

VIETNAM

ACCA in VIETNAM :

PROJECT CITIES (total 10)

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

SMALL PROJECTS

Small projects approved : 45
 In number of cities : 8
 Total budget approved : \$120,000

BIG PROJECTS

Big projects approved : 5
 In number of cities : 5
 Total budget approved : \$165,000

SPECIAL PROJECTS

Disaster-rehabilitation projects in 3 typhoon-hit cities (Qui Nhon, Vinh and Ha Tinh), budget approved \$36,990

SAVINGS (only in 10 ACCA cities)

Savings groups : 1,228
 Savings members : 29,138
 Total savings : \$1.44 million

CITY DEVELOPMENT FUNDS

CDFs active in : 7 cities
 Total capital in 7 CDFs : \$390,198

- from ACCA \$116,002 (30%)
- from coms. \$0 (0%)
- from gov. \$32,500 (8%)
- from others \$241,676 (62%)

IMPLEMENTING GROUPS

The ACCA projects in all ten 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.



◀ **COMMUNITIES RESPOND TO A TYPHOON :** After a devastating typhoon hit Quinhon in Nov 2009, the women's savings groups used a \$25,000 grant from ACCA to set up a special fund to support a people-managed rehabilitation process in the city's worst-hit ward. After surveying the damage and needs, they worked out a very delicate system of support for house repairs, livelihood revival and emergency needs, with the funds going as grants, as no-interest loans or as low-interest loans, according to the family's situation. The whole process was managed by the women's savings groups, who later helped communities in Vinh and Ha Tinh to do the same thing, when those cities were hit by typhoons.

Vietnam makes an interesting study in how to triple and quadruple the ACCA investment

Over the past 12 years, ACHR and ENDA-Vietnam have been collaborating with the National Women's Union to support 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 cities. The CDF Network started in five cities and has now spread to 28. Initially, the networks focused mainly on livelihood activities and some very small upgrading projects in the communities, but the ACCA Program is helping them to begin tackling the more complex and more urgent issues of land and housing. In 2007, the network forged an important new partnership with the Associated Cities of Vietnam (ACVN), a national union of 92 towns and cities, which 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 member cities. Here are some brief notes on ACCA in Vietnam from Le Dieu Anh, who has been helping to coordinate the process there :

Vietnam faces many of the same problems as other Asian countries of fast urban growth and increasing numbers of urban poor households without secure land or decent housing. The government has many projects and programs in poverty reduction, but they are so scattered and loosely coordinated that they have not been very effective. The ACCA approach provides an alternative and more comprehensive program of community-driven slum redevelopment in urban areas. The funding from ACCA leverages community savings through big and small projects, and in turn community savings in CDFs can leverage other sources of finance, particularly from the local governments, which have contributed upwards of 40% of the cost of the 45 small ACCA projects in the country, most of which are already finished. The ACCA Program has given a big boost to the national community savings and CDF process in Vietnam, helping add more cities to the network, supporting national savings and fund workshops, supporting community architect workshops and young professional activities, a Habitat Day event in Vinh and a community forum in December 2010.

The process in Vietnam has led to real and perceivable changes already. After just two years, people in the communities clearly have more confidence in their ability to solve problems, manage their own development and negotiate with their local government agencies for resources and support. The city and provincial authorities in ACCA cities have opened up planning information and investment plans to communities affected by them. The government authorities are also more appreciative of community people's capacity to solve serious urban infrastructure problems and redevelop their own communities, more willing to partner with communities and contribute funds to their projects and more able to listen to the needs of communities and to alter the planning and building regulations to make them more flexible and more appropriate to the realities of the urban poor. There is still room, however, to strengthen the community savings process, which is sometimes considered by community members as a kind of membership fee to get loans.

Small projects as loans from the CDF : In all the cities so far, the \$15,000 small project funds from ACCA go into the city fund, which then passes it on to different communities, according to needs, as loans at low-interest (0.3 - 0.5% monthly). So far, we have been able to implement between 8 and 10 small projects in each city. And because the money revolves, it is now funding the second round of small projects.

Small project seed money leverages big resources : Another interesting aspect of the small ACCA projects in Vietnam is the large amount of additional funding they have been able to leverage, from the community members themselves and from the local governments. In many of the small projects, the ACCA contribution amounts to only 20 - 30% of the total project cost. So the obvious question is, why didn't those communities build those roads before, since they don't seem to need this tiny resource from ACCA at all? But this budget input from ACCA has worked like a key to unlock that huge 80% of other resources. The chart below shows how this is happening. It's also interesting to note that eight of the 45 projects below have been financed by the second round of small project loans from the city CDF.



