INTEGRATED URBAN HOUSING DEVELOPMENT

COMPARISON OF SINGLE SECTOR, MULTISECTOR AND
INTEGRATED URBAN DEVELOPMENT PROJECTS AND
THEIR IMPACT ON THE LIVELIHOODS OF THE
URBAN POOR
WORKING PAPER 1

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Introduction – Terms of Reference

The Research Project
To 'increase the access of low income households and poor people to adequate, safe and secure shelter' is one of the themes identified by the Knowledge and Research Steering Committee (KAR) of DFID as an area of research in the urban sector. Within this theme ITDG is carrying out an action research project on Integrated Urban Housing development in Kenya and India. The purpose of the project is to identify a sustainable shelter delivery strategy for the urban poor to be adapted by national and local governments in Kenya and India.

This paper comes at the beginning of ITDG's action/research work and has two objectives:

- To assess current thinking on sectoral and integrated approaches to urban development and how that has evolved over the past 15 years

- To assess the impact of single sector, multisector and integrated projects on the livelihoods of the urban poor.

The report is divided into five sections plus conclusions and recommendations. Section one sets the scene and attempts to review the history of urban development strategies and policies. The following section looks at the features of urban poverty. Section three introduces the theoretical framework of sustainable livelihoods in an urban context and reviews the literature on the subject. The fourth section examines the current usage by NGOs and development agencies of the terms single sector, multisector and integrated programmes as applied to urban development. The final section looks at urban projects and their impact on alleviating poverty and supporting urban livelihoods. A list of conclusions and recommendations appear at the end of the paper.

Section I

Changing Strategies and Policies to Urban Development

Poverty alleviation and the question of urban development is firmly back on the agenda of the major development agencies - from the World Bank and UN agencies to DfID and the EU. Development NGOs that have historically had a greater concern about rural poverty are gradually re-orientating some of their programmes to benefit those in the urban areas. Coinciding with this there has been a growing ascendancy of more holistic interpretations and understanding of poverty, which has arisen out of the work of anthropologists and social planners. Chambers (1997) notes 'a massive shift in priorities and thinking (that) has been taking place, from things and infrastructure to people and capabilities'. The International Forum on Urban Poverty's view is that 'poverty is understood as a multidimensional process affected by cultural conditions, interpreted subjectively by the people living in poverty, lived differently by people according to their gender, age, ethnic origin and abilities, including many forms of consumption that escape the coverage of incomes and the concept of poverty lines' (*International Forum on Urban Poverty 1999)*

Historical Responses to Urban Poverty

Rapid increases in the growth of urban populations and urban poverty in the South present a serious challenge to development agencies and NGOs. Since the 1960s there has been an evolving range of strategies and policies to abate urban poverty. However, the effectiveness of programmes and responses has been very limited. In the World Development Report, published in 1990, by the World Bank concluded 'It is difficult for urban poverty projects to reach the poorest people.' This comprehensive study by the (World) Bank found that people in the middle rather than the lowest part of the urban income distribution tended to gain the most ....'Project-level interventions, such as shelter projects, often do not have much influence on the overall urban policies of recipient countries'.

Development Strategies

In the post war period there have been three major development strategies implemented by multi-lateral and bi-lateral donors.

- Modernisation Strategy - from the late 1940s to early 1970s
- Basic Needs/Redistribution with Growth - from early 1970s to mid 1980s
- Structural Adjustment - from 1984 to later 1990s

Modernisation and Growth

The modernisation strategy of the late 1940s to the early 1970s used Keynesian economic models of demand-led growth and were influenced by the development theories of Harrod-Domar, Rostow and Lewis. Such strategies included the following elements: import substitution; the creation of internal markets; the eradication of pre-capitalist relations and modes of production and rapid industrialisation. All this would be carried out in the belief that the gains of industrialisation in the North could be transferred the Less Developed Countries, and that poverty, inequality and unemployment would disappear naturally with growth. This approach was commonly

known as the 'trickle down' theory - the benefits of growth and development were expected to trickle down to the poor from growth-specific policies.

Social policies at this time were characterised by the provision of western style hospitals, prestigious educational establishments and the provision of purpose built housing schemes built to modern minimum standards to house the new urban workers. Government subsidies were introduced to expand the delivery of health, education and housing services for the poor. Poverty was regarded as a transitional phenomenon, as were inequality and unemployment, which would disappear naturally with growth. However, the effects of economic growth did not 'trickle down' to the poor; instead their conditions worsened as their numbers increased.

This approach of extensive state intervention and mass production of public goods dominated urban development practice up until the early 1970s.

Basic Needs Provision/Redistribution with Growth

The limited financial resources of national governments in the South and their rapid pace of urbanisation meant that modernisation strategies were unable to meet the basic needs or to improve the lives of the urban poor. This led to a shift of policy from 'growth' to the World Bank's 'redistribution and employment' in aid programmes. Hoogvelt (1982) termed this shift to redistribution with growth as a change from 'global Keynesian to global social democracy'. This shift of policy coincided with the World Bank presidency of Robert McNamara. Under his presidency the bank sought to target many of its loans to the poorest groups in LDCs; the marginal farmers, landless labourers and shantytown dwellers, lending massively for rural development and the improvement of squatter areas. At this time the orthodoxy in housing policy for low income population shifted, from conventional state housing, which had failed to meet need, on any meaningful scale, to site and service and upgrading initiatives. There was an acceptance of the arguments of the self-help housing, informal sector, and intermediate technology schools (Turner 1976).

Typical site and services projects involved providing areas of land equipped with basic urban services for people to construct their own shelter. Although some case studies indicate that these types of projects have brought material benefits to the urban poor, many evaluations show that little impact has been made with regard to the overall socio-economic situation of the people living in the settlements. Frequently, these projects failed to reach the poorest groups, who would often be unable to afford the payment instalments or even secure loan finance, for a serviced site.

Redistribution to Adjustment

The general focus of policies and strategies on poverty alleviation, meeting basic needs and attempts at redistribution were brought to a halt by the debt crisis and changes in the US policies triggered by the election of the Reagan administration.

The debt crisis undermined any progress towards meeting basic human needs. Southern governments were forced to spend a greater percentage of their national budgets to finance debt repayments. Concern over the alleviation of urban poverty was replaced by structural adjustment programmes.

Structural adjustment programmes precipitated a shift to urban management and urban productivity interventions, rather than channelling aid to specific projects or programmes. This approach entailed policies concerned with urban development, decentralisation, privatisation, private sector and NGOs involvement in service delivery, regulatory reforms and initiatives to encourage community groups to invest in their own development initiatives. The theory was that by freeing up the constraints on markets through privatisation, institutional reform and capacity building, cities would become more productive and the opportunities of the poor would be improved. This, was called the 'enabling approach' in which there was a theoretical movement away from large scale government projects which are spatially-focused to an emphasis on policy and institutional environments. This approach encouraged the non-statist provision of urban services (Harris 1992, Moser 1993, UNDP 1992).

Structural adjustment programmes were intended in part to remove the 'urban bias' of large government development programmes, by removing anti-agricultural price distortion. This in may countries affected urban poor communities adversely as they suffered from food price increases, contraction of industry and the public sector, and reductions in public expenditure. Moser (1993) refers to these urban communities affected by structural adjustment as the 'new poor'.

Despite the rhetoric of the enabling approach there was still a very strong focus on projects and sectoral programmes concentrating on shelter and basic infrastructure, De Haan (1997) concludes that its this type of sectoral urban development project, that has neglected employment creation and questions of sustainability, 'that is responsible for their failure'.

The Current Situation - a Return to Poverty Focus

From management and productivity/enabling approach to urban development there now appears to be a return to a focus on poverty as part of the urban debate. In 1997 the British government published the first White Paper on aid in 17 years giving pride of place to poverty elimination (HMSO 1997).

This refocusing on poverty has spawned a plethora of studies geared towards analysing the nature of poverty and how it might be reduced. Out of important qualitative research into poverty have emerged the concept of assets and vulnerability to assist our understanding of social, political and economic processes which explain how people become poor, and why they remain poor. There is now an emerging consensus that policy makers and development actors should seek to identify what the poor have, rather than what they do not have, and in so doing focus on their assets. (*Moser 1998*)

In line with shifts in our understanding of poverty the current consensus appears to be that if poverty is to be tackled in a sustainable and meaningful way at the city level, all aspects of poverty should be addressed simultaneously. 'If poverty is multidimensional any policy which focuses on one element or aspect risks ignoring others' (*Spicker 1999*). The key to poverty alleviation now appears to lie in improving productivity (the enabling approach) plus improving human assets/capital. We are now at a policy stage which could be called *Enablement Plus* (enablement + improving human assets/capital = Enablement Plus)

Enablement Plus activities include

- access to employment opportunities by removing regulatory constraints on the productivity of the informal sector and micro-enterprises
- increasing the labour force participation of women
- improving the access of households, communities and farms to land, infrastructure, building materials, and finance
- increasing the access of the poor to basic education, health and nutrition, family planning and vocational training
- the construction of safety nets for the most vulnerable (*Burgess et al 1997)*

At the end of the 1990s there is an emphasis on the importance of addressing the social, political and cultural aspects of poverty as well as the economic.

