009

SAVINGS

Date savings started	September 2009
Savings groups	12 groups
Savings members	204 members
Total savings	US\$ 1,500
CDF started	September 2009

ACCA BUDGET APPROVED SO FAR :

Small projects (6)	\$ 15,000
City process support	\$ 3,000
Seed capital to boost CDF	\$ 2,000
No big project proposed yet	



The water-supply system at QUANG TRUNG

Quang Trung is one of the poorest communities in Lang Son. Most of its 77 households earn their living from farming or raising pigs and poultry. The families have always had to collect their drinking water in buckets from a mountain spring two kilometers straight uphill from the community - a daily task that mostly fell to the women. Nobody had tanks to store water during the dry season, when the spring ran dry. So the community's first priority was to install a system to pipe the water down from the source, and build a series of communal tanks to store it in, with a proper filtration system. After starting a savings group (which has 100% membership now!), negotiating with the local government to contribute, and gathering their own contribution in cash and materials, the people did all the work together, starting in September 2009 and working even during the rains. When the water supply system is up and running, which will be soon, each family will pay 2,000 Dong (US\$ ten cents) per year to help maintain the system. The people are now planning to continue to work together to upgrade the community roads. While the work was going on in Quang Trung, villagers from neighboring communities kept coming by to see what was going on, and seeing inspired them to start planning and proposing their own projects.



SRI LANKA

A WORKING PARTNERSHIP BORN AFTER THE 2004 TSUNAMI

ACCA in SRI LANKA

PROJECT CITIES (total 3)

- Nuwara Eliya
- Kalutara
- Matale

SMALL PROJECTS

Small projects approved : 16
 In number of cities : 3
 Total budget approved : \$45,000

BIG PROJECTS

Big projects approved : 3
 In number of cities : 3
 Total budget approved : \$120,000

IMPLEMENTING GROUPS

The ACCA projects in Sri Lanka so far are all being implemented by two organizations working in partnership:

- **Women's Bank** (Now called "Women's Co-op", a national network of women's savings groups working in 22 out of the country's 25 districts, with 70,000 members.
- **Sevanatha** (a local NGO)

A quibble about INTEREST RATES . . .

Women's Bank members pay 24% annual interest on loans of any sort. To many, that may seem high, but WB is proud of their system in which no savings is ever deposited in a commercial bank - it's all constantly revolving in loans to members, and that 24% interest a member pays goes back into her branch's loan pool, where it brings benefit to other members. After the tsunami, they agreed to lower the rate to 18%, but only for housing loans, which had suddenly become an important need. Many outsiders still protested, "18% interest is too high for the poor!"

But they argue that in a country which has virtually no housing loans for the urban poor at all, they give only small, incremental housing loans, not big ones, and that many use these loans to add rental rooms which help repay the loans. Plus repayment is very good and the 18% interest has allowed them to more than triple their housing loan funds in tsunami-affected branches over the past few years.

The ACCA process in Sri Lanka has so far begun in three small cities, and is being implemented by a working team comprising Women's Bank (now called "Women's Co-Op" which organizes the settlements and starts savings), the Colombo-based NGO Sevanatha (which provides technical support for the surveying and housing process) and the Clap-net Fund (Community Livelihood Action Program Network, a revolving loan fund for housing and livelihood that was established after the tsunami, with seed capital from ACHR and collaboration with WB and other savings groups). Since the 2004 tsunami, these three organizations have been working very closely together to support community driven housing, livelihood and upgrading projects in areas all over Sri Lanka - first focusing on tsunami-affected areas, but now expanding to inland cities and areas affected by the long civil war that just ended. In the three cities so far, the team is working with the local municipal councils, as well as several national government agencies and land-owning bodies.

In the cities where they work together, the Women's Bank, Sevanatha and Clap-net have now established a clear methodology, and the focus from the very beginning is *city-wide*. They begin by introducing the ACCA program to the key local stakeholders and local and national government organizations. WB initiates savings in as many settlements as possible right away, and a joint process to survey and map all the communities begins with the community members. When a city-wide slum profile is prepared, the communities and supporters present it to the mayor and council members. This information is used to help jointly select some pilot communities for small upgrading and big housing projects to be supported by ACCA and Clap-net, and Sevanatha and WB then conduct "Action Planning workshops" individually in those selected communities to plan the projects. In Sri Lanka, many of the secondary towns and cities are really quite small, and the number of poor settlements is few, and the whole city's problems are really quite solvable.

THE STRENGTH OF 70,000 MEMBERS AND \$100 MILLION SAVINGS :

Women's Bank, which celebrated its 20th anniversary last year, is a national network of women's savings groups which solve their various problems of land, housing, health, livelihood and welfare through their collective savings groups, and through a "bottom-up" process that is managed entirely by poor community women. With 70,000 members and collective savings of over US\$ 100 million, they have developed a variety of programs and special revolving loan funds for health care, education and housing. As Rupa Manel, WB's president tells anyone who asks, "All this money comes from poor people, is managed by poor people and belongs to poor people."

Over the past few years, WB has been focusing especially on the tsunami recovery process, and has expanded its membership enormously by reaching out and helping tsunami-affected communities to organize themselves, rebuild their houses and deal with their rehabilitation needs through a community-driven process rooted in collective savings. In this work, Women's Bank has worked closely with the new Clap-net Fund, and has become one of its most important partners in helping to bring their community organization through savings process to large numbers of tsunami-affected communities.

Initially, it was the Women's Bank's idea to use the \$40,000 big project funds from ACCA to add capital to their already-existing housing loan funds in each city, and then let Women's Bank members in various communities borrow individually from this fund for their house repairs. But the ACCA intervention in Sri Lanka has been pushing them to think beyond their member-based approach and to use this opportunity look at the needs of the *whole city* and to try to find ways to solve the housing problems on a city-wide scale - not just for Women's Bank members. This is the group, after all, which has the scale and the capability and respect from all the key institutions to actually do that.

HOW THE ACCA MONEY WORKS :

The funds from ACCA go first to the Clap-net Fund, and the Clap-net steering committee decides how to allocate the money. In the ACCA project, it is automatically allocated to the proposed communities. Then the money is released to the particular branch of Women's Bank where the projects are to be implemented (a "branch" is a collection of 10-15 savings groups). Each savings group branch opens a special account for housing loans. The ACCA project funds go from the Clap-net fund into this account, and through this account, they release the loans to members. The borrowers in each project community have to follow all the usual WB borrowing and repayment procedures, and pay the usual interest rates. The WB head office visits twice a month, and the national housing committee gives training for house planning and construction frequently. For housing loans, the WB has reduced their standard interest rate to 18% per year (see box at left). Before giving anybody housing loans, the WB first gives livelihood loans, to help the family initiate some new business and improve their earning, so they can repay their housing loan well. When the loans are repaid, all the principal and interest stays in that branch - it doesn't go to the center. The idea is that eventually, all the branches in each city will establish a city-level fund

This same fund management structure was developed after the tsunami by Clap-Net and Women's Bank and is already in operation all over the country. So the preparation of loan applications, procedures, monitoring systems and interest rates have already been discussed and worked out. The new innovation with this ACCA project has been the city-level fund. Normally, in the Women's Bank system, each branch functions independently, but as the focus has moved to a more comprehensive city-wide upgrading, all the small WB groups (branches) in the ACCA cities are being linked together into this new city-level fund. So each city will be a "Women's Bank City." The plan is to start the projects with the money from ACCA and from the community members, and use that money to negotiate for additional funds from the Municipal Council for infrastructure.

CITY: NUWARA ELIYA

Central Province, Sri Lanka

SRI LANKA'S "LITTLE ENGLAND" The small city of Nuwara Eliya (pronounced "noo-REL-ya"), in the central highlands of Sri Lanka, has a long and interesting history. In the Ramayana story, after he abducted Sita (Lord Shiva's wife), King Rawana is supposed to have hidden her in a place very close to Nuwara Eliya. During the British colonial period, in the early 19th Century, the city became a popular holiday place for English people weary of the coastal heat and humidity. The town's high altitude and cool weather made perfect conditions for growing tea, and the British brought in hundreds of poor Tamil workers from south India to labor in the lush green tea estates they established on the rolling hills around Nuwara Eliya. The descendents of these tea workers still make up a large part of the city's population, and especially the poor.



SLUMS IN NUWARA ELIYA : Most of the town's poor live in 32 slum and squatter settlements (2,061 families), without land tenure and in extremely bad conditions, without toilets, water supply, drainage or electricity, many located on steeply-sloping hillsides. Some of these settlements are run-down housing "estates" and "line houses" built originally to house the tea plantation workers, and some are more recent squatter settlements. The Women's Bank (a national movement of women's savings groups with 70,000 members around Sri Lanka) had already helped to start savings groups in some of the town's poor settlements. The ACCA process in Nuwara Eliya is building on this Women's Bank process, which works as a kind of guarantee that the process will be sustained in the long term.

CITY-WIDE SLUM SURVEY : The ACCA project here is being implemented by Women's Bank, in partnership with the Nuwara Eliya Municipal Council, with the NGO Sevanatha providing support. The process began in January 2009 with a settlement mapping and profiling that was conducted by Sevanatha, which designed the survey and trained municipal staff and community leaders to help carry out the survey, with the assistance of Women's Bank. The survey collected information in all of the town's slums about poverty, problems, needs, infrastructure and land ownership, and this information was used to analyze each settlement and give it a "score." Using this "scoring" system, the poorest settlements in the city were prioritized.

EXPANDING SAVINGS GROUPS : After the survey, the next step was to set up savings groups in all the settlements identified in the survey. The Women's Bank had set up a few savings groups in Nuwara Eliya before the ACCA project began, and the survey gave a big boost to the city's savings process. Since January 2009, more than 40 savings groups have been set up around Nuwara Eliya, and membership is growing fast.

BUILDING NEW PARTNERSHIPS : Before the ACCA project, the Women's Bank had been working in Nuwara Eliya, but only in a few settlements, without any relationship with the municipal council, and without any work on land or housing issues. There is now a common purpose. The Municipal Commissioner is very supportive, and Municipal Council staff understand the benefit of the Women's Bank savings process and often go with WB leaders to help start new savings groups in new areas. A joint city development committee has been established to oversee the ACCA process, comprising community leaders, government and municipal council officials and Sevanatha, which meets monthly. Sevanatha presented the survey information to this committee, and through that process, the mayor and the Municipal commissioner are also involved now.



CITY INFORMATION :

URBAN POVERTY IN NUWARA ELIYA

Total urban population	6,262 households (25,049 people)
Urban poor population	2,061 households (8,145 people)
Number of slums	32 communities
% population in slums	33%
Latest survey conducted	January 2009

SAVINGS

Date savings started	January 2009
Savings groups	53 groups (in 30 settlements)
Savings members	596 members
Total savings	US\$ 2,325
Clap-Net Fund started	March 2005

ACCA BUDGET APPROVED SO FAR :

Small projects (5)	\$ 15,000
Big project	\$ 40,000
City process support	\$ 3,000

SMALL PROJECTS :

Several settlements in the city have been identified for the first round of ACCA small project support - all given as grants to the communities, to improve access roads, water supply and sanitation. As in several other countries, the Women's Bank is stretching the \$15,000 budget from ACCA to cover as many small projects as possible, and also using it to leverage more funds from the Municipal Council. Three of these projects are finished, and others are in the pipeline :

- 1 Nawagam Goda (113 households) Paved footpaths and drains**, now finished. Total cost \$2,763 (which includes \$1,315 from ACCA + \$350 from the community + \$659 from the Municipality + \$439 from UN-Habitat)
- 2 Unique View (46 households) Paved access road**, now finished. Total cost \$700 (which includes \$525 from ACCA + \$175 from the community)
- 3 Kelegala (18 households) Underground sewers, paved access road and retaining wall** - all finished. Total cost \$3,666 (which includes \$3,070 from ACCA + \$596 from the community + equipment and transport by the municipality)
- 4 Dowa (26 households) Paved roads and drains** in a community whose land is being regularized. Total cost \$2,628 (which includes \$2,260 from ACCA + \$368 from the community + equipment and surveying assistance from the municipality)
- 5 Other projects :** Black Pool (21 households, road improvement), Bambarakele Estate Line Houses (127 households, access road and drains), Scrubs Estate Line Houses (151 households, access road and drains), Kalukele (18 households, retaining wall to prevent hillside erosion).



BIG PROJECT : Nawagam Goda (113 households) On-site upgrading in a community of poor municipal workers, on land provided free by the Municipal Council.

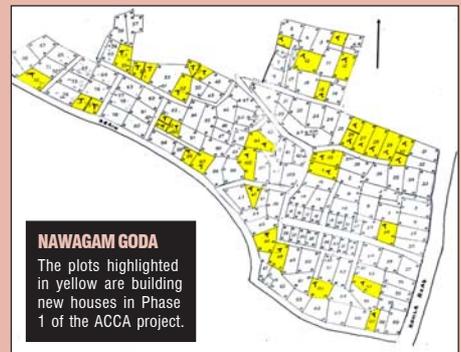


When the ACCA project began in Nuwara Eliya, the City Development Committee asked the Municipal Council to propose a settlement for upgrading which already had land tenure, to enable the first housing project to begin right away. The Municipal Council proposed the Nawagam Goda community. This large community originally provided land plots to 113 laborers working for the Public Works Department, who built their own shacks on that land. After retiring, these workers remained on the land, and many now supplement their incomes by growing vegetables for sale on their generous house plots. In 1999,

the National Housing Development Authority and the Municipal Council allocated this public land to the occupants, on an individual basis. But there was no support to build good houses or put in infrastructure, so the conditions are still quite bad, even though some families have improved their houses individually. The Women's Bank has already formed a savings group there, and more than half of the households are now members. The goal is eventually to get 100% savings membership in the settlement.

The city development committee has selected a target group of 39 poor households with the worst housing conditions (all WB members), scattered throughout the community, for the first batch of ACCA-supported house reconstruction loans. Many of the houses these people are constructing have been designed to include one or two rental rooms for tourists, which are already bringing in extra income to help the families make the loan repayments. At the same time, the whole settlement's infrastructure is also being improved collectively (especially lane paving, drainage and water supply), with leadership support from the WB and technical support from Sevanatha, in collaboration with the Municipal Council.

