Urban Poor Development Fund (UPDF)
by Asian Coalition for Housing Rights (ACHR) in Cambodia

Source: ACHR website

Yuko Watanabe
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2. Organization and Staffing
3. Funding Flows and Cost
4. Cost Recovery
5. Beneficiary
6. Participation

Relocation planning with community members (Source: ACHR)
1. Project Features
Problems

Housing problem is just one of the symptoms of a greater problem that the urban poor in Cambodia face ...

Disease: **Urban Poverty**

Symptoms:
- No job
- No tenure
- No infrastructure
- No social services
- No voice in local politics
- No housing etc.

No formal support from Gov’t
### Current Situation

- The urban poor suffers from a wide range of problems of poverty.
- Government, donors, and NGOs have multiple projects targeted at a single symptom of poverty.
- Both physical and social capital exist in current settlements.

### Solution

- Address the whole set of problems simultaneously in a coordinated manner.
- Coordinate the effort by empowering the community that knows their problems and resources the most.
- Utilize and improve the resources of the current neighborhood.

### Strategy

<table>
<thead>
<tr>
<th>Comprehensive</th>
<th>Community</th>
<th>Upgrading</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Project Features</th>
<th>Organization and Staffing</th>
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</tr>
</thead>
</table>
Q. What does the project do?

A. Both Physical and non-physical
- Mobilize community
- Identify resources and problems
- Develop comprehensive upgrading plan
- Improve physical housing condition
- Improve environmental living condition
- Build basic infrastructure
- Promote income generating activities
- Promote active participation in city planning
- Secure legal rights to housing and land etc.

Q. Who takes these actions?

A. The urban poor community themselves!
Project Features Summary

**Problems**

Urban Poverty

Not only housing problems, but also the whole range of problems caused by urban poverty.

**Strategy**

Comprehensive Community Upgrading

Community-driven urban upgrading that coordinates the effort to improve livelihood effectively.

**Actions**

Community mobilization

- Improving housing
- Building basic infrastructure
- Securing tenure
- Developing income generation
- Promoting participation in city planning

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Project Features  Organization and Staffing  Funding Flows and Cost  Cost Recovery  Beneficiary  Participation
2. Organization and Staffing
Organizational Structure

ACHR HQ Thailand

Municipality of Phnom Penh

Technical assistance PR, media

UPDF HQ

Solidarity and Urban Poor Federation (SUPF)

Urban Poor Community

Urban Poor Community

Urban Poor Community

Urban Poor Community

Project Features

Organization and Staffing

Funding Flows and Cost

Cost Recovery

Beneficiary

Participation
# List of Participating Agency

<table>
<thead>
<tr>
<th>NGO</th>
<th>Technical Financial</th>
<th>ACHR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gov’t</td>
<td>Financial</td>
<td>Municipality of Phnom Penh</td>
</tr>
</tbody>
</table>
| People       | Social Administrative | Solidarity for the Urban Poor Federation  
                              Urban poor communities |
Stakeholder Analysis

- Strong Interest, Strong Influence: ACHR, SUPF, Communities
- Weak Interest, Strong Influence: Municipality of Phnom Penh
- Strong Interest, Weak Influence
- Weak Interest, Weak Influence
Staffing

- **Staffing**
  
  2 local staffs
  
  Annual operational cost of US$ 20,000

- **Staff to lot ratio** (5 years span)
  
  1863 households / staff

- **Staff to total cost ratio** (5 years span)
  
  US$ 606,000 loans / staff
3. Funding Flows and Cost
## Basic Cost Data

<table>
<thead>
<tr>
<th>Total Foreign Fund</th>
<th>Total Domestic Fund</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACHR (Untied)</td>
<td>50,000</td>
<td>Solidarity and Urban Poor Federation (Cash)</td>
</tr>
<tr>
<td>MISEREOR (Untied)</td>
<td>40,000</td>
<td>Municipality of Phnom Penh: (Cash)</td>
</tr>
<tr>
<td>etc.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: Precise information unavailable online
## Cost per ‘unit delivered’

The amount of loan depends on the type of a project, for example

<table>
<thead>
<tr>
<th>as of 15th Nov 2000</th>
<th>Number of families</th>
<th>Average loan per family</th>
<th>Total loan amount</th>
<th>Term</th>
<th>Interest rate</th>
<th>Amount repaid so far</th>
<th>Principal balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Akphivat Mean Cheay Housing</td>
<td>121</td>
<td>$ 400</td>
<td>$ 50,000</td>
<td>10 years</td>
<td>8 %</td>
<td>$ 6,900</td>
<td>$ 43,100</td>
</tr>
<tr>
<td>2. Toul Sambo Housing</td>
<td>123</td>
<td>$ 350</td>
<td>$ 47,000</td>
<td>5 years</td>
<td>8 %</td>
<td>$ 139</td>
<td>$ 46,850</td>
</tr>
<tr>
<td>3. Roessei Keo Fish Processing</td>
<td>356</td>
<td>$ 75</td>
<td>$ 25,203</td>
<td>1 year</td>
<td>12 %</td>
<td>$ 22,865</td>
<td>$ 2,340</td>
</tr>
<tr>
<td>4. Seven Khans Revolving fund loan</td>
<td>545</td>
<td>$ 49</td>
<td>$ 26,560</td>
<td>3 years</td>
<td>1 - 4 %</td>
<td>--</td>
<td>$ 26,560</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,145</strong></td>
<td><strong>$ 148,763</strong></td>
<td><strong>$ 29,904</strong></td>
<td><strong>$ 118,850</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Funding Flow Chart

