



# UN-HABITAT

United Nations Human Settlements Programme



## CONCEPT PAPER ON SLUM IMPROVEMENT PROGRAM IN DILI EAST TIMOR

Submitted by Diagonal Urbana Consultoria Ltda.

November 2002

## **1- BRIEF DESCRIPTION**

As part of the National Development Plan (NDP), the Public Works Department (PWD) of the Ministry of Transport, Communication and Public Works (MTCPW) has as one of its main objectives “to improve housing facilities in urban slum areas through planning, contracting, engineering services and cooperative support for poverty reduction initiatives.”

One of the programs of the PWD addresses slum improvements in Dili. Despite the fact that Dili is the institutional and commercial heart of East Timor, pockets of poverty still exist where conditions have worsened since the post-referendum violence of 1999. These areas were largely overlooked by the emergency reconstruction assistance programs, as priority was given to the rural areas.

The UN–HABITAT prepared this Concept Paper in consultation with the Urban Planning and Housing Division of the Public Works Department to form the basis of a slum improvement program in Dili. The initiative will happen in parallel to the development of a comprehensive housing policy for East Timor, for which funding is being sought from the UNDP, as well as the urban development planning of Dili District, for which funding is being sought from Cities Alliance.

The slum improvement program outlined in this document will be based on an extensive survey and mapping process, the prioritization and development of projects that address poverty in a comprehensive and integrated manner, the provision of capacity training of stakeholders and community participation throughout all stages of the program.

## **2- BACKGROUND**

The growth of pockets of poverty in Dili was accelerated by the 1999 post-referendum violence, which led to the destruction of 70% of East Timor’s infrastructure and housing and caused the displacement of most of the East Timorese population. These pockets of poverty, however, already existed as a consequence of the lack of economic and social opportunity in East Timor. This is the very central problem that has to be addressed in a slum improvement program. The first step in addressing this problem is to understand the process of formation of Dili and these pockets, and the current forces to which they are subject.

### **I. The New East Timor Government**

In May 2002, the democratically elected government of East Timor took power after two years of transitional administration by the United Nations. The government immediately launched the NDP, the result of extensive popular consultation during the transition period. The NDP will drive East Timor’s development until 2020.

Adequate shelter for all is part of East Timor's vision for 2020. The NDP further refines this vision in the objectives for the Public Works Division, under the Ministry for Transport, Communication and Public Works, by calling for the reduction of housing shortages in urban centers and the improvement of urban slums.

In this effort to improve urban slums, the NDP identifies Dili as a priority through the indication of two programs; i) Central-South Dili Slums and Central-North Dili Slums Improvement Program, and ii) East Dili Slums Improvement Program and Study of West Dili Slums.

Worldwide, there is a growing understanding that adequate shelter is not limited to the physical shelter. Rather, the definition is expanded to include an adequate living environment or habitat. This includes house, supporting infrastructure, and access to education, health, leisure, jobs and income.

In order to achieve the vision of adequate shelter for all and to launch the specific actions listed in the NDP, it is first necessary to understand the living conditions, the assets and the liabilities of the population. Such an understanding is only possible through a comprehensive survey. However, through observation of Dili communities and their history, it is possible to draw a picture of the shelter situations in the district.

## **II. The Land and Housing Issue in East Timor**

The Portuguese colonization, which started around 1515, was based on the exploitation of natural resources and later agricultural development. Portuguese settlements and administration were concentrated at the coast, with the development of urban centers such as Dili. Of interest to later development, the Portuguese segregated the native populations, with only the “assimilated” Timorese, who spoke Portuguese and studied or worked in town, allowed access to the city center. At the outskirts of Dili town, agricultural land controlled by the Portuguese served as a buffer zone to the rural areas and the resident native population. While Portuguese held land property titles, East Timorese continued traditional forms of land ownership.

With Indonesian occupation, the city sizes increased in order to house the Indonesian public officials (in public housing complexes called rumah dinas), as well as the army. Additionally, the Indonesian authorities removed native populations from their traditional hamlets (aldeias) to more accessible and controllable sites, and, differently from the Portuguese, the Indonesians gave incentive for migration to the urban centers. While allowing the East Timorese to migrate to the cities, the Indonesian government neither allowed them to live in Indonesian neighborhoods, nor did the government develop new subdivisions with proper infrastructure. Occupation therefore occurred in an unplanned fashion, unconcerned with the further expansion of public infrastructure.

The violence that followed the 1999 public referendum displaced East Timor’s population, with about 65% fleeing to the mountains and 25% to West Timor.

During the months after the establishment of the United Nations Transitional Administration for East Timor (UNTAET), the majority of the population returned to their homes or moved to other areas of the country where the situation was more favorable (presently there are from 40,000 to 60,000 refugees in West Timor). Families in rural areas, where the majority of the population is located, benefited exclusively from emergency shelter repair assistance from UNHCR and NGOs through the distribution of housing kits.

Complicating the return and reconstruction process, land registers were almost completely destroyed in the 1999 violence. This opened an opportunity for the East Timorese to occupy previously unavailable land and property. It was anticipated that land disputes would delay the return process and be a major concern for the reconciliation of returnees. However, with land claim disputes accounting for only 1% of the total property, this has not been the case.