LAND BREAKTHROUGHS IN TWO OTHER SETTLEMENTS : Since the ACCA intervention began in Nawagam Goda, two other informal communities in Nuwara Eliya have been given the public land they now occupy by the Municipal Council, and are reblocking their settlements and upgrading their housing and infrastructure, with support from the Clapnet Fund, ACCA and the Municipal Council (17 households in Under Bank, and 26 households in Dowa).



PROJECT Information :

HOUSES:

Total # of households	113 families
Project Phase 1	39 families
Average housing loan	\$1,000 / family

FINANCIAL CONTRIBUTIONS:

From government	Provides land free \$14,000 (infrastructure)
From ACCA	\$40,000 (housing loans) \$3,000 (infrastructure grant)
From Community	\$20,000 (housing) \$1,500 (infrastructure) (in labor and cash)
From Clap-Net Fund	\$10,000 (housing loans)

TENURE TERMS: Individual land title

CITY: KALUTARA

Western Province, Sri Lanka

Kalutara is a small town on the south-western coast of Sri Lanka, about half-way between Colombo and Galle. The town is the administrative, commercial and transport center of Kalutara District, and an important destination for migrants from inland districts, who come to Kalutara for jobs, education, health care and administrative work. Kalutara was badly affected by 2004 Asian tsunami, when hundreds of people living in poor fishing settlements near the sea were killed and all their houses and fishing boats were destroyed.

SLUMS IN KALUTARA : Most of the poor families who had been living in settlements close to the sea have gotten new houses and infrastructure through tsunami reconstruction projects implemented by donors over the past few years. But there are still about 15 informal settlements in other parts of the town, most on government land, but a few on uncertain or private land. Although these communities have lived on the land for at least ten years, they have no basic infrastructure or land tenure security, and conditions in most are pretty squalid.

CITY PROCESS : As in the other two ACCA cities in Sri Lanka so far, the project in Kalutara is being implemented by Women's Bank, which organizes the communities, sets up savings groups and develops the projects. The Colombo-based NGO Sevanatha provides technical support for the communities and for project activities, and the Kalutara Urban Council assists in legal and land tenure matters. A City Development Committee has been set up, to coordinate and monitor the project, comprising representatives of all 15 poor communities, Woman's Bank, Sevanatha, the Kalutara Urban Council and other local government units.

SURVEY AND MAPPING : After the ACCA project in Kalutara began in October 2009, Women's Bank members carried out a detailed settlement survey and community mapping, with technical support from Sevanatha and the Municipal Council. As in Nuwara Eliya, the survey collected information about poverty, problems, needs, infrastructure and land ownership, and this information was used to analyze each settlement and give it a "score." Using this "scoring" system, the poorest settlements in the city were prioritized for support from ACCA. The survey found that of the 203 poor households in 15 settlements, 63% lived on government land, 34% had no access roads, 58% had problems accessing common toilets, 25% had no water supply in their settlements, and 47% lived in houses built of flimsy materials like tin sheets and thatch.

100% SAVINGS IN KALUTARA : Before the Women's Bank's support to the savings process began in September 2009, there were no savings groups at all in Kalutara. There are now savings groups in all 15 communities in the town, with 269 members, 30 groups and collective savings of 41,265 Rupees (\$412).

SMALL PROJECTS : Several settlements in the city have been identified for the first round of ACCA small project support - all given as grants to the communities (through the Clap-Net Fund), and all managed through the "Community Contract" system, with as many community members participating in the work as possible. The projects, which are still in the planning stage, will all cost about \$4,300, which includes \$3,000 from ACCA, \$300 from the communities and \$1,000 from the local authority.

- Bosiripura (87 households) Constructing a new community center.
- Line-houses North (25 households) Building community toilets.
- Kottambagaha Watta (47 households) Constructing a paved walkway.
- Bothuwa Watta (140 households) Laying a series of drainage lines through the community.
- Kaluganvila (14 households) Constructing drainage lines along the main walkways.
- Badalwela Watta (65 households) Constructing drains along the community walkways.

BIG PROJECT : On-site upgrading of the Bothuwa Watta Community (40 households), on land which has been provided free by the Kalutara Municipal Council.



This is Kalutara's largest slum, which occupies a piece of municipal land. The community was jointly chosen to be the city's ACCA pilot housing project in a meeting at the Kalutara Municipal Council, which included municipal officials, Sevanatha, Woman's Bank and community representatives. The municipal land the people have occupied for years will be allocated to them free by the government, on an individual basis. All 40 houses in the settlement will be rebuilt on the same site. The 40 square meter houses will be financed with loans up to a ceiling of US\$2,000 per unit, but many will cost much less than

that. The loan amount will vary a little according to people's needs and affordability, but all loans will come from the Clap-Net Fund, and be repaid within five years into the new Kalutara City Fund. The house construction will be partly collective and partly individual. \$15,000 of the ACCA budget will be topped up by \$750 from the community and \$1,500 from the Municipal Council for improving the infrastructure.



ANOTHER LAND BREAKTHROUGH : Since the ACCA intervention began in Kalutara, another 14 families in one of the small project communities, Kaluganvila, have received free public land for housing. Land reblocking and plot allocation have already been done by municipality, and designs for new house construction and infrastructure improvements are now being planned. Support for financing this project has already been negotiated with Homeless International.

CITY INFORMATION :

URBAN POVERTY IN KALUTARA

Total urban population	10,700 households (37,451 people)
Urban poor population	203 households (720 people)
Number of slums	15 communities
% population in slums	2 %
City-wide slum survey	October 2009

SAVINGS

Date savings started	September 2009
Savings groups	30 groups
Savings members	296 members
Total savings	US\$ 412
City fund started	Not yet

ACCA BUDGET APPROVED SO FAR :

Small projects (6)	\$ 15,000
Big project	\$ 40,000
City process support	\$ 3,000



MONGOLIA

A COUNTRY OF INDEPENDENT NOMADS IS BECOMING URBAN :

In the 11th century, Mongolia conquered and ruled almost all of Asia and a lot of Europe, under the great warrior king Genghis Khan and his descendants. 900 years later, the Mongols are still a tough, fiercely independent people, though their empire has shrunk back down to only Mongolia, a beautiful country of mountains and vast open spaces, where tribes of nomadic Buddhist herdsman still graze their cattle. But the country is changing fast. With the collapse of the communist system, state-run factories which used to build housing for their workers have shut down, creating wide-scale unemployment and housing problems. The state can no longer maintain that housing, and the only new housing being developed by the private sector is unaffordable to the poor majority. It's clear that Mongolia's society is having a hard time coping with this sudden and jarring transition from a socialist system, in which the state provided for everyone, to a capitalist system, in which it's every man for himself. With unemployment and over-grazing in rural areas, more and more people are moving into the cities in search of a living, and a country of nomads is fast becoming urban. Nearly half of the country's 2.7 million inhabitants now live in the capital city of Ulaanbaatar, and of these, more than 60% live in poverty in the vast, unserviced informal settlements which ring the city, called *ger areas*. In the provinces and districts around the country, 80 - 100% of the people live in such ger areas.

ACCA in Mongolia : ACCA is so far being implemented in 12 cities and districts in Mongolia, and is bringing new resources and new energy to the country's still-young community-driven savings and upgrading process. The program is being facilitated by two NGOs based in Ulaanbaatar - the Urban Development Resource Center and the Center for Human Rights and Development. Since 2005, these organizations have been supporting the setting up of community savings and credit groups in ger areas in towns and cities around the country, with the idea of providing a financial resource within these communities that belongs to people themselves, that can pull people to work together to improve their living environments, make decisions and develop solutions to the various problems they face. The savings process has now spread to 13 other provinces, with more than 12,000 savings members and collective savings of over \$50,000. A country-wide network of these community savings groups came together for their first national meeting in November 2006, in the provincial city of Darkhan, and in June 2009, a national joint committee was set up to coordinate the country-wide ACCA program.

A "solvable" scale of problems : Mongolia is a country of only 2.7 million people - fewer people than are in many of countries undertaking ACCA projects around Asia. With more than half of these people now living in informal ger areas in urban areas, the strategic question for ACCA has been how to link up all the different groups in the twelve cities in the program into some kind of unified force, so that the whole country's problems can be solved? Mongolia is a special country, because the scale of its problems are small enough to be actually *solvable*, and the ACCA program has a chance to make a significant impact in the country, rather than just starting lots of small projects which somehow don't add up to any significant change.

The ACCA program is helping to strengthen horizontal platforms among poor communities within and between cities, as a powerful way to spread out new ideas, new possibilities and refine ways of doing things on a national scale. There are growing numbers of exchange trips between cities, and the visiting teams often include both community people and their mayors. When mayors and community people travel to see new things together, it creates a new common vision of change. And when mayors from different cities meet each other and compare notes on their collaborations with poor communities, they also learn from each other - and even sometimes compete with each other, since no city wants to lag behind. This active and friendly platform of cities enables stronger cities to help slower-moving cities to get going. Several regional study tours to see community-driven initiatives in other Asian countries, involving teams of community members, NGO staff and government officials, have also helped expand the Mongolians' vision of what community-based development can accomplish with savings, community upgrading, housing and community development funds.

ACCA in MONGOLIA :

PROJECT CITIES (total 12)

- Erdenet
- Tunkhel Village
- Bayanchandmani
- Khan-Uul District, Ulaanbaatar
- Sukhbaatar District, Ulaanbaatar
- Baganuur District, Ulaanbaatar
- Darkhan
- Uvorkhangai
- Bulgan District
- Sukhbaatar Province
- Tsenkher Mandal District
- Bayandalai Gobi

SMALL PROJECTS

Small projects approved : 28
 In number of cities : 5
 Total budget approved : \$65,500

BIG PROJECTS

Big projects approved : 3
 In number of cities : 3
 Total budget approved : \$105,120

SPECIAL PROJECTS

- Pollution study in Ulaanbaatar ger areas (UDRC), budget approved \$15,000.
- National savings and credit support (all groups), budget approved \$5,000.

IMPLEMENTING GROUPS

The ACCA projects in Mongolia cities are being implemented by two organizations :

- **Urban Development Resource Center - UDRC** (Erdenet, Tunkhel Village, Bayanchandmani, Sukhbaatar and Baganuur Districts in Ulaanbaatar, Darkhan, Bulgan District, Sukhbaatar Province, Tsenkher Mandal District, Bayandalai Gobi)
- **Center for Housing Rights and Development - CHRD** (Khan-Uul District in Ulaanbaatar, Darkhan, Uvorkhangai)

What is a GER AREA?

Since it cannot provide housing for its fast-growing urban populations, the government allows Mongolian families to occupy up to 700 square meters of land, to house themselves. On these plots of land, people first put up a *ger* (rhymes with "care"), the traditional, round Mongolian tent dwelling, and enclose their plot with a high fence. Many also build wooden houses, but because these tend to be poorly insulated against the fierce Mongolian winters, most families prefer to stay in their cozy, felt-lined gers during the winter and use their houses only during summer. Within these fenced-off compounds, many families also plant vegetable gardens and raise poultry and livestock. The hills around most Mongolian towns and cities are carpeted with these loosely-packed informal settlements, which are called *ger areas*. Although some of the country's urban poor also stay in over-crowded and dilapidated barracks and apartment blocks, most of them (60 - 70%) stay in these ger areas. Although land tenure



is not a problem, conditions in these ger settlements are still very primitive. Apart from electricity, there is usually no municipal infrastructure like paved roads or street lights. Toilets consist of simple pit latrines built away from the houses, and the water supply comes by tanker or is purchased from neighborhood tube wells installed by the state or by the private sector. Carting water from the tube wells to home is usually done by children, and in winter is a very difficult task.

CITY: ERDENET

Orkhon Province, Mongolia

The city of Erdenet, which is close to the Russian border in northern Mongolia, was established in 1976 as a brand new industrial center, and has since grown to be the country's second largest city. The copper mine and processing factory in Erdenet, which is run jointly by Russia and Mongolia, remains the city's core industry, and accounts for a whopping 14% of the country's national GDP. Besides drawing huge numbers of rural migrants into the city and providing most of them with jobs, the copper mine has made Erdenet a relatively wealthy city, with a well-funded municipal government and fairly decent infrastructure - at least in the city center, where many residents live in large, soviet-style apartment blocks.



GER AREAS IN ERDENET : But to the north and west of the city, the rolling hills are carpeted almost as far as the eye can see with informal ger area settlements, where a majority of the city's residents live, without drains, toilets, paved roads, municipal piped water or garbage collection. As in other Mongolian cities, land is the one issue that is not a problem in these ger areas. Each family is entitled to apply for a parcel of land from the municipal government, on the vast stretches of open land around the city. Once they get their plot, most families build a wooden fence around their property to designate ownership, and then move their ger and their cattle

inside. Many families build two houses to accommodate the extreme changes in weather: their summer houses are built lightly of wood, while their winter houses are the traditional circular tents (gers), whose woolen felt-lined canvas walls are stretched over a beautiful wooden framework and provide a snug, warm dwelling in the sub-zero winter months. Because land is easy to get and available everywhere, ger areas like the ones in Erdenet are expanding so fast, that within days, an empty hill can be covered with fences.

SAVINGS : The first savings group in Erdenet was set up in 2006, in the Shand area, a new ger settlement of herders and copper mining workers in the western periphery of the city. With support from the Urban Development Resource Center (UDRC), the savings group began with 22 families, but the women in the settlement were quick to recognize the benefits of putting their money together and giving each other loans from their pooled savings. The group, which they called *Arvin* (the Mongolian word for *savings*), grew quickly. Besides saving and loans, the group soon began pooling their resources to set up a community welfare fund and to make collective improvements to their community. After building wooden fences around their house plots, they enclosed a portion of the road to make a playground, set up their own garbage collection system and began planting trees in the otherwise barren area. Other community activities followed, and all kinds of social spin-offs from the savings process boosted the collective spirit in the community and got people to come out from behind their high fences and do things together. The savings process spread to other areas quickly, and there are now 16 active savings groups in the city's ger areas. All of them are linked into a city-wide network.

