

Urban Poverty Alleviation - Policy Orientation

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1. PREAMBLE

1.1 The New Mind Set

Poverty alleviation is a term and concept that is being used, discussed and applied in a big way in Pakistan for the last couple of years. This term is creating a mind set that increasingly ignores the causes of poverty and seeks only to address their effects. The fact that poverty is the creation of macro and micro level economic and physical planning is ignored.

In the urban areas this mind set has already created a de-facto situation where two different methodologies, one for the rich and the other for the poor, have evolved. They have different standards, technologies and procedures of implementation. For the poor areas, the technologies and standards are still in the process of experimentation and exploration and are as such half baked.

As a result, official plans give the poor areas as compared to the richer areas, less water per capita; poorer road specifications; open drains and soak-pits for sanitation instead of underground water borne sewerage; and less public open space per capita although the poorer areas have higher population densities. In addition, in the rich areas private health clinics administer immunization whereas in the poor areas immunization camps are set up although most poor areas also have private practitioners. The architecture of government facilities, for the rich and poor areas also differs considerably. The list of differences in planning standards and procedures is endless. These trends, most of which are now being supported by poverty alleviation programmes, along with the privatization of university education, are dividing our cities for good and creating conditions for social strife and civic conflict. There is a need, above everything else, to question the financial allocations that considerably favour the richer areas rather than the shared institutional, recreation and cultural spaces of the city centre and the low income residential and work areas. Here it must be said, that unlike the past, there are strong lobbies in the urban areas today that, if supported by legislation, can pressurise the state into changing its inputs and planning processes so that they are more equitable. Unfortunately, most of these lobbies have also started to look at our cities as two separate entities which require two separate forms of development.

The methodologies and strategies of a number of important NGO development projects are being promoted for poverty alleviation planning. The fact that the principles and procedures developed by these projects are equally valid for the richer areas of the urban centres and for the more affluent farmers in Pakistan is completely ignored.

The mind set described above has entered Pakistani universities, research organizations and most NGOs. Pakistan has been invaded by poverty alleviation experts and loads of money for poverty alleviation programmes. From the looks of it, it seems that we will soon have poverty alleviation as a subject at the university level, and after that we will have our own poverty alleviation experts.

Any policy orientation related to poverty alleviation must take into consideration the issues discussed above.

1.2 Basis of Observations/Data in this Paper

The observations, policy directions and statistics given in this paper are based on the work of Orangi Pilot Project (OPP); Urban Resource Centre (URC), Karachi and the Department of Architecture and Planning at the Dawood College, Karachi and their partner organisations working in Hyderabad, Sukkur, Muzaffargarh, Multan, Faisalabad, Lahore, Okara, Gujranwala, Rawalpindi, Sialkot and Mingora. In addition, the authors have a long association with donor funded projects in Pakistan and the knowledge gained through this association has also been fed into this paper.

2. MAIN PRIORITY ASPECTS OF POVERTY ALLEVIATION IN PAKISTAN

2.1 Incomes and Employment

According to the Karachi Development Plan 2000, 12.5 per cent of Karachi's work force was unemployed in 1989 and 1.1 million jobs were required in the next five years in the formal sector to keep the unemployment percentage at 12.5. Seventy four per cent of all jobs were generated by the informal sector in 1989. In 1972 the informal sector generated 66 per cent of jobs. The figures speak for themselves.

Sample surveys and new research by the Pakistan Institute of Labour Education and Research, Karachi suggest that unemployment has increased considerably due to closing of formal sector industries and businesses, recession and inflation due to macro-economic policies of the government, and the declining buying power of important consumer groups. Increasingly jobs can only be acquired in the informal sector.

The informal sector now also services the formal sector industries much of whose produce is manufactured in small workshops in the informal settlements by hiring contract labour. This produce is then collected by contractors and assembled at formal sector industries. In addition, small workshops and manufacturing units established in people's homes in informal settlements produce substandard consumer items which are affordable to the poor. These establishments function in defiance of state rules and regulations, especially those related to minimum wage and working hours.

The major problem faced by informal sector businesses and manufacturing units is the absence of credit to them from formal banks and also absence of technical and managerial advice to improve their produce and businesses. Where such credit and advice have been provided by NGOs, the informal businesses have generated jobs, increased incomes and expanded their work. Formal banks do not give these small businesses credit since they are not considered "loan-worthy" and cannot offer any collateral against the loan. As such, when they require money they have to borrow from the open market loan-sharks at a rate of 10 to 15 per cent interest per month. This rate is unaffordable to them and so they only borrow small sums.

To lower production rate the informal sector entrepreneurs prefer to employ children and/or women as labour. They are often paid less than half the normal wage because children are considered a liability and women's income is considered as simply a supplement to the income of her husband.

NGO and government credit programmes for the informal sector are far too small to have an impact on the situation described above. In addition, they also fail because there is no proper research on how the informal sector economy functions, who the actors are in it and what the relationships between them are. In the absence of such research, appropriate programmes cannot be formulated and are invariably based on assumptions that are incorrect.

Unemployment has marginalised large sections of the urban populations and has made it impossible for them to acquire land to build their homes or to access social facilities and physical infrastructure. This in turn has led to ethnic and class conflicts and the emergence of extremist retrogressive political groups who are increasing their power.