Currently, no data exists that shows the percentage of the population living in their own homes and those occupying other properties, whether in rural or urban areas. Similarly, there is no information available on the percentage of the population living in temporary homes, and the number of families that have already reconstructed their houses.<sup>1</sup>

The Land and Property Department, which sits under the Ministry of Justice, recently presented to Congress the Law on the Juridical Regime of Real Estate, which aims to develop a cadastre of the State and private real estate and regularize the situation of the illegal occupants. Notably, the law states that only East Timorese citizens can hold real estate property. This is the first of a series of laws to be developed in order to regularize the land and property situation in East Timor, with a view to assuring land tenure to the people.

The Urban Planning and Housing Division, additionally, is developing proposals to address the urban development of Dili and a National Housing Policy. Both initiatives will emphasize the slum areas of Dili, designing specific programs for this improvement.

### **III. Shelter in Dili**

#### **1. Profile of Dili District**

Dili is the country's most populous District. According to the Suco Survey, the population of Dili District in the first half of 2001 was 120,474, which represented 15% of the country's population. There were 19,944 households, thus indicating an average household size of six persons per household. The population density (persons per square kilometer) was 324.<sup>2</sup>

---

<sup>1</sup> The East Timor Transitional Administration (ETTA), the United Nations Development Programme (UNDP), the World Bank and the Asian Development Bank (ADB) have conducted a joint Poverty Assessment consisted of three elements: a suco-level survey (the Suco Survey), a household-level survey and a participatory potential assessment. Information provided in this concept paper is derived from these surveys.

<sup>2</sup> The Dili District profile indicates a population of 137,879 inhabitants and a total of 26,785 households. The difference in numbers might be indicative of the continuing growth of Dili

Dili District is subdivided into six sub-districts or zonas, 48 sucos, and 243 aldeias. The most populous sub-districts are Cristo Rei, with 32,823 inhabitants and 5,175 households, Dom Aleixo, with a population size of 34,708 and 5,860 households, and Vera Cruz, with 25,421 people and 4,038 households. The sub-districts with higher average household size are Neim Feto, Cristo Rei and Vera Cruz.

Dili Town, which comprises Dili's urban area, counts for 90% of Dili District's population, according to the Dili District profile. Dili town is the country and district's institutional and economic center, including the main port, airport and market.

In terms of per capita GDP, Dili District is better off than all of East Timor's other districts. The 2002 UNDP Human Development Report, which is based on 1999 data, ranks Dili with the highest human development index (HDI) in the country, with a per capita GDP three times that of Baucau, the district with the lowest per capita GDP. On the other hand, according to the 2001 Suco Survey, a high level of poverty exists in Dili. Facts obtained from the Suco survey include:

- Outside of the two border districts, Cova Lima and Bobonaro, the district with the highest number of unlivable or destroyed houses after the 1999 violence was Dili. From a total of 67,498 houses destroyed, 7,876 were in Dili, which represents 12% of the total country's destruction. This fact is especially relevant today since reconstruction efforts were exclusively directed at rural areas, thus bypassing Dili.
- The average Suco Development Index (a quantification of the level of development combining wealth, social services and access) for Dili District ranks as the second worst, with only Liquiça district faring more poorly.
- In the same Index, Dili District ranks lowest in terms of wealth (this part being based on the number of animals per household and the number of months in the year that households do not have sufficient food).
- Six of Dili District's 48 sucos rank amongst the 50 most poorly developed sucos in the country (according to the Suco Survey, there are 498 sucos in the country)
- During the second half of the year Dili District has the highest proportion of sucos reporting that families normally did not have enough food during the month. By the end of the year this was reported by more than 80% of Dili's sucos.

In addition, it is estimated that a large number of refugees immigrated to Dili, increasing the size of the vulnerable groups, who require special assistance. This migration continues as refugees and internally displaced persons continue to return and settle.

---

district, as internally displaced populations are returning or settling in new areas, and refugees are moving back to the country.

## **2. Different Housing Situation Types in Dili**

Housing reconstruction in Dili, as in the other urban centers, occurred without assistance from the government or NGOs and without planning. Since Dili is the most important economic center of East Timor, the effects of such unplanned development are more evident. Dili has attracted populations from the rural areas seeking better job opportunities, more security and unclaimed property, among other reasons. Such populations tend to move to the most poorly developed areas of the city, increasing the size of the vulnerable populations. In this sense, even though Dili as a whole may be better off if compared to the poorest rural areas, it houses very poor and vulnerable groups in areas that can be called “pockets of poverty”. These pockets of poverty should be the target of a slum improvement program in Dili.

Since there is very little data, it is still not possible to pinpoint and characterize the slums or pockets of poverty in Dili. However, from observations, it is possible to identify different housing situations, each associated with different levels and forms of poverty.

### **a. Occupation in Planned Neighborhoods**

For the purpose of this paper, planned neighborhoods are those with roads and basic infrastructure. The suco Santa Cruz is an example of such a neighborhood. Prior to the 1999 violence, the suco was served by piped water and electricity, and these services have already been re-established. While not paved, roads are in good condition. The reconstruction capacity varies among the population. Some houses are completely rebuilt and other still in ruins. In general the houses have no furniture or appliances. It is common to see a small room in front of the houses with a little commercial activity, that is either the main or a secondary source of income. At first glance and based on housing alone, Santa Cruz does not appear to need assistance. However, according to the Suco Survey, Santa Cruz is considered one of the 50 most poorly developed sucos in the country.



