UPGRADING LOW INCOME URBAN SETTLEMENTS

COUNTRY ASSESSMENT REPORT

TANZANIA

January 2002

The World Bank
AFTU 1 & 2

Abbreviations and Acronyms

AFTU1	- Africa Technical Unit 1 (World Bank)
CBO	- Community Based Organization
CDA	- Community Development Association
CDC	- Community Development Committee
CIP	- Community Infrastructure
DAWSA	- Dar es Salaam Water and Sewerage Authority
EPM	- Environmental Planning and Management
GOT	- Government of the Republic of Tanzania Program
IA	- Irish Aid now Irish Aid
IDA	- International Development Association (World Bank)
NIGP	- National Income Generation Program
NTF	- Norwegian Trust Fund
NUWA	- National Urban Water Authority
SCP	- Sustainable Cities Program
SDP	- Sustainable Dar es Salaam Program
TSh	- Tanzanian Shillings
UCLAS	- University College of Land and Architectural Studies
UNCHS	- United Nations Center for Human Settlements
UNDP	- United Nations Development Program
USEP	- Urban Sector Engineering Project
USRP	- Urban Sector Rehabilitation Project
UUN	- Urban Upgrading Network
UUS	- Unplanned Urban Settlements
TST	- Technical Support Team

TABLE OF CONTENTS

		Page
Foreword		5
1.0	Background	
1.1	The Country	6
1.2	Urbanization	6
1.3	Problems and Past Responses	7
2.0	Current Situation	
2.1	Housing Characteristics	8
2.2	Profile of Low-income Residents	8
3.0	Policy Context and Institutional Framework	
3.1	Policy Context	9
3.2	Institutional Framework	10
4.0	Upgrading Projects and Programs	
4.1	Overview of Upgrading Initiatives	11
4.2	Objectives and Approaches	12
4.3	Land Ownership	12
4.4	Design Principles and Guidelines for Upgrading	12
4.5	Community Participation	13
4.6	Financial Aspects	13
4.7	Overview of Implementation Arrangements	13
4.8	Operation and Maintenance	14
5.0	Case Studies	
	Hannah Nassif	14
6.0	Lessons Learned	17
7.0	Challenges and Proposed Next Steps	
7.1	Overview	18
7.2	Dar es Salaam	19
7.3	Other Cities and Towns	19

Annexes

A.	Contact Information	21
B.	Bibliography-Key Documents Studied	22
C.	Country and City Basic Data	24
D.	Unplanned Unserviced Settlements in Dar es Salaam	25
E.	Planned Unserviced Settlements in Dar es Salaam	26
F.	Summary of Upgrading Typologies	27

FOREWORD

Background to Study

The *Africa: Regional Urban Upgrading Initiative*, financed in part by a grant from the Norwegian Trust Fund, is examining and selectively supporting urban upgrading programs in Sub-Saharan Africa through a variety of interventions. One component of the initiative focuses on distilling lessons from three decades of urban development and upgrading programs in the region. Specifically, the objective of this component is to assess what worked and what did not work in previous programs for upgrading low-income settlements in Africa, and to identify ways in which interventions aimed at delivering services to the poor can be better designed and targeted.

As a first step, rapid assessment reports were commissioned for five Anglophone countries (Ghana, Namibia, Swaziland, Tanzania and Zambia) and five Francophone countries (Burkina Faso, Cameroon, Cote d'Ivoire, Mali and Senegal). Each of the ten Country Assessment Reports provides an overview of the history of upgrading programs and policies in a given country and presents project or community specific case studies to identify lessons learned. Taken together, these ten reports offer insight into the nature and diversity of upgrading approaches in Africa and highlight some of the challenges in and lessons learned about delivering services to the poor.

Acknowledgements

This paper is one of a series of ten country assessment reports. The study was managed by Sumila Gulyani and Sylvie Debomy, under the direction of Alan Carroll, Catherine Farvacque-Vitkovic, Jeffrey Racki (Sector Manager, AFTU1) and Letitia Obeng (Sector Manager, AFTU2). Funding was provided by the Norwegian Trust Fund for Environmentally and Socially Sustainable Development (NTF-ESSD) and the Africa Technical Department (AFT). Alicia Casalis and Chris Banes conducted the field work for the five Francophone and five Anglophone countries, respectively, and also prepared the draft reports for each of their five countries. Genevieve Connors provided extensive comments and was responsible for restructuring and finalizing the reports. Nine of the reports were edited by Lisa Van Wagner and the Zambia report was edited by Nita Congress.

1.0 BACKGROUND, PROBLEMS AND CONTEXT

1.1 The Country

Tanzania is a large country with an area of approximately 945,100 sq. km. and a population of approximately 31 million. Population density is thus approximately 32 persons per square kilometer. Agriculture dominates the economy, accounting for 60 percent of the Gross Domestic Product (GDP), followed by services (26 percent) and industry (15 percent). It is a very poor country with a GDP per capita of approximately US$220 (1997), ranking it among the lowest in the world. Over half the population is classified as being very poor. Basic data on the country and its main city, Dar es Salaam, are summarized in Annex C.

The country is located in the east of Africa and has a long coastline. Apart from the mainland, it also includes a number of islands in the Indian Ocean, the largest being Zanzibar and Pemba. The landscape of the mainland is mainly flat and low along the coast but a plateau at an average of 1,220 meters constitutes the greater part of the country. It contains the highest mountain in Africa, the volcanic Kilimanjaro with an elevation of about 5,900 meters on its northeastern border. It also has three of Africa's great lakes on its borders, Tanganyika in the west, Victoria in the northwest, and Malawi in the southwest. Lakes Malawi and Tanganyika lie in the Great Rift Valley, the vast geological fault system extending from the Middle East to Mozambique. The country is bordered in the north by Kenya and Uganda, in the east by the Indian Ocean, in the west by the Democratic Republic of Congo, Burundi and Rwanda and in the south by Mozambique, Malawi and Zambia. The climate of the mainland is warm and tropical on the coastal strip, where the main city of Dar es Salaam is situated, with temperatures averaging 27 degrees centigrade and with heavy rainfall (1,000 mm-1,900 mm). It is hot and dry on the inland plateau although there are semi-temperate highlands in the southwest. Its diverse habitats and climate have enabled Tanzania to build a successful tourist industry around its wildlife.