CITY PROCESS : The community process in Erdenet has been very active since the savings began in 2006. The UDRC has backed up the growing savings and upgrading activities with training programs for community groups and government officials on savings and community-driven development and action planning. The savings network and UDRC have signed an MOU with the mayor to work together on ACCA, and have set up a joint committee to oversee the city-wide development process (which includes 3 community leaders, the mayor and two UDRC staff). The local government has provided office space for this committee and has been giving awards for the best small upgrading projects.



COMMUNITY NETWORK MANAGED PUBLIC TOILETS : As a sign of the growing collaboration between the savings group network and the municipal government in Erdenet, the city recently agreed to donate a plot of land to the savings network, to construct a network-managed public toilet facility, as a joint-venture of the city and the communities. The land is right next to the city's public market, which is in bad need of public toilets, and it has all the basic infrastructure in place (water supply, electricity and sewer access) to make it fairly easy to construct the toilets. The savings network is now developing plans for constructing the toilets. They've decided to hire a contractor to build the toilets, but all the labor will be provided by jobless saving group members. The savings network will manage the public toilets, on a pay-and-use basis. The project will be financed as a loan from the City Development Fund, and will be paid back by pay-and-use toilet fees the network earns from the facility. The network is hoping to start work in April 2010, as soon as the spring "construction" season starts.



CITY INFORMATION :

URBAN POVERTY IN ERDENET

Total urban population	23,700 households (89,600 people)
Population in Ger areas	13,150 households (48,022 people)
Number of slums	no information
% population in ger areas	54%
Latest survey conducted	December 2009

SAVINGS

Date savings started	March 2006
Savings groups	16 groups
Savings members	712 members (in 178 households)
Total savings	US\$ 3,500
CDF started	2008

ACCA BUDGET APPROVED SO FAR :

Small projects (7)	\$ 15,000
Big project	\$ 40,000
City process support	\$ 3,000

SMALL PROJECTS :

The savings group network in Erdenet has stretched the \$15,000 small project funds from ACCA to support as many small community projects as possible. Seven savings groups were selected by the joint committee to implement the first round of small upgrading projects. These groups began immediately to develop their plans, work out their budgets and organize their materials purchasing and cost-sharing arrangements. The ACCA funds are all passed from the City Development Fund to the communities as grants, and the projects are all built entirely by community people themselves, who also contribute to the project budgets.

- 1 Arvidikh Savings Group (28 households) Playground.** Total project budget \$1,924 (\$1,832 from ACCA + \$92 from the community)
- 2 Erdene Savings Group (215 households) Bus stop on the main road.** Total project budget \$2,357 (\$2,042 from ACCA + \$315 from the community)
- 3 Khurshiin Nukhorlol Savings Group (12 households) Community recreation area.** Total project budget \$2,574 (\$1,972 from ACCA + \$602 from the community)
- 4 Valentina Savings Group (18 households) Playground.** Total project budget \$2,975 (\$1,972 from ACCA + \$1,003 from the community)
- 5 Ireeduin Khotkhon Savings Group (13 households) Garbage bins and sidewalk.** Total project cost \$2,760 (\$1,977 from ACCA + \$783 from the community)
- 6 Hugjil Savings Group (8 households) Street lighting.** Total project cost \$3,438 (\$2,305 from ACCA + \$1,133 from the community)
- 7 Bayajikh Savings Group (15 households) Street lighting.** Total project cost \$3,021 (\$2,050 from ACCA + \$971 from the community)

IMPACTS OF THE SMALL PROJECTS : The upgrading activities by the saving groups have influenced neighbors in their areas and pulled more people into the savings groups. Living environments have become more comfortable and community groups are more ready to resolve problems together. By working together, the people reduced costs of these projects and were able to do more with less money. A 20-minute television program about ACCA and the community-based ger area upgrading process in Erdenet was prepared and will be broadcast in April 2010.



BIG PROJECT : Khurshiin Nukhorlol (12 households) Relocation of a group of single-mother-headed households to free land provided by the municipal government.

A group of 12 single-mothers, whose husbands ran off, had for several years been living in rented houses and supporting their families as best they could, some working as seamstresses - one as a civil engineer. With support from their saving groups, these women formed a cooperative (which they call "Khurshiin Nukhorlol") and negotiated with the local government to be granted a big piece of free land in one of the ger areas in the outskirts of Erdenet, where they are now in the process of planning to build their own new houses and community. But instead of breaking up this land into individual plots with high fences around each one, the group has decided to own this land and use it collectively - a first in Mongolia and an important pilot project for a non-fenced and more communal style of community.

The women have already made layout plans for their new community, on the 70,000 square meter land. In their plan, there will be no fences between the houses, but the community will have a more collective



arrangement of houses around communal playgrounds, storage, water wells, toilets, places for keeping cattle, vegetable gardens and animal husbandry areas. The cooperative members will construct the houses together, without any contractors, and will do all the materials purchasing and project management themselves. With support from a UDRC architect and a professor from the Mongolian University of Science and Technology, they have developed plans for semi-detached, single-story houses, with a floor area of 56 square meters (8x7m) per unit. They estimate the houses will cost US\$ 3,556 each.

The women will begin work in the spring of 2010, as soon as Mongolia's harsh winter season ends in May. But during the snowy months, they've been busy preparing themselves for the housing project, constructing a wooden fence around their communal land, putting up a few pit latrines and working with the local government to extend municipal electricity lines to the new land.



PROJECT Information :

HOUSES:

Total # of households	12 families
Total house cost	\$3,556 / unit

FINANCIAL CONTRIBUTIONS:

From government	Provides land free
From ACCA	\$40,000 (housing loans) \$1,972 (infrastruct. grant)
From Community	\$1,241 (housing) all labor is free

TENURE TERMS: Collective land title

FUND MANAGEMENT :

The \$40,000 funds from ACCA for housing loans will be given as a bulk loan to the Khurshiin Nukhorlol savings group. As the community repays the loan into the City Development Fund, the funds will be available for other community-managed upgrading and livelihood projects.

CITY: TUNKHEL VILLAGE

Mandal Province, Mongolia

Tunkhel village, in Mandal District, is a timber cutting town set among the forest-covered mountains of north-central Mongolia, 126 km from Ulaanbaatar, on the railway line to Russia. The village's main industry is timber production, and as in so many Mongolian settlements, the livestock outnumber the humans ten-to-one. But for all the breathtaking beauty of its landscape, the village has plenty of problems. Almost the entire population lives in unserviced ger areas, where the unpaved and un-lit roads are littered with garbage. Since the state-run timber operations closed down at the end of Mongolia's socialist period, unemployment has shot up to 60%, and alcoholism and other social problems have followed the same upward curve.

CITY PROCESS: But the town's hard-working residents are doing their best to find other sources of livelihood through seasonal market gardening and livestock raising, and are trying to find more collective ways to solve the problems they face, in a context where everyone usually does for himself. Over the past year, 13 savings groups have been started, with support from UDRC, and have grown so quickly that a third of the village's population are now members. There is strong support for this new process from a committed local government.

ACCA IN TUNKHEL VILLAGE: In April 2009, a joint committee was set up to oversee the ACCA project in Tunkhel, and an MOU and action plan were signed with the local government, who agreed to provide office space for the ger area development process. Community groups and the local government then initiated the village's first-ever joint community development project (a wooden bridge across the river) with full funding from the local government and all voluntary labor from community members. It took just two weeks to build the bridge and to resolve a long-standing need, and this collective effort generated so much excitement that the community members went on to help renovate the dilapidated old house of a poor widow in the village.

8 SMALL PROJECTS: Initially, six savings groups were selected by the joint committee to implement the first round of small upgrading projects, with support from ACCA, but the money ended up being stretched to support nine projects - all completed before the November 2009 snows. These savings groups developed their plans, worked out their budgets and purchased all the materials together. The ACCA funds were passed to the savings groups as grants, and the projects were built entirely by community people themselves, who also contributed almost half the project budgets. News of the small upgrading projects in Tunkhel has spread, and residents and authorities in neighboring villages are now asking for help to develop similar projects in their communities.

- **Eviin Khuch (350 households) Playground.** \$3,600 (\$2,500 ACCA + \$1,100 community)
- **Khorshin Kholboo (45 households) Playground + road.** \$1,771 (\$1,250 ACCA + \$521 community)
- **Khorshin Khishig (250 households) Street lighting.** \$3,860 (\$2,450 ACCA + \$1,410 community)
- **Khogjil (80 households) Meeting pavilion.** \$1,737 (\$1,400 from ACCA + \$337 from the community)
- **Bat Nairamdal (34 households) Playground + sun bath area.** \$1,709 (\$1,298 ACCA + \$411 community)
- **Khamtin Khuch (141 households) Playground.** \$1,450 (\$1,200 ACCA + \$250 community)
- **Itgel (150 households) Street lighting.** \$2,799 (\$1,600 ACCA + \$1,199 from the community)
- **Hursh (289 households) Street lighting.** \$3,365 (\$1,350 from ACCA + \$2,015 from the community)
- **Alsiin Kharaa (135 households) Community center, playground and fuel cell making from sawdust and cow dung.** Total \$3,173 (\$1,870 from ACCA + \$1,303 from the community)



CITY INFORMATION :

URBAN POVERTY IN TUNKHEL VILLAGE

Total urban population	980 households (3,721 people)
Population in Ger areas	980 households (3,721 people)
% population in ger areas	100%
Latest survey conducted	December 2009

SAVINGS

Date savings started	January 2009
Savings groups	13 groups
Savings members	1,185 members (in 157 households)
Total savings	US\$ 1,200
CDF started	March 2009

ACCA BUDGET APPROVED SO FAR :

Small projects (8)	\$ 15,000
Big project	\$ 40,000
City process support	\$ 3,000



BIG PROJECT : Tunkheli Khugjil (16 households) On-site reconstruction of dilapidated workers housing, using energy-efficient techniques, on land provided free by the government.

In the center of Tunkhel village, there are some old houses built of timber and clay in the 1950s as dormitories for timber-industry workers. These buildings are now in seriously dilapidated condition. For Tunkhel's big project, a group of families occupying 16 of these adjoining houses (55 people, with a strong savings group) have demolished and completely rebuilt their houses, using local stone and timber and all their own labor. The land was donated to the community by the government. The new single-story, semi-detached houses (42 square meters each), which were designed by the people, are fully insulated and include several energy-saving innovations to bring down the cost of heating during the harsh winter months. The houses are financed by \$2,500 loans per house from ACCA.



On September 23, 2009, a group of 100 mayors and community leaders from around Mongolia celebrated World Habitat Day here, by spending a day helping the people finish the construction before the winter set in. The project was inaugurated on November 26, 2009, by the village governor, in a village-wide celebration, amidst the season's first snow storm and sealed with a succession of vodka toasts ("Tok Toi!").



CITY: BAYANCHANDMANI

Tuv Province, Mongolia

Bayanchandmani is a small livestock-breeding town and the administrative and educational center of Bayanchandmani District. The town, which is just 72 kilometers north of Ulaanbaatar, on the road to Erdenet, is experiencing many of the same problems other Mongolian towns are facing. When the state-run factories in Bayanchandmani closed down at the end of the socialist period, half the town's working residents lost their jobs, and the unemployment rate stands now at 52%. All the same, the town continues to be a magnet for herdspeople migrating from surrounding rural areas in search of opportunities and education, and almost all of these migrants live in the unplanned, unserved ger areas which sprawl on the plains around the town.

CITY PROCESS IN BAYANCHANDMANI : The savings process began just a year ago in Bayanchandmani, with support from UDRC, and was at that time the first-ever external development intervention in the town. By December 2009, nearly a quarter of the town's population were members in the 17 active savings groups, and the first city-wide survey of poor settlements was underway. There has been good support and cooperation from the local government, which has provided office space for the ger area upgrading activities, assigned an officer especially to support the ACCA project and donated US\$ 10,000 to set up a district-level CDF, to which all the savings groups are now linked. An MOU has been signed between the District Governor, the network of savings groups in Bayanchandmani and the UDRC, and a joint committee has been set up to oversee the upgrading activities and the ongoing savings process.

SIX SMALL PROJECTS : All six small upgrading projects completed so far, with ACCA support, were initiated, planned and budgeted by community people in six of the town's 17 savings groups. The ACCA funds were managed by members of the savings group network and passed to the groups as grants, in two installments. The projects were all built entirely by community people themselves, who also contributed about a quarter of the project budgets. All the projects were completed by the time the snow began falling in November 2009. UDRC staff provided technical assistance, and the District Government gave its full support to the process. Delegations of community leaders and local government officials from nearby districts made visits to Bayanchandmani when the projects were being constructed, and the real changes these modest projects have brought about have demonstrated to everyone the power of working together. The community-driven upgrading bug has been spreading even faster since a film about the small community-initiated upgrading projects in Bayanchandmani was broadcast on the national TV5 channel.

- **Ev Eye (31 households) Community meeting place.** Total budget \$2,894 (which includes \$2,499 from ACCA + \$395 from the community)
- **Devshil (32 households) Model "see through" fences.** Total budget \$3,208 (which includes \$2433 from ACCA + \$765 from the community)
- **Khorshiin Nunjig (28 households) Redesign community square.** Total budget \$5,448 (which includes \$2,500 from ACCA + \$2,945 from the community)
- **Delgerekh (51 households) Bio composting toilets.** Total budget \$2,627 (which includes \$2447 from ACCA + \$179 from the community)
- **Osokh (26 households) Playground, street lighting, greenhouses.** Total budget \$2,627 (which includes \$2447 from ACCA + \$179 from the community)
- **Manaikhan (36 households) Street lighting, playground, community place** for the town's only apartment building. Total budget \$3,308 (which includes \$2480 from ACCA + \$828 from the community)

BIG PROJECT: House upgrading (40 households initially) On-site upgrading and insulating of dilapidated old workers houses scattered around Bayanchandmani town.



About 74 households in Bayanchandmani live in single-story social housing units that were built in the 1960s of wood and clay, many badly in need of repair. For the town's big project, a city-wide survey was conducted by the savings groups to find out what kind of housing problems people face and to determine which are the most urgent cases. After a process of proposal-making, discussion and prioritizing among the savings network groups, 41 savings member households, from 13 saving groups, were selected to be given small loans of \$500 to \$1,500 (average \$828) to repair and up-

grade their houses, add insulation, replace roofing and weatherproof the doors and windows. The loans will be repaid in four years into the new city-wide revolving loan fund, which is to be managed by the savings group network. Each household will contribute about half the cost of the renovations. The UDRC provided some technical training in insulation and weatherproofing, and work began in September 2009, with strong support from the mayor. Two months later, all the renovation work was finished.