Picture 1: Typical street in suco Santa Cruz

## **b. Occupation in Unplanned Neighborhoods**

For the purpose of this paper, unplanned neighborhoods are those developed without regard to infrastructure expansion. Such areas are worse off than planned neighborhoods in terms of sanitation, for example, since raw sewage runs into open ditches and thus exposed to people and animals. Caicoli, behind Dili's central market, is one such area. In addition to the lack of infrastructure, residents do not have land tenure security and therefore are less likely to invest in housing improvements. Families reproduce a rural lifestyle, growing some vegetables in small plots and keeping pigs and goats, which often feed in the open sewers. There are reports that after 1999 the population of Caicoli grew, though there is no supporting data. Caicoli's needs clearly include infrastructure development and also social assistance.



Photo 2: Residence in Caicoli



Photo 3: Open sewer in Caicoli

### **c. Occupation of Former Indonesian Housing and Institutional Buildings**

Displaced families have occupied former Indonesian housing and institutional buildings, either waiting for help to rebuild their own homes, or in an attempt to reach a better living condition. Through observation it is possible to say that families have occupied the constructions in better conditions, leaving empty the very destroyed ones. There has not been significant investment to improve the constructions, probably because families do not know if they will be able to continue in these houses in the long term. Only with the resolution of the land tenure situation will occupant families be able to improve their living conditions. While they will have access to infrastructure, it will be necessary to investigate their level of access to services, jobs and income.



Picture 4: Indonesian-developed housing in Dili

### **d. Occupation of Market Areas for Residential and Commercial Use**

The occupation of the market areas follows a different logic than the Indonesian housing occupation. Prior to 1999, people temporarily lived at the market when coming to Dili to sell their crop. This practice has since increased, since more families who lost their assets are trying to earn a living through trade, and they often have no other place to live. The market areas, however, were not developed for residential use, and thus there are no facilities such as bathrooms and cooking areas.



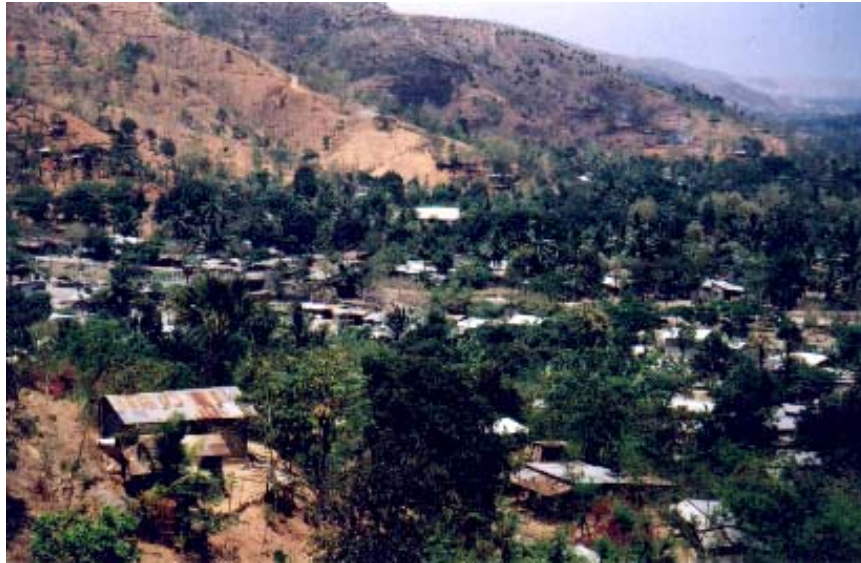
Picture 5: Occupation of the Dili central market

#### **e. Occupation of Risk Areas**

Occupation of risk areas is another pattern that existed prior to 1999. The hillsides of Mascarenhas, where the population is exposed to mudslides and problems related to the lack of infrastructure, are a good example of this problem. Camea, in the Cristo Rei sub-district is another such area. In addition to the risk and lack of infrastructure, the populations are further away from the city center and planned areas, thus they have less access to services.



Picture 6: Occupation of hillside in Mascarenhas



Picture 7: Occupation of hillside in Camea

The exact level of poverty in the different housing situations of Dili described above would only be possible to define after the completion of a comprehensive survey. For example, one cannot infer that the families living in Santa Cruz are better off than the ones living in Caicoli by only taking into account the level of urban infrastructure available. Presently, it is possible to say that not only the urban slums, but the neighborhoods that concentrate urban poverty are a big problem, and that these areas are growing due to the lack of opportunities in the rural areas and the relative attractiveness of the urban centers.

Understanding the problem is the first step in designing an instrument to address it. The next part of this paper will indicate a methodology on how to address the urban slums of Dili through an integrated approach to development.

### **3- CONCEPT FOR A SLUM IMPROVEMENT PROGRAM IN DILI**

#### **I. Introduction**

The concept of slums in East Timor needs to be understood within a reality that is different from worldwide-accepted patterns. These patterns led to the establishment of a series of paradigms that serve as a reference for the structure of slum improvement programs, known as best practices by UN-HABITAT. In the case of East Timor, such paradigms will have to be revised so that the intervention addresses the real needs and aspirations of the population.

Urban slum areas in the East Timorese context should include urban pockets of poverty, that is, the areas with extreme poverty and vulnerability, and a lack of access to developmental resources. Overcoming poverty and vulnerability should be the overall objective of an improvement program. Infrastructure upgrading and housing development would be a component of the program, in the areas where these elements are in need.

The urban pockets of poverty cannot currently be precisely identified, since data allowing for the analysis of the areas against a series of poverty and vulnerability indicators is not available. A survey that identifies the different aspects of poverty that exist in the neighborhoods would be the instrument to identify the slum areas of Dili.