2.2 Housing

In the urban sector Pakistan requires about 480,000 housing units every year. Less than 20 per cent of this demand is met through formal sector procedures and support. About 60 per cent of the total demand is for the poor. The unmet demand is met in three ways or remains unmet. One, the private informal sector illegally acquires and subdivides state land and sells it at a price that is affordable to the poor. These settlements are known as *katchi abadis* (squatter squatters) and have no security of tenure. Two, middle men collaborate with landlords and informally subdivide agricultural land and sell it to individual households. And three, in the old city centres where the major wholesale markets are located, old residential buildings are pulled down and replaced by warehousing on the ground floor and day wage labour accommodation (where 10 to 20 persons live in a room in shifts) on the floors above.

There are government schemes for low income groups which usually consist of sites and services. However, these schemes are on too small a scale and are unaffordable to the poor. No loans are available from the formal sector to purchase land. In addition, the procedures for accessing these schemes are too complex and cumbersome for the poor to follow and even if they acquire a plot of land, to construct on it they have to submit building plans and follow even more complex building regulations. Since they are not "loan-worthy" they cannot get finances for building a house that can meet the requirements of bye-laws and zoning regulations. As such, all government schemes for low income groups end up as middle class housing or are held by speculators.

Acquiring a plot in an informal settlement is a simple affair. It is affordable and you can build any type of structure on it that suits your financial position. The informal sector contractors and building component yards provide materials on credit, technical advice and masons for building a house which is added to and improved incrementally over many years.

In the lower-middle classes a more recent trend has been observed. Ten to fifteen families get together and save money for years so that they can buy a piece of agricultural land or waste land on the city fringe where they can then build their homes.

It is estimated that about 10 million people live in *katchi abadis* in Pakistan and that over 15 million people live in informal subdivisions of agricultural land. This accounts for over 60 per cent of Pakistan's urban population. In addition, informal settlements are growing at a rate of 9 per cent per year at against a total urban growth rate of 4.2 per cent.

The government has a programme called the Katchi Abadi Improvement and Regularisation Programme (KAIRP) which aims at providing infrastructure and leases to the *katchi abadi* residents. However, this programme regularises and improves only one per cent of the existing settlements every year. As such, it will take a hundred years to complete and meanwhile new settlements will develop. Its major failure is attributed to the absence of community participation which was an important assumption in its formulation. Also, its procedures for improvement and regularisation can only be followed by communities if they have technical advice and legal support since these procedures are complex and difficult. Such support is only available from a few NGOs.

Those informal settlements which are on prime land are seldom marked for regularisation and are often bulldozed to make room for commercial plazas and upper-middle income housing. Those settlements near or within elite localities are also seldom regularised and remain under the threat of eviction. Most evictions are carried out by a powerful politician-bureaucrat-developer nexus which makes immense financial gains through real estate development. Communities are seldom organised to fight this nexus and even if they are organised they do not have the necessary access to information, legal advice and political support to be effective. Such support has been provided in a few cases by NGOs and in these cases the communities have been successful in protecting their homes.

Demolitions are also carried out to make space for government infrastructure and development projects. These projects are seldom if ever advertised and the citizens and the communities that are to be affected by them are never consulted. Where communities have been backed by professionals and NGOs, such projects have been modified to the benefit of the poor. However, such cases are very rare.

2.3 Physical Infrastructure

Except for tenure security, conditions in squatter settlements and informal subdivisions of agricultural land are similar. They both lack infrastructure. They manage to acquire water and electricity by lobbying their political representatives or by collectively gathering money and bribing state functionaries who give them access to services. They also come together to employ people to dump their solid waste at the nearest municipal dump from where it is to be picked up by municipal vans. Most municipal councillors get small development funds which they use in a ad-hoc manner for paving roads and laying water mains. However, settlements seldom if ever manage to acquire sewage systems through the above mentioned processes.

In the absence of a sanitation system the lanes are full of waste water and sewage. In many places water-logging sets in. These conditions create social conflict, threat to people's homes through rising damp, and health problems. Surveys have shown that households spend as much as 40 per cent of their earnings on health related problems. Where sanitation systems have been put in, mortality and morbidity has fallen and expenses on medical care have been reduced. For example, in Al-Fateh Colony in Orangi, mortality dropped from 128 to 37 between 1983 and 1993 simply because an underground sanitation system was built in 1983 by the people.

Most settlements that have security of tenure attempt to build their water and sanitation systems and invest large sums of money in them. In this they face a number of problems. One, they have no technical assistance or tools for planning and implementation due to which most of their work is substandard and falls apart or requires major reinvestments for maintenance and replacement. Two, at the city level main trunks and/or disposal points have not been properly developed due to which the systems they build constantly run into problems. And three, the rules and regulations of the local bodies and of the water and

sewerage agencies do not permit them to develop their own infrastructure because of which they constantly face difficulties which are resolved by the payment of bribes.

Communities do not manage to get their councillors to use their funds in a planned manner that can be useful to them. This is because they have no map of their settlements showing landuse and existing infrastructure and are incapable of designing and costing their priorities. Where such expertise exists or has been provided by NGOs and professionals, more appropriate use of the councillor's finances has been possible.