1.2 Urbanization

Of the total population, some 25 percent live in urban areas but the urban population is growing rapidly at over 6 percent per annum, around twice the national rate of population growth. The country is divided into 20 regions for political and administrative reasons. There are ten major towns with populations of over 150,000 with the major city and port, Dar es Salaam, having a population of approximately three million.

Despite government emphasis in the past on improving living conditions in the rural areas, rapid urbanization has continued. Investment in the public and private sector has not kept pace with population growth in urban areas. Low levels of urban management capacity and inappropriate institutional arrangements have hampered the development of the urban sector. Demand for infrastructure and urban services has not been met, worsening the nature and incidence of urban poverty, as well as constraining national economic growth and productivity.

Tanzania's rural-to-urban migration is a result of the decline of international primary commodity prices (mainly from coffee and sisal) in the 1970s and 1980s and other disincentives to national farmers that helped push rural producers to the towns in search of employment. Potential income streams, education and other subsidized or free public goods and services led many rural dwellers to Tanzania's largest city, Dar es Salaam, and other secondary cities. Dar es Salaam is seven times the size of the next largest city, Mwanza, in population terms, and continues to attract the majority of migrants. In Dar es Salaam,

population densities reach 1,500 persons/hectare with an average of approximately 150 persons/hectare. It is estimated that about 70 percent of Dar es Salaam's population live in poor, unplanned settlements

1.3 Problems and Past Responses

In Tanzania, increasing levels of poverty, population growth and the lack of a sustainable housing policy mean that urban growth is often absorbed into informal settlements. These areas are characterized by a lack of basic infrastructure and the ever-increasing poverty of their residents means that many do not have the ability to pay for services. Many urban residents cannot afford housing, and authorities themselves have few resources with which to improve or maintain infrastructure and services. Consequently the housing, health and environmental conditions in the growing informal settlements of Tanzania's cities are extremely poor.

Dar es Salaam is growing at the rate of approximately eight percent per annum and suffers most from these endemic problems. With 70 percent of the urban population accommodated in informal housing, the ability of the city government to cope with the timely delivery of infrastructure services is severely constrained. Informal settlements continue to expand and it has been estimated that 50 percent of the informal settlement population lives on an average income of about US$1 per day, well below the poverty line.

In the 1960s, the approach to dealing with the growth of informal settlements in Tanzania, and in particular Dar es Salaam, was the common approach of slum clearance. The objective of slum clearance was to rid the city of the eyesores of squatter housing. To improve housing for the poor, the government implemented its slum clearance and redevelopment policy by developing high-standard buildings on the cleared sites. The policy was implemented through the National Housing Corporation but proved unsustainable. By the end of the 1960s, it was abandoned due to high economic and social costs. The net addition to the housing stock was negligible.

In 1972 the government adopted a softer approach to dealing with squatters. Through until the late 1980s, sites and services and squatter upgrading projects formed the national strategy for managing the growth of unplanned, informal settlements. The World Bank initially supported these projects, which aimed to provide basic infrastructure and services, together with community facilities.

The World Bank ceased support after its second project because of poor performance. After withdrawal of the Bank, the Government alone could not finance additional projects and subsequently there were only isolated projects in Dar es Salaam with negligible improvements in unplanned settlements. The decade of 1980-90 was characterized by the expansion, consolidation and emergence of new unplanned settlements at the same time as the infrastructure installed under the early projects began to deteriorate due to lack of maintenance.

In 1992, UNCHS (Habitat) introduced the Environmental Planning and Management approach in Dar es Salaam. The Hanna Nassif Community-Based Upgrading Project was embarked upon through the Sustainable Dar es Salaam Project (SDP) with support from the International Labor Organization (ILO) and the Ford Foundation. Hanna Nassif, one of Dar es Salaam's unplanned settlements, currently houses over 20,000 people in 5,000 households. Community participation was an important focus of the project throughout (see Section 5.0).

The SDP then collaborated with the World Bank on the preparation of a further upgrading program for seven communities in Dar es Salaam, which was to be supported by the Bank under the Urban Sector Rehabilitation Project (USRP). Delays in commencement of the USRP resulted in a recasting of the Community Infrastructure Program (CIP) and ultimately only two communities were upgraded. The upgrading work was completed in 2000. Irish Aid provided program support (technical assistance) and IDA funded the infrastructure.

While the early World Bank-supported projects tried to address housing and housing related issues for the urban poor following a largely multi-sectoral and participatory approach, the Hanna Nassif Upgrading Program focused mainly on drainage. The recent CIP continued with the multi-sectoral approach (see Section 5.0 and Annex F for details).

2.0 CURRENT SITUATION

Dar es Salaam

2.1 Housing Characteristics

The City of Dar es Salaam has recently gone through a major restructuring. It is now divided into three municipalities, Ilala, Temeke and Kinondoni. The Dar es Salaam City Commission serves as an overarching coordination body. The greatest concentration of poorly serviced unplanned settlements is located in Kinondoni.

The settlements are characterized by a lack of basic infrastructure services, overcrowding and poverty. Documentation produced under the Sustainable Dar es Salaam Program (SDP) indicates that there are 35 "unplanned settlements" (some documentation puts this number at 44) and 16 "unserviced planned settlements." These lists, with upgrading priorities according to the SDP, are set out in Annex C. Although most occupation is informal, householders are not precluded from obtaining individual land title. In the surveyed and planned but largely unserviced or inadequately serviced settlements most householders have 33-year leasehold titles or occupancy rights.

In 1999, a Strategic Urban Development Planning Framework (SUDPF) for the city was prepared, including an overall strategy and a slated capital investment project for the upgrading of unserviced settlements. The SUDPF also includes a very detailed land suitability analysis that indicates that there is considerable land available for development.

2.2. Profile of Low-income Residents

Informal housing settlements provide shelter to the majority of the urban poor in Tanzania and approximately 70 percent of the total population of Dar es Salaam lives in such areas; in other major towns this figure is approximately 60 percent. Many of the settlements stem from past rapid rural to urban migration starting after independence in 1961. Up to about 75 percent of the residents of these areas are unemployed or under-employed. The main source of income for the latter group is through informal activities and micro-enterprise. Life expectancy is low, between 44-46 years, and infant mortality is high at about 97 deaths per 1000 live births. In some communities the proportion of women-headed households (households where women are the sole bread-winners) is as high as 25 percent.