SMALL PROJECTS in VIETNAM (as of January 2011)

(all figures in US\$)

Type of small projects	Number of projects	Number of households benefit	BUDGET CONTRIBUTIONS TO THE PROJECTS				
			from ACCA	from community	from government	from others	Total project budget
Roads	19	1,295	44,393	79,695	87,566	162	211,816
Sewers / drains	18	920	43,127	88,802	22,453	0	154,382
Water supply	2	100	5,228	8,139	15,687	0	29,054
Lights / electricity	1	200	600	863	263	0	1,726
Community centers	5	828	15,000	46,681	7,037	6,744	75,462
TOTAL	45 projects	3,143 households	\$108,348 (23%)	\$224,180 (47%)	\$133,006 (28%)	\$6,906 (2%)	\$472,440 (100%)



BEFORE and AFTER : *The community at Block 6A, Cua Nam Ward, before and after the people reblocked and redeveloped it themselves.*

Big project in VINH :

A little housing project makes a big impact on housing policy in Vietnam

The 29 poor families in Cua Nam Ward's Block 6A were living in one of Vinh's dilapidated collective workers' housing areas. In 2007, the provincial authority announced plans to redevelop all of these areas by demolishing and replacing them with lower-density "social housing", with plots and houses of more than double the size. Many families would be relocated to newly developed housing elsewhere. For both the *in-situ* and relocation parts, the redevelopment process was to be a conventional top-down, state-planned, contractor-built housing process with no participation of the communities and for which the people would be expected to pay for everything: land-use rights, infrastructure and expensive new houses built to a very high standard. The families in Cua Nam Ward were tightly-knit and wanted to stay, but they could never afford units in the new scheme. So they decided to propose to redevelop their housing themselves. The plans they developed, with help from the community architects, included widening the lanes, laying drains and rebuilding their small houses in an efficient layout of 2-story row-houses on 45m² plots. They used this redevelopment plan, and the availability of housing loans from ACCA, to negotiate with the city and provincial governments, which finally agreed to the people's proposal.

The beautiful housing project that they built, in just six months, has set an important new precedent in Vietnam. This is the first case in the country where urban poor people living in collective housing have won the right to design and rebuild their own housing on the same site, with the support of both the municipal and provincial governments. And it was the first case of a collective housing community getting permission to build houses that are considerably smaller and more affordable than the provincial government's minimum social housing standards. This *people's standard* has now been officially sanctioned by the municipal government, which has agreed to replicate this model, in which the communities develop their own rebuilding plans and build their houses together, in 140 other dilapidated collective housing areas in Vinh. Five of those projects are now underway.

TWO WAYS TO MAKE SOCIAL HOUSING IN VIETNAM :

The small project at Cua Nam Ward in Vinh has been an important breakthrough, because in cities all over Vietnam, municipal governments keen on modernizing their cities are now setting plans to demolish and redevelop their stock of run-down collective housing, which is seen as an eyesore. When the redevelopment is planned by the government and implemented by for-profit developers, as it usually is, it creates a "social housing" process which breaks up communities, evicts and impoverishes people and prevents the poorest from getting secure land and decent houses. Here are some eloquent figures from a study which compares the ACCA project at Cua Nam Ward with a more conventional collective housing redevelopment project by the government :



TOP-DOWN & INDIVIDUAL

The city does the redevelopment planning, contractors do the infrastructure and each family is left to design, build and finance its own house (example of Block 7, Ben Thuy Ward, in Vinh)



COMMUNITY-DRIVEN & COLLECTIVE

The community works together to design their own layout plan and then constructs the new houses and infrastructure together (example of Block 6A, Cua Nam Ward, in Vinh)

1	Numbers of families who got land plots in the same place	69 families out of 114 (60%)	29 families out of 29 (100%)
2	Number of families who were evicted and forced to relocate	45 families out of 114 (40%) (only 11 of these families got alternative land)	0 families
3	Average size of each family's house plot before and after redevelopment	Before : 28 square meters After : 89 square meters	Before : 30 square meters After : 47 square meters
4	Number of families using redeveloped land for non-housing purposes	23 families (33%)	0 families
5	Number of families who sold off their land rights and moved elsewhere	19 families (28%)	0 families
6	Number of families who could not afford to construct new houses	27 families (39%)	0 families (the community helped the one very poor family to build a simple one-story house)
7	Government compensation costs for families that were forced to relocate	\$415 per family x 45 families = US\$ 18,675	0 costs
8	Cost of dismantling old houses, filling land and allocating new plots	\$395 per family	\$103 per family
9	Cost of installing infrastructure facilities and basic services	\$1,166 per family (done by contractors, covers only drainage, no paving or services)	\$303 per family (done by people, includes drains, paving, electricity and water supply)
10	Cost of constructing the new houses	\$141 per square meter (for a 2-story concrete frame house)	\$72 per square meter (for a 2-story concrete frame house of about the same size)