To summarise, we are now at a point where

- poverty is regarded as multidimensional
- the poor perceive their own poverty and prioritise their own needs
- programmes should be designed to meet the various and multifaceted needs of the poor in an integrated or multi-sectoral manner
- the aims of urban productivity and poverty alleviation (enablement plus) should be complementary

Section II

Understanding Urban Poverty

Characteristics of Urban Poverty

There is a degree of consensus on what differentiates urban from rural poverty. Whereas rural poverty is often associated with lack of access to land for pastoral or agricultural production, urban poverty tends to be more complex and multi-dimensional.

Moser *(1999*) identifies three general characteristics of urban life which distinguishes it from that in rural areas:

- levels of commoditization
- levels of environmental hazard
- levels of social fragmentation

Commoditization The urban sector is highly commoditized in that everything has a commodity value, which in turn means that labour is the urban poor's most important asset. Income is generated directly through waged employment or indirectly through the production of goods and services which are sold on the informal market. Commoditization also means that urban households have to pay for their food, shelter and water rather than rely on their own production as they would do in rural areas.

In other words the poor in urban areas are much more dependent on cash income. When they can not obtain cash from working many of the urban poor live by arranging complex loans and debt services from neighbours, family and informal money lenders.

Although access to land and housing varies widely from one situation to another, the poor in urban areas often occupy illegal or insecure land. In urban areas, housing represents an important asset that can generate
income through the renting out of rooms, or the use of space for home-based income generating schemes (*ibid*).

Environmental Hazards Poor quality and overcrowded housing, inadequate water supply, sanitation and solid waste disposal are all potential environmental hazards which can have a negative impact on the lives of the urban poor. Environmental pollution may also be exacerbated by industrial waste disposal.

Social Fragmentation There is greater social and economic heterogeneity in urban areas, which can lead to a weakening of community and inter-household trust and collaboration. Concerns for personal safety are far more important in the urban context arising from this weakening of social cohesion (*IIED 1994 & Moser 1993)*

Satterthwaite (1999) has a different schema for distinguishing the rural and urban context with reference to poverty reduction. He identifies five characteristics, some of which overlap with Moser and makes the point that there are limitations to the rural/urban differences. In many rural situations the conditions can be similar to those of urban areas.

Livelihoods - There is more reliance on income earning opportunities, less access to natural resources and reducing poverty through agricultural production. The key role that housing has as an economic resource.

Environmental Health - There are higher levels of health risk if provision for wholesome water and good waste management is absence. But there is also the possibility, through economies of scale, to improve environmental health through the provision of good infrastructure and emergency services. Occupational health and safety risks are often higher especially where regulations on pollution control and safety do not exist or are not enforced.

Higher Living Costs - Greater commercialisation of housing and land (commoditization) and the cost of many basics are higher. This increases the importance of 'expenditure-reducing' components of poverty reduction projects in urban areas. Public/community action may result for example in cheaper water (for those reliant on water vendors) or cheaper sanitation (for those who only have access to pay as you use toilets.

Social Aspects - There is more social and cultural diversity which can weaken social capital. Also, there is more constant change in population which can weaken co-operative action.

Governance - There is greater dependence on government for protection from health hazards through the provision of infrastructure, waste management and pollution control. Also there is greater potential impact of 'bad' government for example: large scale evictions, harassment of hawkers and political rights abuses.

Another feature of urban life is the growing rate of crime and violence. Burgess (1999) estimates that in 1995 one in three residents in African and South American cities had been the victims of violent personal crimes and that the visible extremes between rich and poor was the key reason for this rise in crime.

Since the Recife Conference and Declaration in 1997 there has been an acceptance that urban poverty is multidimensional. This multidimensional character is interpreted by those living in poverty but is defined differently according to gender, ethnic origin and culture. The Recife Conference came to the conclusion that urban poverty cannot be defined without the participation of the poor themselves (Ramirez 2000).

Actions to Reduce Poverty

There now seems to be a growing consensus about the conceptualisation of urban poverty but no overall consensus about actions needed to reduce it. Most of the earlier programmes concentrated on infrastructure and housing, neglecting employment creation and questions of sustainability. Many of these initiatives are now considered as deficient as they failed to reach the poorest people. Other problems with these early programmes included low rates of loan repayments and lack of self-sustainability when the international donor pulled.

The literature confirms that there are fewer examples of successful urban programmes than there are rural programmes. Philip Amis (1997) argues that both service delivery

and social development programmes have failed because “they have tended to neglect the general process of socio-economic development”. In the Indian context urban employment generating programmes often fail as they do not provide the poor with institutional finance (Beate 1997)

On a more practical level Sattherthwaite (1997) points to a range of actions (across the sectors) for reducing poverty in urban areas that centre on one of three things

increasing the income of assets of low income households
upholding human rights, including the rights of those with low incomes to be able to call on government for resources and services and to be able to set priorities, both in what is done and how it is done
improving housing and basic services.

For more details see Table 1

Table 1 : Different Aspects of Poverty Alleviation

INCREASING INCOME AND/OR ASSETS	
A job through employment creation	Where successful, these bring new jobs and/or enhanced incomes, although external support must understand local constraints. There may be considerable potential for linking employment creation for low-income groups with public works to improve water supply, sanitation, roads etc. Credit for small-scale enterprises must respond to women's needs and priorities as well as men's.
Credit for small-scale or informal enterprise *	
Education, literacy and vocational training	In general these should increase income-earning capacity as well as providing other advantages. Vocational training must teach useful skills. In many countries, biases against women in education and vocational training must be addressed. The barriers to education for low-income households caused by the introduction of schools fees or their increase or the increase in other educational costs have to be addressed
Providing squatters with legal tenure	Increased security of tenure for 'owner occupiers' in illegal settlements reduces the risk of eviction, increases the value of the asset and increases the possibility of obtaining credit.
Emergency credit	The ready availability of emergency credit can greatly reduce the vulnerability of low-income groups to economic shocks
UPHOLDING HUMAN RIGHTS	
Access to justice within the judicial system	This includes legal systems that protect citizens from forced eviction, and also includes public programmes to reduce crime and violence within low-income settlements, and community programmes to halt the abuse of women and children within families. It is also important to establish the right of low-income urban dwellers to land for cultivation
IMPROVING HOUSING AND BASIC SERVICES	
Tenure of housing *	As well as the advantage in terms of value of asset, secure tenure generally promotes household investment in improving the house and more capacity to negotiate with local authorities for improved services
Improved water, sanitation drainage and garbage collection *	If adequately provided, this removes a tremendous health burden and also considerably reduces the time needed for domestic tasks. This brings particular advantages to the person in the household responsible for collecting water and managing household wastes - usually women. it is also important to reduce the vulnerability of many low-income settlements to floods
Basic health care	If readily available, this greatly reduces the economic and health costs of illness and injury. There are particular advantages for the person in the household who takes care of those who are sick or injured (usually women)
Day-care	This increases the time for other tasks for those who look after young children and also means young children are not left in the care of older siblings. Day-care centres can also provide regular health checks for infants and young children and monitor their nutritional status; they can also provide stimulus and support for children's physical and mental development. Day-care centres are often particularly valuable in increasing women's income-earning capacity and especially valuable to single parent (usually women-headed) households
Housing finance *	Housing credit available to low-income households who want to build, extend or buy their own homes could afford them better quality housing
Transport	Cheap and efficient public transport can greatly reduce the disadvantages for low-income households of living in peripheral locations and, if city-wide, could also help reduce the price of housing
* Those items marked with an asterisk can be used to strengthen community organisations among low-income groups and directly or indirectly help strengthen political representation	

Source : Introduction, Environment and Urbanization, Vol 7, no 2, 1995, p6

Common to most of the current thinking on urban (and rural) poverty alleviation is the idea of building on the assets of people in poverty and the need for the poor to participate in defining their own poverty. As shown in the table above, in the urban context housing is an important asset along with access to credit both for income generating activities and for improving and developing housing in the informal sector. The issue of the poor building up assets (with the aim of improving their livelihoods and taking them out of poverty) is dealt with more fully in the next section both from a conceptual and practical point of view.

Renewed Interest in Urban Poverty

Since the publication of the World Development Report in 1990, there has been renewed interest in urban poverty. Recently leading donor development agencies and to a lesser extent NGOs, have been reviewing their responses to the growth in urban poverty with an emphasis on city governance and management, the promotion of local economies and a multisector approach to urban development.

UNCHS (Habitat), has re-branded itself 'the UN City ' which has meant a move towards urban management and focusing more on advocacy. Two current UNCHS campaigns are on security of tenure and urban governance.

DFID,has renamed its Engineering Division the Infrastructure and Urban Development Division with a move towards integrated activities and a livelihood approach to development.

USAID, has a new urban strategy which advocates a greater integrated approach to urban development.

EC (DGVI), has developed a framework for implementing urban programmes focusing on secure healthy and productive livelihoods for all.

The World Bank's Global Urban and Local Government strategy seeks to make city interventions holistic and based on: a healthy and dignified living standard for the poor; competitiveness; good governance and consistent systems of tax and expenditure.