In a study of three unplanned settlements in Dar es Salaam, it was found that 79 percent of respondents were born outside the city, 68 percent were tenants, 88 percent of those who had access to land were occupying land that had not been surveyed, and 46 percent considered themselves poor or very poor. Between 1992 and 2000, employment in Dar es Salaam as a whole declined from 64 percent to 42 percent and self-employment rose from 29 percent to 43 percent. Poverty for those in self-employment rose from 29 percent to 38 percent over the same period.

3.0 POLICY CONTEXT AND INSTITUTIONAL FRAMEWORK

3.1 Policy Context

There are a number of policies and pieces of legislation that relate to and affect unplanned/informal settlements. A critical policy is the 1995 National Land Policy, which effectively prohibited the removal of informal settlements and committed the government to upgrading them instead (see Section 4.4 for details). In addition, the Local Government Urban Councils Act of 1982 and subsequent legislation effectively restored local government as an institution, restoring to it the responsibility for service provision.

The government's ongoing urban sector policy reform is designed to create an institutional environment more conducive to the sustainable development and delivery of urban infrastructure and services. Through the World Bank supported Urban Sector Engineering Project (USEP) the government of Tanzania developed a policy framework for Urban Management, Service Delivery and Infrastructure Investment and an Implementation Strategy for that framework. The subsequent Urban Sector Rehabilitation Project (USRP) begun in 1995 contained the government's letter of sector policy that addressed land management and human settlement development issues, the role of the private sector and community participation. The government has recognized the importance of the urban sector in national socio-economic development and conducted a human settlements review and prepared a strategy which aims at "creating sustainable development in urban centers for improving living conditions in informal settlements, alleviating poverty, stimulating economic growth and employment and improving the urban environment."

In order to guide the implementation of the strategy, the government prepared a National Program Document consisting of the following four closely inter-related elements:

- Improve the capacity of the public sector institutions to implement the sustainable human settlements program through human resource development.
- Improve the management of urban land, access to affordable urban services, and the living environment.
- Improve the quality and increase the quantity of affordable shelter.
- Stimulate economic growth and employment.

In order to implement the program the government sought assistance from, among others, the World Bank, the United Nations Development Program (UNDP) and Center for Human Settlements (UNCHS) through the USEP and the SDP respectively.

The USEP redefined the roles of the central and city governments and established the basis for improved institutional and financial management within the city. The consultation process in the SDP identified upgrading unserviced settlements as the second most pressing priority issue to be addressed by the project. In an attempt to build upon these initiatives, and to coordinate and strengthen such interventions, all interested stakeholders adopted a two Point Strategy of Action. This was:

- To encourage community groups to form associations and define their priority needs; mobilize local human and financial resources; seek technical advice and decide on affordable levels and standards of service provision; participate in infrastructure construction and accept management responsibilities for operations and maintenance.

- To encourage city and central government departments to provide the institutional framework to respond to such community participation. This should include the provision of technical and professional staff to design and supervise infrastructure construction, coordinate and fund trunk infrastructure provision, and facilitate equitable cost recovery mechanisms.

Thus, a policy framework is in place and strategies have been articulated to encourage the upgrading of infrastructure-deficient, low-income communities, whether they are planned or unplanned, formal or informal.

3.2 Institutional Framework and Infrastructure

There are three different levels of locally elected "urban" councils: urban, municipal, and city, representing small, medium and large cities, respectively. All of these local authorities have responsibility for the provision of infrastructure services within urban boundaries and are the legal owners of these assets. The major exceptions to this arrangement are water and national roads. The Ministry of Water owns and operates urban water intake, treatment and distribution facilities, except in Dar es Salaam. The Ministry of Roads develops and maintains the national road system. The supply and distribution of electricity in Tanzania is the responsibility of the Tanzania Electric Supply Company. Other civil works have been financed and directly implemented by central government, though the ownership of the resulting assets remains local. Local responsibilities include: local planning, development control, provision of local roads, drainage and solid waste management, and environmental health functions.

In Dar es Salaam, the three municipalities are responsible for road and drainage infrastructure and solid waste management under the coordination of the City Commission. Water and sewerage are, however, the responsibility of the Water and Sewerage Authority (DAWASA) formed from the National Urban Water Authority (NUWA).

A further actor in low-income communities is the parastatal organization called the National Income Generation Program (NIGP), which is supported by UNDP. The aim of the NIGP is to encourage income-generating activities among existing community based organizations (CBOs). It does this by working with communities assisting them to identify economically attractive projects and advising them

on all aspects of enterprise development. Phase 2 of the Hanna Nassif project was supported by the NIGP.

4.0 UPGRADING PROJECTS AND PROGRAMS

4.1 Overview of Upgrading Initiatives

Tanzania has a long history of initiatives to improve infrastructure, services, the environment and the general quality of life in its informal settlements although there now appears to be a hiatus in Dar es Salaam.

The World Bank financed the first National Sites and Services Project and the Second Sites and Services Project during the mid-1970s and early 1980s, which supported some upgrading as well as providing new shelter sites. Under the World Bank projects, significant capital investment was expended on housing infrastructure and the approaches substantially improved the quality of the living environment in the upgraded areas. However, the problems associated with these previous urban related projects and the salient lessons learned from their implementation were: (i) implementation delays occurred in all projects due to inadequate counterpart funding at the time it was needed; (ii) some policy provisions essential for successful project implementation were not in place, particularly in relation to the generation of revenues to sustain the services provided; (iii) financial management capacity for operations and maintenance was inadequate, and insufficient provision was made in the design of the project to address this need; (iv) donor assistance was not well coordinated by the responsible Government agencies, which led to fragmentation in the sector; (v) the private sector was not adequately involved in the operations and maintenance component of project design, contributing to the inability to sustain the infrastructure and other services provided under the credits; and (vi) there was little community involvement throughout the process.