As the issues or problems are being identified, at least five aspects would have to be taken into consideration in the prioritization of problems and the development of a slum improvement program.

- First is the fact that the 1999 violence caused not only physical but also cultural destruction and psychological damage. A reconstruction program would have to be sensitive to the need of rebuilding not only the physical infrastructure, but the social capital of the communities as well.
- Secondly, an improvement program should be cross-sectoral, taking into consideration all aspects that contribute to the situation of poverty and vulnerability of a given community.
- Thirdly, the improvement standards would have to consider the fact that East Timor is one of the poorest countries in the world, and the level of development is extremely low throughout the country, across both rural and urban areas.
- Fourth, while poverty in East Timor was worsened by the 1999 post-referendum violence, it existed well before this violence. Any investigation of the causes or effects of poverty needs to look beyond the impact of the 1999 violence.
- Fifth, while the government is striving to maintain the predominantly rural characteristic of the country, there is an undeniable urbanization trend that is affected by both domestic and international forces related to the reconstruction of the country's economy and its insertion into the global economy. As part of this trend, the cities tend to attract new population groups, since they offer more opportunities for jobs, trade and services and easier access to public services.

A slum improvement program in Dili would not focus on infrastructure upgrading, per se, as many such programs do. Rather, the program would focus on the integrated development of the communities with the objective of overcoming poverty. This process presupposes a program of coordinated actions to be implemented by the various stakeholders involved in the development process of the community, government and civil society. These actions would focus on the poorest and most vulnerable urban areas of Dili, based on the findings of the Suco Survey and additional survey work that is to be part of the program.

A core characteristic of the program should be building the capacity of the population to identify and be involved in the community, and to associate with the broader development of the city and country. This capacity includes the ability for identification of problems/issues, and the development and self-management of responses. Additionally, the program would have to enhance the technical capacity of the government at different levels, not only build their ability, but also to enable them to pass on capacity and knowledge to the

communities. Such capacity training and transfer of knowledge, whether to the government or community, is intrinsic to each process.

Lastly, another key characteristic of any slum improvement program is monitoring and evaluation throughout the process. Time should be taken at each stage, including the earlier ones, to assess the process and make adjustments if necessary. Monitoring and evaluation should, among other things, ensure that stakeholder participation and capacity building are being maximized, and that, ultimately, development progress is being made.

## **II. Objectives of an Urban Slum Improvement Program**

### **General Objective**

To improve the quality of life of the population of areas with the highest levels of poverty and vulnerability, by means of integrated social and physical actions that promote environmentally and socially sustainable neighborhoods in accordance with the National Development Plan.

### **Specific Objectives**

- Promote the articulation of governmental policies driving the development of the country and the reduction of poverty.
- Promote and support community organization and autonomy, improving the level of social integration and assuring the sustainability of improvement interventions.
- Strengthen the capacity of local authorities to plan and administer programs for poverty reduction.
- Implement basic infrastructure and various local services in areas with the highest levels of poverty, accompanied by actions towards the improvement and protection of the environment and urban quality and the socio-economic development of the families.
- Plan and implement initiatives with the objective of contributing to the regularization and ordered growth of subject areas.

## **III. Slum Improvement Methodology**

A slum improvement program in Dili will have to do the following:

- Identify the target urban areas, being those with the highest levels of poverty and vulnerability;
- Establish an information system that helps map and target communities and their problems;
- Identify the priority measures to be adopted in these areas through an integrated diagnosis;
- Design and implement a system of incremental development of such areas, organized in a Local Development Plan;
- Establish governmental and community capacity to identify priority actions to address identified needs, and enable the implementation of such actions.

In this way, the slum improvement program can be separated into the following modules (See **Annex 1** for a complete list of modules and processes):

- **Module 1: Initiation**
- **Module 2: Integrated Diagnosis**
- **Module 3: Response Development**
- **Module 4: Implementation**
- **Module 5: Evaluation**

It is important to highlight again the fact that capacity training, both in technical, as well as in organizational terms, is a fundamental component of the slum improvement program. Throughout these modules, the capacity of all stakeholders involved should be enhanced, whether explicitly stated as a process or not.

In the early stages of the program, two governmental departments will have the responsibility of initiating the improvement process: the Urban Planning and Housing Division of the Public Works Department, at the policy and strategic development level, and the Dili District Administration at the implementation level. For this end, a team within both departments should be trained for taking on such a role. In this paper this will be called the Core Team

It is important to note that in the beginning of the process, which is primarily related to policy design, the Urban Planning and Housing Division will have a greater number of representatives in the Core Team than the Dili District Administration. Nevertheless, the participation of members of the Dili District Administration will be very important for further coordination between the different processes of the slum improvement program.

As the process continues, the Core Team will have to train the other participants, including those within the government, to facilitate a participatory process of identification, design and implementation of projects that follow a community driven priority list and meet the goals of the broader development framework.

Finally, when the process moves from policy design and strategic development to project implementation, the Dili District Administration will take on the major implementation role through the establishment of an Implementation Coordinating Unit, while the Core Team will move to the design of another target area. However, both the experiences of some staff from the Dili District Administration in the Core Team, as well as the lessons learned during the planning process, should guarantee that the transition from the Core Team work to the Dili District Administration happens smoothly.