2.4 Social Infrastructure

Education facilities are provided in most low income settlements by the state. However, these are provided long after (5 to 10 years) the settlement has come into being. Even then these facilities remain grossly inadequate and their standard is well below that of planned settlements. As a result, few children go to school and even those that do cannot get higher or technical education. Residents of low income settlements have an immense urge to educate their children, and this urge cannot be fulfilled. Where educated people do emerge in low income settlements, the condition of those settlements improves and a more equitable relationship is established between them and government agencies.

To fulfil the need of education communities and the market do take action. Once the settlement consolidates, people form associations and set up schools. Sometimes schools are set up by local entrepreneurs. These schools are affordable since the teachers are educated neighbourhood girls who are paid less than one-third of the normal salary that a teacher gets. However, these teachers are untrained, the schools are badly constructed and without proper toilets and furniture. In addition, their graduates are often not accepted by government schools and universities. Again, where these schools have been supported by teacher's training, credit for improvement of building and furniture, and curriculum development, they have evolved into better institutions than government schools and at a very low cost. But interventions to support these schools are very rare and are not a part of government and most NGO activity. Yet it is due to these schools and similar tuition centres that literacy percentages in Pakistani cities have increased.

Health is a very major problem in urban Pakistan. About 70 per cent of all diseases are due to environmental conditions related to water and sanitation. People spend a major part of their income on curative health care and lose daily wages due to ill-health. The worst effected are those who are under nourished, and these are the poorest.

Apart from the Expanded Programme for Immunization and pesticide spraying for anti-malaria campaigns, government programmes for health are entirely of a curative nature. They consist of dispensaries and family health clinics which are inadequate in number and at considerable distances from most neighbourhoods. The result is that few women visit these clinics. However, in most settlements private practitioners open commercial clinics and rely on patent medicines for curative purposes. Almost all informal settlement residents rely on these clinics, many of which are run by quacks.

A few NGO programmes have tried a research and extension approach to the health issue. They have tried to create neighbourhood women's organisations with whom they frequently meet to discuss issues related to the most common diseases, their causes, and their prevention; issues related to nutrition and hygiene; and family planning. These NGOs have also tried to support the existing private clinics and trained their operators in giving advice and education in preventive medicine to their patients. One NGO also involves school staff, a mother's association and students in its extension programme. However, such initiatives are very small in number and receive no support from government programmes.

Increasingly, residents of informal settlements that have de-facto and de-jure security of tenure also struggle to protect open spaces and amenity plots in their neighbourhood from land grabbers and developers. For this purpose they petition politicians and bureaucrats and often go to court. The main problem they face in the struggle is that they have no plans of their settlements and land ownership of the plots in question is often unclear. Usually they are successful if NGO and/or legal support is available to them.

2.5 Larger City Planning Issues

Informal settlements within the city are being replaced by commercial and residential buildings which cater to the needs of the upper income groups and business houses. The poor are being pushed to the periphery. As a result, most of them have to cover long distances from their settlements to places of work. Due to this, they lose a lot of time and also spend about 20 per cent of their income on travel. The transport they use is substandard and over-crowded and the roads on which they travel are polluted both in terms of air and sound. This exhausts them and hypertension, angina, high lead contents in the blood and related diseases are common. An important need of the Pakistan cities is a friendly transportation system and a landuse plan that ensures the right location for low income settlements.

However, both these things are difficult to acquire because most planning is done by professionals who have been educated in First World concepts and methodology. They have little or no understanding of the problems of low income groups and settlements and have not been taught to innovate. Most of their plans are grandiose in nature and far too expensive for the government to afford and as such international loans are sought. These plans, prepared by foreign consultants, are implemented piece-meal and are often abandoned midway. Landuse plans, whenever prepared, are seldom followed because of the powerful politician-bureaucrat-developer nexus which makes a mockery of the planning process.

The informal sector, which serves the needs of the poor, is seldom considered in government plans. Thus, bus owner's and driver's unions, informal developers, the informal recycling industry and hawkers and shopkeeper's unions are never consulted in the plan preparation, implementation and monitoring. In addition, except for one or two, academic institutions do not study these informal systems and as such the knowledge about how they function and who gets what is very obscure. Thus, there is no accountability and transparency in the planning and implementation process.

2.6 Recent Trends and Their Repercussions

The KAIRP of the government of Pakistan is perhaps, the most important initiative that supports low income groups in the settlement drama. However, as mentioned earlier in the text, in the absence of being able to involve communities, the programme, at its present pace, will take 100 years to complete. Meanwhile, new squatter settlements will develop. Also, the future form of development is going to be through the Informal Subdivision of State Land (ISAL) since state land has now become very limited. The KAIRP does not apply to ISAL settlements. In addition, KAIRP is an upgrading programme and does not provide land, credit or technical advice for housing.

Liberalization of the economy has been accompanied by inflation and recession. This has reduced the buying power of lower-middle and lower income groups. Liberalisation has also

been accompanied by privatisation and a movement against all subsidies, which also includes subsidies on land. This makes land unashamedly a commodity and the days where land could be set aside at subsidised prices for low income housing or for infrastructure are gone. A new act for Sindh province, known as the "Urban Land Disposal Act", will have serious consequences on the housing situation as all land will now be allocated by the government for development purposes at market rates.