International Forum on Urban Development, IFUP, an independent partnership of institutions and agencies was formed in 1997 and is a network focused on the eradication of urban poverty.

Section III

A Theoretical Framework to Understand Livelihoods and Urban Poverty

During the 90s an extensive discourse has evolved regarding a *livelihoods approach* to development and poverty alleviation. This approach builds on and uses the assets of the poor rather than focusing on what they lack. The more assets people have the less vulnerable they are to circumstances such as long term illness, natural disasters and unemployment. In the literature these unforeseen circumstances are called shocks and stresses. A household can be said to be coping with change, shocks and crises when it is able to get through such periods without irreversible damage to the productive capacity of its members (Agarwal 1991)

Livelihood analysis is social and economic research situated at the intra and inter household and community level (micro-level) with linkages to the wider social, economic and political environment (macro-level). Such a linkage ensures that lessons learnt from analysis and practical interventions are fed into the wider macro-economic debates and policy decisions. Definitions of livelihoods have been refined over recent years, but there is general agreement on the core aspects of the concept, which is best articulated by Chambers and Conway.

"Livelihoods refers to the means of gaining a living including livelihood capabilities, tangible assets and intangible assets…. Most livelihoods of the poor are based on multiple activities and sources of food, income and security. Security refers to secure ownership of or access to resources and income - earning activities, including reserves and assets to offset risk, ease shocks and meet contingencies". (Chambers and Conway 1992).

The livelihoods approach was first developed to look at issues of rural rather than urban poverty. This almost inevitably led to a discussion of environmental sustainability and the management of natural resources, summarised by Diana Carney (1998) in 'Implementing the Sustainable Rural Livelihoods Approach':

"…….*A livelihood is sustainable when it can cope with and recover from stresses and shocks and maintain or enhance its capabilities and assets both now and in the future while not undermining the natural resource base".*

The most common framework currently is use to analysis SRL uses much of the work developed by the Institute of Development Studies. At the centre of this analysis of rural (not urban) livelihoods there are five different types of assets used by individuals and households to construct their livelihoods. These are: natural capital; social capital; human capital; physical capital; and financial capital.

Box 1: Capital Assets

Natural capital - the natural resource stocks from which resource flows useful for livelihoods are derived eg. land, water, bio-diversity, environmental resources.

Social capital - the social resources (networks, membership of groups, relationships of trust, access to wider institutions of society) upon which people draw in pursuit of livelihoods.

Human capital - the skills and knowledge ability to labour and good health important to the ability to pursue different livelihoods.

Physical capital - the basic infrastructure (transport, shelter, water, energy and communications) and the production equipment and means which enable people to pursue their livelihoods.

Financial capital - the financial resources which are available to people (savings, credit, regular remittances or pensions) and which provide them with different livelihood options.

Adapted from Scoones (1998) by Carney (1998).

Moser, dealing with the urban rather than rural context, gives a slightly different emphasis to the livelihoods debate (1998). In her 'Asset Vulnerability Framework', she has developed a classification of assets similar to Carney's to apply to the different situation of the urban poor. These urban capital assets are: labour; social; human; productive; and household relations.

Box 2: Assets Vulnerability Framework

Labour- commonly identified as the most important asset of poor people.

Human capital- health status, which determines people's capacity to work and skills and education which determines the return on their labour.

Productive or Physical assets- for poor urban households the most important asset is often housing, which can be used as a work place, for renting rooms and for security against loans . Other productive assets could include sewing machines, bicycles, machines and equipment. Access to and success of productive assets often depend on available credit.

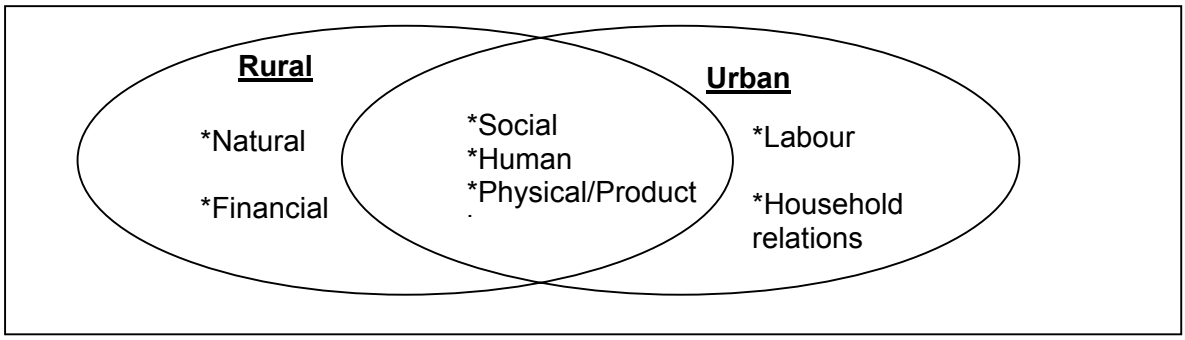
Household relations - a mechanism for pooling income and sharing consumption.

Social capital - reciprocity within communities and between households based on trust deriving from social ties.

Source: Asset Vulnerability Framework Moser 1998

Households in differing environments will rely on different combinations of assets. In the rural context access to land (natural asset) will be essential to construct a livelihood based on agricultural self-sufficiency. In the urban context labour and housing are identified in the literature as the most important assets. In Moser's classification of assets (for the urban context) she does not isolate financial as a capital asset but regards it as part of productive assets. She also highlights the importance of household relations as an important asset which enables households to pool income and share consumption of food and other commodities.

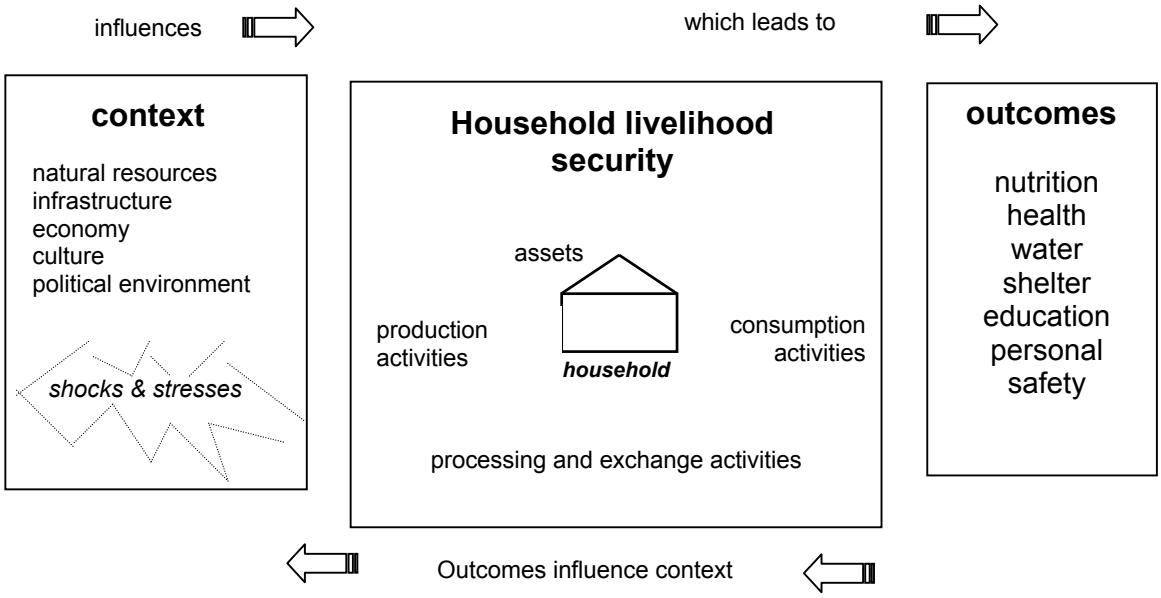
Figure 1: Combination of Assets



Application of Livelihoods Approach

Care International UK has used the livelihood analysis to develop its own programming tool for urban settlements - The Household Livelihood Security (HLS) approach. The HLS approach is described as 'adequate and sustainable access to income and other resources to enable households to meet basic needs and to build up assets to withstand and recover from shocks and stresses'. (CARE 1999)