### **Module 1: Initiation**

This module establishes a base upon which the rest of the program will be built, so investment in careful preparation and analysis will be well spent here. This includes the investigation of the capacity of those professionals that will be part of the Core Team, preliminary training of the Core Team, identification of

available data relevant of interest to the initiative, and finally the development of a cartographic base. This module is composed of two processes:

### ***Process 1.1: Capacity assessment and formation of the project team***

Since the Urban Planning and Housing Division and the Dili District Administration will ultimately develop and manage any slum improvement program, it is necessary to assess the technical capacity of the departments. This includes the identification and provision of additional training and expertise that will be needed before the program is fully underway. The core program team will not only manage the development process, which includes interaction with other stakeholders, but will also identify future training needs and transfer capacity and knowledge to the community.

### ***Process 1.2: Survey of existing data and establishment of cartographic base***

Before the design of field surveys, available relevant data should be reviewed in order to avoid the multiplication of efforts, and to systematize and analyze information that has already been produced or is in the process of being produced, either in terms of the district as a whole, or in terms of the sucos and aldeias.

An examination of the cartographic base, under development as part of the reconstruction efforts, is necessary. In this sense, it should be noted that East Timor will soon receive geographically referenced aerial pictures from the Australian government, which could be the base for mapping the results of the surveys to be implemented in Module 2. If a geographical information system (GIS) will be implemented, then the information collected through the survey can be added, developing a very valuable cadastre of all variables related to the families and neighborhood's vulnerability.

## **Module 2: Integrated Diagnosis**

Throughout the eight processes that compose this module a series of neighborhood surveys are carried out in order to establish, on one hand, the target areas and their respective levels of poverty and vulnerability, and on the other hand the level of community organization and autonomy. Results of these surveys are cross-referenced in order to form a comprehensive view of the communities, the Integrated Diagnosis.

### ***Process 2.1: Identification of survey areas***

The first step for the application of the surveys is the mapping of Dili's poorest areas, which should contain the pockets of poverty, in order to make the survey process more efficient. Delimitation of such areas should be done with the assistance of local leadership, within and outside the government, which has experience in working with poverty reduction.

## ***Process 2.2: Identification of community leaders***

The community leaders are the channels through which the demographic survey and posterior planning activities would be initiated at the community level. These leaders should help to mobilize the population for the survey. Knowing the community leaders is also the first step for the elaboration of the socio-organizational survey.

East Timor has a very important local leadership that should be taken into consideration throughout the improvement process. This is represented by the *sucu* and *aldeia* chiefs, who led the resistance to Indonesian occupation, and the *liurai*, the traditional wise men. Other important sources of community leadership include youth, women, professional, religious and other groups working at the local level.

It is also important to note that the East Timorese Government is developing a local governance program, which was not fully defined by the time this concept paper was written. This program will define the profile of the local government, which should be incorporated into this improvement program. To the extent necessary and according to the capacity and autonomy of the targeted populations, community groups can also be formed to accompany the improvement program in the long term.

## ***Process 2.3: Definition of survey scope and topics***

The surveys that form the integrated diagnosis will cover three general areas; demographics, social organization and urban/environmental issues. The project team will have to define the specific parameters of each survey according what information is still needed.

### ***2.3.1: The demographic survey***

The demographic survey provides the basic information from the larger areas previously marked as poorest and most vulnerable, in order to identify the pockets of poverty that exist within these areas.

The demographic survey can be a sample survey or a census survey. The sample survey is easier to be applied, because it involves a smaller number of interviews, but it provides only a general knowledge of the problems that affect a given community. A census survey indicates exactly the families or groups of families that are vulnerable, and what exactly is the nature of the vulnerability. It is a powerful tool to be used at the time of the development of strategic actions that aim to the pockets or neighborhoods.

The demographic survey produces information on, but is not limited to, the following aspects:

- **Population:** distribution by age, gender, education and level of employment or occupation;
- **Families:** average family size per household, family composition, household and per capita income, and head of household income;

- **Households:** type of occupation or land tenure, number and rooms, construction material used, apart from other basic variables referring to sanitary and environmental conditions, such as energy and water use, connection to sewerage, and refuse collection.
- **Community participation:** attendance of neighborhood institutions by frequency and type, frequency and nature of participation in community activities, location and frequency of social interaction, etc.

A list of the information that can be produced through the demographic survey is presented in **Annex 2**, along with a list of maps that can also be produced if the results are geo-referenced.

The information produced during the demographic survey will be the basis for the definition of the poverty indicators and the further pinpointing of the poverty pockets, which will be the subject to the next surveys.

### ***2.3.2: The social organizational survey***

The socio-organizational survey investigates aspects of the community that are not easily quantifiable and do not fit in the demographic survey, but are nevertheless important in the characterization of the community.

A very important aspect of this survey is to further chronicle the history of the communities and their leaders. In East Timor the contribution of youth and religious groups, apart from that of the suco and aldeia chiefs, has been recognized for some time. More recently, advocacy groups for women, widows and others have been established for the purpose of empowering vulnerable populations. In this regard, it is important to note the participation of national and international NGOs, currently organized through the NGO Forum. NGOs have played an important role in identifying issues of concern to the community and acting at both the policy design and the implementation level, therefore they have accumulated a wealth of knowledge that should be shared through the survey.

The socio-organizational survey also aims to recover the community's history. With the information collected with the leaderships and elderly residents, it is possible to situate, in a historical context, the process of the occupation of the area, the most important steps for the development of the community and the important aspects of the internal social relationship dynamics, including the power relationships.

