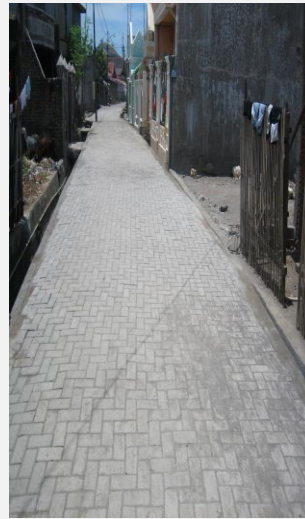


Neighborhood Upgrading & Shelter Project



Presentation for Workshop on Enabling Inclusive Cities

Manila, 28 October 2013

By Indonesia Resident Mission

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ADB



Outline

- The Project Overview, Context and Component
- Access to Infrastructure
- Affordability
- Participation
- Gender Equity
- Sustainability

Project Overview



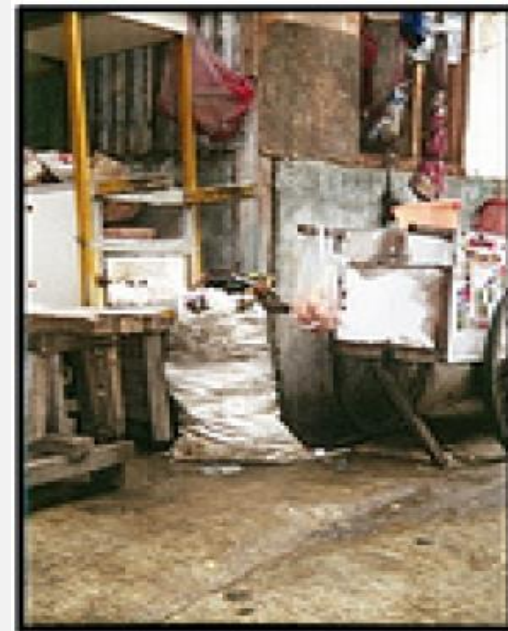
- Aims:
 - Address issues related to rapid urbanization
 - Contributes to achievement of MDG Target 7C&7D
 - CDD
 - Upgrade basic infrastructure and new housing sites (NSD) for poor families in 20 cities
- Modality: \$102 million with \$74.4 million from ADB's OCR
- Period of Implementation: 2014 – 2017
- Executing Agency: Ministry of Public Works, Indonesia

Project Components



- Impact: Improved living conditions in urban areas in 20 project cities.
- Outcome: Improved infrastructure and access to service delivery in slum neighborhoods in 20 project cities.
- Outputs:
 1. Institutional capacities for managing pro-poor urban development are strengthened.
 2. Infrastructure investment plans to upgrade poor neighborhoods are aligned with the overall city development plans and implemented.
 3. PPP established to promote new settlements for poor families.

Access to Urban Infrastructure



- Infrastructure to be provided:
 - Neighborhood roads and transport facilities, drainage/flood management, water supply and sanitation facilities, solid waste management, and road lighting.
 - Houses for informal workers living in slums
 - About 670,000 families (3 million) will directly benefit from the project

Benefits



- Improved transport facilities will improve mobility, access to health and education facilities, access to other services.
- Improved drainage – reduce flood – reduce destruction of property and ground water contamination.
- Civil works: create short-term employment for poor community members, which will increase their incomes.
- Improving the overall working and living environments will enhance income earning opportunities of small home industries

Benefits



- Upgraded roads and pathways, improved water will improve the overall business conditions for informal entrepreneurs (e.g. food stall owners, small restaurants, repair shops).
- Improved roads will provide an easier and safer access for costumers to reach their shops/workshops

Beneficiaries



- About 670,000 families (3 million people) living in slums will directly benefit from the project
- The new site program (housing) will beneficiaries poor families working in informal sector (no fixed monthly income)

Affordability



- costs of services will be in accordance with the affordability of slum dwellers

Sanitation facilities: community bathing, washing, toilet

----- the cost of services will be decided by community members
(with proper O&M costs)

Water Supply: from local water company

community-operated WS system

Solid Waste: affordable collection costs (organized by community groups)

House price: 40% lower

Affordability



Houses:

- Land: 50-100% subsidized by local government
- Infrastructure/facilities subsidized by government
- No taxes for houses up to 36m²
- Private developers pre finance house construction
- commercial banks provide loans to poor families

Participation



Neighborhood Upgrading:

- Participation of community at all stages of project implementation.
- Each neighborhood will have a Community Implementation Organization (CIO).
- Preparation of neighborhood upgrading plan (NUP) by CIO (assisted by community advisors/consultants)
- NUP discussed and ensured to be in line with the city's spatial planning and development plans
- Preparation and Endorsement of Investment Plan

Participation



Neighborhood Upgrading:

- Community contracts (max \$40,000/contract)
- Community implement civil works
- Community organizes operation and maintenance
- Training for CIOs and community members for bookkeeping (financial management and reporting), O&M, planning and design, and overall project management
- About \$40 million are allocated for community contracts
- Community is expected to contribute in-kinds contributions (\$2 million)

Participation



Neighborhood Upgrading:

- For more complex work, contractors will be recruited
- Contractors should hire at least 80% of their unskilled workers from local community members
- About \$19.0 million is allocated

Participation



New Site Development (Provision of Houses):

- CIO organizes socialization activities, provides inputs for beneficiary selection criteria and assists during selection process
- CIO organizes O&M of NSD facilities
- CIO organizes loan repayments to commercial banks (daily collection)
- Beneficiaries to contribute for houses – about \$4.0 million (through loan from commercial banks)

Gender Equity



The project is EGM and GAP was developed.

- women's ability to participate in the decision making process.
- to ensure that women and men in the project sites benefit equally from increased access to improved basic infrastructure and social services.

Gender Equity



Some GAP targets:

- 40% of CIOs members in are women
- 40% of participants during all consultation and decision-making meetings at the community level are women
- Selection criteria for the potential beneficiaries to access credit for affordable housing prioritize female headed households (FHH)
- Housing deeds are provided in the name of husband and wife, and in the name of the women in case of FHH.

Gender Equity



Some GAP targets:

- 30% of the paid works created by the project are provided to women.
- Equal pay for work of equal value
- women CIO leaders are provided appropriate leadership and management training.

Sustainability



- Development of City-Wide Slum Improvement Action Plan (CWSIAP)
- Integration of CWSIAP into Local Planning and Budgeting
- Training for Local Government
- Engagement of Private Sector
- O&M by community supported by government



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