ACHR HQ Thailand

Municipality of Phnom Penh

GRANT

Income Generation Loans
To District Federation
6-12% annually

To community
4% annually

UPDF HQ

Solidarity and Urban Poor Federation (SUPF)

HOUSING & LAND LOANS
to community
8% annually

Urban Poor Community

Urban Poor Community

Urban Poor Community

Urban Poor Community

Project Features
Organization and Staffing
Funding Flows and Cost
Cost Recovery
Beneficiary
Participation
## Cost Summary

<table>
<thead>
<tr>
<th>Direct Project Costs</th>
<th>Non-Project Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Setup</td>
<td></td>
</tr>
<tr>
<td>Physical</td>
<td>Social</td>
</tr>
<tr>
<td>Office</td>
<td>0</td>
</tr>
<tr>
<td>Admin US$20,000</td>
<td>0</td>
</tr>
<tr>
<td>Technical Assistance</td>
<td>0</td>
</tr>
</tbody>
</table>

Not much cost beyond the loans to communities!
4. Cost Recovery
## Cost Recovery

<table>
<thead>
<tr>
<th></th>
<th>User Fee Charges Covered</th>
<th>Others that are Covered</th>
<th>Not Covered</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Loans Repaid 30.7%</strong></td>
<td>No User Fee</td>
<td>None</td>
<td>69.3%</td>
</tr>
</tbody>
</table>

Note: Data in 2003, after five years of project operation
5. Beneficiary
## Beneficiary

<table>
<thead>
<tr>
<th>How are beneficiaries FOUND?</th>
<th>How are they SELECTED? What is the criteria?</th>
<th>How are the lots ALLOCATED?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Solidarity for the Urban Poor Federation (SUPF): City-wide federation of 185 community saving groups in Phnom Penh →Member communities are automatically beneficiary</td>
<td>All are welcome!!</td>
<td>According to each community’s needs</td>
</tr>
</tbody>
</table>

According to each community’s needs

Member communities are automatically beneficiary
Affordability

NOT A PROBLEM!

Within community ‘Checks and Balances’ system
- Proposal evaluation by SUPF
- Loan ceilings
## Payment terms

<table>
<thead>
<tr>
<th></th>
<th><strong>UPDF</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Interest</strong></td>
<td>8% annual</td>
</tr>
<tr>
<td></td>
<td>(housing and land)</td>
</tr>
<tr>
<td></td>
<td>6-12% annual</td>
</tr>
<tr>
<td></td>
<td>(income generation at district level)</td>
</tr>
<tr>
<td></td>
<td>4% annual</td>
</tr>
<tr>
<td></td>
<td>(bulk income generation at community level)</td>
</tr>
<tr>
<td><strong>Terms</strong></td>
<td>Depends on type of project</td>
</tr>
<tr>
<td></td>
<td>(ranges 1 to10 years)</td>
</tr>
<tr>
<td><strong>Down payment</strong></td>
<td>None</td>
</tr>
<tr>
<td><strong>Installment</strong></td>
<td>Twice</td>
</tr>
<tr>
<td></td>
<td>(second available only upon a full public report on the performance of first batch of loans)</td>
</tr>
</tbody>
</table>
Collection

- By community members

Default

- No default; just the money stops revolving to other communities…
6. Participation
# Level of Participation

## Framework of Participation and Stages of Projects

<table>
<thead>
<tr>
<th>Levels of Participation</th>
<th>Stages of Projects and Programs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiate</td>
<td>Plan</td>
</tr>
<tr>
<td><strong>None</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Indirect</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Consultative</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Shared Control</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Full Control</strong></td>
<td></td>
</tr>
</tbody>
</table>

- **Project Features**
- **Organization and Staffing**
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- **Cost Recovery**
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- **Participation**

Goethert
Importance of Participation

MOST CRITICAL!
Project is impossible without participation!!

• Project planning is “community-driven”
• Key decisions made in community meetings
• Leadership positions are unpaid community facilitators
• Implementation by community members
Attitude toward Participation

City of Phnom Penh

Useful labor, but potentially a political threat if they start getting involved in city planning...

Essential not only for project, but also for getting our voice heard in the city planning! Need to encourage more participation!!
UPDF needs…

**High** level of participation as a **critical** part of project management and activities, and implementing agencies strongly **encourages** participation of the urban poor.

Community meeting at a local temple (Source: ACHR)