

Cover:

Number 2 / 2008

Institute for Housing and Urban Development Studies
Rotterdam / The Netherlands

IHS Thesis Series

Master Urban Management and Development
2006 – 2007 UMD 3

IHS Thesis Series
Master Urban Management and Development
2006 – 2007 UMD 3

Published by
Institute for Housing and Urban Development Studies Rotterdam,
The Netherlands
2008

IHS Research Committee

Ogenis Brillhante

Nigel Browne

Maartje van Eerd

Alberto Gianoli

Charles van Marrewijk, (Chairman)

Carley Pennink

Sharon N. Welsh

IHS Thesis Series

Disseminating information to a wider audience is seen as important to IHS. For a long time the execution of research activities and publications by IHS staff and their partners has been a key point on the IHS agenda: research is one of the three main services provided by the institution. Research has been seen as a means for developing knowledge in thematic areas, and for spreading knowledge to and for profiling IHS in markets abroad.

The IHS Research Committee (formerly known as the IHS Editorial Board) have, over the years, taken a role in promoting internal publications by staff and partners and in disseminating information, in the form of Occasional Papers, Project Papers, articles, and Reprint Series to our clients.

The environment in which IHS currently finds itself offers an expanded number of opportunities to publish. A new Master course in Urban Management was set up by the Institute for Housing and Urban Development Studies (IHS) in cooperation with Erasmus University Rotterdam (EUR) in 2003, to meet the challenges of a changing market. With the embeddedness in research activities within EUR and the redesign and accreditation of the IHS new Masters programme, the amount of research and publications within the institute is increasing.

To promote, disseminate and strengthen the publication of the theses developed within our Master programme and to provide an internal and external forum for the discussion of issues in the fields of urban and regional management and development, the IHS Research Committee publishes an annual publication series called the “IHS Thesis Series”.

One of the aims of this series is to help the participants of the Master in Urban Management and Development (UMD) make their research and final work accessible to a wider audience. It will also contribute to the development of IHS’ academic knowledge base by providing theoretically and empirically informed analyses of the

changes affecting the urban and regional conditions in developing countries, as well as in developed nations.

In this second issue we present a selection of the theses of the UMD Master programme: 2006-7 (UMD3)

In the back of this publication a CD-Rom is enclosed which contains the full, unedited versions of the selected theses.



Table of Contents

SUMMARY 1

Assisting the vulnerable

From vulnerability to security: A case study of assistance activities conducted by CD Bethesda for becak drivers in Yogyakarta City, Indonesia

Author: Heriyadi
Country: Indonesia

SUMMARY 2

Value capturing and municipal land policies: A review of the greenfield land development in the Netherlands

Author: Francesco Maria Orsini
Country: Italy

SUMMARY 3

Exploring innovative strategies for local infrastructure financing through value capture: Potential application in a rezoned neighbourhood, Kilimani, Nairobi

Author: Rose Waweru
Country: Kenya

SUMMARY 4

Cultural capital for earthquake vulnerability reduction: The case of Kathmandu Valley, Nepal

Author: Punya Sagar Marahatta
Country: Nepal

SUMMARY 5

The dynamics of land use in the Lahore Inner City, Pakistan: A case of Mochi Gate

Author: Rabia Ezdi
Country: Pakistan

SUMMARY 6

Towards safe waste disposal sites: Examining the siting processes and social - environmental impacts of dumpsites in Dar es Salaam, Tanzania

Author: Damas William Mapunda

Country: Tanzania

SUMMARY 7

Housing the low-income in a revitalising inner city: Issues to consider when designing enabling housing strategies for Kariakoo, Dar es Salaam

Author: Sada Sekiete Isaac

Country: Tanzania

SUMMARY 8

Urban planning as a tool of environmental management in Kamwenge Town, western Uganda

Author: Juliet Akola

Country: Uganda

SUMMARY 9

Property tax reforms: A tool for improvements in urban services delivery. The case of Kampala City Council, Uganda

Author: Ankunda Kamba

Country: Uganda

SUMMARY 10

Equipment leasing as a financing mechanism for sustainable solid waste and sanitation services in Kampala, Uganda

Author: Ivan Katongole

Country: Uganda

SUMMARY 11

Redefining the 'enabling environment': Reform in housing production for the low-moderate income market - A case of the commercial developer in Lusaka, Zambia

Author: Mphangela Tembo

Country: Zambia

SUMMARY 12

Building capital: The role of migrant remittances in housing improvement and construction in El Salvador

Author: Brendan C. McBride

Country: U.S.A.

Appendix

CD with full versions of the theses

Specialisation: Urban social development

Summary I

Assisting the vulnerable

From vulnerability towards security: A case study of assistance activities conducted by CD Bethesda for becak drivers in Yogyakarta City, Indonesia

Author: Heriyadi

Country: Indonesia

Supervisors: Dr. Maartje van Eerd (IHS) and

Dr. Bakti Setiawan (Gadjah Mada University)

The becak, a three wheeled and non-motorized vehicle, is an interesting phenomenon in Yogyakarta, a city often known as the 'city of tourism'. The becak is interesting because, on one hand, it has been proclaimed one of Jogja's special attractions; while, on the other hand, it gets very little attention from the local authority. This is clear from the lack of regulations and limited attention given to the concerns of the becak drivers. Working as a becak driver is a choice left to the marginalised, a group who use the work to stay alive.