CITY INFORMATION :

URBAN POVERTY IN BAYANCHANDMANI

Total urban population	1,097 households (3,798 people)
Population in Ger areas	993 households (3,435 people)
% population in ger areas	90%
Latest survey conducted	December 2009

SAVINGS

Date savings started	January 2009
Savings groups	17 groups
Savings members	718 members
Total savings	US\$ 2,500
District level CDF started	March 2009

ACCA BUDGET APPROVED SO FAR :

Small projects (6)	\$ 15,000
Big project	\$ 25,100
City process support	\$ 3,000

CITY:

KHAN-UUL DISTRICT 5th Khoroo, Ulaanbaatar, Mongolia



In 1966, there were terrible floods in Ulaanbaatar, and many poor factory workers whose houses and belongings were lost moved to the 5th Khoroo ("khoroo" is a subdistrict) of the Yarmag area, in Khan-Uul District, where there was plenty of open land available, above the flood line. These early settlers marked out their squares of land with make-shift fences, put up their gers and a new neighborhood was born. With the collapse of socialism and the subsequent closure of state-run factories, almost 90% of the workers living in the area lost their jobs, and unemployment has remained high ever since. Economic migrants from rural areas have

also continued to pour into the area - most without any registration that entitles them to government social welfare services. By the 1990s, the 5th Khoroo had become one of Ulaanbaatar's largest and poorest ger areas.

SAVINGS : The first savings groups in the 5th Khoroo were set up in 2005, with support from ACHR, UN-ESCAP and the Center for Housing Rights and Development (CHRD), which has been working in the 5th Khoroo for some time. The first group began in one of the area's old "barracks" for the workers of now-defunct factories, but the process quickly spread across the whole khoroo. With loans from their collective savings (at 3% annual interest), members have improved their livelihoods by producing pressed fuel, starting tailoring and knitting businesses, making woolen felt handicrafts, and starting market gardening and livestock raising enterprises. Many members have also taken loans to improve their housing, and upgrade their streets.

ACCA IN THE 5TH KHOROO : The savings groups have formed a network and established a special committee to oversee the ACCA process, with representatives from all ten savings groups. The committee meets regularly and discusses project proposals from the savings groups. The network has also recently set up their own district-wide community development fund, using \$2,000 seed capital from the ACCA project.

SURVEY : In October 2009, the community savings network and CHRD jointly conducted the first-ever survey of the entire 5th Khoroo, gathering information about households, living conditions, incomes, sources of employment and problems. The survey yielded no big surprises, but it put some clear numbers on the problems faced by such large ger areas. They found that all 1,073 households in the 5th Khoroo live in informal ger settlements. 161 households (15%) are on insecure land and in danger of eviction. 256 households (24%) have no access to formal water supply and have to buy water and carry it from kiosks. 704 households (66%) have no toilets and have to defecate in open areas. 1,073 households (100%) burn coal and wood for heating, causing near lethal levels of air pollution and all kinds of respiratory illnesses.

SMALL PROJECTS : A first round of two small upgrading projects have been selected in the 5th Khoroo, and another round is scheduled to be proposed, discussed and approved in late December 2009. Projects to set up a community development center and a brick-making yard are already being prepared for the second round of consideration. The small project funds from ACCA are first deposited in the community development fund, and from there are passed on to the savings groups as grants. The projects are implemented entirely by community people themselves, who design the projects, manage the money and also contribute to the project budgets.

- **Chandmani Savings Group (100 households) Street upgrading.** Total project budget \$3,000 (which includes \$2,500 from ACCA and a \$500 contribution from the community members) The Chandmani saving group has already set its plans and assigned tasks for upgrading the paving and repainting the fences along the main street that goes through their part of the 5th Khoroo settlement. Work will start in the spring of 2010, as soon as the winter snows have melted. At least one member from every family in the community will be involved in the work.



- **3 Savings Groups (46 households) Street paving, storm drains and fence improvement.** Total project budget \$3,428 (which includes \$3,000 from ACCA, \$165 from the savings groups and \$263 in contributions from individual families) In this project, three savings groups (the Sor, Od and Ahits savings groups) along the 21st Street in the 5th Khoroo collaborated to pave their street, upgrade their fences and lay drains along one side of the street, to channel away flood waters in the rainy season. The street was often mucky in the rains, making it especially difficult for old folks and children, who are usually the ones responsible for carrying water from the well.



CITY INFORMATION :

URBAN POVERTY IN ULAANBAATAR

Total urban population	275,700 households (1,102,800 people)
Population in ger areas	167,074 households (668,296 people)
% population in ger areas	61%

URBAN POVERTY IN THE 5TH KHOROO

Total urban population	1,073 households (5,783 people)
Population in ger areas	1,073 households (5,783 people)
% population in ger areas	100%
Latest survey conducted	October 2009

SAVINGS

Date savings started	September 2005
Savings groups	10 groups
Savings members	600 members
Total savings	US\$ 2,347
CDF started	November 2009

ACCA BUDGET APPROVED SO FAR :

Small projects (2)	\$ 5,500
City process support	\$ 3,000
Seed capital for local fund	\$2,000

CITY: SUKHBAATAR DISTRICT

16th Khoroo, Ulaanbaatar, Mongolia

The ACCA project in the 16th Khoroo (sub-district) of Ulaanbaatar's Sukhbaatar District has only just gotten started, and no small or big projects have actually been planned or proposed for ACCA support yet. But before the ACCA project began there, this khoroo's determined communities began a process of organizing themselves, saving, surveying, discussing, planning and carrying out a whole range of collective improvements to their community, with support from the city-wide community development fund and the Urban Development Resource Center (UDRC). This process was one of the first experiments in a more comprehensive, community-planned and community-implemented upgrading in Mongolia, and as such, the story in Sukhbaatar District is worth telling here. Chapter two will likely come in the next report, when the ACCA resources will hopefully add new dimensions and new strength to this district-wide upgrading process.

SUKHBAATAR DISTRICT is one of the largest of Ulaanbaatar's six districts. More than half of the district's 133,108 residents (and 100% of the 16th Khoroo's residents) live in informal ger areas, where people face all the usual problems of unpaved roads, air pollution from the coal and wood-burning heating stoves and lack of water supply, toilets and street lighting.

THE PROBLEM OF TOO MUCH INDEPENDENCE : But almost as serious as these physical problems in Mongolia's ger areas are the more social problems which arise from a situation which Enhe at UDRC describes as "lots of little Genghis Khans living fiercely independent lives, within their own gers and behind the high fences which enclose their own little squares of land, as though they were still herdsmen out in the open country, commanding their solitary hillside." With the result that hundreds of Genghis Khans throw their garbage and kitchen waste into the streets, and nobody seems to bother much about the high rates of crime in the dark streets at night. In Mongolia, many projects funded by foreign donors to upgrade living conditions in ger areas have foundered on the point of community participation, which has proven to be the hardest nut to crack in Mongolia's development.

PILOT UPGRADING IN A FEW STREETS : In order to build a more collective, more community-driven upgrading process in the ger areas in Ulaanbaatar, the Urban Development Resource Center decided to start with a modest pilot upgrading program in one or two streets - any streets where people showed some interest in working together to improve their living conditions. Their idea was to start small, with a few willing households, and then use the momentum from a first success to spread the process into other streets and other districts. They put an advertisement in the daily newspaper, and were not discouraged when only a few groups showed interest. Three adjacent streets were eventually selected in the 16th Khoroo (sub-district) of Sukhbaatar District, covering about 150 households. April to June 2009 were intense 3-month period of surveying, setting up daily savings groups, organizing meetings and discussions and planning - all with good support from the district government and technical support from UDRC. They called this the "New Street" program.

THE CITY'S FIRST COMMUNITY-MANAGED IMPROVEMENTS : Residents in the 16th Khoroo - especially the women - became very active in identifying all the problems that they face and began to set plans to solve them one by one. Within those three months, the people cleaned up their streets of the garbage, rebuilt fences that encroached onto the roadway, fixed and painted their fences in a matching brick-red color (with traditional Mongolian geometric designs stenciled on the gates in blue and white), planted trees in the street, created small community meeting places with information about the community, laid pedestrian walkways, built playgrounds, installed street lights and postal delivery boxes, and established a garbage collection system, with special blue-painted bins for each household. People also planted trees and gardens inside their fences.

THE NEWS SPREADS : This three-street-wide experiment was much watched and much visited during those busy three months. People from other ger areas in Ulaanbaatar, as well as local government officials, staff members from NGOs and other institutions, all visited the project site to see what was happening, to talk to the community people and to learn from the activities the saving group members were implementing. The residents of these three streets also took part in a program that was aired on national TV about the real changes being brought about in their ger area by community people themselves. More recently, the savings group in one of these three streets was named the "Best Saving Group of 2009" by the mayor of Ulaanbaatar.



CITY INFORMATION :

URBAN POVERTY IN ULAANBAATAR

Total urban population	275,700 households (1,102,800 people)
Population in ger areas	167,074 households (668,296 people)
% population in ger areas	61%

URBAN POVERTY IN SUKHBAATAR DIST.

Total urban population	31,514 households (133,108 people)
Population in ger areas	16,965 households (72,023 people)
% population in ger areas	55%
Survey only 3 streets	March 2009

SAVINGS (only in 3 streets, 16th Khoroo)

Date saving started	May 2009
Savings groups	3 groups
Savings members	150 members
Total savings	US\$ 500
CDF started	not yet

ACCA BUDGET APPROVED SO FAR :

City process support	\$ 3,000
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CITY: DARKHAN

Darkhan-Uul Province, Mongolia

Darkhan is one of the three biggest cities in Mongolia. It began as a small trading post in the scenic, mountainous region in the northern-most part of Mongolia, on the railway line linking Ulaanbaatar with Russia. But during the socialist period in the 1960s and 70s, Darkhan was targeted for industrial and agricultural expansion, and grew within a few years into a large city. Technical and economic assistance poured in from the Soviet Union and communist block countries in eastern Europe to set up factories to process sheep skins, meat, milk and wheat flour, and to manufacture cement and process iron ore. Poor migrants from around the country flooded into Darkhan to provide the labor for this fast-growing industrial center. The city also grew as an important agricultural center, with mostly state-run wheat and vegetable farms and timber processing firms, which offered still more jobs.

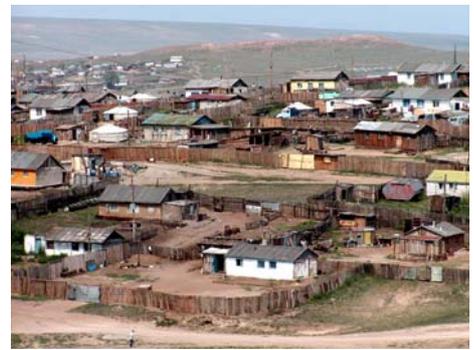
THE OPPORTUNITIES AND THE PROBLEMS GO TOGETHER : Since the end of the socialist period, Darkhan has experienced its share of bankruptcies, factory closures and unemployment, as the big state-run enterprises have been sold off or left idle. All the same, Darkhan remains a place of hope and opportunity for poor migrants from the even more depressed rural areas. And like other Mongolian urban centers, a majority of the city's population lives in the sprawling informal ger areas which blanket the hills on the outskirts of town. In these settlements, people experience all the same problems of unpaved roads, air pollution from the coal and wood-burning heating stoves and lack of water supply, toilets and street lighting.

SAVINGS IN DARKHAN : In 2005, the Urban Development Resource Center (UDRC) began working in Darkhan's ger areas, conducting training programs, helping set up daily saving groups and supporting residents to plan and implement the city's first small upgrading projects. The Center for Housing Rights and Development (CHRD) also began helping to set up savings groups in ger areas and among scavenger communities near the city dump-site. In 2008, all these savings groups came together under a single community network, with a joint savings group committee comprising representatives from all 18 savings groups in Darkhan, and a program of regular monthly meetings. This collaboration between the two NGOs and the growing number of savings groups they support has not always been easy, but it represents an important milestone in moving beyond the territoriality and competitiveness that often emerges between support organizations and which can then divide communities and prevent truly city-wide community movements from developing.

COMMUNITY DEVELOPMENT FUND : In 2009, the Darkhan savings group network established its own joint city-wide community development fund, with an initial capital of \$900 from the 16 savings groups (both UDRC and CHRD-supported), and monthly membership fees of \$3.50 per member. The idea of the fund was to make revolving fund loans to the member savings groups to add to their small internal lending capital, and allow the groups to take on larger projects like upgrading, housing improvements and bigger livelihood projects, at 1% or 2% interest, repayable in six-months. The fund is managed by the joint savings group committee, with all of its growing capital in circulation in loans, and has received good support from the local government. Loan repayment stands at 100%. The ACCA funds for Darkhan are all being channeled through this fund, and a special budget of \$2,000 from ACCA has been approved to strengthen this fund's lending capacity.

SMALL PROJECTS : Four small upgrading projects have been completed so far in Darkhan, with ACCA support. These projects were all planned and budgeted by community savings groups. The ACCA funds were managed by members of the joint savings group committee and passed to the groups as grants, in two installments. The projects were all built entirely by community people themselves, who also contributed to the project budgets. All the projects were completed by the time the snow began falling in November 2009. UDRC and CHRD staff provided technical assistance, and the local government gave its full support to the process.