Figure 2: The following diagram outlines the three main components to HLS



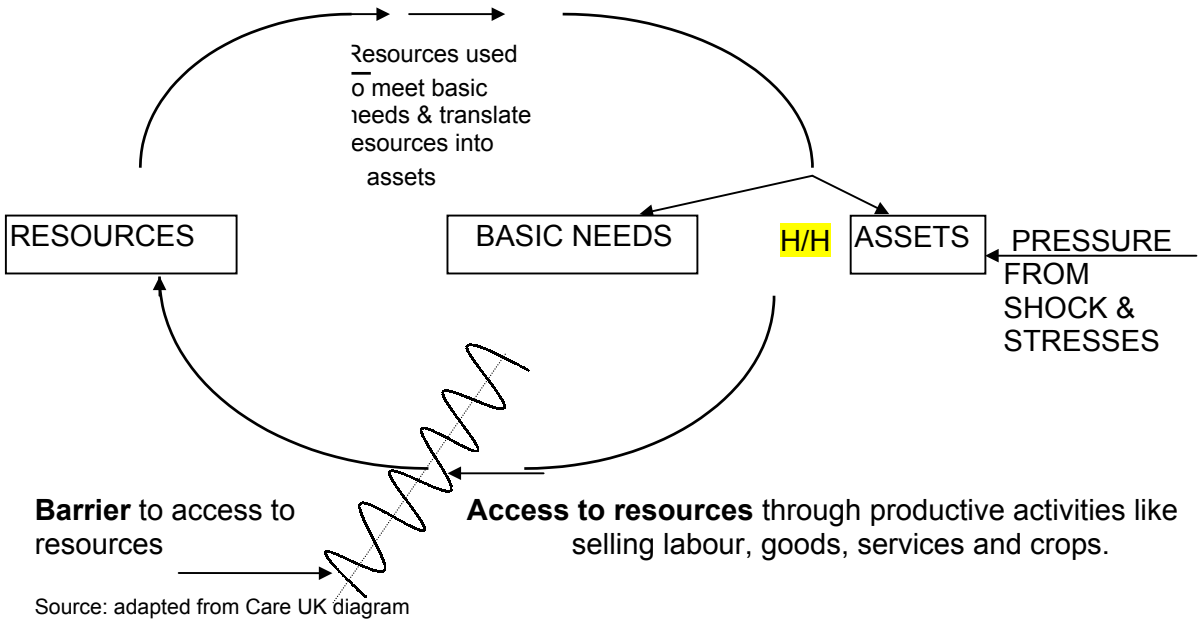
Source: Care UK

As outlined in Figure 2, the HLS approach consists of:

The context. The political, economic and physical environment in which the household lives.
Household Livelihood Security. This is key to an understanding of how households build and manage their assets.
Outcomes. Appropriate livelihood strategies lead to more secure households with secure portfolios of assets which might include better health, water, shelter, education, personal safety and secure incomes.

Care UK also describes the sequence of events or cycles households go through to strive for livelihood security. The cycle includes households accessing resources; getting over barriers that exclude them from those resources; using resources to build up assets; and creating "buffers" to protect the household against shocks and stresses. Outcomes are seen in terms of building up assets and meeting basic needs. The context includes the control of resources by different interest groups and the effects of shocks and stresses on households. Most strategies involve gaining access to resources through income generating activities.

Figure 3: Cycles



Source: adapted from Care UK diagram

The sequence of building assets as indicated in the above diagram are as follows:
The household has basic needs like food, water, shelter and education etc. To meet their needs households have to access resources or services. Most households access these resources through payment, which is secured by selling their labour for money.
There are barriers to accessing resources. Two general barriers are: position in society determined by gender, religion, status; and control of resources by structures like government regulations and private sector employers.
Depending on the degree of success in overcoming barriers, households are able to meet immediate basic needs and to build assets over time.

Assets are used in the long term to buffer households against stress and shocks and to increase their ability to improve access to resources and services.

Comments and Summary of Livelihoods Framework

Understanding of Context. Livelihood frameworks require an understanding of the external social, political and economic environment in which the assets exist. This includes a knowledge and understanding of the "resources and technologies, population growth, culture, conflict, climate, markets, the political economy and an understanding of political and administrative structures of government and the private sector" (Carney).

Multi-sector Approach. The major challenge posed by a livelihoods approach is that it forces development organisations to think holistically, rather than sectorally, about strategies to enhance and improve livelihoods so people can gradually move out of poverty. In the urban context the literature highlights the importance of housing/shelter and income generating activities as a focus for asset building (Care UK 1999 and Moser 1997). Housing can be regarded as a basic need (shelter), a site where a range of productive activities and services can take place (work place) and a focal point where the household can share and pool resources. Finally, housing can be used as collateral to access finance in the process of further asset building.

Empowerment. The livelihoods approach claims that empowerment is one of the indirect outcomes of the process. Carney (ibid) states "the building up of assets is a core component of empowerment" as such a process increases "one's ability to influence the policies and institutions which define one's livelihood options".

Implications for NGOs and Development Agencies. For development agencies and international NGOs a livelihood approach to projects and programmes implies a multisectoral view. But interventions might still have to be tied to a specific sectoral entry point related to an area of expertise - for example SCF in respect to the promotion of child rights, ITDG in respect to appropriate technology and Homeless International on human settlements and housing finance. To plan and manage multisector programmes, the necessary technical expertise might have to come from an alliance of development actors working together.

Micro-level Concentration. The main focus of the livelihood approach is at a household level. This means that linking activities to a wider city or national context may be overlooked. Beale (1999) while recognising the usefulness of the livelihoods concept as an analytical tool, urges a certain amount of caution in "over-emphasising micro-level activities at the expense of analysing wider structures….In the hands of policy makers and planners (the livelihood approach) risks only tackling urban poverty through micro-level interventions, while ignoring the impact of policy at the city or macro-level". Beale cites Colin Murray's cautionary words "that the family should not be viewed in a residual sense as something to accommodate everyone, in default of decent social policy". This poses a clear challenge to the livelihood approach: how to integrate households into becoming active citizens and beneficiaries of the whole city rather that just building assets in their own deprived urban spaces.

Strong Functioning State and Civil Society. A wider issue raised by much of the literature (especially Beale 99) is that the demands made on the State by a more participatory and empowered urban poor can only be made if the State (local or national)

has the power and resources to respond. Structural adjustment policy, especially in Africa has rolled back the role of the State, making demands in this direction unrealistic. Beale concludes that urban poverty reduction and sustainable livelihoods “require beyond the market, both a strong and accountable State and strong civil society”.

SECTION IV

Single sector, multisector and integrated projects (the search for a definition and common understanding).

'In responding to urban poverty unity of experience must be met with convergent and co-ordinated institutional responses, while recognising that poverty comprises opportunities as well as threats, and is experienced differently because the poor themselves are not homogeneous'.
The Recife Declaration, 1996

This statement from the Recife Declaration recognises the importance of a convergent and co-ordinated response to urban poverty - an integrated response which builds on the assets of the poor themselves. Most of the large development agencies (World Bank, UNHCS) currently accept this theory. But there is little experience or data available on the practical modalities of implementing such approaches, or evaluations of their impact. Much of the literature also adds to the problem of evaluation, because of confusion over the distinctions between single-sector, multi-sector and integrated urban projects and programmes.

This section looks at some of the key problems of definition and seeks to show where there are areas of distinction and commonality.

Single-sector

Most traditional NGO and development agency projects have been in support of single sector activities - for example, income generation, the provision of credit, health improvements, housing or water supply. Conceptually, this was described by Moser (1997) as 'based on the premise that particular aspects of human activity can be isolated for separate treatment, differentiating spheres such as education , health, housing or personal social services for individual professional application'.

However, many projects that appear to be single sector are actually conceived to achieve a much broader impact.

For example, credit unions created by the Tequisquiapan Project in Queretaro State in Mexico do not see themselves simply as micro finance institutions. They are aiming to create ' a more integrated regional society and economy, in which the wealth that is created is retained locally, and poor people develop the capacity to control their own lives'. (Rogaly, Fisher, Mayo 1999)

Multisector

The interest in multisector approaches to poverty alleviation has largely developed from the debate over livelihoods: the notion that problems are multidimensional leads inexorably to the proposition that solutions have to be multidimensional (ie multisectoral) as well.

But there is no clear agreement on the terminology. 'Multisector' can be used to mean interventions in several different sectors with quite distinct projects that are not formally linked in any way. It is also sometimes used to mean separate sectoral interventions

which *are* linked (an idea close to the concept of 'integrated' projects dealt with below).And some development agencies refer to multidimensional issues in a broader sense to include national and international frameworks. For example, UNCHS (1996) says that :

'Human settlements problems are of a multidimensional nature. It is recognised that adequate shelter for all and sustainable human settlements development are not isolated from the broader social and economic development of countries and that they cannot be set apart from the need for favourable national and international frameworks for economic development, social development, and environmental protection, which are indispensable and mutually reinforcing components of sustainable development.' (UNCHS 1996 p. 18)

Integrated

The literature contains two main notions of integrated projects and programmes. One is when all the different parts of a multisectoral programme are working in tandem so that results in one area will be reinforced by achievements in another. The other is where poorer, marginalised parts of a city are formally integrated into the rest of the city. In this definition, the geographical living area is fully connected to, for example, the water, sewage and other service supply networks, while land occupation is regularised, and attempts are made to link the informal settlements more fully with the economic, banking and tax base of the formal city.

The first of these two definitions is described by the EC's 'Draft Policy Guidelines for Sustainable Urban Development' (July 1999), which distinguishes between 'urban projects and programmes' (the EC's term for 'integrated' projects) and sectoral projects as follows:

'Urban development programmes and projects are conceptually distinct from sectoral programmes and projects in urban areas in that they contribute to integrated development and functioning of cities as a whole. They embrace cross-cultural issues facing the governance and management of cities; urban productivity; poverty and social equity; environmental sustainability and security. Urban development programmes and projects respond to a mayor or chief executive who, for example, is preoccupied with improving the productivity of the city or town in order to increase revenue and reduce poverty…….

'Sectoral projects are interventions in pursuit of particular, often physical, improvements. Traditionally, the objectives of sectoral projects do not go beyond addressing the provision or improvement of the sector in which they are operative (distribution of water, disposal of solid waste, upgrading etc). They are seldom concerned with other aspects of local authority performance, or the improvement of the general quality of urban life'.