The macro economic policies of the government are to a great extent determined by structural readjustment. Due to this a number of formal sector industries are closing down and government service providing agencies are being wound up. This is creating unemployment and unrest. The informal sector too has been affected as a result and is increasingly trying to curtail its cost of production. As such, child labour and exploitation of women as workers is becoming more common. In addition, it is becoming impossible to implement regulations regarding minimum wage and working hours.

The trends described above have resulted in a major down-sizing of government developed housing schemes and land subdivisions. It has also seen the emergence of a very powerful real estate lobby and the rapid occupation of amenity plots, parks, community lands and *katchi abadis* by what Pakistanis call the *qabza* (forced occupation) group or the land mafia. The poor are the major victims of these developments.

2.7 Policy Requirements

Keeping the above discussions in mind, very clear policy requirements for developing poverty alleviation programmes emerge.

Government cannot provide land to the poor at a price that they can afford. However, it can support informal sector middlemen by providing them government land at appropriate locations at market prices (to be recovered incrementally) so as to facilitate their work. In the same way, it can facilitate the ISAL by removing restrictions on it and providing the developers with technical support in planning. Again, groups who are saving for the purchase of land should be given a government loan after they have identified the land they wish to buy and after they have raised 50 per cent of the money for it. The land can then act as a collateral and government agencies should then help them in planning their settlements and in acquiring services for it. The suggestions made in this paragraph point towards the setting up of a small unit in the relevant government agency that can give technical support to informal builders and community groups who are already investing in their homes and infrastructure.

A major change in housing conditions can occur if government can provide loans for the purchase of land and small loans, through intermediary organisations, for putting up a roof or acquiring infrastructure; and rationalising bye-laws and zoning regulations to make them compatible with socio-economics and culture of low income communities.

Similarly, technical advice and managerial guidance is required by communities for building, managing and maintaining their infrastructure. Where NGOs have provided this service, communities have been able to bring about very positive changes in their environment and their political relationship with local government. Again, the ideal solution would be that relevant government agencies develop technical advisory units that support communities or community activists to acquire necessary skills in surveying and planning so that they can do what they are already doing in a more organised and professional manner.

Government rules and regulations also need to change. Work done by communities or through councillor's funds, should be documented and integrated into larger city plans. As a matter of fact, the plans should be developed around them since over 60 per cent of the

urban population of Pakistan lives in informal settlements. Also, laws that prevent people from developing their own infrastructure or linking it to state developed infrastructure should be changed so as to facilitate the work of the communities.

Again, so as to assist communities and citizen's groups to protect amenity plots and community lands, every state department should publish an yearly list of its real estate assets, their current and proposed landuse and their market value. No landuse change should be permitted without being advertised and without public objections being sought. The health and education programmes of the private sector entrepreneurs and operators should also be recognised and supported by a research and extension programme so as to help them in overcoming their constraints. In addition, intermediary organisations should be given revolving funds to support savings and credit schemes for crisis and income generation loans so that immediate financial needs and job generation for poor communities can be made possible.

Citizen's groups and concerned professionals are now a reality in the context of Karachi and they will be a reality in the context of the other cities of Pakistan as well very soon. In addition, strong and organised formal and informal interest groups, in the absence of formal sector provisions, provide services to the citizens of Pakistani cities. It is therefore essential, that at the conceptual stage all neighbourhood, sector and city plans should be publicised and presented before NGOs, concerned professionals and relevant interest groups. These plans should be modified on the basis of feedback and a steering committee of NGOs, concerned professionals and relevant interest groups should supervise them and be paid for it. All project costs accounts should be stated upfront and audit reports published in the press. These actions, along with land listing, will introduce transparency and accountability in policy matters, planning and implementation procedures. This will motivate communities and facilitate their involvement in the planning related issues of the city.

What has been suggested above can only be done if a space for equitable interaction between politicians, government planners and people (communities, NGOs, formal and informal interest groups) can be created, nurtured over time and eventually institutionalised. However, such a space can only be institutionalised if appropriately trained professionals and administrators can be produced. And this can only be done by developing appropriate courses based on action research how a city really functions, at academic institutions and the National Institute of Public Administration.

3. SELECTIVE POLICY ORIENTATION OF DONORS, NGOS AND CBOS WITH EXPERIENCE IN POVERTY ALLEVIATION IN PAKISTAN

3.1 UN Agencies

UN agencies operate a number of programmes in Pakistan that are relevant to poverty alleviation in urban areas. Similar programmes are in operation in other Asian countries as well. A brief description of policy orientation is given below.

a) Urban Basic Services Programme of the UNICEF

The Urban Basic Services Programme (UBS) operates in low income settlements in Pakistan. The programme consists of sanitation, health and home schools. The sanitation component is supposed to be carried out by the communities and is fully subsidised to begin with. In theory, the subsidy is to be reduced over time and ultimately withdrawn. Usually after the subsidy is removed, the programme does not expand.

The partners of UNICEF in this programme are the Public Health Engineering Department, local government and organisations in charge of the government's *katchi abadi* development

programmes. The UNICEF provides funds for the necessary socio-economic surveys in the settlements; salaries for staff for community mobilisation, teacher's training, teachers and lady health visitors. It also provides matching grants against government funds for support for building physical infrastructure. The posts created as a result of UBS intervention ultimately become part of the local government set up and after 2 years the state takes the responsibility for financing the programme. The programme has been in operation since 1988.