In 1997, a NGO named CD Bethesda, began to help becak drivers: it set in motion activities to strengthen their assets and to reduce their vulnerability. It established two becak driver associations, Parti Warjo and Bawang Manunggal.

Fieldwork findings and data analysis confirmed the initial presumption that becak drivers can be categorized as being part of the vulnerable group. This was measured using the following indicators: 1) poor human capital (low educational background, poor skills, limited access to health care services, absence of healthcare insurance and subsidies), 2) poor financial capital (low income, absence of savings, and limited access to credit). Other indicators which supported these findings were that most becak drivers have, 3) poor physical capital (the absence of assets (such as a becak), relatively improper shelter, and limited access to water

and sanitation) and 4) poor social capital (limited networks, contacts and mutual agreements amongst becak drivers).

The research also concluded that the assistance programmes conducted by CD Bethesda for Parti Warjo and Bawang Manunggal are relatively effective in making their members less vulnerable. This contention is based on the following: (a) there is a match between the services provided by the NGO and what is needed by the becak drivers. This match is ensured as members are invited to get involved in the process, from the initial phase to the implementation of the programmes; (b) to some extent, measures indicate that the programmes have been successful in reducing the vulnerability of their members.

The research also concluded that the local government is not concerned with the lot of the becak and the becak drivers. This is evident in the absence of a law to regulate becaks. This fact is evident at the most basic level; for example, there is no data on how many becaks exist and the manner in which becak drivers operate in Jogja. This, in turn, makes it difficult to manage becak drivers in Jogja. From the point of view of CD Bethesda, for assistance programmes to be effective they have to be of a supportive nature, for example by making sustainable funding available, by being able to identify the needs of clients, and through the presence of support from a higher level. Within the two associations, the research found dynamic interaction between members, as well as between members and the boards. The interest of members to develop organisational needs required much effort and continuous encouragement. Leadership at the board level did not satisfy half of the members. Members of the two associations confirmed the presence of a good solidarity, and relatively high participation in the organisations, in both regular meetings and activities.

Instead of a burden, the becak should be considered an asset, one that makes Jogja unique and distinctive and an attraction for tourists. Inevitably, regulations that provide subsidies to becaks and becak drivers are needed. This policy should be implemented along with a strategy on how to administer and control the number of

becak and becak drivers; this will help to avoid the overpopulation of becaks in Jogja.

Specialisation: Land development strategies and the future of cities

Summary 2

Value capturing and municipal land policies:

A review of the greenfield land development in the Netherlands

Author: Francesco Maria Orsini
Country: Italy
Supervisor: Claudio Acioly Jr., MSc (IHS)

This thesis is addressed to those who are interested in land development projects. Those who work in local governments and need to understand how other actors in the land market act in projects will make good use of the knowledge depicted in this study. Those who are particularly interested in land development in The Netherlands will find this study useful.

The motivation to carry out this research was triggered by the interest of the author to understand how land is supplied and disposed of in a country like The Netherlands, with a long standing tradition in spatial planning. This at a time when urbanisation, decentralisation and liberalisation are increasingly challenging the cities and governments around the world attempting to foster sustainable urban growth.

Land is getting scarce, public finances are limited, and market forces are doing their work. As a result, governments are placing issues related to land and property high on the political agenda. Due to the strategic role that land and land markets play in the urban development, it has become paramount to design effective measures to achieve a sound land policy. This fact becomes apparent when looking at urban development processes in countries like The Netherlands, Brazil, Colombia, France, etc.

This situation is particularly evident when looking at greenfield land development in The Netherlands, where local authorities have, for

a period of almost fifty years, traditionally taken an active role in the acquisition, disposal and development of land.

Dutch local authorities have had a secure position in influencing and controlling urban growth. However, this position has been significantly affected by recent political and economic changes and the spin-off impacts on the Dutch land and housing markets. Developers, rural landowners, housing associations and building companies are increasingly anticipating the decisions of local governments on housing locations and urban expansion, resulting in a visible weakening of municipal positions. This has also had a direct impact on land prices, and subsequently on housing prices and affordability. This thesis research looked at these changes as a first step to identifying the changing roles and shifts in land development models.

The research aims first to analyse how greenfield land development has changed in The Netherlands, and how these changes have affected the way local authorities pursue their land policy objectives and housing targets. Second, the research assesses whether particular land management tools, namely value capturing tools, have the potential to be introduced in the Dutch system in order to strengthen the local authorities' ability to continue using land transactions to finance the infrastructure needed for urban and housing expansion.