In 1992 the UNCHS Sustainable Cities Program introduced the Environmental Planning and Management (EPM) approach in Dar es Salaam to improve the capacity of the city council to better plan, coordinate and manage urban development functions in partnership with other institutions. The upgrading project of the Hanna Nassif community was a part of this EPM approach, also supported by the ILO and the Ford Foundation. The focus was on community participation through CBOs. Basic infrastructure improvements were carried out using, in large part, community labor and a micro-credit program.

The SDP also collaborated with the World Bank in preparing the Community Infrastructure Program (CIP) for Dar es Salaam, a component of the Bank-supported Urban Sector Rehabilitation Program (USRP). In 1995, a five-year program aimed at upgrading seven communities in Dar es Salaam was prepared. It was intended to provide basic infrastructure of spine roads, neighborhood roads, water supply, and sewerage or on-plot sanitation at a total cost of approximately US$5.6 million. Delays in commencing USRP led to a revised two year program covering only two of the original seven communities: the poorly serviced but planned settlements of Tabata and Kijitonyama. Both beneficiary communities in the CIP were planned communities and some 90 percent of the households were already owner/occupiers having secure tenure. The program, which was recently completed with Irish Aid support, was well accepted by these two communities.

With the SDP now finishing and a new UN initiative (Safer Cities Program) under way there is considerable interest in preparing and implementing future upgrading schemes. In July 2000, to assist in the preparation, the Dar es Salaam City Commission made an application to The Cities Alliance (UN/World Bank) for financial assistance in the preparation of an action plan for a new upgrading program. As of 2001, the application had not yet been approved.

4.2 Objectives and Approaches

The objectives for upgrading unplanned communities have been broadly similar across all projects supported by various donors and NGOs over the past three to four years. The involvement of communities in deciding, and helping to provide, what is required in their respective communities and the provision of affordable solutions seem to be accepted by most of these actors.

The Hanna Nassif project focused primarily on a single sector, storm drainage. From a quality and efficiency perspective, this "network" infrastructure was carried out in a more ad-hoc manner than probably desirable, as community labor was used. A more multi-sectoral approach was used at both CIP sites and contractors were used for the bulk of the work rather than community labor. Using contractors assured a higher quality of work, and considerable visible impact has been made in the areas. However, infrastructure standards (planning, design and construction) remained high and thus costly, a fact that no doubt contributed to only two communities being upgraded rather than the seven originally planned. Overall, the approach in Tanzania is closest to a multi-sectoral typology, which is largely subsidized. They projects do, however, actively involve the communities and give responsibility for scheme management and subsequent operation and maintenance to the beneficiary community (see Annex F).

4.3 Land Ownership

In 1995 the government introduced a new "National Land Policy." As a land dispensation system, the policy set out a number of changes to the land administration and servicing norms that aimed to address the problems of the urban poor living in unplanned and poorly serviced settlements. These changes include the ability to obtain a Right of Occupancy for a term not to exceed 99 years; entitling women to the right to acquire land; recognizing that land has value in contrast to the historical notion in the region that it does not; ensuring that residents of unplanned settlements would have their rights recorded and maintained by the relevant land allocating authority; revising planning standards, including standards for the provision of infrastructure, to ensure improved land use and more compact development.

The 1995 National Land Policy document on Unplanned Urban Settlements acknowledges that over 50 percent of urban residents in Tanzania live in poor conditions in unplanned settlements, but states that these settlements contain a considerable stock of housing that should be preserved. It makes several important policy claims. Existing areas will not be cleared but rather will be upgraded and provided with facilities for adequate sanitation and other basic services. This does not apply to unplanned housing in hazardous areas. Upgrading plans will be prepared and implemented by local authorities with the participation of residents and their local community organizations. Local resources will be mobilized to finance the plans through appropriate cost recovery systems. Communities may be deemed legal and occupiers able to secure a 33 year lease or occupancy right.

4.4 Design Principles and Guidelines for Upgrading

There are few, if any, common standards or guidelines for upgrading in Tanzania. Each sector has its own planning and/or design standards that, in theory, should be followed. However, all schemes have for some time embraced key objectives for upgrading such as those outlined above (see Section 4.2). Also most practitioners appear to prefer a multi-sectoral, integrated approach but actual and perceived implementation difficulties mean that most projects have not fully embraced this approach.

Government policy specifically requires urban land use and development plans to aim for more intensive land use and in order to achieve this objective undertakes to revise all space standards, including standards for the provision of infrastructure. Thus there would appear to be no impediment to preparing upgrading schemes which use only appropriate functional standards and are affordable.

4.5 Community Participation

The concept of community participation is now well understood and has been adopted for all recent upgrading schemes. An example of what communities are prepared, and can do, has been demonstrated in the Hanna Nassif project (see Section 5.0). Further, the SDP has been focusing on capacity building at the community level in order to assist communities to plan, implement and manage sustainable environmental programs. The broad acceptance of and increasing capacity for involving communities is likely to be a positive factor in efforts toward bringing upgrading initiatives to scale.

4.6 Financial Aspects

Nearly all of the local authorities' capital development expenditure and recurrent health and education expenditures are financed through Central Government grants. The annual budgets of the urban local authorities are approved by central government after being vetted by the Regional Development Director.

Although apparently not a stated government policy, the upgrading of low-income, informal settlements to date has involved a partial "government subsidy." In most projects, attempts have been made to recover only a small part of the capital costs of secondary and tertiary infrastructure provision (e.g., five percent for CIP). The replicability of most of the current approaches to upgrading in Tanzania can only work where government has funds (often supplied by donors) to implement a subsidy policy. Where there is extreme poverty, such an approach may be unavoidable and thus it is important to ensure that standards and service levels are no more than what is necessary to serve the particular communities.

It is important to adopt functional standards and to ensure that upgraded infrastructure and services can also be operated and maintained. Funds to pay for adequate operation and maintenance, including replacement, should be generated through community structures, or the local authority. It is critical for grant occupiers to secure tenure and rate their properties where the city operates a property tax system, so that revenue may be generated to fund operation and maintenance.

4.7 Overview of Implementation Arrangements

In Dar es Salaam, the former City Council was generally the responsible agency for implementing upgrading initiatives. It was partner to donors in the early schemes and continues to support initiatives. The SDP is operated out of what is now called the City Commission. With Dar es Salaam now divided

into three local authorities under the authority of one commission, the responsibility for the preparation and implementation of upgrading schemes will depend on the location of the settlement. Now, potentially up to three local authorities can be involved.