The major problem that the programme faces is the financial bankruptcy of local government and the absence of capability and capacity in its staff to relate to UNICEF inputs. The positive aspects of the programme are that awareness level are raised both in urban communities and in local government staff as they are exposed to new ideas of development.

The most successful UBS project was in Sukkur and it was in the list of best practices prepared for the Habitat Conference in 1996. This project was done with OPP collaboration, (using OPP methodology) between 1990 and 1994. Local government with UNICEF financial and OPP technical advice developed the off-site infrastructure while the squatter settlements at their own cost developed neighbourhood infrastructure. After UNICEF withdrew, the pumping stations of the off-site infrastructure stopped functioning. However, as the communities had been mobilised, they took over the financial and managerial burden of making these stations function. A number of organisational and procedural changes (in favour of the poor) were also made in the UBS programme due to its adoption of the OPP methodology in Sukkur.

b) LIFE (Local Initiative Facility for Urban Environment) Programme

This programme is operated by the UNDP. It gives small grants to existing NGOs and CBOs to improve environmental conditions in their neighbourhoods. So far grants have been given for sanitation and water supply development, solid waste management, training, school improvements and urban forestry. The LIFE programme tries to give grants for administrative, mobilisation, training (at relevant NGO projects) and extension purposes so that communities can acquire vision and skills and invest their own money in development. LIFE reports suggest a 50 per cent success rate. Problems in the work being done by CBOs and NGOs are all related to the difficulty of coordination with and support from government agencies and the absence of technical skills within the communities.

c) Programme for Livelihood Improvement in Urban Settlements (PLUS)

This programme is new and is operated by the UNDP. In most Pakistan cities sewage flows through natural drainage channels that have been clogged due to silting, encroachment and garbage dumping. Due to this, low income settlements on either side of them are subject to flooding and unhygienic conditions. The programme aims at a government partnership with CBOs whereby the natural drainage channels can be desilted and cleared, effective solid waste management introduced, and people can be supported to improve and/or build their sewage systems at their own cost on the OPP model (for OPP model see item 4.1). The programme is operating in 4 cities; Rawalpindi, Gujranwala, Faisalabad and Multan. Community mobilisation has been commenced and some physical survey work has been completed but physical work is still to begin. The problems faced by PLUS are also related to the absence of support to it from government agencies.

3.2 Asian Development Bank and World Bank

The Asian Development Bank (ADB) has funded the sewage and drainage master plans for a number of Pakistani cities through loans and technical assistance. The designs and the

implementation of these plans (which were to benefit the poor) have been considerably delayed. There is strong opposition to them from CBOs, grass-root NGOs and “alternative” professionals. This is because these plans in their designs do not integrate the work done by the people and municipal councillors in low income settlements and seek to replace the existing functional system by new sophisticated technologies.

The ADB has also provided 222 million rupees as loan for the KAIRP along with technical assistance for its use. However, government agencies have not been able to utilise this loan due to an absence of capability and capacity and due to the fact that communities are not involved in the improvement process. It must be noted here that the Sindh Katchi Abadi Authority (SKAA) has been able to successfully provide infrastructure to squatter settlements simply by recovering lease charges from them and without using the ADB loan (for details see paragraph 4.5). It has been able to do this by creating trust in the community, mobilising them, involving them in development and simplifying its procedures.

The World Bank has also given a loan of 183 million rupees for KAIRP. However, the results of the work done through the World Bank loan are similar to those of ADB funded projects described above. In addition, the World Bank in collaboration with the Swiss Development Cooperation has initiated a shelter for low income communities’ programme in 1991. Under the programme it is running 3 pilot projects. One, is a credit for women programme for house building. Two, is an incremental housing programme on the Khuda-ki-Busti model (a project of the Hyderabad Development Authority where by government gives unserviced land to low income residents who pay for it incrementally and also build their homes and infrastructure as and when they can afford it). And three, the replication of the OPP’s low cost sanitation programme through local government institutions. Apart from the credit programme, the other two programmes have not met their objectives. In addition, the World Bank is also lending revolving funds to intermediary organisations for credit programmes to support income generation and business development of poor communities.

The World Bank has also funded the technical study for a mass transit system for Karachi. Citizen’s groups and “alternative” professionals have opposed this proposal since they feel that it will not solve Karachi’s transport problems, does not use or improve existing infrastructure, and will cause environmental degradation in the inner city.

The policies of the ADB and the World Bank are similar for other Asian counties as well.

3.3 Swiss NGO Project Office

The Swiss NGO project office gives small funds to CBO and NGO programmes that are involved with improving the economic, human rights and environmental conditions at the grassroots. These funds are available to CBOs and NGOs for action research, extension, training and administrative and capital expenses and for arranging meeting and forums.