The research is structured in three different analytical parts. The first looks at the theory and the principles of land rent, as well as the role and potential of value capturing tools in land markets. This is essential to build understanding of and knowledge about how land markets work, and how land value is produced and captured. The second reviews the role of local authorities and looks specifically at a case study: the research reveals in detail how greenfield land development works in The Netherlands, its mechanisms, steps and actors involved. The research makes an institutional and financial analysis of the case of Carnisselande, a VINEX location and large scale housing project of 10,000 housing units situated in the outskirts of Rotterdam. Stakeholders of this project were interviewed. This analysis is compared to past policies

and approaches implemented national and locally. Finally, in chapter five, alternative land management tools to be introduced in The Netherlands are assessed.

One of the findings of the research is that the anticipation and active role of different actors in the land and housing market have relegated municipalities to a secondary and more passive role in land policy. Simultaneously, the research reveals that different forms of cooperation amongst the private and public sector have developed and have led to a new institutional and financial equilibrium. This has serious implications for the land market and land policies. Private stakeholders have gained stronger positions because they can actually anticipate land purchase, obliging municipalities to negotiate with them to execute their plans. Additionally, this puts at stake the recovery of the costs of infrastructure provision by the public sector and jeopardizes the municipal control of land use. The research finds that there is an increase in the share of profits and land market imperfections. It is likely that this will have serious negative effects on housing prices, affordability and the supply of social housing. Thus, municipalities will have to introduce other land management tools, value capture and/or other instruments to be able to capture land value increments, generate financial resources through land-related transactions, and to better control land markets.

These findings are addressed in the final chapter of the study. The study makes an analysis of value capturing tools and the sale of development rights, as well as the Colombian plus-valia tool. It argues that lessons from these experiences could be applied by municipalities in The Netherlands. The research argues that such instruments can be successfully introduced to improve cost recovery and to limit the unjustified loss of planning gains, and to help to regulate some of the imperfections found in the Dutch land market of today. The new land development law to be enacted in January 2008 demonstrates that legislators have had similar ideas since equivalent instruments are now being incorporated in the new law. This makes this thesis very actual.

Specialisation: Housing: Making it accessible for all

Summary 3

Exploring innovative strategies for local infrastructure financing through value capture:

Potential application in a rezoned neighbourhood: Kilimani, Nairobi

Author: Rose Waweru

Country: Kenya

Supervisor: Dr. Ester van Steekelenburg

Nairobi, the capital city of Kenya, is divided into 20 planning zones. The history behind the development of these zones reveals segregationist policies applied during the colonial period which separated land uses on the basis of race. These policies, now over a century old, are still evident to this day, though segregation is now based on income levels, i.e. high, middle and low-income zones. The point of departure of this research is a municipal rezoning policy passed in 1987 which allowed for higher density of development in three predominantly high-income and low-density zones, known as zones 3, 4 and 5.

The subsequent development in these three zones over the years reveals that the level of development has not been matched with a commensurate upgrading of the infrastructure. This problem resulted in a suspension of change of user approvals in November 2005, pending a review of the policy guidelines, particularly where infrastructure was concerned. This suspension has since been lifted and development continues to take place.

The main objective of this research was to study the potential application of innovative value capture mechanisms for financing the upgrading of infrastructure in Kilimani, a neighbourhood located in zone 4 of the city's planning zones. The research used the theory of land rent as developed by three economists, namely David Ricardo, Henry George and Johan von Thünen. These theories explain how land value is created and justifies the capturing of land value increments to finance public obligations.

Four case studies on innovative financing strategies based on value capture were then studied. These were selected on the basis of their potential application in Kilimani. This potential was further examined by assessing the local context with regard to the development profile of Kilimani, the changes in land values since the rezoning policy was passed, the perception of developers and property owners in Kilimani, and the perception of municipal policy makers. The study also analysed their involvement in the infrastructure development and financing process, and the institutional framework of the municipality.

Data for this research was drawn from both primary and secondary sources. Primary sources included interviews with the relevant actors, key members of the just-concluded policy review exercise, and property and valuation agents. Secondary sources included newspaper articles, the internet, journals, policy minutes and reports.

In concluding the research, the various financing mechanisms were applied to the local context, where each tool was assessed on the basis of the circumstances to which each would be best suited, i.e. for an area like Kilimani and taking into account the municipality's capacities to apply the tool. Based on the data collected and the respective analyses, developer-centred approaches stand out as the most appropriate tools for application to the local context. Finally, recommendations on the key policy issues to be considered for the successful implementation of innovative financing mechanisms were made. These touch on institutional reform, legal framework and building of partnerships.

Specialisation: Urban social development

Summary 4

Cultural capital for earthquake vulnerability reduction: *The case of Kathmandu Valley, Nepal*

Author: Punya Sagar Marahatta

Country: Nepal

Supervisor: Dr. Wim Blauw (EUR)

This study aimed to understand, from a social perspective, the vulnerability of poor in Nepal to earthquakes. The research aimed to make an in-depth study of the perspective of low income groups and their knowledge of earthquake vulnerability reduction. In addition, it analysed both the techno-centric and community-based approaches to earthquake vulnerability reduction. One of the major objectives of this study was to explore culture as a useful asset in reducing earthquake vulnerability.