- **Orgil Savings Group (12 households) Street lighting, playground and fence construction around an apartment area** (with support from CHRD). Phase one completed, and phase 2 to be completed in spring of 2010. Budget from ACCA \$3,000.
- **Seven Savings Groups (300 households) Street lighting in the neighborhoods of 7 savings groups.** Altan-od, Arvindalai, Devjikhbulag, Undraa, Altantogrog, Batorshikh, Doloon Burkhan, Devjikh savings groups worked together to put up 60 street lights in 15 streets of sub-districts 1 to 7. (with support from UDRC) Total budget from ACCA \$3,000.
- **Eight Savings Groups (42 households) Garbage recycling system in the neighborhoods of 8 savings groups.** 42 households from 8 saving groups in one ger area in Darkhan are separating their solid waste into five recyclable and non-recyclable categories (ash, bones, dung, plastic and organic) and have set up a community-based collection and recycling system, as a demonstration project which can then be replicated in other ger areas. They call their project "Waste is wealth" and are now selling most of the waste to factories. (with support from UDRC) Total ACCA budget \$3,000.
- **Altan Od Savings Group (120 children + 80 elderly folks) Meeting place and children's playground.** The Altan-Od saving group has 12 members, but their community has 120 children and 80 elderly people who had no place to play or congregate. So the savings group set up the first-ever playground in their ger area's community square - an area that used to be a place for dumping garbage. (Support from UDRC). Total budget from ACCA \$1,000.



CITY INFORMATION :

URBAN POVERTY IN DARKHAN

Total urban population	22,773 households (101,764 people)
Population in ger areas	13,663 households (61,058 people)
% population in ger areas	60%
Latest survey conducted	October 2009

SAVINGS

Date savings started	2006
Savings groups	16 groups
Savings members	251 members
Total savings	US\$ 5,977
Joint CDF started	September 2009

ACCA BUDGET APPROVED SO FAR :

Small projects (5)	\$ 5,500
City process support	\$ 3,000
Seed capital for local fund	\$2,000



THAILAND

WHY IS THERE ANY NEED FOR ACCA IN THAILAND?

Thailand is a rare case in Asia of a country which has been able to get its government to allocate considerable budget for land and housing for the urban poor, and to use that budget to mobilize a national housing upgrading process that is driven entirely by poor communities themselves. This budget goes through the Community Organizations Development Institute (CODI), which is Thailand's main support system for the poor. For the last ten years, CODI has been passing that budget on to communities, to help them set up savings groups, survey all the slums in their cities, form networks, negotiate for land and develop their own housing projects. CODI's revolving loan fund gives loans to communities for house construction and land purchasing at 4% interest, and the settlement upgrading projects which people develop all by themselves are partly subsidized by infrastructure grants and technical support from CODI's Baan Mankong City-wide Upgrading Program.

Today this city-wide upgrading process has been developed in 260 cities and towns around Thailand, and upgrading projects in some 1,200 communities (with 80,000 households) are now either finished or underway - all being done entirely by communities and community networks in all these different cities. In this city-wide upgrading model in Thailand, the government turns over all the work of solving the housing and land problems to the poor themselves, who plan and implement everything and manage the money.

But one of the drawbacks of having a special kind of national government organization like CODI, which offers such easily-accessible financial support for poor people's housing and land initiatives on such a wide scale, is that communities in all those cities start feeling a little complacent. There are active community networks in most of the 260 cities already involved in the Baan Mankong Program, with several thousand communities linking together and doing things together. But what these communities haven't had to do is to build any kind of development fund of their own, at city or district level, as so many other Asian cities are now trying to do. The community savings groups in Thai cities are still scattered, they have no financial links with each other, and there are no city-based funds which mobilize people to put their community savings funds together or to establish their own financial mechanisms.

Even Thailand occasionally faces serious problems of the government money running out, or not being added to when it's needed. In 2008, CODI reached a difficult milestone when all the money in its US\$ 80 million revolving loan fund had been given out in housing loans to all these upgrading projects. The well had run dry. Although they have managed since then to supplement the fund by negotiating some additional funds from the fiscal budget and selling some outstanding community loans to the Government Housing Bank, CODI still faces a big problem: *the real scale of Thailand's national community upgrading process is just far, far too big for the CODI fund to finance alone.*

A WAKE-UP CALL FOR THAILAND'S COMMUNITY MOVEMENT :

The funding crisis at CODI, which slowed down the national upgrading process for over a year, made community networks all over Thailand realize that even CODI - like all government programs and institutions - is vulnerable to the fickle whims of national politics and that there are good reasons for communities and for cities to begin developing financial mechanisms which they can control themselves, right there within their own constituencies. There have been several national meetings to discuss this crisis and to begin exploring ways for communities in each city to find ways to stand on their own feet, as much as possible. City-based funds, which link together all the savings groups and housing projects in one city (or within a workable constituency) are not just a way of making locally-controlled financial systems for the poor, but of pooling local resources, of strengthening relations between the poor and their local governments, and of pulling other poor communities in the area to join together and to start their upgrading process.

Using ACCA to help test the CITY FUND idea :

Thailand's national network of urban poor communities is active in 260 towns and cities, in all 72 provinces, and has about 300,000 members. The network was formed originally by communities taking part in the CODI-financed Baan Mankong Community Upgrading Program, as a horizontal mechanism for mutual learning and mutual support, and the it focuses on developing city-wide solutions to problems of housing, land, infrastructure, livelihood and welfare.

This national network felt that it would be important to use the funding crisis at CODI and the new ACCA program as opportunities to help strengthen this emerging city fund movement, and to develop two funds as pilot initiatives: one in the small town of Chum Phae, and one in Bangkok's Bang Khen District. In both cases, local community networks are linking together all the savings groups and housing

projects in the two constituencies to work together with their local governments to build their common city fund, starting with a small grant from ACCA and some seed capital from their own savings, and using these new funds to take care of the remaining communities which have not yet been covered by CODI's Baan Mankong upgrading program.

Everybody is hoping that these two pilot funds will spread out and inspire other cities to move in this direction. That way, if the Thai government becomes less friendly and less supportive of a people-driven housing process in the future, it won't really matter, because alternative sources of support will be in place. The launching of these new city-wide and district-wide funds is an important opportunity to demonstrate this important new development direction and help build a city fund movement in cities all over Thailand.

ACCA in THAILAND

PROJECT CITIES (total 2)

- Chum Phae
- Bang Khen District, Bangkok

SMALL PROJECTS

Small projects approved : 4
In number of cities : 1
Total budget approved : \$10,000

BIG PROJECTS

Big projects approved : 2
In number of cities : 2
Total budget approved : \$60.000

IMPLEMENTING GROUPS

The ACCA projects in Thailand are being implemented by the city-wide community networks in the two constituencies with ACCA projects so far: one small town and one district in Bangkok. Both projects are being implemented entirely by community groups, without any NGO intervention, but with the support of a larger, national network of urban poor community groups in 260 Thai towns and cities, of which these two community networks are a part.



CITY: CHUM PHAE

Khon Kaen Province, Thailand



person of Chum Phae's community network says, "Six years ago, Chum Phae was full of slums, where living conditions were bad. And people had no pride, no courage, no togetherness, no idea what to do."

SAVINGS, NETWORK, SURVEY AND UPGRADING STARTS IN 2004 : The city's upgrading process started from scratch just six years ago. The first community savings groups were set up in 2004, and shortly afterwards, community leaders carried out the first detailed city-wide survey of the town's poor communities. Besides some 20 established slum communities, the survey back then also covered scattered squatters and room renters living in isolated situations around Chum Phae - all with serious problems of land and housing. With support from Baan Mankong, the national community upgrading program of the Community Organizations Development Institute (CODI), and in close collaboration with the municipal government and a supportive mayor, they used this information to begin setting plans to develop secure housing for all those families.

THE ADVANTAGES OF TAKING A CITY-WIDE PERSPECTIVE : The network's continuously evolving city-wide upgrading plans included a variety of strategies such as on-site upgrading (2 projects) and nearby relocation (6 projects), a variety of land tenure options such as collective purchase of cheap private land (4 projects) and collective lease of public land (4 projects), and a variety of house designs and plot sizes to suit different needs and budgets. The Chum Phae community network's first housing project began in 2005, at Sawang Sang See, a nearby relocation of 65 squatter households to public land they negotiated to lease collectively. Projects in seven other communities followed - each one different. Through the course of all these upgrading projects, the network never lost track of their city-wide perspective, in which they continuously sought to provide as many options as possible, so everyone could be included.

SECURE LAND AND HOUSING FOR LESS THAN THE COST OF RENTING A SINGLE ROOM : All of these different kinds of projects provide long-term, secure land and housing to even the poorest families in Chum Phae. In these eight projects, the better-off could get houses that are a little bigger and buy their land cooperatively, while the poorer could get houses that are a little smaller and lease public land at nominal rents, but nobody was left out of the city-wide upgrading process. The cost of the loan repayments in these projects, which range from \$18 to \$45 per month, are affordable to just about everyone, and are in fact considerably less than the cost of renting a small room in Chum Phae (\$60 - \$90 per month).

11 "PRE-APPROVED" HOUSE DESIGNS : As the upgrading process continued, the Chum Phae network has developed 11 basic house plan models, which people in these upgrading projects can choose from. There are row-houses, semi-detached and single houses, one-story and two-story houses. The houses offer a range of different budgets and different uses of construction materials (the cheapest even re-using old doors and windows), to meet different needs and different levels of affordability. Since these 11 designs were all developed by the people, with assistance from municipal engineers, the house plans all come "pre-approved" by the city's Engineering Department. That means people save time and money obtaining permits, and community members only have to pay 150 Baht (\$5) to get their house registration, which takes only two weeks. Other municipalities have begun to ask for these plans. As Paa Nang says, "It helps when the city is on your side! In some projects, the municipality even provided electricity and access roads."

BY 2008, EIGHT UPGRADING PROJECTS HAD BEEN FINISHED : Since each project was different, each was being used as a "learning center" and was much visited by communities from other cities. By then, the network was stronger than ever, the savings groups and the network's community welfare program were active in every community, the network's skills training courses and income generation loans were helping ensure loan repayment rates were almost 100%. The collaboration between the communities and the municipal government and other local stakeholders was working "like a single working team." Chum Phae was well on its way to becoming one of Thailand's first cities to achieve 100% secure housing for all. The network's latest city-wide survey showed that there were only about 680 poor families in the city who still had housing problems - some in the two remaining squatter settlements and some squatters and room renters living in scattered locations around town. The network gathered these remaining 680 families together to discuss and to see how to find a proper housing solution for everyone. But then the CODI fund bottomed out, loans for new projects were delayed, and there was a lull in Chum Phae's upgrading momentum.



CITY INFORMATION :

URBAN POVERTY IN CHUM PHAE

Total urban population	20,070 households (100,000 people)
Total urban poor population	1,076 households (5,380 people)
Urban poor with secure land and houses (upgraded)	395 households (1,975 people) 11 settlements
Urban poor with housing problems (not upgraded)	681 households (3,405 people) 7 settlements
% population urban poor	5%
• upgraded	2%
• not yet upgraded	3%
Latest city-wide survey	2007

SAVINGS

Date savings started	2004
Savings groups	12 groups in 15 communities
Savings members	3,021 members
Total savings	US\$ 66,250
CDF started	November 2009

ACCA BUDGET APPROVED SO FAR :

Big project	\$ 30,000
City process support	\$ 3,000
<i>no small projects proposed yet</i>	

NEW City Development Fund in Chum Phae :

The Chum Phae network had been planning for some time to set up a city fund of their own, and had already set aside \$15,000 of their collective savings for that purpose. The municipality had pledged to contribute another \$22,000 each year to the new fund. The temporary halt on new housing loans from the CODI fund was a wake-up call for many community networks around Thailand, including Chum Phae, which suddenly realized how dependent their community-driven development process was on this single national government organization - which may not always be there. The city doesn't stop growing, the network reasoned, and poor people won't stop coming into Chum Phae and needing housing, even after their ninth upgrading project was finished. So it is important to be open to new needs, and to be ready to help resolve them.

WHY THE NEW CITY FUND? The network's idea of the new fund in Chum Phae is not just to provide a reliable, local source of finance which they control themselves, but to build a sustainable and locally-rooted support system for a sustainable, long-term, community-driven development process in several ways :

- to build solidarity among the town's poor and strengthen their savings process.
- to sustain the poor's own self-development in the long term, and to go on improving the lives, incomes, education, living conditions, welfare and well-being of the town's poor, on an ongoing basis.
- to strengthen the collaboration between the network, the municipal government and other local stakeholders.
- to build the financial management capacities of poor people's organizations in Chum Phae in order to attract more funds for development from all kinds of outside sources.
- to diminish the gap between the poor and middle class and make Chum Phae more livable for everyone.

CHUM PHAE'S FUND LAUNCHED IN NOVEMBER 2009 : So with another \$33,000 seed capital from the ACCA big project funds added to the pot, the Chum Phae City Development Fund was officially launched in November 2009. The new fund will provide support the network's next housing project (number 9!) with infrastructure grants and housing loans, but the Chum Phae network is emphatic that this is not just a housing loan fund. The fund will be jointly managed by the community network, the municipality and other stakeholders, with as much flexibility as possible, to respond to whatever needs come up in the town's community process.

HOW THE FUND WILL BE USED : Although initially, most of the fund's lending capital will go out in housing loans (65%), the fund has been conceived as a flexible financial tool to support whatever needs come up among the poor communities in Chum Phae. So the fund will also be available for income generation loans and loans to repay informal debts (10%), loans for education (5%), and grants for infrastructure (15%). The network has negotiated with CODI that from now on, all housing loans and grants for infrastructure development in upgrading projects supported by the Baan Mankong Program will be channeled through this new fund. The fund is open to all poor families in Chum Phae who are part in a secure housing project - either finished or in process. Each member of the fund must be an active member of a savings group or a community-managed welfare program, and must contribute at least 1,000 Baht (\$30) to the fund as a "share" in the fund. Members of the fund will get children's welfare support of 500 Baht (\$16) per child per year, as a benefit of membership.

NEW FUND information :

FUND CAPITAL :

From communities ("shares")	\$25,000
From ACCA	\$33,000
From Chum Phae Municipality	\$62,500
From the Chum Phae Network	\$6,250
From other sources	\$3,000

TOTAL INITIAL CAPITAL \$129,750

LOAN & GRANT TERMS :

- **Loans for house construction :** Members can borrow up to \$4,500 per house, at 4% annual interest, repayable monthly, within 15 years. Housing loan borrowers must have at least 10% of loan amount in their savings.
- **Loans for house repair :** Members can borrow up to 5 times their "share" in the fund, at 4% annual interest, repayable monthly, within 5 years.
- **Loans for income generation and repaying informal debts :** Members can borrow up to 5 times their "share" in the fund, at 6% annual interest, repayable monthly, within 5 years.
- **Loans for education :** Members can borrow up to three times their "share" in the fund, at 3% annual interest, repayable monthly, within 5 years.
- **Grants for infrastructure :** Members can get grants for infrastructure development up to a maximum 35,000 Baht (US\$ 1,100) per household.