3.4 WaterAid

WaterAid is a British NGO that has been supporting a number of small CBOs in 4 Pakistani cities in replicating the water and sanitation programmes of the OPP. WaterAid provides funds for administrative and extension purposes, tools and for training at the OPP- Research and Training Institute (RTI) to its partner CBOs and NGOs. It also supports the OPP in training para-professionals (most of who belong to low income settlements in Karachi) through a fellowship programme. These para-professionals (20 are being trained at the OPP at present) then set up their practices in low income settlements and provide skills in surveying, mapping, estimating and master planning without which grassroot CBOs cannot interact effectively with local government institutions.

3.5 Urban Resource Centre, Karachi

The Urban Resource Centre (URC) was set up in 1989. Its general body and executive committee consist of urban planning related professionals, representatives of NGOs and grassroots community organisations and teachers at professional colleges and universities in Karachi.

The objectives of the URC are to create a space for interaction between CBOs, NGOs, professionals, private (formal and informal) sector interest groups, academic institutions and government agencies so as to increase awareness and make planning more responsive to social and environmental issues. To make this possible, the Centre carries out research on all major urban development projects and problems in Karachi and then holds forums in which the government planners and the beneficiaries (usually the rich) and the victims (usually the poor) of these plans are invited. This interaction has generated debate and discussion in the press and brought about substantial changes in how problems and planning are viewed by government agencies and different stakeholders. The URC also holds forums in which poor communities interact with each other and identify their problems and how they can be solved. The URC then puts these communities in contact with relevant NGOs and professionals who can be of assistance to them. The URC's work is published through reports and a monthly publication entitled "Facts and Figures" which gives details with statistics of what has transpired in Karachi during the last month.

As a result of URC's work, the Karachi Mass Transit Project was modified considerably because of pressure from citizen's groups and was made more environmental and cost friendly. Also, due to the information and alternatives supplied to communities living on the Lyari River corridor, the Lyari Expressway, which was going to uproot 125,000 people was abandoned. The Expressway project has been replaced by the northern bye-pass for which the URC pressed. In addition, some communities have begun to build their own sewage systems, and/or to monitor government work in their localities effectively, because the URC put them in contact with the OPP and resource individuals.

The URC also has a training programme for young people in low income settlements so that they can actively assist their communities through technical and managerial support.

3.6 Other Donor, NGO and CBO Programmes

Important NGO and CBO programmes are the Orangi Pilot Project Karachi; the Faisalabad Area Upgrading Project (FAUP), Faisalabad; the Anjuman Samaji Behood, (ASB) Faisalabad; SAIBAN Karachi; and the Sindh Katchi Abadi Authority programmes, Karachi. These programmes are summarised in paragraph 4 below.

4. SUMMARY OF RELEVANT PAKISTAN PROJECTS RELATED TO BASIC INFRASTRUCTURE

4.1 Orangi Pilot Project, Karachi

Orangi Pilot Project has been working in Orangi, a low income settlement of one million population in Karachi since 1980. OPP considers itself a research and training institution whose objective is to analyse outstanding problems of the poor living in Orangi and through action research and extension provide solutions. OPP believes in the development of existing managerial and financial potential of an area. It promotes community organisation and management by providing social and technical guidance to collective action. In 1986, the OPP's sanitation and housing programme were converted into OPP-RTI and its credit programme into the Orangi Charitable Trust (OCT).

Based on the above principles, the OPP operates the following programmes.

a) Low Cost Sanitation Programme:

This programme enables low income families to construct and maintain an underground sewage system with their own funds and under their own management. For this programme, the OPP provides social and technical guidance (based on action research), tools and supervision of implementation. The OPP's work has shown that people can finance and build underground sanitation in their homes, their lanes and neighbourhoods. This development is called "internal" development by the OPP. However, people cannot build "external" development consisting of trunk sewers, treatment plants and long secondary sewers. This only the state can provide. In Orangi, people have invested Rs 73.15 million on internal development in 5,823 lanes consisting of 87,734 houses. The state would have spent over six times this amount to do this quantum of work. The programme is being replicated in 7 cities of Pakistan by NGOs and CBOs and in 49 settlements in Karachi by the SKAA. As a result of the programme, infant mortality in those parts of Orangi that built their sanitation systems in 1982, has fallen from 130 per thousand to 37 in 1991. A number of projects of government-OPP collaboration have or are being implemented where the state is building the external and the communities, supported by OPP, are building the internal infrastructure.

b) Health Programme

The OPP's health programme consisted of developing women's organisations at the lane level in lanes that had built their sanitation systems. A mobile team of experts gave advice to such organisations, through discussions and meetings, on common diseases in Orangi, their causes and ways of preventing them. It also gave advice on hygiene, immunization and family planning. As a result, 90 per cent of households that were part of this programme, immunized their children and over 45 per cent families adopted birth control. However, the OPP could not reach more than 3,000 families through this method and the project was revised.