However, the EC makes a clear connection in its guidelines between sectoral and integrated projects, stating explicitly that sectoral approaches can contribute to an integrated programme. It says that sector-based development projects can provide the entry point for integrated urban programmes when a contribution is made to:
urban economic development and the reduction of poverty
enhanced social equity, security and the quality of life
environmental improvements ' (EC DGVIII 1999).

A second use of the word 'integrated' , employed by the Inter-American Development Bank (IDB), the municipality of Rio de Janeiro Brazil and the Recife Declaration, focuses on the notion of spatial and social integration of the city as a whole.

In the Barrio Favela programme in Rio de Janeiro, Brazil, the 'goal is not simply to improve living conditions in the favelas but also to integrate favelas into surrounding neighbourhoods and the city as a whole' (IDB 1997). This is an attempt to bring the favelas into the mainstream administration of the city so their occupants can make demands on municipal services rather than being treated as residents from geographically separated communities.

Five elements seem to emerge as central to integrated urban poverty strategies that are currently being adopted by the large bilateral and multilateral development agencies.

These are:

Location	Large scale - city wide strategies.
Approach	Multisectoral approach.
Method	Community participation.
Actors	Pivotal role of Municipalities and partnership between major actors - NGOs, private and public sectors.
Goal	More spatial and social integration.

Comments on Definitions

Amongst the large development agencies there has been a distinct shift in thinking in recent years towards treating urban development in a 'holistic' or 'integrated' way. But the literature tends to be confusing because of the lack of clear terminology.

Perhaps the simplest way of classifying these different approaches is to treat 'single sector' projects as dealing with only one type of intervention (eg micro-finance), 'multisector' as involving several different interventions in a specific geographical area, and 'integrated' as programmes which seek to co-ordinate different interventions in some way.

However there are clear areas of overlap. For example, single sector projects can often expand over time into other sectors, and can also contribute to wider, 'integrated' urban development.

Multisector could imply one project providing support for two or more activities - eg housing and income generation - or could involve different agencies providing distinct projects in the same areas. The idea of 'integrated' programmes carries the multisectoral approach a little further, creating some type of formal co-ordination, so that projects are mutually reinforcing.

Integration, however can be viewed in two ways, either a) functionally or b) spatially and socially. Functional integration involves different sectors working formally in tandem, either at a neighbourhood or city level, whereas spatial and social integration implies working towards a situation in which everyone becomes a full citizen within the same urban area.

An integrated approach towards urban development implies a renewed role for municipalities in creating the conditions for socio-economic development and co-operation with the private sector and NGOs.

Section V

The Impact on Livelihood Support and Poverty Alleviation of Single-sector and Multisector and Integrated Urban Projects

To assess the impact development interventions have on livelihoods it is important to ascertain the following:

Barriers Does the intervention help to by-pass barriers and thereby access resources?
Assets What assets are built up at a household level?
Shocks Does the intervention increase household ability to withstand shocks and stresses?
Outcomes What are the outcomes of the intervention at household, community, municipal and macro level?

I will briefly describe a range of multisector, single sector and integrated urban projects and comment on how they support livelihoods.

Multisector urban projects

ITDG's Urban Development Project in Chitungwiza in Zimbabwe

ITDG's Urban Development Project in Chitungwiza in Zimbabwe is a multisectoral project covering the sectors of shelter, income generating activities and training. The project is described in the box below.

Box 3: Urban Development Project in Chitungwiza

The IUDP started in 1997 and is scheduled to run until March 2000. The project aims to assist members of the Cone Textile Housing Cooperative by meeting their basic needs regarding shelter, employment and general livelihood. The cooperative was formed while members were employed by Cone Textile Ltd, a company which has now closed down. At the start of the project members of the cooperative were mainly low to middle income earners. After a struggle and negotiations with the municipality CTHC managed to acquire 900 stands (plots) from the municipality. After layout plans were approved and the plots were surveyed titles were issued. They then started to service some of the plots through members' contributions and loan arrangements through a buiding society - CABS(Central African Building Society). This loan arrangement with CABS was subsequently withdrawn following the liquidation of Cone Textiles.

When the cooperative was formed it was male-dominated, with only two female members out of 1000 There is now, however, a female representation of 42% in the cooperative. The project identified three enterprise areas for direct assistance. These were : brick moulding, peanut butter processing, and welding. The training workshops took the form of lectures followed by open discussions. Income generating demonstration projects were set up using participants from the cooperative to show how to undertake different enterprises. At the same time people built and provided services to their housing plots. To date, there are 75 completed housing units and an additional 60 units nearing completion.

The income generating demonstration projects had a mixed outcome. While not particularly successful at a group level they had a strongly positive impact at household level, with people taking advantage of the training and experience to set up their own family enterprises. Most of these activities are home-based and have so far created 60 steady jobs.

Comments and Assessment of the Project

On the positive side semi-literate women have managed in the course of the project to move from virtual exclusion from income-generating activity to a position where they make up 42% of the active participants. This represents a major **barrier** that they have over come

On the negative side, beneficiaries have identified the lack of finance as a major constraint to their enterprise and development ambitions.

The project has enabled households to build up substantial labour, **human and housing assets.** In a worsening economic environment, as in Zimbabwe at present, the first and most important response at the household level is to mobilise additional labour (Moser 1998). Often this means that more women join the labour force. The IUDP has assisted in building up this asset especially among women by

- providing training and skills development
- developing three pilot income generating projects

Some of these income generating schemes have remained family or household businesses, but others are composed of groups of people from various households. Perhaps the most significant aspect of the project is the 'down-stream' impact it has had on the wider community. Following the example of the pilot income generating schemes others have gone off and started their own businesses. However, the number of peanut butter making, or brick making, businesses that can thrive within one settlement has a finite limit. It is unclear from the project literature whether the project has had an impact on other settlements or at a municipal level.

The project provides training in both practical and business management skills, thereby developing the knowledge and human capital of the beneficiaries. Knowledge and skills are also passed on informally as more and more of the community are involved in IGAs. The training provided includes: record keeping, cash management, product costing, financing the enterprise, marketing, customer relations and service, planning, and general management.

The CTHC negotiated with the municipality of Chitungwiza for building plots for their members. Eventually titles and security of tenure were obtained and members could start to build brick houses. There are now 75 brick houses completed, and an additional 60 should be ready by mid 2000. These houses provide the occupying households with

- accommodation for living and for carrying out small enterprises.
- rooms to rent.
- collateral which can be used to raise loans in times of hardship or for expanding income generating schemes

This project has functioned at a time of declining urban incomes and living standards. During this period of economic stress, it has clearly helped these households build up assets. The income generating activities have enabled households to complete the construction of their houses and provide services to those houses. A survey of enterprise initiatives in the project area in March 1999 revealed that enterprise initiatives are the major tool being used by beneficiaries to raise construction funds.

Outcomes

- At least 60 members of the CTHC have been trained in various business skills. Fifty per cent of the trainees have been women.
- Three profitable businesses in brickmaking, sewing and construction have been established.
- Over 50 household or family enterprises have been set up.
- Almost 70 family enterprise-based jobs have been created.
- Seventy five houses have been built so far.

Multisector Programmes through Partnership

Other NGOs achieve a level of multi-sectorality and contribute to the process of urban development through partnerships, networks and collaboration with other NGOs and public sector bodies. (see box below on SXSSS)

Box 4: St Xaviers Social Service Society in Ahmedabad India

St Xaviers Social Service Society in Ahmedabad India, works in the urban settlements of the city, providing programmes of education, health care, community organisation and environmental improvement. As an organisation SXSSS has always tried to work in tandem with the Ahmedabad municipal council (AMC), because they are convinced that it is the best way by which the poor can benefit from government programmes. The AMC has involved SXSSS in a major survey to identify the urban poor as part of an urban poverty alleviation programme. This indicates there is a realisation on the part of the local authority that the NGO is better equipped to solicit reliable information at a community level.

But SXSSS does not posses all the necessary skills to address the multidimentional aspects of poverty. For example it does not have the relevant experience or linkages with the formal banking sector to set up credit schemes. SXSSS, however, has encouraged savings amongst sectors of the poor and linked them with savings institution like SEWA (Self-employed women's association). SEWA has an international reputation for organising hawkers and street vendors and providing credit for income generating activities.

Source INTRAC Occasional Paper number 22 1999

The partnership of these two NGOs has provided the beneficiaries of the project area with both credit and organisational capacity. Their partnership enables the beneficiaries to expand their asset portfolio and thereby the capacity to withstand shocks and stresses. An outcome of SXSSS's approach of dialogue and collaboration with the municipal authorities means that the programme has the potential to influence municipal policies and practices.

Some organisations say they are engaged in multisectoral projects but often the sectors do not link up, the NGO has few links with other organisations or the local authority and they do not have sufficient competence and expertise across the different sectors. Often such organisations are affected by internal management problems as they try to manage complex multi-sector activities. (An example of a multisectoral rather than a "pro-integration" programme is the Undugu Society of Kenya (USK).