The most important fieldwork tool of this activity is an interview outline – which has the objective to facilitate communication; the observation criteria; and working group techniques. The interview outline is structured around the following references; occupation history, community leadership and organizations, history of struggle and achievements, participation in community events and grassroots movements, and main community demands.

Completing the social map, a cadastre of local institutions should be developed that includes community facilities such as local government offices, churches,

NGOs, and other community service providers, with an indication of their capacity and ability to contribute to a slum improvement program.

The combination of information from the demographic survey and the socio-organizational survey leads to a detailed profile of the poverty pockets, their surrounding areas and ultimately the city as a whole, allowing for the stakeholders to formulate consistent guidelines for the implementation of the developmental actions.

### ***2.3.3: Urban and Environmental Studies***

While the demographic survey produces data about the level of infrastructure in the household, the urban and environmental studies investigate the community's urban structure and how it relates or not to the rest of the city. A technical team carries out the urban and environmental studies, but these studies are discussed with the community, thus helping to confirm characteristics already detected, insert new ones and even eliminate others. The urban and environmental studies help to orient the elaboration of future specific urban development plans. This is separated into five key themes:

**Mobility and accessibility:** identification of the community's formal and informal circulation network, and its analysis in terms of quality and use; compatibility between the roads' form and function; and identification of zones of isolation without access to the network.

**Public spaces:** investigation of existing public spaces, the location in the community, conservation and their adequacy to the use.

**Land Use:** identification of the predominant uses in small community territories; conflict between the land use and the environment; zones in deterioration; potential for revitalization.

**Environment and Sanitation:** identification of areas subject to physical and health risk; characteristics of the water, sewage, drainage and waste collection system; identification of environmental recovery and/ or conservation areas.

**Special Plans:** identification of areas or sites that can be the object of a specific intervention that will benefit the community as a whole.

### **Box 1: Some Indications of Poverty in East Timor**

The Participatory Potential Assessment, one of the components of the poverty assessment constructed through community consultation, summarizes as causes of poverty:

- Neglect during the colonial rule of Portugal.
- The 24 years of struggle against Indonesian occupation.
- Indonesian military-backed violence and destruction – the turmoil of September 1999.
- The transition government is not yet ready with a definite development policy and structure<sup>3</sup>.
- Some negative national cultural traditions.
- Communities' lack of education, human resource capacity and leadership capacity to overcome their circumstances.

Strategy for alleviating poverty and promoting development includes:

- food,
- shelter and housing,
- livelihood and income,
- health conditions and medical facilities,
- education,
- transportation and communication facilities,
- clothing,
- entertainment and recreation,
- religious, and
- cultural facilities.

East Timor's view of poverty as an issue broader than lack of housing or income is in consonance with the view of this paper. The issues above can help in the definition of the poverty indicators that will identify the pockets of poverty.

### ***Process 2.4: Mobilization and Preparation of the Community***

Prior to the application of the survey there has to be the organization of events that will help to spread awareness through the communities and prepare them for the surveys. The better prepared the communities are to respond the survey, the more accurate the picture that will emerge.

In a post-trauma situation like that in East Timor, the survey serves also as an opportunity for the families to tell their stories. The team applying the survey should be aware and prepared to those interviewees that deviate from the scope of the survey but tell valuable information, referring them to the "Social Studies", described below.

---

<sup>3</sup> This document was developed before establishment of the East Timorese Government and the launch of the National Development Policy

### ***Process 2.5: Implementation of Surveys***

Once the scopes of the surveys are defined and the community is prepared, the surveys can be implemented.

The first survey to be implemented is the demographic one. The survey will cover large areas defined as the poorest and most vulnerable of Dili and will be applied by professionals of social sciences or other available professionals with experience in applying surveys. This group can be assisted by university trainees. Results of the demographic survey will be the basis for the identification of the pockets of poverty, which will be the subject of the next surveys.

The socio-organizational survey will be implemented next. It will cover the pockets of poverty and will be applied by social science professionals with experience in interviewing communities, with possible assistance from university trainees. Results of the socio-organizational survey will be the basis for the social map and will be cross-referenced with the demographic survey and the urban studies to compose the integrated diagnosis.

Simultaneously to the socio-organizational survey, the urban and environmental studies should be implemented. Such studies should be applied by professionals of the urban development and planning field.

### ***Process 2.6: Social Studies***

The social studies are specific analysis of aspects of vulnerability of a given area, identified by the surveys but not investigate into as deep manner during that phase. It's objective is to identify, within the vulnerable groups, the ones with most special needs, particularly in the cases that negatively affect the community.

The product of the social studies is a series of recommendations on how to address the particular vulnerabilities of the groups.

### ***Process 2.7: Organization of Data and Geographic Referencing (Mapping)***

Information collected through each of the surveys will be analyzed and reported. The most relevant themes will be transformed into maps that will be the basis of information for presentations to the communities and other stakeholders.

### ***Process 2.8: Presentation of Results and Construction of an Integrated Diagnosis***

Presentation of survey results to the communities and their feedback will be the basis for the formulation of the integrated diagnosis. The presentation can take many forms, including community workshops and more topic specific presentations or meetings with technical officials and community leaders. While the technical officials will show, through the survey results, the assets and

liabilities of the community, the residents will participate in the further definition and prioritization of the issues.

The identification of issues should be followed by their prioritization. This will assist Department officials in planning and the allocation of resources. While those issues identified as high priority should be addressed through strategic actions – which would be the primary actions of the slum improvement program – the Local Development Plan should also include a comprehensive list of the issues and ideas on how they can be addressed, whether they will be immediately targeted or not. This plan will help longer-term planning and the targeting of initiatives as future resources become available.