In other cities, City Councils are the implementing agencies and the respective councils will liaise with other service providers, such as the Ministry of Water or DAWASA as required.

4.8 Operation and Maintenance

As in other cities in the Africa region, maintenance of infrastructure and services in poor urban settlements is inadequate at best and usually non-existent. A major argument for increased community participation is that this creates a better chance of adequate maintenance in the future.

A mechanism is needed to ensure that sufficient funds are generated to ensure adequate maintenance, including replacement. A review, modification and strengthening of the current systems which generate revenues for maintenance of "non-remunerative infrastructure" (e.g., roads, drainage, sanitation) would be required as well as a review of the system for allocating central revenue to local bodies for capital works provision.

The development of routine and periodic maintenance programs is also required. Involving the communities in the upgrading of their communities is critical but to place all maintenance responsibilities on such communities, without resources or the financial and technical “know-how” is not a long-term solution. Agencies charged with such responsibilities should be held accountable.

5.0 CASE STUDY

Hanna Nassif Community Based Upgrading Project – Phases 1 and 2

Hanna Nassif, in the Kinondoni district of Dar es Salaam, is approximately four km. from the city center, and in 1994 had a population of 19,000. The Hanna Nassif Upgrading Project has achieved significant physical improvements for the residents of the settlement and has strengthened the capacity of the community and its groups to better help themselves. It has also provided income-generating opportunities and created a micro-credit program. The Hanna Nassif project was formulated in 1992 and implementation of Phase 1 commenced in 1994. Phase 2 commenced in March 1997 and was completed in September 2000.

Phase I

The concept of Phase 1 of the Hanna Nassif project was to empower the community to develop infrastructure through its own resources with some assistance from donors. An 18-month pilot project was devised which aimed to guide future initiatives in Tanzania. The project actually took about 30 months due to start up and implementation delays.

The immediate objective was to implement the pilot project using employment-intensive methods to upgrade storm water drainage in Hanna Nassif. This in turn would create improved capacity within the Dar es Salaam City Council to manage and respond to similar initiatives elsewhere. Thus, the

development objectives of the project were to improve the living conditions and expand employment opportunities in Hanna Nassif. A further objective was to demonstrate the feasibility of a community based approached to urban upgrading through community management and community contracting.

Many of the objectives were achieved. The results were:

- A functioning and maintainable storm water drainage system;
- Generation of employment opportunities in the order of about 15,000 work days of paid and 5,000 work days of community contribution;
- Generation of community management capacity to maintain the infrastructure constructed and identify future priority needs although such goals need to be strengthened and expanded;
- Enhanced capacity for the Dar es Salaam City Council, in particular the establishment of a technical working group trained in community based upgrading;
- The preparation of a training manual giving step-by-step guidelines for replication of the process in other settlements.

The project also supported the government's policy goals as expressed in its economic and social adjustment program to upgrade infrastructure services, mobilize domestic resources and enhance people's participation in operation and maintenance. Environmental conditions were also improved which increased land values in the housing market. The reduction in flooding created household savings by lowering the cost of house repairs.

However, physical problems in Phase I included underestimated design requirements and network design that was not carried out in an holistic manner creating implementation problems; engineering requirements relating to soil testing, design of road thickness, and other issues, that were not properly addressed; and non-technical/professional supervision that led to construction problems and incomplete work.

At the end of the first phase, the following physical works had been created: about 1 km of gravel road with side drains, out of a target of 2.5 km, about 2.5 km of side drains and 0.6 kms of main drain, 0.7km of footpath, 10 culverts, and 10 drifts.

Phase 2

Phase 2 of Hanna Nassif upgrading was supported by the National Income Generation Program (NIGP), the parastatal organization supported by UNDP. The aim of NIGP is to encourage income-generating activities among existing CBOs to help alleviate poverty. This is accomplished by working with communities, assisting them to identify economically attractive projects and advising them on all aspects of enterprise development.

Phase 2 of the project was funded by UNDP and the Ford Foundation and was executed by University College of Land and Architectural Studies (UCLAS) under the management of the NIGP. The scope of work included solid waste management, water supply and micro-credit schemes. As with Phase 1, the majority of the works were conducted using labor-based methods with community contracts. The concept was to develop local infrastructure by building local capacity although, learning from Phase 1, consulting engineers were engaged for technical design and construction supervision. UCLAS provided a Technical Support Team of eight people, some of which were part-time. A total of 21 contracts were implemented, 19 small community contracts and two with private contractors mostly for access and drainage works.

Some 60 percent of the budget was expended on training, mobilization, much of it related to construction and maintenance of infrastructure. The Community Development Association (CDA) with the assistance of the technical support team did the procurement of materials and the community provided labor.

As a result, the capacity of the Hanna Nassif community was increased in terms of its ability to implement and manage urban infrastructure, micro-enterprise development, and solid waste management initiatives. In addition, the capacity of the Dar es Salaam City Commission, the private sector and other relevant actors to interact with communities during upgrading was expanded. Intensive community labor resulted in the construction of storm water drainage, roads, water supply, and low-cost sanitation systems. The credit scheme component appeared to be popular and was working satisfactorily. Repayment rate of the scheme was 95 percent at the time of evaluation. Approximately TSh 27,000 (US$35) per person was spent on Phase 2.

Problems encountered during Phase 2 included weak construction planning and poor supervision of works. It appears that the community and the project's non-technical support paid less than due attention to the need for proper survey, engineering design, works planning, contract management and construction supervision. Evaluations (and recent discussions held with some close to the scheme) suggest that the community was, perhaps, asked to do too much, particularly in fields where professional/technical competence was required. Planning and designing a stormwater drainage scheme for a community of nearly 20,000 people in a tropical climate requires engineering expertise. The skill limitations of the workers were realized somewhat late in project implementation but should be avoided in the future. While it is critical to involve the community throughout the upgrading process, it is equally important to clarify what can, cannot, and should not be done by the communities.

These problems resulted in the project being extended by six months. Problems also occurred with the payment of the supervision consultants. Many unskilled workers did not understand the concept of community contribution and the payment of lower than normal rates for their labor. However, a study comparing unit rates for machine-based work against the labor-based methods used showed the benefits of using labor-based methods.