The research applied the sustainable livelihood model in which 'capitals' play a significant role, and analysed what types of capitals were used to deal locally with earthquake vulnerability. Since low income groups are more exposed to disasters, earthquake disasters are also a present danger. Low income groups are vulnerable in all respects, but they have also developed knowledge to reduce and deal with disasters. The knowledge they have gained is practiced as part of local culture but is ignored by such stakeholders as communities, government, NGOs and academic institutions. Often local knowledge is practiced as part of local culture by community households and they are themselves not aware of the potential of their knowledge. The more modern approaches of engineering and technology have superseded local knowledge and technology; local approaches are now often considered to be rudimentary or superstitious. This study found that not all knowledge and technology at the local level are superstitious and contextual. This research shows that the tacit local knowledge embedded in culture should be identified in research and that the scientific aspects of local knowledge should be explored to contextualise its use. This study also showed that

earthquake vulnerability reduction is possible by working jointly with all stakeholders.

Earthquake vulnerability is rampant, so the strategy to reduce it needs to be holistic. Technological means are the best instruments to reduce earthquake vulnerability but such technologies also need to respond to the culture in a particular context, which eventually humanises the technology. This study identified that the policies, technologies and approaches developed to reduce earthquake vulnerability are seldom responsive to the culture of the community: there is a significant gap between the laboratory and the field.

In developing countries like Nepal, modern engineering approaches have dominated local knowledge: building technology has forced local people to imitate modern technology without understanding the discipline of the particular material. This has eventually added to the vulnerability. Therefore, to reduce earthquake vulnerability, local practices and understanding of local technologies should be incorporated into policies, in academic exercises and curricula, and reincorporated into livelihood strategies. These steps make livelihood sustainable.

This study revealed that approaches adopted for earthquake vulnerability reduction are always techno-centric. In addition, there are two types of technologies 1) one based on modern knowledge and 2) the other on local knowledge. All techno-centric approaches should be developed through cultural responses; these should, in turn, be based on the community. The study also revealed that the term 'non-engineered building' is not appropriate. The 'so-called' non-engineered building is more of a locally engineered building. It has been proven that, in several historical disasters, such locally engineered buildings have withstood the impact of earthquakes and eventually proved to be less vulnerable.

Finally, local knowledge was identified by this research as being very significant in reducing earthquake vulnerability. This underlines the importance of promoting local knowledge practiced by communities as a part of their culture. Hence, the research

concludes that culture is capital which is useful for sustainable livelihoods; earthquake vulnerability reduction should not be an exception.

Specialisation: Urban environmental and infrastructure management

Summary 5

The dynamics of land use in the Lahore Inner City, Pakistan:

A Case of Mochi Gate

Author: Rabia Ezdi

Country: Pakistan

Supervisor: Dr. Jacko A. Van Ast (EUR)

The Lahore inner city comprises an 11th century Walled City and the immediate surrounding areas, such as the expansion along the Circular Road. Not only is this area Lahore's historic district but also its commercial centre. Punjab's largest wholesale market is located there, as well as a web of related activities and land-uses.

Over the past three decades, the walled city has seen a transformation of its urban and social fabric, and widespread dilapidation of its building stock. Today, the Greater Walled City-Circular Road area is typified by the manifest symptoms of 'decay' such as dilapidated infrastructure, deteriorating building stock, traffic congestion, noise and air pollution, visual 'clutter', and management-related issues.

Paradoxically however, while there are 'visible' gaps, there is also an 'invisible order' which enables the Walled City-Circular Road complex to play a central role in Lahore's daily functioning and to contribute to its economy in terms of trade and employment. Conventional upgrading approaches are not rooted in an understanding and appreciation of this existing 'system' and its broader issues. Given the pool of multiple actors and stakeholders and the complexity of land-uses and activities, the specific orientation of any upgrading effort needs to be rationally determined.

Assuming there is a need for improvements, the objective of the research was to develop a conceptual framework for the successful upgrading of the area. Taking the Mochi Gate area as a sample, the

thesis explored the Walled City-Circular Road complex as an urban phenomenon with its dominant roles, needs, and functions in order to understand this existing 'order'. The problem definition hence led to the main research question, 'What is successful upgrading in the context of the study area?' In order to determine this, two sub questions explored the existing system, and the gaps within this system. The research was a qualitative, exploratory case-study, based on the interviews of primary actors, a rapid survey, and observation, and supported by photographic documentation.

First, research findings indicated that land-use is determined on the basis of need and locational advantages. Second, the needs of actors are being catered to through various 'enabling' mechanisms, such as informal networks, social support, and the institution of collusion.

Third, the physical proximity of different interrelated land uses is typical of the small firm economy; if these parts are separated in space, the system would not be able to function.

Successful upgrading implies improvements in the existing conditions and uses of the area. Above all, this would require an actor-centred approach that is based on an understanding of the contribution of all actors and stakeholders to the 'system', and incorporates the area's existing functions with both their inter-zonal and city-wide linkages.

The research also determined that the current arrangement of land uses is ad hoc and results in physical and management-related gaps for the larger 'system'. A reorganisation of land uses is needed to create greater efficiency in the system, and minimize conflict between residential and commercial uses.