### **Module 3: Response Development**

The Integrated Diagnosis calls for an integrated response, built through stakeholder participation and coordination between the different governmental agencies involved. The Response Development module, separated into seven processes, leads to the Local Development Plan (LDP):

#### ***Process 3.1: Local Development Plan***

The process for the construction of the integrated diagnosis will lead to the Local Development Plan (LDP), which will contain the following:

- All the elements needed for the long-term neighborhood improvement, based on the problems indicated by the integrated diagnosis. This can be used as a reference for development agencies that are interested in promoting a project in the area.
- Priority issues to be immediately targeted in the area, or as resources become available. The issues will be accompanied by more specific and detailed improvement projects. Coordination of the projects will be the responsibility of the Urban Planning and Housing Division at the planning and design level, through the Core Team, and the Dili District Administration at the implementation level, through the Implementation Coordinating Unit. These departments should work in consultation with other government departments that have specific knowledge about the problems to be addressed, as well as the involved communities and other stakeholders.

The completion of the LDPs will also mark the end of the neighborhood investigation process that was initiated by the surveys. The LDPs will indicate all the community problems according to the integrated diagnosis, the prioritization of the problems and the possible solutions that have been indicated to some of the problems by the working groups.

To the extent possible, the LDP will present the costs for implementation and maintenance of the projects and programs that will address the neighborhood problems, so that stakeholders and mainly the government can plan the implementation of the programs in a progressive manner.

The LDP is a powerful instrument for the local development, and can be used to seek internal and external sources of funds. It is also an instrument that clearly

shows the necessity of interface between various governmental ministries and departments.

The identification of the priority issues will be used to form working groups that will be composed by the Core Team, other governmental agencies, local community and community leaderships, and other stakeholders. The core project team should be responsible for developing project proposals, while working in consultation with the stakeholders and taking into consideration their inputs.

### ***Process 3.2: Working Groups***

The identification of the priority issues in the LDP will be used to form issue-specific working groups. With the coordination of the Core Team, these groups will be composed of representatives from national and district government, local government, local leadership, community-based social groups such as youths and women, professional groups, religious groups, other neighborhood organizations, and national and international NGOs. Together, all stakeholders will further discuss the issues in detail and assist the Core Team in developing project proposals.

The working groups also have a pedagogical role, in the sense that they help communities and other stakeholders to understand the various processes of a local development initiative. The communities can also learn about working in an integrated manner, and make a correlation with issues that are not directly involved but nevertheless play a role in the subject of interest. Finally, community and other stakeholders can further understand the concept of incremental development, and contribute to the continuation of the development process.

### ***Process 3.3: Development of Solutions / Project Ideas***

Using the output of the working groups, the Core Team will coordinate the technical development of strategic projects with other governmental and non-governmental agencies, and NGOs, in order to address the community priorities. Such projects should make use, as much as possible, of the already existing government and non-governmental development programs.

### ***Process 3.4: Presentation of Project Concepts to Community / Review and Revision***

After developing the project ideas to a sufficient degree, the Core Team will present it to the community in order to get feedback. The Core Team is expected to use this feedback to debate and further revise and refine the projects.

### ***Process 3.5: Costing of Proposals***

As part of the process of evaluating the implementation feasibility of the project ideas, the cost of preliminary proposals should be calculated. This would not

only consist of a financial figure, but also a series of options or implementation stages to allow for various funding options and integration with other projects and programs. Significant technical input is anticipated at this stage.

***Process 3.6: Pre-Implementation Identification of Resources (governmental, community, private, etc)***

In parallel to the further detailing of the project proposals, a survey for available funds should be carried out. This survey might also help to decide the order of implementation of the priority measures, according to the available funds.

***Process 3.7: Development / Marketing of Proposals***

The Core Team will develop project proposals to fund the local development projects in line with various formats and requirements. These proposals will be marketed in line with the NDP to the Government and national and international funders.

**Module 4: Implementation**

By design, the Slum Improvement Program is not infrastructure-focused. The Program can contain a broad range of activities that will put in place a series of implementation processes. Therefore, implementation cannot be completely programmed beforehand, since it depends on the priorities and responses defined for each target area. Similarly to the previous modules and processes, implementation should enhance stakeholder participation, integration and coordination, progressive development, and ultimately contribute to poverty reduction. Finally, the implementation process should be transparent and lead to accountability and community empowerment.

Despite the flexibility that is required, some initial processes should be followed:

***Process 4.1: Establishment of the Implementation Coordinating Unit***

One very important process in the implementation phase is the transition of the coordination role from the Core Team to the Implementation Coordinating Unit. The latter group will be predominantly composed of Dili District Administration staff, while the Urban Planning and Housing Division staff predominantly composed the Core Team. Still, composition of the Unit might vary according to the site-specific priorities, and the expertise that these priorities might require.

***Process 4.2: Development of a Slum Improvement Implementation Plan***

In order to refine the strategic actions established in the LDP, with definition of the roles and responsibilities of each stakeholder, a logical sequence of the planned interventions should be established, with a flow chart of activities and deliverables. Together, these make a Slum Improvement Implementation Plan.