In addition, although some attention was given to maintenance activities, success in this area has been limited. With poor solid waste collection people continued to dump waste into drains, there was no schedule of periodic maintenance works and no formalized inspection system for any of the infrastructure. Although there has been much training, there is little practical maintenance culture beyond emergency or reactive measures.

Most written material on Hanna Nassif does not focus on the important issues of costs, cost recovery and tenure. This makes it appear that there has been no direct link between the provision of infrastructure, its costs, the affordability of beneficiaries, cost recovery and cost recovery mechanisms. Although the type of upgrading whereby plot titles are sold to recover the costs of the infrastructure is an ideal, at least it is a typology that does not rely on government subsidy —which most governments cannot afford. For sustainability reasons, such an approach or something near it perhaps should be the aim.

It has taken eight years to provide some basic improvements (mainly drainage) for the community of Hanna Nassif. In all, there are over 35 unplanned settlements and a further 16 planned but unserviced (two of which were upgraded under the CIP). Thus if programs are to be scaled up such that all communities receive some basic improvements in the lifetime of most adults, the process has to be accelerated. Community participation is time-consuming and complex. The key to success is thus striking the balance between community participation and other critical factors such as time and costs.

A number of evaluations were carried out for both Phase 1 and Phase 2 of Hanna Nassif and for different aspects of the project. A list of the various evaluations and other documents is given in Annex B.

6.0 LESSONS LEARNED

Hanna Nassif Community Based Upgrading Project

Phase 1

Key lessons learned from Hanna Nassif - Phase 1- are summarized below:

(i) Technical aspects, particularly the comprehension of engineering design, were not adequately addressed at the beginning of the project.

(ii) The role of the Community Development Committee (CDC) in the project was somehow over-emphasized. This created a sense of being able to deliver technical works which otherwise were above its capabilities and experiences.

(iii) While the Dar es Salaam City Council (DCC) was the beneficiary of the project, its participation in the project through secondment of staff, particularly the town planners, was erratic. Other staff members frequently abandoned their seconded positions. This problem contributed to delays in the implementation process of the project.

(iv) Community mobilization and participation is a long process. There was therefore a need to give adequate time to address different community issues and not to assume that other members of the community shared the commitment of the CDC.

(v) History of development intervention and culture plays an important part in mobilization and participation. The residents of this area had already been mobilized for earlier activities that never took place (early World Bank project) and were therefore skeptical about the whole process. Again this manifested itself in the poor response in contribution from the community.

(vi) Previously the government had been the main provider of services and it took time for community members to see their new role -- hence they were initially reluctant to participate.

(vii) Cost contribution for priority infrastructure needs, as well as for operation and maintenance responsibilities, should be agreed with participating CBOs from the outset of the project. This is considered necessary not only to establish a demand-driven program to ensure a sense of commitment and ownership but also to overcome distrust and prevent donor dependency that can erode cost recovery mechanisms.

(viii) Within the community leadership, there existed a division of opposing group, the ‘Wasomi’ (the educated) who thought that the CDC should be composed of the educated people and the ‘Wasiosoma’ (the non-educated) who incidentally constitute the majority of the current CDC. While the Wasiosoma have been promoting participation, the Wasomi group has been against

these efforts. Addressing composition and monopolization of Community Committees is therefore of critical importance.

(ix) Transparency is critical. Regular reporting on the community fund is crucial to win community trust. Thus the process of laying down principles of accountability and peoples involvement in the decision making process seems to be very basic for the realization of participation and willingness to contribute.

Phase 2

Key lessons learned from Hanna Nassif - Phase 2- are summarized below:

(i) A total of approximately 60 percent of the budget was expended on training and mobilization although much of it related to construction and maintenance of infrastructure. More balance between software and hardware costs is required for more efficient and equitable use of a scarce budget.

(ii) In planning and packaging works due cognizance must be taken of the "network" nature of most infrastructure if construction efficiency is required and "interface" problems are to be avoided.

(iii) Lack of emphasis on planning and construction management planning resulted in the project being extended by six months and problems occurred with payment of the supervision consultants.

(iv) The use of community contracting groups should be encouraged and there should be a move towards formal classification of such groups. However, expecting community labor to work at lower than normal construction rates (already low) may be problematic.

(v) In large urban communities the collection of funds should be through existing collection structures.

(vi) Credit schemes do stimulate local business, raise awareness, and enable CBO financial sustainability.

(vii) Labor-based methods can be cost effective and have wider social and economic benefits than private contracting. However, the type of work (network or stand alone), the higher "software" costs (e.g. for construction management and supervision) and the longer than normal construction times should also be considered before making a decision on labor based versus equipment based methods for particular elements.

7.0 CHALLENGES AND PROPOSED NEXT STEPS

7.1. Overview

Clearly there have been a number of initiatives to upgrade informal settlements in Dar es Salaam and, to a much lesser extent, in Tanzania's other cities. In more recent years, there has been more of an attempt for support agencies (i.e. donors in particular) to work together and to get some measure of consistency across upgrading programs.

A disappointing aspect of the recent past is the fact that government and donors have not built upon the lessons learned from the Hanna Nassif Community Based Upgrading Project or the curtailed and delayed Community Infrastructure Program more rapidly. The overarching challenge for Tanzania, if it is to bring its upgrading programs to scale, is to learn from the more recent initiatives and strike a balance between the objectives of community involvement, income generation, and the timeframes for getting physical works planned, designed and implemented more efficiently. The difficult move from "pilot" projects to "mainstream" projects or programs is certainly required.

The need to focus on cost recovery, and hence affordability and standards, in the planning and dialogue with communities is also critical if resources are to be equitably spread. Linking this with tenure such as the sale of leases/occupancy rights for the cost of the infrastructure should be investigated where possible. International experience on larger scale upgrading schemes has indicated the need for cost caps on infrastructure, on a per household or per hectare basis. Certainly spending the CIP budget, developed for seven communities, on only two was not the intention of the project as originally formulated.

The recently completed Strategic Urban Development Planning Framework for the City of Dar es Salaam sets out an appropriate strategy for upgrading unplanned and unserviced settlements. The desire for officials in Dar es Salaam to embark on a further upgrading project would also appear to have been demonstrated by the application to the Cities Alliance for financial support for the preparation of such a project.