Specialisation: Urban environmental and infrastructure
management

Summary 6

Towards safe waste disposal sites:

Examining the siting processes and social - environmental impacts of dumpsites in Dar es Salaam, Tanzania

Author: Damas William Mapunda

Country: Tanzania

Supervisor: Marijk Huysman, MA (IHS)

Historically, landfills have been the dominant alternative for the final disposal of municipal solid waste. This method has been regarded as the most economically and environmentally acceptable option for solid waste disposal in both developed and developing countries. However, rapid urbanisation in countries in the south, coupled with uncontrolled urban expansion, present a tremendous challenge to urban managers and planners attempting to contain the enormous increase of solid waste generated within the urban areas, a setting where limited land is available.

The increasing awareness of the adverse impacts caused by unsanitary landfills implies that urban authorities must ensure that waste disposal facilities are sited in areas which are environmentally and socially acceptable and yet cost effective. This has increasingly become the concern of various stakeholders in the waste management system, as well as the general public. Dar es Salaam, like any other city in the developing world, has adopted open dumping as the main waste disposal option. Despite the implementation of the Sustainable Dar es Salaam Project, for which solid waste management has been the major theme, unsanitary waste disposal practices predominate. Most of the dumpsites have been sited in areas that are in the proximity of human settlements and bodies of water: this is environmentally and socially unacceptable.

The study aimed at examining how solid waste disposal facilities are sited in the city with special attention to the processes and

procedures followed. The research assessed the environmental and social-economic criteria adopted, as well as the levels of public awareness, the perceptions of and attitudes to problems manifested by unsanitary waste disposal practices.

The main findings from the study demonstrated that, despite the presence of policies and legislation guiding sanitary waste disposal practices, most of the dumpsites in Dar es Salaam are sited without compliance with physical, socio-economic and environmental criteria, coupled with minimum public and stakeholder participation in the siting process. The study also confirmed that a significant percentage of the local residents living close to dumpsites did not know about the various long term adverse impacts caused by unsanitary landfills. 32.4% of the sample population ranked bad odour as the most serious impact of dumpsites within their living environment, followed by health hazards (29.7%).

This study recommended that the National Environmental Management Council, in collaboration with local government authorities, should create technical guidelines and specifications to be used as minimum requirements for the siting, development and operation of landfills, and enforce compliance in respect of the local government authorities whenever a new landfill is required.

In addition, the central government and NGOs should introduce a continuous awareness and sensitisation campaign to educate local communities on the impacts of unsanitary landfills on their health and well being.

Specialisation: Housing: Making it accessible for all

Summary 7

Housing the low-income in a revitalising inner city: *Issues to consider when designing enabling housing strategies for Kariakoo, Dar es Salaam*

Author: Sada Sekiete Isaac

Country: Tanzania

Supervisor: Fred Kooijman, ir.

The usefulness of any development programme is achieved only when it is planned and implemented in a way that responds to the needs of the intended beneficiaries. This study examines issues that consider how to design enabling strategies for housing the low-income population in a revitalizing inner city. The targets are the inner cities in developing countries, and more specifically Tanzania. The location of the study is Kariakoo Area, which is part of Dar es Salaam.

Kariakoo area is a low-income residential area established in 1861. The locality has been involved in an active redevelopment programme since 2002. However, there have been no specific strategies for supporting the existence of low-income housing. Consequently, the low-income inhabitants, who were the majority, are gradually relocating to somewhere else.

The main objective of the research was to define issues to be addressed when designing strategies for delivery of decent and affordable housing to the low-income residents of inner cities. In order to achieve the objective, the research was guided by the main research question: 'How does the revitalisation of the Kariakoo area facilitate the delivery of affordable housing for a low-income earner?'

It was an exploratory-qualitative research. However, mixed methods were applied to converge and confirm findings from different data sources. The exploratory method enabled exploration of hot issues and an attitudinal research method was used to evaluate the opinions on and views and perceptions of the

respondents to the issues at hand. Four groups of respondents were defined, all with distinct roles: i) indigenous house owners (before 2002) and, after 2002, private house owners (20) ii) commercial developers (5) iii) authorities (7) and iv) professionals (6). In total, 38 respondents were interviewed. The data was collected through both structured and semi-structured interviews. The responses were analysed by using descriptive and explanatory methods.

The findings show that the community was not effectively involved in the planning processes. Consequently, the redevelopment scheme adversely affected the housing opportunities for the low-income earners. The majority of indigenous house owners have relocated. Bottlenecks include: urban management and a planning approaches which did not focus on the needs of the people; lack of strategic development of partnerships for housing development; lack of long-term housing finance; faulty flow of information; limited capacities of the local authority; existence of unregistered property rights, and the poor economic status of the majority of the inhabitants.

The study results support the idea that employing enabling strategies is an effective approach to administering the development of the housing sector. The study concluded that inner city revitalisation is an opportunity, that when captured, supports housing provision for the low-income population. However, the conditions that make such strategies work were not available in the study area.