FUND MANAGEMENT :

35% of the interest earned on loans goes back into the fund, 25% into the city-wide network welfare fund, 35% supports network activities and operation costs and 5% goes back to members as dividends. The fund is managed by a joint board with nine members, which includes a majority of community network leaders, municipal officials, and representatives from CODI and professionals (such as architects and accountants).



BIG PROJECT : Jaing Sawang Pattana 2 (145 households) New housing project for scattered squatters and renters on public land on 30-year collective community lease.

The new fund's first project is the network's 9th housing project in Chum Phae, and it has been specifically designed to bring together and provide secure land and housing for the poorest squatters and renters still living in scattered locations around the town. The network has negotiated to lease a piece of vacant land under Treasury Department ownership, where they are now developing 145 units of new housing, in close collaboration with the municipality. In 2008, the municipality had helped to negotiate for the adjacent piece of public land, where the network built their 7th housing project, the 47-unit Jaing Sawang Pattana Phase 1. The network had identified that land as a potential housing site, and discovered that it was supposed to be for a school that never got built. After finishing that project, the Treasury Department itself offered this second piece of land to expand the Jaing Sawang Pattana project in a second phase. As network chairperson Paa Nang says, "Land is always a big issue, but it's not such a big deal if we organize ourselves, link with all the key organizations and use communities to get all this information about our city."

The 145 families have started their own savings group, formed a cooperative and negotiated to lease the land collectively, for 30 years, at a nominal rent of only \$5 per year per family. The modest single-story semi-detached houses they have selected from the network's 11-unit "pattern book" are now being built together, in batches, and cost \$2,500 each. The loan repayments will be about \$20 per month.

NEXT PROJECTS : The network is already developing plans for their next housing project, on a piece of inexpensive private land. This next project will be a land-sharing project, in which a portion of the land will be used for developing extremely low-cost housing for another batch of poor households, and the rest will be developed with for-profit housing, which will be sold off at market rates to cross-subsidize the people's housing. All these diverse ways of resolving poor people's housing needs are possible when the city has its own fund like this. In these ways, Chum Phae's community network is developing a variety of upgrading projects for those remaining 1,000 poor families, using different techniques, and perhaps working together with the CODI fund. But the important thing is that they can determine the process together, as a team.

CITY:

BANG KHEN DISTRICT

Bangkok, Thailand



Bang Khen District is one of the 50 districts that make up Bangkok. It's in the center of the city and intensely developed with housing, commercial areas and universities and criss-crossed by major infrastructure and transport arteries. There are many poor communities scattered around the district, but the greatest number of them are squeezed along the banks of the Bang Bua Canal, which runs along the edge of the district. For almost half a century, some 3,500 families have lived in squalor and uncertainty in the 12 informal communities that line this 13-kilometer canal, with the daily risk of fires and eviction and facing constant accusations of polluting the canal.

SAVING, SURVEYING, MAPPING, UPGRADING BEGINS : These canal-side communities began by forming a network, surveying and mapping their settlements, starting savings groups and undertaking small environmental improvement projects. In recent years, four of the communities along the canal have been able to negotiate long-term collective leases to the public land they occupy, upgraded their settlements and built new houses, with support from CODI's Baan Mankong upgrading program. These community upgrading projects, which were done in close collaboration with the district authorities, have become much-visited "learning centers" for communities all over Thailand and Asia to visit, learn from and be inspired by.



SOPHISTICATED ANALYSIS OF THE DISTRICT : In 2003, the canal-side community network expanded their work to survey and map all the slums in their district, and to use the survey process to help more of the 17 slums in the district to organize themselves, start savings and join the network. Since then, the network has continued to refine their understanding of the district and develop their information. As part of their analysis, they identified government development plans which will affect various communities in the district (including a sky-train extension line and expressway construction plans), mapped the land-values, determined the land ownership in all the surveyed slums, forecast which communities were likely to face eviction and surveyed open land in the district that might be used for relocation and determined who owned it.

veyed slums, forecast which communities were likely to face eviction and surveyed open land in the district that might be used for relocation and determined who owned it.

DISTRICT-WIDE UPGRADING PLAN : They then used this district analysis and survey data to develop a comprehensive district-wide upgrading plan to provide secure land and housing for all 17 slums in the district. As part of the planning, they classified the surveyed settlements according to whether they could likely stay and reblock or do land sharing *in situ*, or whether they would probably have to relocate, and set plans to upgrade *all the slums in the district*. They are now in the process negotiating with all the different land-owning agencies, *as a group*. Each community is no longer fighting its own fight in isolation, but they are all part of a large, district-wide group planning and negotiation process now, which is being carried out in close collaboration with the District authorities and other local partners (like the nearby Sripatum University).

BUT MANY COMMUNITIES HAVEN'T STARTED YET : There are still many poor communities in Bang Khen District - especially along the Bang Bua canal - that are still facing eviction and want to implement upgrading projects. But they are having a hard time getting started because of difficulties negotiating secure land tenure, and because of the dwindling availability of financial support from CODI (Thailand's main financial support system for the poor, which offers soft loans and infrastructure subsidies for community upgrading). So these communities have decided that it is time they developed some kind of communal fund which they can manage by themselves, and which will link together the funds that all these communities already have within their own savings groups.



SPECIAL REPORT ON BANG BUA : ACHR has produced a special report on the community upgrading process that is being planned and carried out by the network of 12 poor communities along the Bang Bua Canal in Bangkok. The report, called "A conversation about upgrading in Bang Bua," can be downloaded from the ACHR website.

CITY INFORMATION :

URBAN POVERTY IN ALL OF BANGKOK

Total urban population	11 million people
Population in slums	327,990 households (1.64 million people)
Number of slums	1,266 settlements
% population in slums	15%

URBAN POVERTY IN BANG KHEN DISTRICT

Total urban population	35,412 households (177,062 people)
Population in slums	3,799 households (18,995 people)
Number of slums	18 settlements
% population in slums	11%
Latest survey conducted	2008

BAAN MANKONG in BANG KHEN DISTRICT

Total upgrading projects planned :	15 projects (2,515 households)
Total projects approved by CODI :	9 projects (1,879 households)
Total projects now finished :	3 projects

SAVINGS

Date savings started	1999
Savings groups	in 15 communities
Savings members	2,516 members
Total savings	US\$ 625,000
CDF started	May 2009

ACCA BUDGET APPROVED SO FAR :

Small projects (4)	\$ 10,000
Big project	\$ 30,000
City process support	\$ 3,000

NEW District-wide Development Fund in Bang Khen :

The Bang Bua Canal Network is now taking the "group power" of their network a big step further, and have joined with several other communities in the district to form Thailand's first district-wide community development fund, which was established as a collaboration between the community network and the Bang Khen District Authority, and to which each community contributes. The communities in Bang Khen District are already using this common fund to finance the continued upgrading of poor communities along the Bang Bua canal and in other parts of Bang Khen District, where 16 communities are so far linked together. The fund will also back up their negotiations with various public agencies for land tenure and assistance with infrastructure. The MOU was signed during the inauguration of the most recent Bang Bua Canal upgrading project, on May 25 2009, and was witnessed by the Minister for Social Development and Human Security.



A STRATEGIC FUND : The new city-funds that ACCA is helping start in Bang Khen District and Chum Phae are very strategic in a country where there are no city-based funds yet. And this fund in Bang Khen will be the country's first district-wide community fund to link all the urban poor communities to work together to implement district-wide upgrading, with contributions from communities and from other development organizations. The new fund began with the community network's own combined savings of US\$32,000, and when they added the ACCA budget of \$43,000, it added up to an initial lending capital in the fund of about \$75,000. They hope it will spread out and inspire other cities to move in this direction. In this way, the fund will bring in a new stage for CODI's Baan Mankong Upgrading Program, to build a city fund which can be responsible for that city's joint upgrading activities and can be sustained by itself.

WHY ARE CITY-BASED FUNDS SO IMPORTANT? The funding crisis at CODI in recent years made the community networks all over Thailand realize that even CODI - like all government programs and institutions - is also vulnerable to the fickle whims of national politics and that there are good reasons for communities and for cities to begin developing financial mechanisms which they control themselves, right there within their own constituencies. When cities have their own local fund, they can start their planned developments right away: no need to wait for the CODI loan funds to be approved, or they can start with their own funds, and then negotiate for supplemental CODI loans later on. City-based funds, which link together all the savings groups and housing projects in one city (or workable constituency) are not just a way of making locally-controlled financial systems for the poor, but of pooling local resources, of strengthening relations between the poor and their local governments, and of pulling other poor communities in the area to join together and to start their upgrading process. The launching of this new district-wide fund in Bang Khen District represents another important opportunity to demonstrate this important new development direction and help build a city fund movement in cities all over Thailand.

NEW FUND information :

FUND CAPITAL :

From the community network	\$32,800
From community members	\$63,450
From ACCA	\$43,000
From other community sources	\$23,450
TOTAL INITIAL CAPITAL	\$162,700

LOAN AND GRANT TERMS :

The Bang Khen District fund will make loans to communities (not to individuals) at 4% annual interest for housing construction, house repair, income generation, repayment of informal debts and education. The fund will also give grants for infrastructure and environmental improvement projects.

LOAN GUARANTEE SYSTEM :

The small groups (of 5-7 households each) will guarantee loans made to their individual members, and the communities as a whole will guarantee loans that come from the district fund.

HOW THE INTEREST IS USED :

25% of the interest earned on loans from the fund will go into a district-wide welfare fund, 25% will be used to support network activities and operation costs and 50% will go back into the district fund. The borrowing communities will then add a 3% margin on top of this 4% when they on-lend to their members, so that individual families will finally pay 7% interest on their loans. Communities will use this 3% margin to cover unsteady repayment problems and to support their own welfare funds and community activities.

FUND MANAGEMENT :

The Bang Khen District Fund is governed by a committee which includes representatives from 3 community networks: the Bang Bua Canal Network, the Bang Khen District Community Network and the National Community Network.



SMALL & BIG PROJECTS in Bang Khen District

SMALL PROJECTS : The Bang Khen Community Network is using the \$10,000 small project funds from ACCA to support four projects in the canal-side communities involving canal cleaning, environmental improvements and tourism promotion along the canal to link up communities to work together on a variety of development activities together. All these project funds are channeled through the new district fund.

BIG PROJECTS : Instead of supporting a specific community upgrading project, the \$30,000 big project funds from ACCA have gone into the new district fund to partly finance upgrading projects initiated by slum communities within Bang Khen District. The network has already prioritized four communities along the Bang Bua Canal as being most urgently in need of upgrading, and all four projects have already started :

- **Roon Mai Pattana Community.** Housing loans to 4 households: **US\$ 17,060**
- **Ruam Jai Pattana Tai Community.** Housing loans to 4 households: **US\$ 8,825**
- **Ruam Jai Pattana Nua Community.** Housing loans to 9 households: **US\$ 39,706**
- **Bang Bua Community.** Loan to the savings group to build a 2-unit welfare house: **US\$ 8,825**





FJI

HOUSING AND LAND PROBLEMS EVEN IN PARADISE

The beautiful island nation of Fiji is may be a hot destination for affluent surfers and beach-lovers, but it has big problems of poverty, housing and land, not to mention the coups d'etat, ethnic strife and political turmoil of recent years. There have been growing numbers of evictions in Fiji in recent years - evictions of farmers from their rural land and of urban squatters from their informal settlements in the cities. Poor communities in Fiji are not much different than in other Asian countries. Many residents are rural migrants who come to the city looking for work, but can't find affordable housing, and so they occupy small plots of open land (40 - 80 square meters) and build their own houses. Conditions can be pretty bad in these settlements, but many communities are slowly making improvements using their own resources. In Jittu Estate, one of the largest slums in Suva, the community built a concrete walkway in 2005 and began looking for ways to bring piped water into the settlement. These early initiatives by community members themselves might have been lacking in technical know-how and support, but they demonstrated the strong desire people have to improve their living conditions.

ACCA in FIJI

PROJECT CITIES (total 1)

- Suva

SMALL PROJECTS

Small projects approved : 5
In number of cities : 1
Total budget approved : \$15,000

BIG PROJECTS

(none proposed yet)

IMPLEMENTING GROUPS

The ACCA project in Fiji is being implemented by the People's Community Network (PCN), with support from the Suva-based NGO ECREA (Ecumenical Center for Research, Education and Advocacy).

NEW SAVINGS PROCESS, NEW NETWORK

Fiji is the newest member in the distinguished club of poor community savings and credit movements in Asia. In November 2006, the first daily savings groups were launched in a few informal settlements in Suva, with support from the NGO ECREA (Ecumenical Center for Research, Education and Advocacy). In January, 2007, these communities came together with several others in a workshop and decided to organize themselves into a network, which they called the People's Community Network (PCN). It was all very new, but one idea everyone understood was that this was their first step in breaking their dependence on outsiders for whatever things they need. A committee was formed comprising two representatives from each settlement, and the committee began meeting once a month to review the savings process and discuss issues that came up in community meetings. The network has now grown to include 50 poor communities in the Suva region, all with active savings groups, with about 15,000 members and combined savings of US\$ 60,000. The savings and network process has also been bolstered by friends in Asia, through both visits to Fiji (by teams from ACHR which included Thai and Philippines community leaders and two community architects) and exchange trips which have allowed community leaders from Fiji to visit community initiatives in Thailand, Cambodia and the Philippines.

This energetic and hard-working new network, which is expanding quickly into other cities, is working to design and test alternatives to eviction in which the poor themselves take the lead in securing land and building better housing for their families - on land where they are already staying or else very close by. Two important network-initiated housing projects are now underway (see box below). As a sign of recognition of its work, the network has been invited to sit on a high-level government committee that has been set up to deal with the problems of housing for the urban poor. The process was slowed a little by difficulties in the relationship between the network and the NGO which had so far been its key support partner. But the network is now in the process of negotiating a new relationship with ECREA, which may be healthier in the long run and allow the network more autonomy.