7.2 Dar es Salaam

Task 1- Identification/confirmation unserviced planned and unplanned of settlements

The number of settlements in Dar es Salaam has been put at 35 unserviced and unplanned and 19 unserviced and planned in some documents and a total of 44 in others. Some settlements are also thought to be on hazardous land. It would be useful as a first step for city officials to agree on the definitive list of all categories of settlements.

Task 2- Socio-Economic/Basic Data Collection and Dimensioning of Problem

Building on the above list a preliminary social and physical data collection exercise should be carried out in all settlements to help ascertain the magnitude of upgrading needs. The exercise should include not only socio-economic information but also demographic and physical data including an inventory of existing infrastructure and its condition. From this data, with some limited assistance, the City Commission should prepare and cost a service level/standards matrix (i.e., cost/ha, cost/cap/cost/hh). With this and data on population, households and physical area, order of magnitude costs may be determined for different service level provision scenarios as well as order of magnitude budgets. This would also help to confirm upgrading priorities to guide decisions on trunk infrastructure development priorities.

7.3 Other Cities and Towns

Task 1 - Socio-Economic/Basic Data Collection and Dimensioning of Problem

Carry out an informal settlement identification and profiling exercise in all main regional towns, similar to that to be carried out in Dar es Salaam. Again, the exercise should include not only socio-economic information but demographic and physical data including an inventory of existing infrastructure and its condition. For each town a service level/standards matrix should also be prepared and costed (i.e., cost/ha, cost/cap/cost/hh). With data on population, households and physical area, order of magnitude costs may be determined for different service level provision scenarios and hence the determination of order of magnitude budgets as well.

Annex A

Contact Information

	Name	Organization	Position	Address/Telephone/E-Mail
1	Chris Banes	Banes Dawes Associates, Consulting Engineers & Planners	Director/ Municipal Engineer	The Gully, Common Road, Ightham, Kent, England Tel/Fax: +44 1732 781003 E-Mail: **bda@tinyonline.co.uk**
2	Brendan O'Driscoll	Min. Local Gov. Reform	Chief Technical Advisor	Project Office Regional Admin. & LG Kilimani Road Tel: Dar 2666141/2666524 Mobile: 0741 321451
3	General	Dar City Council (DCC)	General	Tel: 2111513/2111514
4	General	UNDP	General	Tel: 2112800
5	Lawrence Limbe	Sustainable Dar Program (SDP)	Program Coordinator	Boma Building Opp. Old City Hall Tel: 2110513/2110514
6	Martin Kitilla	DCC/SDP?	Environmental Planning & Management	City Hall Tel: 2110513/2110514
7	Ms Venus Kimei	DCC/SDP?	CIP Coordinator	City Hall Tel: 2110513/2110514
8	Mrs. Anna Mtani	Safer Cities Program	Project Coordinator	Sokoine Drive/Morogoro Road PO Box 9084, Dar es Salaam Tel: 2130959 Fax:2130961 E-mail: **saferdsm@raha.com**
9	Peter Bitwale	Ilala Municipal Commission	Planning and Coordination Officer	P O Box 20950 Dar es Salaam Tel: 022-2128809 Mobile: 0744 272270
10	Sean Courtney	Irish Embassy		
11	John van Rijn	International Labor Organization	Program Officer	40 A H Mwinyi Road Dar es Salaam Tel: 2666024-9 Fax: 2666004 E-mail: **vanriknk@ilo.org**
12	Brighton Lungangila	President's Office	Resident Engineer CIP	P O Box 75034 Dar es Salaam Tel: 2700764 Mobile: 0742 763646 Fax: 2114014
13	Agnes Shengana	DCC	Comm.Dev. Offc, Kijitonyama	
14	Bakari Saidi	DCC	Comm. Dev. Officer, Tabata	

Annex B

Bibliography - Key Documents Studied

No	Title	Authors	Date	Contents
1	Staff Appraisal Report-Urban Sector Rehabilitation Project	World Bank	April 1996	
2	Community Infrastructure Program & Support to Restructuring Dar es Salaam	Review Team for Irish Aid and Project Partners	July 1998	
3	Community Infrastructure Program for Dar es Salaam	Sustainable Dar es Salaam Project	March 1995	Preliminary 5 year Program plus 4 Annexes (Settlement Selection; Community Profiles of Selected Settlements; Appraisal of Infrastructure Levels, Standards and Unit Costs; Alternative Strategies for Project Implementation)
4	National Land Policy	Ministry of Lands, Housing and Urban Development	1995	
5	Community Based Squatter Upgrading-Hanna Nassif Pilot Project – Dar es Salaam-Annual Progress Report 1993/94	Program Coordinator	1994	
6	Manual For Community Construction Contracts	Consultant for UNDP/ILO	July 1993	
7	Strategic Urban Development Framework for Dar es Salaam	Dar es Salaam City Commission	Aug. 1999	
8	Sustainable Cities Program –Tanzania-Implementing Environmental Planning and Management (EPM) in Tanzania	Martin Kitilla Urban Authorities Support Unit	Nov. 2000	
9	CIP Evaluation and Documentation Workshop	Proceedings	Dec. 1998	
10	Community Infrastructure Program	Irish Aid		Outline of Program
11	Upgrading of Informal Settlements in Dar es Salaam	Safe Cities Initiative	Feb 2001	Outline of Proposed Program
12	Evaluation of Hanna Nassif	Evaluation	May	

	Community Based Urban Upgrading Project –Phase 1	Team for Program Partners	1997	
13	Hanna Nassif Community Based Settlement Upgrading-Phase 2	I.T.Trnasport for ILO	Feb. 2001	
14	Cost Effectiveness Study: Hanna Nassif Urban Upgrading Project Construction Stage		June 2000	
15	Community Infrastructure Program- Revised Two Year Program Proposal	CIP Partners	April 1997	
16	Case Studies in Urban Informal Settlements in Tanzania-For the Global Shelter Enhancement Strategy-Enhancing Women's Participation in Human Settlement at Community Level	UNCHS and Women Advancement Trust	Nov 1992	
17	Report on Safety Audit for Women Exploratory Walk in Two Wards in Dar es Salaam		Aug 2000	
18	Community Infrastructure Program-Valuation Report on Land Value Increment After Infrastructural Upgrading in Tabata and Kijitonyama	Land Valuation and Management Services	Oct 1996	
19	Program of Action for Income Generation Activities in Tanzania-Hanna Nassif Settlement	UCLAS and NIGP	March 1997	
20	Application to The Cities Alliance for Preparation of Program for Upgrading of Informal Settlements and Poverty Alleviation in Dar Es salaam	Dar es Salaam City Commission	July 2000	