The study discovered that the following are critical elements of the design of enabling housing strategies for an inner city:

- i. Effective involvement of the community
- ii. Clear and efficient land amalgamation strategies
- iii. Housing finance and mortgage facilities that are responsive to the needs of low income earners
- iv. Existence of partnerships in housing development
- v. Support to the development of community-based networks
- vi. Support to poverty alleviation initiatives

- vii. Execution of a housing needs assessment
- viii. Creation of an efficient information network
- ix. Public acquisition of land for the provision of infrastructure
- x. Capacity building and result oriented institutional collaboration
- xi. Understanding of the complexities and limitations that exist related to property rights
- xii. The appropriate use of planning standards

According to the findings there is limited chance that Kariakoo can be developed as per the existing redevelopment plan. The author recommends reviewing the plan in a more participatory manner and empowering the society concerned, bearing in mind the above-mentioned issues. The research also recommends that the landowners establish a housing cooperative as a first step to the set up of a Special Inner City Management Board for managing and overseeing the scheme implementation. The board should constitute democratically elected representatives of the society.

Finally, the study suggests an investigation that would elucidate on the best or most effective participatory methods to improve community participation.

Specialisation: Urban environmental and infrastructure management

Summary 8

Urban planning as a tool of environmental management in Kamwenge Town, western Uganda

Author: Juliet Akola

Country: Uganda

Supervisor: Dr. Jacko A. van Ast (EUR)

The existence of environmental problems in Kamwenge Town is due to the lack of effective urban planning. The study aimed to identify how urban planning can be used as an effective regulatory tool in the management of environmental problems in Kamwenge Town Council, in western Uganda.

The study focused on three dimensions that determine the influence of urban planning on urban environmental management; it established how Kamwenge Town can use urban planning in the management of its environmental problems and finally provided recommendations for effective urban planning in the management of urban environmental problems in Kamwenge.

This research was an exploratory case study which employed questionnaires and interviews to obtain primary data. Maps, photographs and the use of existing literature were used to extract secondary data. A sample size of 60 was chosen, with 40 questionnaires administered to the respondents of the community in Kamwenge Town, 10 questionnaires to the Town Council officials and 10 interviews at different organisations and Line Ministries. The selection was based on random and purposive sampling methods. The findings of the study indicated that environmental problems experienced in the Town, such as air, noise, and water pollution are partly due to the lack of enforcement of the existing urban plans. Another finding revealed that the Town Council is faced with management problems, such as limited financial resources, insufficient institutional capacity, and lack of committed leaders. Above all, poor implementation of the

land use plan was a challenge to the managers. The study further revealed that despite the several management problems experienced, there are still various stakeholders, from the national level to local level, willing to be involved in environmental management.

Finally, one of the findings demonstrated that there are already a number of strategies that have been taken up to improve the effectiveness of urban planning in Kamwenge. Some are ongoing, like the revision of the Town and Country Planning Act, the creation of an urban planning directorate and revisions to the urban planning budgets. A further operational change is the Property Act of 2005 which would allow the council to earn much needed revenue; this is important as the council will henceforth levy property taxes on commercial buildings.

The study also concluded that there is little effective enforcement and implementation of structure plans, something that would have mitigated some of the environmental problems in Kamwenge Town. Further, the research uncovered that the council lacks the human and financial capacities to conduct proper urban planning and management. There is no information databank / database, a lack of coordination of the various stakeholders working in environmental management, and failure to sensitise the community to the importance of maintaining a clean environment and abiding by the urban plans.

Recommendations argue that the legal framework needs to be strengthened and adhered to, human and financial capacity should be improved; databanks/databases and an information centre established, and sensitisation campaigns among the community members stepped up.

Specialisation: Housing: Making it accessible for all

Summary 9

Property tax reforms: A tool for improvements in urban services delivery.

The case of Kampala City Council, Uganda

Author: Ankunda Kamba

Country: Uganda

Supervisor: Claudio Acioly Jr., MSc (IHS)

This study addresses academia, researchers and local governments interested in understanding how property tax systems can be reformed to make them a sustainable source of revenue for the finance of urban services. The study is motivated by a desire to understand revenue generation within the Kampala City Council. It is the first attempt of the author to investigate a local government's sources of revenue.

The ultimate goal of the study is to analyse how property tax systems work and determine how they can be improved to enable local governments to meet their service provision obligations. Local governments all over the world are struggling to raise local revenues for service delivery and face enormous challenges in their efforts.

Cities and local governments in many countries, including Uganda, are a privileged repository of valuable real estate. Although local governments are not necessarily the owners, they have the potential to benefit from the properties within their jurisdiction. These properties are not only a sign of improved urban welfare and standard of living but are a reflection of the urban wealth upon which local governments can capitalise. A tax on property is therefore seen as the most stable of all local government taxes and relevant for service provision. In essence, tax on property allows the general public and local authorities the option to share the burden of service provision. However, to reach a level where the demand for urban services is met by delivery of those services, a systematic and functional property tax system must be put in place and must be well administered.

This study analyses and describes a number of challenges that Kampala City Council faces trying to administering property tax. The study also proposes a number of reforms to address impediments confirmed during the fieldwork. The focus of this study was NOT on how to finance urban service delivery but on how property tax, as a source of income, can be rejuvenated and used as a stepping stone to widen the delivery of urban services. The study observes that most challenges are at both policy and administrative levels, where failures have been identified.