Box 5: Undugu Society of Kenya (USK)

USK was established in 1973 to respond to the plight of street children in Nairobi. It started with educational and training projects for these children but in the late 1970s it moved into Community development work in three slum settlements of the city. From training USK developed production units (garages, carpentry and metal work) to provide employment and to generate funds for its other activities. In the 1980s the USK Business Advisory Unit was set up to encourage and support the development of small enterprises.

In the late 1980s USK expanded its work to improve conditions for the urban poor. These programmes included: shelter improvement; urban agriculture; appropriate technology; community health; waste recycling; Children with disabilities.

Shelter Improvement

The Low Cost Housing unit supported the construction of over 500 houses in the informal settlements around Nairobi. Residents in these areas were encouraged to upgrade their houses replacing cardboard materials with mud bricks and corrugated iron roofs. They also co-operated in the construction of drainage systems, toilets and water storage jars. But organisational problems were encountered in this programme, as it was not integrated into the rest of USK work. The programme was unable to carry out research work, to become self sustaining. Often supervision of construction was given to outsiders who were never paid in time.

USK has an exceptional record in addressing the felt needs of street children and communities in Nairobi slums through social support and services. However, following an evaluation in March 1996 many of the programme units of USK were scaled down or closed. It appeared that USK was unable to continue in a multisectoral way without widening its base of actors. USK failed to engage fully with part of the public sector, thereby not taking advantage of government extension services. Because USK is involved in IGA for the informal sector it would be useful if (private sector organisations) were contracted to provide supplementary assistance. This assistance could strengthen the Informal Sector Trainers'. In recent years USK has not enjoyed a collaborative relationship with other local NGOs.

Single sector Programmes

Other NGO programmes which appear to be dedicated to single sector activities turn out to have features of multisectorality and pro-integrational programmes. For example, the work of the Namibian Housing Action Group (NHAG) involves shelter, land negotiations, savings and credit and income generation activities. NHAG's interventions involved the collaboration of community groups in different locations throughout Namibia, municipalities, Ministry of Housing and Local Government and the support and assistance of housing NGOs in other Southern Africa countries and in India.

Box 6: The Shack Dwellers Federation of Namibia and NHAG

The Organisation

NHAG was established in 1992 as a voluntary association to support low-income housing groups. At that stage there were 3 active community groups involved in housing. By October 1999 there were 32 groups in the association, involved in savings, house construction, negotiations for land, credit for income generation and house construction. The association was supported by a Support Service Unit with an office in Windhoek and Osokati in the north of the country.

Following an evaluation in September 1998 the groups decided in October 1998 to change the organisation to form an informal network of saving schemes, targeting the urban and peri-urban poor of Namibia living mainly in informal settlements, rented rooms, and shacks. This network is called the Shack Dwellers Federation of Namibia. The Support Service was consequently established as a separate NGO with a separate Board of Trustees in the form of a Trust on 1 July 1999.

Main Achievements during October 1998 - October 1999:

Savings Schemes becoming a People's Movement : Following the structural changes the saving schemes have almost tripled since October 1998 from 32 saving groups, involving about 800 members, to 87 groups involving about 2300 families in most of the urban areas of Namibia. The savings are currently about N$200,000. This demonstrates an extremely dynamic movement driven by the poor themselves. The savings scheme money is used by the groups for addressing urgent problems as well as income generation. This is also a tool for negotiating for other resources like land and loan funds. The success of this was demonstrated when the Minister of Housing promised in July to obtain matching funds for the Federation.

Credit Fund : A loan fund, the Twahangana Fund, was established in 1996 to give larger loans for income generation and house construction. Since October 1998 N$160,700 has been given to 47 saving groups (benefiting 332 households). A further 12 groups have received house and service loans which include loans for 80 new houses, and 17 sewer and water connections. These loans amount to a total of N$ 847 500.00. The loan repayment rate in February 1999 as about 80%.

Land : Access to land for the poor is very difficult, but in Namibia the groups addressed this with collective land ownership, whereby they negotiated for cheaper prices from the Municipalities and further developed the land themselves. Twelve groups, involving 567 households, negotiated for cheaper land and 9 of these groups obtained blocks of land, while the others obtained individual plots.

Building of houses : 160 houses were constructed by the groups themselves. 55 of these were completed during the last year. The members have also built houses with sun dried clay blocks.

Developing skills by learning from each other : Regular exchanges between low-income communities raised awareness, teaching them to transfer skills among themselves to such an extent that members managed their own savings, embarked on house modelling exercises, carried out mapping and information collection among themselves, and controlled their own loan repayments. The information collection, another new activity the Federation embarked on, aimed to inform the people themselves, and the authorities, concerning the conditions of the Shack Dwellers. Since May 1998 information regarding housing conditions and household size and income has been collected from 1400 households in 17 informal settlements in four urban areas of Namibia.

House modelling becoming public events : Since the beginning of the year the savings schemes organised six public events where they built life-size models of the houses they wanted to build. These events were attended by other shack dwellers from informal settlements and were addressed by the Minister and Deputy Minister of Regional Local Government and Housing, Regional Councillors, Mayors and Local Authority Councillors.

Comments and Assessment of Project.
NHAG has helped women-headed households to participate in a housing project and become active members of savings groups. Both men and women beneficiaries from the lowest income groups, usually excluded from home or land ownership, have overcome these social and economic **barriers**.

NHAG's activities have enabled people to build up **the capital assets** of housing, finance (through the savings and loans schemes), human skills (through their training programme) and social capital (through strengthening local neighbourhood groups).

Members of the savings and loans groups have access to larger loans through the Twahangana Fund administered by NHAG. Access to such loans can help households to survive **shocks and stresses** such as illness and unemployment. Security of tenure also enables households to rent rooms in times of hardship.

Outcomes
NHAG demonstrates that although conceived as a single sector organisation it has had an impact beyond its sectoral activity of housing. Since its foundation it has gradually expanded its activities over time as follows:

- Support to slum dwellers to build and improve their own houses. Technical support and organisational support has been given
- Savings groups started to mobilise households (usually headed by women) into groups. This taught the mechanisms of savings and loans by 'doing'.
- Negotiations with municipalities for land and discussions about layout, materials and standards.
- Access to larger amounts of credit for house building and income generating activities
- NHAG has now become a support NGO. It has a separate identity from the 70 community based organisations or people's organisations which it supports.
- NHAG supports CBOs in all urban areas of Namibia
- NHAG enters into partnership and/or dialogue with local authorities and central government.

Although NHAG is still regarded as a single sector organisation it makes an impact on economic development, poverty reduction and environmental improvement. It also involves a range of actors - communities, local authorities, the banking sector and government departments at various levels - the household, the community, the municipality and national government.

There are other single sector organisations offering effective support to urban livelihood. One such organisation, SEWA (mentioned above) is described more fully below

Box 7: SEWA Bank

SEWA is a co-operative bank in Ahmedabad ,India, providing micro-financial services . The bank was set up in 1974 by Self Employed Women's Association (SEWA), a trade union of women working in the informal sector. The trade union now has over 250,000 members, and has also set up educational and housing and an academy for research and training. The bank has over 60,000 account holders, 20,000 shareholders and a board of 15 trustees all women. The women are engaged in different trades such as vegetable vending, cloth weaving or rag picking. SEWA Bank is a formal and regulated bank but its shareholders and account holders are thousands of low-income women many working in the informal sector.

SEWA Bank offers a range of services, but in particular various savings loans and insurance products. A new members are encouraged to build up savings and take out insurance to protect her in the case of illness, flooding and debt. Women take out working-capital loans to stabilise the cash flow of small enterprises, later larger loans are secured to enable expansion of the business. SEWA is one of the few bank which offers insurance services for poor and low income women. It provides life, accident and health insurance as well as maternity benefits and basic pensions.

SEWA provides this financial services by purchasing bulk insurance coverage from national insurance companies. Purchasing wholesale reduces the costs of individual premiums, which can moreover be spread over time, making payment possible for poor women who may not have sufficient savings. Husbands of members can also be included under the life and health insurance.

Comments

The SEWA Bank provides a unique service to the urban poor in India - insurance. Such a financial service provides a safety net in times of **shock and stress** for urban households constructing viable livelihoods in precarious economic and social environments. This financial service, of insurance for the urban poor could be bolted on to other projects offering different sectoral support to building livelihoods. Although insurance for the poor is difficult to obtain, both in the North the South, it is something that safeguards assets and livelihoods. NGOs and government could perhaps do more to encourage formal and informal financial institutions to provide insurance against loss of earnings, natural disasters and illness.

Examples of Integrated Programmes

The following case studies are three examples of Integrated urban programmes - one in Dakar Senegal, one in Rio de Janeiro Brazil and one in Hyderabad India. All these examples are from case studies made by R. Ramirez for the IFUP conference in Nairobi 1999.

Box 8: ENDA & the Pikine City Programme : Dakar

Since the end of the 1980s poverty has been recognised by the Senegalise government as a grave and specific problem requiring appropriate measures. Several sectorial programmes were implemented with little results until the middle of the 1990s, when a more comprehensive National Plan against Poverty was launched. This plan incorporated the principles of participation and partnership, of decentralisation and of transference of competence to municipal authorities.