The revised model has now been introduced under which the health programme imparts training on primary health and vaccination to local lady teachers, managers of family enterprise units and doctors in private clinics thus anchoring the programme institutionally in schools, private clinics and family enterprise units. A health centre is operated at OPP office which provides vaccines and family planning supplies to the activists in these centres.

c) Family Enterprise Economic Programme

This programme is run by the OCT which was formed in 1987. The OCT borrows from commercial banks and then on lends to small family businesses but without red-tape and collateral. These loans vary between Rs 1,000 and Rs 75,000. The aim of these loans is to increase production and generate jobs. Loans are usually given to people who have expertise in what they plan to do or are already operating businesses. Interest is charged on the loans at the current bank rate of 18 per cent. Presently, there are 6,016 units being supported by OCT loans of Rs 110,701,260. Out of these Rs 80,450,626 have been paid back with a mark up of Rs 19,706,611. The recovery rate is 97 per cent. The World Bank has also given a grant as a revolving fund for the programme.

d) OPP's Education Project

OPP tries through social and technical guidance to improve and upgrade the physical conditions and academic standards of private schools in Orangi. Physical improvements are made with loans from OCT and advice from OPP's sanitation and housing programme.

Academic improvements are made by arranging teacher's training through existing relevant organisations; provisions and use of libraries and audio-visual aids; and publication of manuals and guide books.

Financial support is extended during three stages of establishment of these schools. One, a small start up grant of Rs 3,000 to Rs 6,000 for setting up the schools. Two, within a year the school is institutionalised and then arises the need for physical expansion. This amounts to Rs 20,000 to Rs 30,000. This support is very important for the survival of the school. And three, loan for upgrading is needed as the school is by now a formal education institution and can take loans which can be repaid through its income.

OPP has provided 356 loans to such schools. Teacher's training through Allama Iqbal Open University is also being coordinated. The education entrepreneurs also hold their monthly meetings at OPP office, where they share information on registration and teaching methods.

e) OPP Housing Programme

OPP's low cost housing programme provides loans and technical assistance (based on research) to building component manufacturing yards in Orangi so that they can mechanise their production, improve their products, train their staff and increase their production. In addition, the programme also trains masons in using the new technologies and components that are being developed at the manufacturing yards. Also, house builders are given advice on how to relate to the manufacturing yards and masons and also advice on design, light, ventilation and other hygiene related design aspects. To provide such advice, the OPP is in the process of training para-professionals who are mostly young unemployed youth from the Orangi communities and who will then be paid by house builders or those who want improvement to their homes to help to assist them. The OPP housing programme thus tries to create a more equitable relationship between the actors in housing drama, as a result of which housing has improved in Orangi.

f) Impact of OPP Programme

International and government agencies, NGOs and CBOs are all in the process of trying to replicate OPP programmes or develop their programmes on OPP principles. So far, working with government has not been very successful except at the level of some projects. However, work with some NGOs has been most successful. The main constraints in the replication of OPP concepts is one, the absence of appropriately trained technical persons in low income communities; and two, the difficulty of conventionally trained bureaucrats and professionals in government to relate to the social dynamics of low income groups.

4.2 Faisalabad Area Upgrading Project

Faisalabad Area Upgrading Project (FAUP) was initiated in 1989, as a slum improvement programme. It forms part of the UK bilateral aid of PS 25 million for social sector projects in Pakistan. The objective of the project is to provide one, income generation opportunities in the slums of Faisalabad through an investment of PS 6.8 million; two, physical and social infrastructure (sanitation, water supply, schools, health facilities) through an investment of 5.1 million PS. The community is supposed to participate in the development and generate PS 1 million which is half of the total cost of development. There is a special emphasis on women in development issues and gender analysis in the project.

The FAUP has an elaborate organisational and administrative structure prepared by local and British consultants, including a Project Management Unit, a Community Development Unit and a supporting specialist cell for the two. The project also has long and short term

foreign consultants to advise and evaluate the local professionals and work being done in the above mentioned units.

FAUP's methodology is similar to NGO-government partnership projects, except that government and NGO projects do not subsidise infrastructure developed. Technology and the tools used are also identical. Community response is also not dissimilar to other NGO projects, but must slower since the project is seen as a government-donor initiative rather than a community one.

The project has been able to develop a team of well qualified staff but unlike similar NGO projects, they are not from the community. It has contacts and good relations with other NGO's and projects and the community has been mobilised and is willing to participate. In addition work done is of reasonable quality.

The project faces a number of constraints. Staff once trained leaves for better jobs in the NGO sector and there is a lack of coordination with involved agencies. In addition, there are difficulties in identifying genuine leaders and needs of the community. The 50 per cent subsidy given for development work is questionable as other similar projects within the area are fully community financed. In addition, the city level infrastructure plans do not include FAUP as a component.

Evaluation reports suggest that the Faisalabad Development Authority (the government counterpart of FAUP) cannot sustain the concept of subsidy once ODA funds are withdrawn. In addition, since the project does not support ongoing government projects but needs support from government institutions, once DIFID funding is withdrawn, it will become a part of the larger Faisalabad Development Authority programmes and lose its relevance. Also, given the small scale of community's financial involvement and heavy dependence on foreign technical expertise, the programme is difficult to replicate or sustain in its present form.

4.3 Anjuman Samaji Behbood, Faisalabad

The Anjuman Samaji Behbood (ASB) is a CBO in the Dhuddiwala and neighbouring informal settlements of Faisalabad which have a total population of about 200,000. The ASB has been replicating the OPP water and sanitation programme and the credit programme since 1994. 210 units have been given loans for income generation and the recovery rate is 100 per cent. On the water project, water mains have been laid by the residents for over 1,000 houses and so far connections have been taken by 301 houses. People have invested Rs 689,901 in this effort for which WaterAid UK had given a revolving fund for Rs 200,000. In addition, the residents have negotiated the water supply to their mains from the Water and Sewage Agency (WASA) of the local government and made payment to them as well. They have also laid sewage lines in 76 lanes and built sanitary latrines in 736 houses, along with collector drains, to link up the system with the WASA trunks. In this they have invested Rs 2,035,218 and the work is continuing at considerable pace.