The study proposes a number of reforms, namely fiscal and physical accountability to address the failures, especially in taxpayer services. The study proposes the creation of a CISS as a model to address property tax information inadequacies. The study observes that these reforms may be difficult to implement considering the existing realities: one of these is the huge backlog of undelivered urban services.

The study concludes that if Kampala had an operational and adequately managed property tax system, it could generate sufficient revenues to cater for the urban services required.

Additionally, the thesis supports the argument that major bottlenecks such as delays in collection, poor enforcement mechanisms, political interference, corruption and failures in taxpayer service delivery undermine property tax returns. The study recommends that a property tax system must operate as a complete system, which does not only capture resources but also serves individual and society's interests. This is why reforms must address accountability and service provision as key priorities.

Specialisation: Urban environmental and infrastructure management

Summary 10

Equipment leasing as a financing mechanism for sustainable solid waste and sanitation services in Kampala

Author: Ivan Katongole

Country: Uganda

Supervisor: Dr. Ogenis Brilhante (IHS) and Valentin Post, MA

The study was motivated by the challenges faced in the delivery of solid waste and sanitation services in Kampala City. These services suffer from the lack of appropriate equipment; formal and informal service providers use very old vehicles for the transportation of solid and liquid wastes to secondary collection points and/or disposal sites.

The main objective of this study was to assess the potential for leasing equipment as an innovative financing mechanism for sustainable solid waste and sanitation services in Kampala.

The researcher conducted fieldwork in Kampala and interviewed the officials of leasing companies, equipment suppliers and the secretary of the Kampala Cesspit Emptiers Association. The researcher also executed a questionnaire amongst officials of the Kampala City Council (KCC) as well as formal and informal solid waste and sanitation service providers. The data collected was clustered into frequencies of responses for each category of respondents and analysed. The researcher also analysed secondary data from respondent organisations.

The findings of the study showed that equipment leasing has potential as a financing mechanism for sustainable solid waste and sanitation services. The findings also confirmed that leasing is not used by service providers because the solid waste and sanitation market is not developed. This is partially due to failure of KCC to play the role of regulator to encourage entry into the market. Supportive regulation of service provision could encourage service

providers and leasing companies to invest in solid waste and sanitation equipment and provide potential for commercial viability.

The research concluded that Kampala City Council service providers and leasing companies have to work together to make leasing a useful financing product for the purchase of solid waste and sanitation equipment. It is, however, important to acknowledge that promoting leasing for its own sake does not make leasing an attractive equipment financing option; a developed solid waste and sanitation market is a key driver for the development of leasing products for service providers, as well as solid waste and sanitation equipment markets.

The research recommended a series of strategies:

- i. the use of smart subsidies, such as output-based aid, in urban sanitation service delivery,
- ii. developing a leasing product for solid waste and sanitation service providers,
- iii. leasing of equipment and managing it based on management contracts,
- iv. allowing for long term solid waste and sanitation contract periods and improving the regulation, and
- i. promotion and marketing of solid waste and sanitation services.

The study also recommended further research on the development of the legal and regulatory frameworks, which focus on the role played by informal service providers in service provision, and encourage recognition of informal service providers by leasing companies. In addition, further research should be conducted on how to improve the regulatory role of Kampala City Council in the delivery of solid waste and sanitation services.

Specialisation: Housing: Making it accessible for all

Summary I I

Redefining the ‘enabling environment’: Reform in housing production for the low-moderate income market.

A case of the commercial developer in Lusaka, Zambia

Author: Mphangela Tembo

Country: Zambia

Supervisor: Dr. Ester van Steekelenburg

The products of the housing market in the City of Lusaka in Zambia are less than desirable. With approximately two-thirds of the population residing and seeking housing solutions in the informal sector, it is safe to say that the formal market has failed to meet the needs of the majority. Constraints to formal housing supply are a familiar problem in the sector and have increasingly worsened over the years.

Commercial developers were identified as private actors that have the potential to contribute positively to the sector. The objectives of the research were 1) to determine, based on theory, which instruments could be used to stimulate private developer activity 2) to ascertain the challenges and constraints that the Zambian residential market presents to this actor 3) to outline suitable instruments that could be employed in the Zambian context to stimulate private developer activity in housing for the benefit of the low-middle income market.

The study was undertaken as an exploratory study, and used the interview guide as its main instrument. Respondents were selected from a cross section of players active, generally, in the housing sector and, specifically, in commercial projects in the existing housing market.

The main research findings highlighted that many of the constraints in the production of housing were as a result of a lack of a basic framework for a healthy functioning housing market – adequate provision of infrastructure; an enabling regulatory environment for housing and land development; a healthy and competitive building

industry. The constraints present in the Zambian housing market have resulted in a low income market that is served and dominated by the informal sector.

The research concluded that for private actors to contribute to the low income market, the government needs to identify and play its role as facilitator in the market. In addition, formal private actors need to identify solutions that are sensitive to the context and that bridge the huge gap that exists between the formal and informal markets.