The People's Community Network has been using the ACCA program a little slowly at first, and hasn't been sure quite how to use the tools the ACCA Program offers. When the network proposed to ACCA to use big project funds to buy a piece of very expensive land in one case, the ACCA committee felt it was important to look for other alternatives where government provides the land, and that proposal was put on hold. And shortly afterwards, as if on cue, the network scored a major land breakthrough when it was able to negotiate almost-free government land in the Lagilagi community, where they are now developing Fiji's first community-driven on-site housing upgrading project (so far without support from ACCA).

First land breakthrough for the network at LAGILAGI :



The People's Community Network's first on-site housing upgrading project is now underway at the Lagilagi community, which is part of Jittu Estate, Fiji's largest squatter settlement with over 2,000 households. With support from the network, 100 squatter families living in Lagilagi have negotiated to collectively lease the 2.8 hectares of government land they had been squatting on, for a nominal rent of US\$235 per year, for 99 years. The families will own their houses, but the land will belong collectively to the whole community, and if anyone wants to move out, they'll have to sell their house back to the community, which can then re-sell it to a new family.

This project is a first-ever partnership between the government, the community, the network and the support NGO. The project will combine funds from three sources: the government will contribute US\$ 659,000 as a subsidy, the

people will contribute the labor and half the cost of the houses through their savings, and the NGO ECREA will contribute US\$ 612,000 (using funds from Misereor). The community is now in the process of preparing its project plans for the new housing, which should take about three or four months, and plan to start work in December 2009.

Their two-story house model will cost US\$ 11,300, of which half will be paid for by the people (US\$ 5,650, on installments at \$8.50 per week for 12 years, through their savings groups) and the other half will be paid for as a subsidy by the government. The money the people repay will become a revolving fund which will eventually enable more houses to be built. Everyone is hoping that if this pilot project works well, it can be expanded to upgrade the rest of Jittu Estate and duplicated in other squatter settlements around Suva, wherever secure land tenure can be negotiated.

CITY: SUVA

Lami-Suva-Nausori Corridor, Fiji Islands

Fiji, like so many countries in Asia, is a study in urbanization which is happening at break-neck speed. A hundred years ago, it's capitol city Suva was a sleepy British-colonial outpost, but today half the sprawling metropolitan region which includes three municipalities: Suva, Lami and Nausori. There are 82 large informal settlements around the city, where nearly half the city's population live. Many of these settlements began 20 or 30 years ago in remote jungle areas far outside the city, where nobody bothered much about the land. But as the city has expanded into the surrounding jungles, many of these settlements now find themselves in prime locations and facing eviction from the land which as now become valuable real estate. 50 of these communities now have active savings groups and are part of the People's Community Network (PCN), which is implementing the ACCA project in Suva, in collaboration with their NGO supporter ECREA.

EVICTIONS IN SUVA : One of the main issues being faced by communities in the network is eviction. If settlements are on government land, they can sometimes negotiate to be given the right to stay, but if the land is privately owned, evictions are likely and they happen all the time. If the land is under "native" ownership, the people are usually allowed to stay "at the will of the owners" but without any legal title. If communities are unable to secure land tenure where they already are, the government or the Housing Authority sometimes relocates them to the outskirts of the city where there are few schools, no transport and no job opportunities. The ACCA project in Suva is seeking to demonstrate and scale up a community-managed alternative process for resolving the serious land and housing problems of those being evicted or relocated.

SURVEY : Several socio-economic surveys of squatter settlements in Suva have been done over the years, by the Ministry for Housing, by ECREA, by UNDP and by some individual researchers at the university. A lot of the information they gathered is not comparable, though, because it was gathered at different times and for different purposes and according to different sampling systems. In 2008, the PCN surveyed five of the largest squatter settlements in Suva, with support from ECREA, but have not yet conducted a city-wide survey.

SMALL PROJECTS : The ACCA small project funds are being managed by the network, which passes the funds to the community savings groups as grants. The projects are all being built entirely by community people themselves, who also contribute to the project budgets. Two of the three projects so far are in process and one has been completed.

- **Biliwai Community (300 households) Community Network Meeting Hall.** Total budget US\$ 24,000 (which includes \$10,000 from ACCA, \$6,000 from PCN and \$8,000 from other sources).
- **Wailea Community (1,000 households) Paved walkway construction.** Total project budget US\$ 7,000 (which includes \$3,000 from ACCA, \$2,000 from PCN and \$2,000 from other sources).

SMALL PROJECT : Construction of a paved access road which links 9 poor communities (1,600 households) in the Wailoku area of Suva.

For 60 years, they had only been reachable by a mucky, unpaved road which school buses and taxis refused to enter. When the nine poor communities in the Wailoku area joined the PCN and started saving, they discussed the problems they faced in their communities and what they'd like to fix. Priority number one was to pave the road. They formed committees to plan the project, purchase materials, supervise construction and manage the finances, and began work in October 2009. They planned to finish the road in two months, but half way through, the central government's Ministry of Multi-Ethnic Affairs came to help, so they were able to complete the project in just six weeks. All the labor and meals for workers were provided free by members from the nine communities benefiting from the road building project.

BUDGET : The total project budget for the road came to US\$ 20,000. The ACCA funds ended up comprising only 30% of this budget. The network was able to leverage the rest from several different sources (\$6,000 from ACCA, \$4,000 from community members, \$7,000 from the Ministry of Multi-Ethnic Affairs, \$500 from St. John's Primary School, \$1,750 from the Randwick Parish in Australia, and \$800 from the PCN).



CITY INFORMATION :

URBAN POVERTY IN SUVA

Total urban population	248,571 households (870,000 people)
Urban poor population	111,429 households (390,000 people)
Number of slums	82 settlements
% population in slums	45%
Latest survey (5 settlements only) in 2008	

SAVINGS

Date savings started	November 2006
Savings groups	50 groups in 50 communities
Savings members	15,000 members
Total savings	US\$ 60,000
CDF started	not yet

ACCA BUDGET APPROVED SO FR :

Small projects (5)	\$ 15,000
City process support	\$ 3,000
<i>no big project proposed yet</i>	



STANDING TOGETHER : "One important part of the project was getting people to believe in themselves. In the past, many of our Wailoku leaders felt that any development in their communities should be the responsibility of donors. But this kind of thinking only created dependency and stifled our initiative and creativity. The projects at Wailoku and Lagilagi have proven to the communities that if we lead the way with our own planning and resources, the donors and government will follow us. These projects have also shown us that we'll never get anywhere if each community only thinks about itself. We're all related, and we can only make a better future for our children if we all stand together and work together." (Semiti Qalowasa, PCN President)

CITY: BHUJ

Gujarat State, Western India

The city of Bhuj is a historic town in Gujarat, India's westernmost state. Bhuj is the administrative center of Kutch District - an extremely hot, dry and drought-prone area, which is also prone to earthquakes and cyclones. The city was almost totally leveled by an earthquake on 26 January, 2001, in which 7,000 people died and thousands were left homeless. Since the earthquake, the city has been almost totally rebuilt, according to a brand new development plan, and expanded from an ancient, dense walled city into a sprawling "modern" city. The ACCA project in Bhuj, which is just getting started, is being implemented by a network of women's community savings groups, with support from three local NGOs: Hunnarshala (a technical NGO), Sahjeevan and Kutch Mahila Vikas Sangathan (which helps set up women's savings groups).

SLUMS IN BHUJ: There are 43 slum communities in Bhuj, grouped together in seven major clusters around the city. Most of these slums are on government land, and a few are on privately-owned or agricultural land. Slums in Bhuj are organized around religious and caste groups, with each caste having its own slums. Many of these slums are on land which used to be outside the walled city and was allocated to various lower-caste communities by the king, in return for services they provided for the city. After India's independence in 1947, these settlements were not officially recognised, but the communities continued to live there, and over time, the settlements expanded. So even though their great, great grandfathers got their land rights from the king, most of these slum dwellers are still considered squatters. Other slums were settled later, on public land, by poor rural migrants looking for work or to be closer to the markets. Some settlements are also on old agricultural land, whose sale was not done through official channels. After the earthquake, a lot of people have migrated from their crowded old inner-city areas to peripheral settlements with more space, and some 500 households were evicted when wide new roads in the new development plan were cut through their settlements.

CITY-WIDE SURVEY: With support from their NGO partners, the women's savings groups in Bhuj are in the process of carrying out a city-wide slum survey, and have completed nine slums so far, and hope to finish all the slums by January 2010. They plan to present the survey to the municipality and advocate for the municipality to endorse the survey data as "official" data on the city's slums.

SMALL PROJECTS FOCUS ON WATER SUPPLY: The women's savings groups, in meetings with their communities, have identified drinking water supply as their most serious problem. The poor end up being at the end of the line for the municipality's already-inadequate water supply services, and most urban poor have no choice but to buy their water from private vendors at five or ten times the price of municipal water. And because there is not enough water to drink, there is not enough for toilets, so sanitation is another issue. The small project support from ACCA will be used to develop water supply systems and community toilets in six slum clusters (1,192 households), and will be used to boost women's involvement and build a city-wide alliance of slum dwellers. Committees have been set up to manage the process in all six clusters, two have started savings, and one community has already built their first hand-pump. The ACCA funds will support only part of the water supply projects - the rest will come from the people themselves, and also hopefully from government sources.



SLUMS in BHUJ
The slums on the map are marked in yellow.



Demonstrating a PEOPLE-DRIVEN slum redevelopment alternative:

These ACCA-supported projects will be important demonstration cases to show the municipality that it doesn't have to implement projects by itself or mess with contracts and tenders, but it can let the community do it all and save itself the headache! The projects will also show that people CAN develop drinking water sources, sanitation and housing! And if it works, the municipality will be keen to expand the same model to redevelop other slums in the city, using central government funds and the various slum redevelopment schemes.

BIG PROJECT: On-site upgrading of the Nath Vaas Community (30 households) on private purchased land, with government subsidies for housing construction.



The Nath Vaas community, a densely-crowded canal-side slum, was established 30 years ago by traveling circus performers. But few follow this traditional occupation any longer, and most male residents work as masons and construction laborers. The settlement is located on private land between two housing colonies and has faced eviction attempts every couple of years. The people have organized themselves and are now working towards legal tenure. The Municipality is now interested in upgrading the settlement, though, as a pilot test case for the rest of the city.

As part of the project, the ACCA funds will be used to leverage central government funds for housing from the Integrated Housing and Slum Development Program (IHSDP), a national scheme which subsidizes 80% of the cost of constructing housing, but only if the community has secure land tenure. The remaining 20% has to come from the local government and the people. This central government scheme is being implemented by the Municipality, but they don't have the capacity to implement this or other slum development schemes, so the Nath Vaas project will be an important pilot case. There are two possibilities for using the ACCA funds: to purchase the land the community already occupies (so they can access the government subsidies for housing and infrastructure) or else support a move to an adjacent piece of government land, where they can also get the required tenure security.

CITY INFORMATION:

URBAN POVERTY IN BHUJ

Total urban population	36,050 households (168,000 people)
Urban poor population	15,000 households (70,000 people)
Number of slums	43 communities
% population in slums	42%
City-wide slum survey now in process	

SAVINGS

Date savings started	February 2009
Savings groups	8 groups
Savings members	215 members
Total savings	US\$ 1,100
CDF started	Not yet

ACCA BUDGET APPROVED SO FAR:

Small projects (6)	\$ 15,000
Big project	\$ 40,000
City process support	\$ 3,000

CITY: LEH

Ladakh Region, Northern India

The city of Leh, built in the foothills of the Himalayan mountains, is the capital of India's Ladakh region. Because Leh was once part of Tibet, the city's population of about 40,000 people includes mostly Tibetan Buddhists, with some Hindu migrants from other parts of India. Until a couple of decades ago, Ladakh was a remote and isolated region, which could not be reached for much of the year, because snow covered the mountain passes which were the only way into the region. Now Leh is finding itself being opened up to the modern world, as tourism picks up and more and more outsiders come into the city. There are two main low-income areas in the town: the old town center and a new neighborhood of migrants from rural areas of the Ladakh region.

THE TIBET HERITAGE FUND : Tibet Heritage Fund (THF) is a group of people from Asian and European countries who have been working in Tibet for almost 20 years to restore traditional Tibetan houses, neighborhoods and monasteries. They use the restoration process to revive the traditional building crafts and cultural practices which go into these beautiful buildings and which have been under serious threat in the context of China's control over Tibet. Although its work has focused on the physical restoration of historic structures, their work has always sought to find ways that the mostly poor families who live in these historic buildings and neighborhoods can stay and be part of the architectural and cultural revival, rather than be evicted to make way for tourist boutiques. THF and its local NGO partner (LOTI) have been working in Leh since 2003. After carrying out a survey in the old town, they established a local working team which since 2005 has been engaged in upgrading both houses and infrastructure, with good support from the municipal government.

UPGRADING THE HISTORIC OLD TOWN OF LEH : Leh's thousand-year old town center, with its 200 Tibetan style houses built of stone masonry, mud and wood, covers the steeply sloping hillsides around the nine-story royal palace at the top. The town is still surrounded by thick, rammed-earth walls, entered through ancient *stupa* gateways and dotted with 15th and 16th Century Buddhist temples and monasteries. After the destruction wrought by the Chinese government on Lhasa, Leh is certainly the most well-preserved traditional Tibetan city in the world, and perhaps the most significant reservoir of historic Tibetan architecture. But since better-off families began moving out of the area in the past two decades, the old town has been in a steep decline. The ACCA project in Leh is a bit different than projects in other cities. Instead of upgrading slums, it focuses on upgrading this old town center, which includes both middle-income and poor families, who live in structures which may be beautiful and historic, but are falling apart and badly serviced. The project is being used to assist residents to upgrade six historic residential buildings in the old town, as pilots. These pilot renovations are being used to train artisans in traditional building skills and test co-financing options and community-driven redevelopment possibilities for the renovation of the entire old town.

SMALL PROJECTS : Besides upgrading the six houses, the ACCA project in Leh is also helping neighborhood groups to improve their common walkways, drains and sewers. As water supply in the old town has improved, the amount of waste-water being dumped into the streets has increased, leading to serious drainage and sewage problems. Efforts to improve the drains invariably stir up all sorts of objections from people who are afraid drainage channels running by their houses will cause their ground floors to flood or their upper floors to collapse - all very real fears in this crumbling old city! So the improvements to common infrastructure, which ACCA is partly supporting, require some sensitive and careful technical assistance from THF.