The ASB activists received training in the OPP concept and methodology at the OPP-RTI in Orangi. OPP engineers gave them technical advice and tools and also trained them in surveying, mapping, estimating, supervision of work and documentation and report writing. WaterAid UK has supported the ASB with a grant of Rs 240,000 per year for administrative purposes and for salaries to its staff. In addition, WaterAid has also funded tools, suction pumps and related equipment for maintenance and operation and for video documentation of the systems laid by the ASB.

The ASB is now being approached by other settlements to replicate its work and has also developed a working relationship with WASA Faisalabad.

4.4 SAIBAN, Karachi

SAIBAN is a Karachi based NGO whose objective is to replicate the Khuda-ki-Busti (God's settlement) Incremental Housing Scheme developed by the Hyderabad Development Authority (HDA) in 1987. So far it has replicating the scheme in a small way in Gharo, a small town near Karachi and is negotiating with the Karachi Development Authority to replicate it in Karachi in a big way.

In the Khuda-ki-Busti scheme the HDA has tried to follow the methodology of the informal sector in delivering land to the urban poor. It provided unserviced land to any low income families who could immediately build a home on the plot and start living after paying an initial sum of Rs 900. The balance cost of the land was to be recovered in monthly instalments over a period of 5 years. Community organisations that evolved in the settlement were to build their own infrastructure at their own cost. For this the HDA was to provide technical assistance, sewage disposal points and water source development and also arrange with the government and NGOs to open schools, health facilities, post offices and telephone facilities. Over 3,000 low income families have settled in Khuda-ki-Busti and acquired all the required urban facilities with HDA assistance. Small loans of upto Rs 5,000 were also provided by the HDA through a bulk loan of the House Building Finance Corporation of the government for roof laying.

The Khuda-ki-Busti scheme has not been replicated in a big way or become a part of government planning policy. However, illegal *katchi abadis* continued to grow using the methodology which the HDA had adopted from the informal developers.

4.5 Sindh Katchi Abadi Authority, Karachi

The Sindh Katchi Abadi Authority (SKAA) was formed in response to the declaration of the prime minister that all squatter settlements on government land existing before 1985 would be regularised. SKAA was to be the advisory body for local councils in their work related to notification, regularisation and development of *katchi abadis* and also an implementing body for those *katchi abadis* that did not fall under the jurisdiction of local governments. A fund of US\$ 6,250,000 or Rs 250,000,000 (at the then rate of exchange) was given to SKAA as a loan from the ADB.

SKAA was not able to achieve much until 1992 or use the ADB fund. In 1992, it requested the OPP to become its consultant. The first work done by OPP after becoming SKAA consultant was the documentation, with SKAA assistance, of existing infrastructure and services in 49 *katchi abadis* in Karachi. This documentation showed that people had on their own invested Rs 38,200,000 in building their water and sanitation systems. From these figures it became obvious that it was irrational for SKAA to ask people to participate in its programmes. What was required was that SKAA should participate in the people's work and do that which people could not do themselves.

On this basis a programme was chalked out in which SKAA undertook to build the "external" development and the OPP was to help communities build, complete or improve "internal" development. All external development was done by involving the community in decision-making and implementation. SKAA contractors were replaced by project committees consisting of representatives of neighbourhoods and/or CBOs, SKAA engineers and OPP staff. These committees managed and supervised construction by employing local labour and skills. Due to this, costs of development were reduced considerably and quality of work was much better.

The leasing process was simplified and made a one-window affair. It was carried out at the offices of the community organisations within the settlement where the government staff and the registrar of leases would sit during a “lease camp”. The dates of the “lease camp” were announced to the settlement’s residents well in advance so that they could collect money for lease payments. Lease charges have been collected with considerable success as a result of which they have financed all development in the settlements and the ADB fund has not been used.

Between April 1994 and June 1996 SKAA has carried out external development in 13 Karachi settlements at a cost of Rs 10 million. The lease money recovered from these settlements far exceeds this sum. Work is progressing in over 50 settlements at present.

Outside of Karachi, the SKAA programme has not been relatively successful. However, the experience in Karachi shows that if local communities are supported in doing what they are doing, considerable success can be achieved.

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Abbreviations and Local Terms

Abbreviations

ADB	Asian Development Bank
FAUP	Faisalabad Area Upgrading Project
HDA	Hyderabad Development Authority
ISAL	Informal Subdivision of State Land
KAIRP	Katchi Abadi Improvement and Regularisation Programme
LIFE	Local Initiative Facility for Urban Environment
OCT	Orangi Charitable Trust
OPP	Orangi Pilot Project
RTI	Research and Training Institute
SKAA	Sindh Katchi Abadi Authority
UBS	Urban Basic Services
URC	Urban Resource Centre
WASA	Water and Sewerage Agency

Local Terms

katchi abadi	squatter settlement
qabza	forced occupation