Annex C

Country and City Basic Data

Ref	Country-Tanzania	Data
1	Area	945,100 sq. km
2	Population	31 million approx.
3	Urban Population	8 million approx (26 percent).
4	Population Living in Poverty (<US$1per day)	50 percent
5	Capital City	Dar es Salaam (Dodoma)
6	Urban Local Governments	
7	GDP US$ per capita	220
	Dar es Salaam	
1	Population	3 million approx.
2	Area (urban district)	
3	Population Density Range in Low-income Areas	
4	Population Living Below Poverty Line	
5	Population without safe water	
6	Population without adequate toilet facility	
7	Number of households	
8	Number of Informal/Unplanned Settlements	44
9	Population in informal settlements	

Annex D

Low-Income Communities or Unplanned, Unserviced Settlements in Dar es Salaam

	Name	Area (Ha)	District	Priority for Upgrading
1	Buguruni		Ilala	1
2	Vungunguti		Ilala	1
3	Kinondoni Shamba		Kinondoni	1
4	Hanna Nassif		Kinondoni	1
5	Ukonga		Ilala	1
6	Kunduchi		Kinondoni	2
7	Tegeta		Kinondoni	2
8	Tendale		Kinondoni	2
9	Mabibo		Kinondoni	2
10	Kigogo		Kinondoni	2
11	Mikoroshoni		Kinondoni	2
12	Kimara		Kinondoni	2
13	Manzese		Kinondoni	2
14	Mwananyamala		Kinondoni	2
15	Kipawa		Kinondoni	2
16	Kawe		Kinondoni	2
17	Mikocheni		Kinondoni	2
18	Mlalakua		Kinondoni	2
19	Magomeni		Kinondoni	3
20	Ilala		Ilala	3
21	Keko		Temeke	3
22	Makongo		Kinondoni	3
23	Changanyikeni		Kinondoni	3
24	Temeke		Temeke	3
25	Kurasini		Temeke	3
26	Tandika		Temeke	3
27	Gongo la Mboto		Ilala	3
28	Kigamboni		Temeke	3
29	Tabata		Ilala	3
30	Mburahati		Kinondoni	3
31	Mtoni		Temeke	3
32	Yombo Dovya		Temeke	3
33	Kipunguni		Iala	3
34	Kongowe		Temeke	3
35	Mbagala		Temeke	3
36				
37				

Annex E

Low-Income Communities or Planned, Unserviced Settlements in Dar es Salaam

	Name	**Area (Ha)**	**District**	**Priority for Upgrading**
1	Kijitonyama		Kinondoni	1
2	Tabata		Ilala	1
3	Mbezu Juu		Kinondoni	1
4	Sinza		Kinondoni	1
5	Mwananyamala		Kinondoni	1
6	Temeke		Tekeme	1
7	Mikocheni		Kinondoni	2
8	Kinondoni		Kinondoni	2
9	Kiwalani		Temeke	2
10	Mbezi Chini		Kinondoni	2
11	Changanyikeni		Kinondoni	2
12	Mtoni		Temeke	2
13	Mbagala		Temeke	2
14	Kibangu		Kinondoni	3
15	Kunduchi		Kinondoni	3
16	Mtoni Kijichi		Temeke	3
17				
18				

Annex F

Summary of Upgrading Typologies (All countries in SSA)

	Typology	Description of Typology/Method/Approach	Advantages/ Disadvantages	Examples in following countries in SSA
1	Classic – plots sold (CS)	Comprehensive, multi-sectoral, integrated with land title/plot title given and based on cost recovery with plots priced to cover capital cost of infrastructure provision calculate on a "saleable square meter basis and plots priced according to size. Plots become "legal" and ultimately contribute to costs for maintenance through formal local taxation system (e.g. property rates)	Advantage Sustainable (covers capital costs) and "legalizes" beneficiaries, bringing them into the city and into payment for O&M Disadvantage Complex and time-consuming and expensive for low-income and thus protection for "destitutes" required.	Swaziland Namibia
2	Classic-plots rented (CR)	Comprehensive, multi-sectoral, integrated with no land title/plot title given but a rental agreement and rentals based on partial capital cost recovery over time through rent	Advantages Legalizes beneficiaries and gives them some security. Provides a formal housing option for those unable to afford. Disadvantages Long term financing required and housing management by LA of Housing Authority needed.	Namibia
3	Integrated Infrastructure with cost recovery (ICRNT)	Comprehensive, multi-sectoral, integrated but with tenure issues not addressed and with capital cost recovery via a betterment levy or similar payment for infrastructure provided.	Advantages Sustainable. Disadvantages Loses opportunity to give beneficiaries secure tenure.	

(continued on next page)

4	Integrated Infrastructure without cost recovery (INCRT)	Comprehensive, multi-sectoral, integrated but with tenure issues not addressed and without capital cost recovery thus a government-subsidized approach.	Advantages Comparatively quick and easy to implement. Disadvantages Subsidized.	Ghana Tanzania
5	Sectoral with cost recovery (SCRNT)	Single sector (usually) but with tenure issues not addressed but capital costs recovered from beneficiaries direct.	Advantages Comparatively quick and easy to implement Disadvantages Loses opportunity to give secure title, to create a visible impact thus encouraging people to maintain infrastructure provided. Can create and imbalance in infrastructure provision and create inefficiencies in future with piecemeal provision and disruption and waste.	
6	Sectoral without cost recovery (SNCRT)	Single sector (usually) but with tenure issues not addressed and without capital cost recovery thus a government/utility subsidized approach	Advantages An improvement in service level in sector(s) upgraded Disadvantages As for above plus relies on subsidy.	Zambia