CITY INFORMATION :

URBAN POVERTY IN LEH

Total urban population	8,930 households (40,000 people)
Urban poor population	1,000 households (4,480 people)
Population of Old Town	200 households (1,200 people)
Total number of slums	20 settlements
% population in slums	no information
Survey of Old Town only	2004

SAVINGS

Date savings started	2006
Savings groups	1 group
Savings members	12 members
CDF started	not yet

ACCA BUDGET APPROVED SO FAR :

Small projects	\$ 15,000
Big project	\$ 40,000
City process support	\$ 3,000
Historic cities budget	\$ 5,000



BIG PROJECT : Upgrading six historic houses as pilots and cost-sharing experiments : two large houses, two small houses and two houses owned by very poor families.

The ACCA big project funds are being used to partly support the upgrading of six houses in Leh's old town, including two large houses and two houses owned by very poor families. The projects will involve matching contributions from the local government, from house owners, from the project's local NGO partner and from the communities as a whole. In the two big buildings (which include units for several families), the owners will contribute 50% of the upgrading costs. The renovation of the two smaller buildings will be partly financed by LOTI, and the two very poor families will contribute labor and whatever materials and cash they can.

Work began in late 2009 on the first of these houses, the Roquia Bano II House. This family is very poor, but they can trace their roots back to Yarkand, a Muslim region in northwest China, from where their trader-ancestor journeyed to Ladakh, married and stayed on. The house is very small, but overlooks the main access passage into the old town and one of the oldest temples. The larger houses in old Leh historically belonged to families who worked for the king, as courtiers or palace officials. The families who have done well over the centuries have mostly moved out of the old city, and the ones whose fortunes have declined are still there. The Demo Tashi House is one of these, and the family is now too poor to maintain this beautiful old structure, which is collapsing around them. The second large house to be upgraded is used by the family to make and sell *chang*, a mildly alcoholic drink that is an indispensable part of Ladakhi festivals. One idea is to make this important local business a part of the upgrading plans. Architecture students from Chiang Mai University in Thailand helped to survey these buildings and worked with the owners to develop a range of upgrading options.

CITY: VIENTIANE

Vientiane Province, Lao PDR

SOME VERY SERIOUS SAVINGS IN LAO PDR : The community savings and credit process in Lao PDR was initiated in 2002, as a collaboration between the National Lao Women's Union, CODI (Thailand) and ACHR, under the *Women and Community Empowering Project*. There are now savings groups in 444 villages and communities, in 16 districts, in 5 provinces, with 70,000 members. These poorest women in the country have now collectively saved over US\$ 11 million - all of it in constant circulation in loans to savings members. So you can see why they call their savings groups "money trees" (*ton ngun*). From saving primarily for income generation, they have developed welfare, environmental activities, community enterprises and natural resource conservation and have set up district-level funds which link all the savings groups in each district. In some of these districts now, every single village has a savings group, and in many villages, every single family joins the savings process. A new MOU is about to be signed allowing this national self-managed savings movement to expand. So there is some really very serious saving going on in this country!

JUST STARTING IN URBAN AREAS : Most of these savings groups are in rural villages, but a few have been started in urban settlements in cities such as Luang Prabang and Vientiane. The ACCA Program is building on these initial efforts, to expand the savings process, form networks and implement upgrading projects, starting in Vientiane. Now that this socialist country is opening itself up to the market system, and outside investors are starting to grab land, some communities are facing eviction - especially in urban areas. The problem is especially bad in Vientiane, where the city is about to celebrate its 450th anniversary and will also be hosting the South East Asian (SEA) Games. To prepare for these two big events, the local government is trying to dress up the city, and that means eviction for many poor and informal communities.

FIRST ACCA CITY IN LAO PDR IS VIENTIANE : Just fifteen or 20 years ago, Vientiane, the capitol city of Lao PDR, was a small, quiet provincial capital on the banks of the Mekong River. But since then, its population has more than doubled to about half a million people, and a very Asian-style construction and real-estate development boom has gripped the city. The development fever got even hotter when Vientiane was selected to host the 2009 SEA Games, and a new urban development scheme was especially drawn up for the city. This scheme calls for the selling-off to private developers of a lot of government land around the city, where many of the city's 50 informal communities are located. Several poor communities have already been evicted and relocated to land outside the city, and many others are likely to face eviction in the near future.

GETTING LOCAL ARCHITECTS AND UNIVERSITIES INVOLVED : In September 2009, a big workshop on participatory community design was organized in Vientiane, with support from ACHR. Besides representatives from the Women's Union and local government, the workshop included 90 young architects, who were sent out to survey all the areas where poor people were living - some already evicted and relocated, and others still in their old communities but facing eviction. The idea of the workshop was to create a platform for all the stakeholders in the city to work together and to build a common understanding of the good and bad forces that are shaping the city and affecting the urban poor. But it also laid the groundwork for the ACCA intervention, to make some space for the city's poor communities to celebrate 450 years of the city that they built themselves!

SMALL PROJECTS : There is no community network yet in Vientiane City, so the young architects worked with some poorly-serviced squatter communities in the center of city (all facing eviction) to develop some possible small upgrading projects to pave roads, lay storm drains, build walkways and construct toilets and water supply systems. Everyone is waiting for the SEA Games to end before starting work, though.

BIG PROJECT : On-site reblocking of the Nong Duang Thung Community (84 households) on government land the community has negotiated to lease for a nominal rent.

Nong Duang Thung is a squatter community in the center of Vientiane, on government land in an area that is very quickly being leased out and developed by foreign investors with apartment blocks and commercial developments. The upgrading project at Nong Duang Thung is a very strategic case, because the people have been able to negotiate with the land-owning agency to secure their land on a long-term lease (at nominal rent), and will show that upgrading on the same site is possible and is a reasonable alternative to eviction and relocation outside the city. To do this, the community people have been assisted by the university and the team of young local architects, who have helped them to survey and map the settlement, develop a very good community reblocking and upgrading plan, and set up community task forces to manage different aspects of the

construction work. The upgrading plans make only very slight adjustments to the existing community layout, to make room for slightly wider access roads



CITY INFORMATION :

URBAN POVERTY IN VIENTIANE

Total urban population	494,882 people
Urban poor population	no information
Number of slums	43 communities
% population in slums	no information
City-wide slum survey	not yet

SAVINGS

Date savings started	2004
Savings groups	156 groups
Savings members	24,841 members (in 14,091 families)
Total savings	US\$ 2.9 million
CDF started	Not yet

ACCA BUDGET APPROVED SO FAR :

Small projects (5)	\$ 15,000
Big project	\$ 40,000
City process support	\$ 3,000

within the community. The community's active savings group (which was the first in Vientiane) is the center of the process, and this project is being used partly to mobilize the savings groups in other parts of the city to start working on the issue of housing. This will be the first community-managed housing project in Lao PDR.



CITY:

RAWALPINDI

Punjab Province, Pakistan



UPGRADING INFRASTRUCTURE OPP STYLE : Since it was set up in 1980, the Orangi Pilot Project's low-cost sanitation program has helped over 150,000 households to build toilets and lay underground sewers and water supply systems in the sprawling slum settlement of Orangi, in Karachi. People have invested over US\$ 2 million of their own money in this effort. In the OPP's sanitation model that was pioneered in Orangi, the communities themselves build and pay for their own underground sewerage systems in their own lanes, on a

self-help basis, the OPP provides technical support and the government does the work of connecting these community-built sewers to the city's trunk sewer system. The OPP's sanitation model is now being replicated in 46 Karachi slums, and in a growing number of other cities around Pakistan. But instead of expanding itself and opening offices in other cities, the OPP has replicated its infrastructure delivery model by helping groups in other cities to set up their own organizations, replicate the OPP model themselves and develop it in their own way. There are now many OPP partner organizations in cities around Pakistan. The small NGO which is implementing this ACCA project, the Akhtar Hameed Khan Memorial Trust (AHKMT - named after the man who founded OPP), is one of the OPP's partner organizations.

REPLICATING THE OPP MODEL IN RAWALPINDI : Rawalpindi is one of the five major cities of Pakistan, with a population of more than 1.6 million people. Although it is right next to the country's modern capital of Islamabad, Rawalpindi is facing crucial sanitation problems, with open drains and lack of sewers throughout the city. Like other urban areas in Pakistan, high population growth has resulted in uncontrolled urban sprawl, deteriorated environments and shortfalls in the delivery of urban services. As a result, there are huge problems of typhoid, hepatitis and other water-borne diseases, especially in the city's slums. These unhealthy conditions impose high costs on the poor and help to aggravate their poverty. AHKMT has been working for the last ten years on issues of sanitation and solid waste in these marginalized areas of Rawalpindi, by replicating the OPP's self-help sanitation model, in which the local communities bear the cost of constructing primary sewerage lines within their communities. AHKMT supports their efforts by providing free technical assistance in the form of mapping, surveying, leveling and providing cost estimates of primary sewer line construction.

"We began the work of OPP with the assumption that common people are not foolish but are great masters of the art of survival, and that they are trying very hard to improve their lives. They are not getting much help or support. On the contrary, they are at times harassed. There is a need for social guidance, technical guidance and economic support - not grants or subsidized credit."

(Dr. Akhtar Hameed Khan, the founder of OPP, who died in October 1999)

A DIFFERENT KIND OF ACCA PROJECT : The ACCA project in Rawalpindi follows a rather different approach from other cities. Although the project supports a 100% community-driven and community-implemented upgrading process in some of the city's poorest slums, there is no budget for big or small projects. The money for all the physical infrastructure improvements made within the project will come from the communities themselves, according to the OPP's established model. The small funding from ACCA will support only the 3-person team that is facilitating this work (a program manager, a civil engineer and a social organizer, plus office rent), on a year-by-year basis.

TARGET AREAS IN FIVE LARGE SLUMS : The areas targeted by the project are five large slum communities located within two adjacent union council areas in Rawalpindi (Shah Jeevan Colony, Sawan Colony, Sadiq Colony, Ahmedabad and Quaid-i-Azam Colony). The five settlements have a total of 1,680 households. Under the ACCA-supported project, underground sewer lines in at least 36 lanes will be constructed over the next three years, servicing at least 360 families. The three-person team at AHKMT will develop maps and plans for the sewer lines, identify streets with open drains, provide cost estimates to 100 lanes, conduct meetings in these lanes, identify line managers from the community in each lane, make follow-up visits and provide technical assistance and supervision for the sewer construction in the 36 lanes. The team will also organize painting competitions on sanitation in local schools and document the completed streets.

CITY INFORMATION :

URBAN POVERTY IN RAWALPINDI

Total urban population	228,571 households (1.6 million people)
Population in slums	40,601 households (284,213 people)
Total number of slums	Four large areas
% population in slums	18%
City-wide slum survey	not yet

SAVINGS

No savings groups in Rawalpindi. Community savings in general has not been part of the OPP's sanitation delivery model.

ACCA BUDGET APPROVED SO FAR :

City process support \$ 5,000 (to cover the first year of the project, initially)



BEFORE : Rawalpindi's sewer system, which was constructed in the 1950s and 60s, covers less than a third of the city, leaving a majority of its citizens with the prospect of facing this kind of lane every day.

AFTER : In the OPP model, the poor families who live along lanes like this one get together, plan, construct, finance and maintain the underground sewer lines in their lanes and the latrines inside their houses.



A last word on community upgrading :

The kind of upgrading that changes only physical conditions or the kind of upgrading that changes people, changes relationships and changes the cities those communities are a part of?

Sonia Cardornigara is one of the leaders of the Homeless People's Federation in the city of Iloilo, Philippines. In the last several years, the federation in Iloilo - and the larger coalition of urban poor groups they are part of - have been working closely with the municipal government to tackle the city's serious problems of land, housing, infrastructure, livelihood and disaster rehabilitation in ways that are unusually collaborative, unusually comprehensive in their scope and advance planning, and unusually rich in the central involvement of the communities who experience these problems directly. Through their joint efforts, thinking and working in ways that are truly city-wide and community-driven has become standard operating procedure in Iloilo. And there are already some remarkable achievements to show for this new way of working. For that reason, the city makes a terrific case-study for the kind of city-wide processes the ACCA Program is trying to promote. These remarks from Sonia were made during the third ACCA/ACHR meeting in Surabaya, Indonesia, in October 2009.

When we started the city-wide upgrading in Iloilo, I totally didn't understand the whole people's process, even though we were doing it on the ground already! In the Philippines, we always think that the "real" people's process is what happens when communities want to do things themselves, without the outside world telling them, "Do this, do that! Don't do this, don't do that!" In desperate times, like after a big typhoon or mud-slide, people in poor communities may follow all these outside orders, and it may look like the process moving very fast. But in the federation, we see that kind of process as being only "half-cooked," and we believe it can't make any real change within the people.

It was only after we began implementing the first upgrading projects in Iloilo that we realized that this time, nobody was pushing us from outside to do this or that. This time it was a real people's process of communities being able to decide what improvements they really needed and then making those improvements, using a very little bit of money and all the resources of their own energy and ingenuity and togetherness. Then when they looked back at what they had done, they realized how much they had accomplished, how much they had disproved the city's impression of their being poor and helpless and dirty and lazy, how much they had been able to show their peers in other poor communities that they can do the same thing. In that way, the process spreads to other communities and multiplies all by itself, without anybody having to tell them to do that.

It's so natural! Now that is the real result of a real people's process, through the implementation of small upgrading projects!

It's hard to explain this transformation in words, but you can see it and feel it in the real action that is happening on the ground, and when the community people tell you the stories of all the mistakes they made and the conflicts they worked through to make this small project happen. It is learning by action, not by words. We poor people also have the right to make mistakes, to do wrong things, and to learn from those mistakes. In fact, some of the best learning comes not from smooth successes, but from the mistakes that communities make in the process of doing things themselves. For me, that is the essence of the ACCA Program.



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A number of reports, video films and special publications have been produced which document the lively meetings, exchange visits and city-wide upgrading processes being supported by the ACCA program in several cities and countries, and most of these materials can be downloaded from the ACHR website.

**Asian
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