ENDA, 'Environment et Development du Tiers-Monde', was founded in 1972 and has become one of the biggest international NGOs in the field of urban poverty alleviation with a grassroots initiatives approach. ENDA has its headquarters in Dakar, and has branches in 13 countries in Africa, Asia and Latin America. It works through 15 thematic teams. One of these - ENDA ECOPOP (ENDA Popular Economy) - is dealing the Pikine City Programme.

Pikine City is an extension of Dakar, a dormitory for some 800,000 people. During the 1970s and 1980s this originally agricultural land was used by the national authorities to relocate people displaced from Dakar by large urban development projects. It soon became a primary area of demographic growth and poverty concentration, absorbing the newcomers to the city and the poor families invading land to build their homes. The overall layout is of a rather chaotic agglomeration - the result of informal settlements without any planning support - adding another obstacle to the provision of infrastructure. Administratively Pikine is governed by a City Authority, headed by a Mayor, and is divided into 16 municipalities, all governed by local authorities, and headed by Mayors. This programme takes place in three of these municipalities: Yeumbeul North, Yeubeul South and Malika, and in another settlement called Guinaw Rail.

The programme was set up in 1996 on the initiative of the main local community associations in Yeumbeul with the contribution of ENDA. The idea was to have an integrated programme to improve living conditions, involving strengthening local initiatives and finding the financial means to do it. Consultations organised with the local community associations helped to identify problems and to define possible solutions. The identified problems were

- Access to drinking water
- Improving hygiene and sanitation
- Support for income-generation activities
- Social activities and community development promotion

The first phase of the programme was implemented in the most impoverished areas, with the assistance of ENDA and UNESCO, for a total funding of US$80,000. Its achievements were

- Extension of water network and construction of 5 supplementary public taps, each serving 120 households
- Construction of 76 individual latrines and cesspools
- Provision of 5 animal-drawn carts for pre-collection of household waste
- Support for 10 women's promotion groups credit-saving funds. (About 50 women each).
- Training of local activity leaders in health and hygiene awareness raising
- Training women in the credit-saving field and in community micro-project management
- Training builders in the construction of sanitation works

The whole first phase was based upon participation, consultation and partnership. This included a number of organisations: technical assistance provided by the government body dealing with water and sanitation; Dakar University training on health and hygiene; other local NGOs training women's groups on credit and funding, local associations selecting direct beneficiaries; management committees created to supervise the work and to manage water taps (collecting payments for consumption, paying company bills, maintenance work, etc).

Comments

Each of the achieved activities generated a small local economy. Modest charges for water and rubbish collection were used to employ local youth in the maintenance and supply of the services. Another was the creation of a local development fund out of the contributions made from all the activities of the project. The fund, managed by ENDA, the municipalities and community representatives, works as a social development bank to support small scale local initiatives. These outcomes contributed to the building up of financial and social assets. The fact that the local youth were employed meant that they

could start to secure their livelihoods in the community and start building social, financial and productive assets.

The programme helped to create a sense of community (a capital asset), and a feeling that progress is possible further motivated the people to continue the improvement of their neighbourhoods. At the same time, this first phase helped to identify several problems among them: difficulty in reaching the poorest, mainly as a result of the demand for financial contributions; difficulty in identifying solid economic micro projects able to generate sustainable employment; inevitable conflicts and rivalry among community groups and between local councils and community organisations. This phase of the programme showed that NGOs and community groups, given the limited scale of their work, cannot replace the state and town councils in carrying out integrated urban programmes.

Box 9: The 'Favela Bairro' Programme in Rio de Janeiro

Rio de Janeiro, the former capital of Brazil, has a population of 6.5 million people, 1 million of whom are living in squatter settlements or '*favelas*'. In the *favelas*, only 48 per cent of residents have access to public sanitation and 83 to water. In addition, fewer than 4 per cent of residents had deeds for their homes in 1990. Rio's *favelas* tend to be located on land unsuitable for settlement, making them vulnerable to landslides, flood and pollution. Increasingly unemployment, brought by economic crises and restructuring, is forcing more people to make an unstable living by informal means, especially in the low-paid service sector. Added to this is the problem of violence associated with the control of the *favelas* by armed gangs of rival drug dealers, creating an environment that is intimidating and threatening to the majority of the *favela* residents.

Established in 1994 by the Municipal Housing Secretariat (SMH), the aim of the Favela Bairro (which translates as Favela-to-Neighbourhood) programme is to integrate the *favelas* of Rio into the 'formal' city. The *favelas* are excluded from the rest of the city by poverty, violence, isolated locations, and by popular prejudice. However, the programme aims to physically integrate the *favelas* into the surrounding neighbourhoods by upgrading and installing sanitation infrastructure, opening up new access roads, creating public squares, paths, passageways, planting trees to reduce erosion, updating electricity networks, and establishing regular rubbish collection. In addition, the need for greater social integration of *favela* residents is being addressed through the construction of kindergartens, sports and leisure facilities, income generation and training projects and centres, and the regularisation of road layouts, house numbers and land titles.

Given the previous piecemeal approach to the upgrading of Rio's *favelas*, the scale of Favela Bairro and the integrated approach it takes makes the programme innovative at local, national and international levels. The diagnosis of the infrastructure needs of entire communities, rather than small sections of them, ensures that all the population of a *favela* benefits from a new water supply, sewerage infrastructure, network of passageways, public square or the planting of trees. The social projects that also make up Favela Bairro are designed to cater for those who are most vulnerable within the *favelas*. Rigorous selection criteria to make sure that only the needy are awarded places in kindergartens, on training courses, or receive sports lessons. Finally, working Favela Bairro the Federal Savings Bank of Brazil offers low-interest loans to *favela* residents to purchase construction materials for home improvements. Thus, not only does Favela Bairro aim to break down the physical barriers and differences between the *favelas* and the rest of the city, but also alleviate poverty and reduce violence and social exclusion.

Comments

Through this process, one of the main aims of Favela Bairro is to change the way in which the drug dealers control their territories, reducing the violence associated with the trade. This is removing one of the biggest barriers (drugs and violence) that is preventing households from creating safe sustainable livelihoods. In addition, the construction of kindergartens, sometimes offering hundreds of places for children, not only provides women-headed households with cheap child care and thus the opportunity to work (labour asset) but also ensure that children enter at an early age into a learning environment (human asset). This, coupled with training and income generation projects

and the provision of sports and leisure facilities and lessons, is intended to ensure that the children and youths of *favelas* are productively occupied, providing an alternative to the lucrative but high-risk drug trade.

The programme is providing an opportunity for households to build up a spread of assets - human, financial and productive - through the provision of sports and leisure facilities. The youth have the opportunity to build social and community relations, which over time could develop into important assets which help them to support a productive livelihood in the *favelas*,

Box 10: Municipal Services for the Urban Poor of Hyderabad, India

Hyderabad, with a population of 4.28 million, is India's fifth largest city. There are over 800 slum areas which are home to 1.25 million people. The Corporation of Hyderabad (MCH) have made conscious policy decisions for the urban poor, and three successive slum improvement projects were executed over the last two decades. In December 1998 the city government mad a proposal for a fourth Slum Improvement Project. It was agreed that there was a need to prepare a comprehensive programme (instead of separate slum improvement projects) to address the multidimensional problems of the urban poor. The major differences between slum improvement projects and a regular programme of service delivery for the poor lie in the - time frame ,scale of coverage, financing, institutional set-up, management.

Slum improvement projects are invariably for a fixed period, covering a specific geographical location, and implemented by one agency (local government, private sector, or development authority). A regular service delivery programme is expected to be ongoing, to have universal coverage, to be partially funded from internal sources, and to be implemented by a lead agency in partnership with other agencies concerned with poverty reduction and service provision. It also aims at providing a comprehensive package of services and infrastructure, social services and support for employment and income generation.

The broad policy objectives of the proposed programme are:

- Developing a strategic framework for poverty alleviation with policy guidelines at the state and local level;
- Institutionalisation of the process by assigning clear roles and responsibilities of various agencies and service providers; and developing suitable mechanisms for co-ordination amongst themselves as well as with primary stakeholders;
- Building the capacity of the Municipal Corporation of Hyderabad and other agencies to implement the programme;
- Developing partnerships with non-governmental stakeholders and the private sector;
- Strengthening existing community structures and empowering the communities for operation and maintenance of community assets;
- Fostering stakeholder ownership of the programme through adoption of appropriate consultative process at all stages;
- Cost recovery to make the programme financially sustainable.

Comment

The Hyderabad Municipal Services for the urban poor is about to start so that there is no empirical evidence as to how it has supported the asset building of the poor. However, assumptions can be made as to how the poor could use the programme to improve their livelihoods.

It would be the process of infrastructure development, and its subsequent management, combined with access to income-generating activities that will also improve livelihoods. Improvements in infrastructure can lead to immediate higher quality of life.

'Barriers' will be passed by those who did not, by virtue of their location, have access to municipal services in the past. Receiving ongoing municipal services and contributing to the tax base of the city will bring previous slum dwellers into fuller citizenship. There could, however, be problems for those who cannot pay for services such as water,

electricity and drainage. Slum dwellers will become 'included' into the city thereby perhaps removing the stigma of being socially and physically excluded. The focus of education for girl children will help overcome some gender barriers.