Specialisation: Housing: Making it accessible for all

Summary 12

Building capital: The role of migrant remittances in housing improvement and construction in El Salvador

Author: Brendan C. McBride

Country: U.S.A.

Supervisor: Jan Fransen, MA (IHS)

This study argues and provides evidence that migrant remittances act as a critical form of capital for improving the housing circumstances of the majority of households that receive them in the study locale. Remittances – the funds sent by labour migrants to their home countries – have come to light over the past decade as one of the most important capital flows to developing countries, playing as big a role in family budgets as they do in national macroeconomic forecasts. In many contexts throughout the developing world, households use largely autonomous and informal methods to improve their housing, but a lack of capital can inhibit them from fully addressing their housing needs. This study was inspired by the idea that remittances may be providing such capital.

To date, little has been written about how migrant remittances are used to build and improve housing. This study examines the role that remittances play in the housing process and its outcomes in a rural area of El Salvador. The main instrument of the research – an in-depth survey administered to 100 households – sheds light on what roles remittances play in accessing housing inputs of capital, materials, land, and labour and what impact they have on the housing circumstances of receiving families.

The findings tell us that remittances – a largely informal financial flow – have been integrated as a vital form of funding into a largely informal context of housing improvements. Remarkably, remittances have not supplanted informal systems of housing production, but have enhanced receiving households' capacity to address their own housing needs, increasing their access to

capital, land, labour, and materials. Compared to their non-remittance counterparts, remittance households have been significantly more likely to spend more on improvements, build new houses, utilise paid labour, and buy land for housing. These expenditures have changed the face of housing in the study locale, especially in the case of the new houses that represent over half of housing expenditures. This study concludes that households have extensively used remittances as a capital input to housing. Most poignantly, they have enabled the poorest remittance households to make improvements that have been nearly unattainable for poor non-remittance households.

This study affirms the methodological importance of looking at the local context of remittance uses in order to understand how these global flows are utilised and how they benefit remittance households. This local perspective is particularly important when remittances are received in places where informal systems could hide their patterns of use. Furthermore, it gives a glimpse of the role – both effective and potential – that these global flows of capital could play in improving housing circumstances in other developing world contexts where migrant remittances intersect with acute housing needs and informal housing strategies.

[back inside cover]

IHS Publications

The IHS Research Committee also produces a series of publications and would like to invite its partners in client countries to submit work for publication in one of the series described below.

Interested authors are invited to send their contributions to the chairman of the IHS Research Committee, Prof. Dr. Charles van Marrewijk (c.vanmarrewijk@ihs.nl).

A copy of the instructions for authors can be found on the IHS website (www.ihs.nl).

Products

The IHS Research Committee publishes three series, the Working Paper Series, the IHS Urban Paper Series and the IHS Thesis Series. The IHS Thesis Series was set up in 2007 as a new publication. Other internal publications are (text)books published by the Master Specialisations, training manuals, and outputs of projects.

The Working Paper Series provides the opportunity for IHS staff, and their professional associates (in special cases, graduates of the Masters course) to document recent work experience or a 'work in progress' (literature review, case study) and to make these accessible to a wider audience.

The IHS Urban Paper Series creates the opportunity for the IHS community (staff, students and personnel involved with IHS projects) to develop publications and to undertake internal discussions on issues of interest to IHS and its academic community. This publication aims to publish short, essay-type papers on a wide variety of topics within the Institute's area of interest and expertise. Contributions are accepted from IHS students and staff involved with IHS projects and programmes.

The IHS Thesis Series: the objective is to publish the best theses of the Master Programme in Urban Management and Development. The theses are also placed on the IHS website. Though these will

be published as is, in the upcoming programmes participants will work in partnership with supervisors to create shorter, more succinct versions of their final work as part of the requirements for graduation.

[info over IHS bovenaan pagina en op tweede deel van de pagina logo's en namen van samenwerkende organisaties. In huidige opmaak lopen de gegevens door elkaar, wat het enigszins onduidelijk maakt]

Correspondence

Institute for Housing and Urban Development Studies (IHS)

Publications

P.O. Box 1935

3000 BX Rotterdam

The Netherlands

Phone: +31 10 402 564

Fax: +31 10 404 5671

E-mail: c.vanmarrewijk@ihs.nl

Website: www.ihs.nl



© Institute for Housing and Urban Development Studies,
Rotterdam, The Netherlands, 2008

Copying with reference to title, author and publisher is permitted

ISBN - 978-90-6433-037-7

In collaboration with:

Erasmus University Rotterdam (EUR)

Gadjah Mada University

Lincoln Institute of Land Policy

Lund University, Housing Development & Management

OBR City Development Corporation, the City Of Rotterdam,



[Back outside]

[logo IHS]



Institute for Housing and Urban Development Studies

The Institute for Housing and Urban Development Studies (IHS), established in 1958, is an independent educational organisation based in Rotterdam, The Netherlands. IHS is active in the field of housing, urban management and urban environmental management in Asia, Latin America, Africa and Central and Eastern Europe. IHS offers a Master programme, post-graduate training, research and advisory services to national and local governments, multilateral and bilateral agencies and private companies.

www.ihs.nl