Through the promotion of income-generating activities and the development of financial services the financial assets of the poor will be improved. The improvement informal housing and the granting of security of tenure will be important in building on this productive asset (housing).
The city-wide nature of the Hyderabad programme could increase people's flexibility to move around the city for work, education, and housing. This could have an impact on building assets.

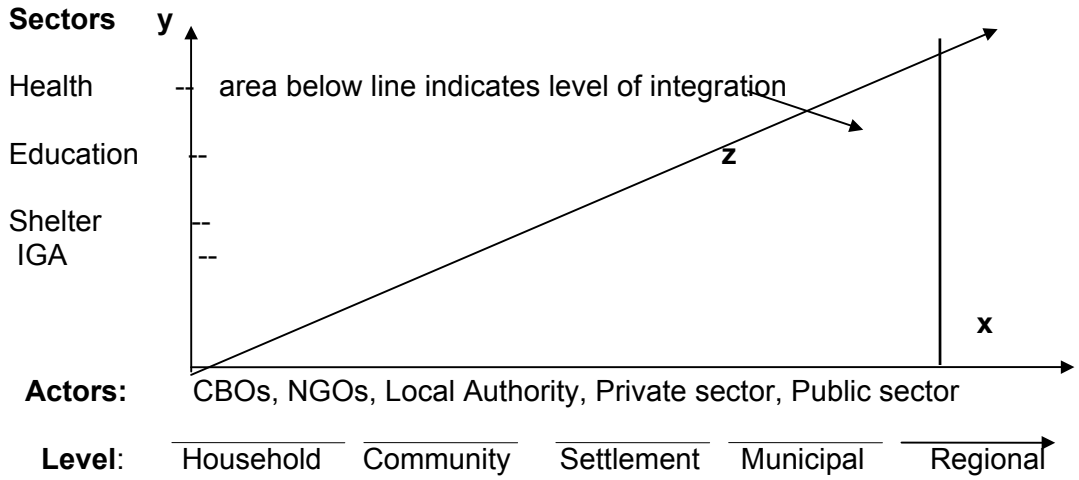
The success of the Hyderabad programme will depend on the involvement of community based organisations and NGOs, who have a better track record of reaching, informing and mobilising the poor. The programme definitely offers the opportunity for the poor to build up their asset base (housing, financial, physical and human). Assets are built up over time and since this integrated programme is open ended it will assist households to slowly expand their asset base.

Conclusions

The causes of urban poverty are multiple and solutions cannot be found in only one sector (eg housing; health) or at one level (eg community; municipality). It is now widely accepted that tackling just one area of urban poverty is unlikely to lead to long term and sustainable benefits for the urban poor. In the same way, concentrating anti-poverty interventions at one social/geographical level, means that impact is limited: ideally, community level projects should complement and influence municipal poverty, and municipal level programmes should enable and support community initiatives. Policy makers should therefore aim to develop multi-dimensional programmes in which initiatives in different sectors and at different levels are mutually reinforcing.

The graph below represents the degree of, or movement towards, an integrated urban approach of a particular intervention. The y axis represents the type of sectors involved and the x axis represents the type and number of actors involved and the level of the intervention - household, community, settlement, municipal, regional.

Figure 4: Integrated Urban Approach of a Particular Intervention



The more sectors involved, the greater the number on the y axis and the more levels/actors involved, the greater the number on the x axis. The shaded area below the line Z indicates the level of urban integration.

1. The object of anti-poverty urban projects should be to push along the line z. This means that any project, though initially involving one sector at, say a community level, could proceed or scale up in a pro-integration direction.

2. The livelihoods approach implies a multisector/integrated response to reducing urban poverty. The aim is to build a broad platform of assets within a community or communities that make the poor less vulnerable to shocks and more capable of developing a sustainable way of life.

3. The word 'integrated' is used to mean two different things in the literature. One meaning is a multisector approach that is co-ordinated and mutually reinforcing. The other meaning currently in use is that of overall social, economic and spatial integration or union of a city. This can cause problems when dealing with the literature on integration, because writers use the word in different ways. This paper has sought to explore both these meanings of integration.

4. Building assets at a household level is important both in the rural and urban context. But housing and access to credit are particularly important assets in building sustainable urban livelihoods. Housing, for example, can be used: to generate income through rents; to provide a base for home working; and as a security for a loan. Access to credit is particularly important in the urban context, because town dwellers function in a money economy. Cash is needed to start and develop small business enterprises and unlike in rural communities, to buy food.

5. Any one NGO might not be equipped to deal with a multisectoral/integrated approach. This implies NGOs learning to work together and entering partnerships so that their special areas of expertise are mutually reinforcing. Clearly, some NGOs already cooperate, especially at a campaigning and advocacy level. But there is less

cooperation at a programming level. One problem for both northern and southern NGOs is that they are in constant competition for funds from the same donors. The situation would be improved by donors encouraging co-operation between NGOs and by the development of models to show how NGOs might work together effectively.

6. There has been a redefinition of the role of municipalities in urban development, emphasising their central importance for economic and social improvement. This means that NGOs have to work out their relationships with the municipal authorities - either complementing or supporting what they do, or helping communities advocate constructive changes in local policies.

7. Single sector projects cannot help build all the assets needed for sustainable livelihoods. But single sector projects can lead to multisector/integrated activities and to partnerships with other organisations to deliver broader programmes. This is the area where there is a great deal of opportunity to increase the impact of NGO activity.

8. While the aim of multisector /integrated projects is to build up more assets, a single NGO or local organisation may find it difficult to manage such a broadly-based intervention. This again involves the need for partnership between local government and NGOs.

Recommendations

1. Base line surveys are needed at the inception stage of any project to monitor and evaluate initiatives that support the building of assets in a livelihoods approach. Communities themselves should be involved in defining the assets they need to build a sustainable livelihood.

2. While a multisector integrated approach is the ideal aim, this does not automatically exclude the validity of single sector projects. Many organisations are currently best adapted to tackling single sector activities, and for these there should be an understanding of how their intervention contributes to overall urban development.

3. The objective of multisector/integrated projects implies that in many cases NGOs ought to work in partnership with other organisations. Ideally, integrated urban development should be considered both from the sectoral and the spatial point of view, with the aim of bringing all settlements and citizens into the political, social and economic life of the city.

4. More research is needed to develop practical models of how NGOs, both in the North and South, can work together to develop and implement urban programmes.

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Further Reading

For further reading on the issues raised in this paper, practitioners might like to study the following publications in more detail:

***Urban Poverty and Development Interventions*, by Leo Thomas, INTRAC, 1994.**

This provides an overview of the challenges facing NGOs in urban areas. It provides a historical account of why urban poverty has been overlooked for so long and some thoughts of understanding poverty in the urban context. The paper considers the "received practices" with regard to poverty alleviation, service delivery, participation and targeting. It is an easy and accessible read, but does not include specific references to livelihoods or multisector approaches.

2. IDS Bulletin, Volume 28, Number 2, April 1997
Urban Poverty - a new research agenda

This publication contains ten papers, all of which are useful for anyone working in urban development and poverty alleviation. The introduction gives an overview of how urban poverty and its alleviation has been considered by policy makers and researchers. Of particular use in this journal, are the following papers:

Urban Poverty: Reconsidering its Scale and Nature
David Satterthwaite

Assessing and Responding to Urban Poverty: Lessons from Pakistan
Jo Beall

Employment Generating Programmes in the Uban Context of India:
The Nehru Rozgar Yojana
Beate Kruse

Indian Urban Poverty: Where are the Levers for its Effective Alleviation?
Philip Amis

3. *Social Integration and Security for the Urban Poor*, Ronaldo Ramirez, DPU, London, 2000

This paper was presented at the International Forum on Urban Poverty (IFUP), third international conference on social integration and security for the urban poor. The paper provides an up to date contextual analysis of urban poverty and points towards the existence of a new paradigm for the understanding and elimination of urban poverty. This paradigm has the following characteristics: multisectorality, city-wide coverage, decentralisation, participation, gender considerations. This paper also provides sixteen case studies of city-wide projects that aim to achieve a level of social integration and security for the urban poor.

4. *Implementing the Sustainable Rural Livelihoods Approach*, D. Carney, London, DFID, 1998

This paper, although developed for the rural context, provides a very useful background to the theory and application of a livelihoods approach to development. For anyone trying to get to terms with the livelihoods framework, I would suggest that it be the first document studied.

5. Care UK has produced a series of useful documents and notes about urban poverty and the application of a livelihoods approach. As practitioners in the field, they have made these documents concise and accessible, and free from complicated, academic language.

6. Households, Livelihoods and Urban Poverty, Jo Beall and Nazneen Kanji, ESCOR, August 1999

The following introduction, from the paper itself, explains its purpose and content:

This background paper considers how people in low income urban households pursue secure livelihoods and the significance of this for urban policy makers and planners. Livelihoods are understood not only in terms of income earning, but a much wider range of activities. These include gaining and retaining access to resources and opportunities, dealing with risk, negotiating social relationships and managing social networks and institutions within households, communities and the city.