The Slum Improvement Implementation Plan will be the first activity developed by the Implementation Coordinating Unit. It will be a process that will allow

those community members and other stakeholders who did not take part in the first modules to get involved. For this reason, the Slum Improvement Implementation Plan has to be presented in a clear, concise and objective way, allowing for an understanding of the process by all stakeholders, particularly the beneficiary communities.

The Slum Improvement Implementation Plan should also establish a permanent channel of communication between stakeholders, particularly the Unit and the beneficiary populations. In practice, this could be achieved through a field office or information center. This *plantão*, to borrow a word from Portuguese, will be staffed with professionals that are prepared to assist, inform and listen to the communities. This office should remain even after completion of the projects, helping to ensure long-term maintenance, monitoring and the development of future initiatives.

Basic principles that guide the Slum Improvement Program as a whole should be followed through the implementation processes described above and other more specific processes targeting each community:

### ***Principle 1: Stakeholder Participation***

Stakeholder participation and the use of local resources should be promoted throughout the implementation in order to empower the communities, establish transparency, inject jobs and income and promote post-implementation maintenance.

After the start of project implementation, stakeholder involvement can be assured through the organization of partnerships between the community and the local government (through the Unit), with or without the facilitation of a NGO. In the case of infrastructure development, for example, organized groups can be used to implement construction projects in their own neighborhoods through *community construction contracts*.

### ***Principle 2: Integration and Coordination***

Integration between the different sectors and levels of government, the NGOs, local leaders and the communities is fundamental for the Slum Improvement Program's success. In this sense, it is very important to coordinate with other development programs that already exist or are in planning that can be incorporated in the Local Development Plan. In this way, every developmental initiative would be part of the greater development picture, and effort would be neither duplicated nor lost.

### ***Principle 3: Progressive Development***

Progressive development should be pursued during implementation to allow for managed implementation as resources and skills become available. Each project should have the respective implementation plan, with flowchart and costs.

## **Module 5: Evaluation**

Follow up and systematic evaluation of the program's implementation represents a management instrument for the program allowing for the measurement of the acceptance, concordance and effectiveness of projects and activities.

Along with poverty eradication, enhancement of democracy is a goal of the East Timorese country. Helping to enhance democracy at the local level, respecting the local governmental and traditional structures and improving community autonomy is a measure of success of this program.

Diminishing poverty and improving the quality of life of the poorest and most vulnerable groups is the core objective of a slum improvement program. Ultimately, the level of success in reaching this goal is the measure of the program's success.

### **4. COST ESTIMATION**

The precise calculation of implementation costs will be possible when the project scopes are defined, which will only happen after the integrated diagnosis of the communities is completed. However, for the purpose of estimating implementation costs, all the target sucos or areas for a slum improvement program in Dili were identified, and from these, three pilot areas were selected, including program components for them.

For the target areas, the most vulnerable sucos of Dili are included according to the Suco Survey, in addition to Mascarenhas and Caicoli. It is important to note the possibility that not all the population of each suco is vulnerable. Furthermore, there are other pockets of poverty and vulnerability located inside more wealthy areas, which are not identified in the Suco Survey. Therefore, the final definition of the target areas should be done after the integrated diagnosis described in the paper.

The pilot areas include sucos Santa Cruz and Mascarenhas, and the area of Caicoli. These areas have concentrations of poverty and vulnerability, and at the same time have available data that allow for cost estimation. In terms of the physical interventions, Suco Santa Cruz is an area that would require few infrastructure inputs. Caicoli is an area that would require more extensive, if not complete infrastructure development. Families living at the hillsides of suco Mascarenhas should be relocated to adequate sites, with provision of housing and infrastructure.

For the project scope we considered, in addition to the improvement of infrastructure and housing, the implementation of educational and preventive projects and campaigns that will address the most urgent problems caused by poverty and vulnerability. Finally, we considered income generation and institutional development components to address the capacity training of both the community and government members.

The tables with implementation cost of the pilot areas and all the target areas of Dili are presented below. Since reference values that allowed for the precise calculation of an investment cost table for a slum improvement program in Dili District were not found in the various studies and reports analyzed for the development of this concept paper, we considered it reasonable to make use of the international experience that has been developed in various Latin American and Caribbean countries in the implementation of similar programs.

According to the estimates, the cost for improvement of suco Santa Cruz, which would require, in addition to the non-construction activities, only infrastructure upgrading, would be US\$426,491.33. Caicoli, which requires the construction of infrastructure and the implementation of non-construction programs, is estimated to have an improvement cost of US\$1,164,566.67. Finally, Mascarenhas would require relocation of the beneficiaries to an adequate site, and thus the construction of housing and new infrastructure if the new area is not urbanized. The estimated cost for such an intervention is US\$473,853.33. The estimated total cost for intervention in the three pilot areas is US\$2,064,911.33. The estimated cost for intervention in all target areas is US\$8,917,816.85.

**Table 1. Improvement Cost (estimate values)**

Component	Per family cost (US\$)	Improvement of pilot areas		
		Santa Cruz 295 families	Caicoli 350 families	Mascarenhas 100 families
1 Infrastructure (a)				
1.1 Improvement of existent infrastructure	\$420,00	\$123.900,00		
1.2 Construction of new infrastructure	\$2.100,00		\$735.000,00	\$210.000,00
2 Technical projects, social assistance projects, post-use monitoring, and project management related to infrastructure	12% infrastructure cost	\$14.868,00	\$88.200,00	\$25.200,00
3 Housing (b)	\$1.260,00			\$126.000,00
4 Technical projects, social assistance projects, post-use monitoring, and project management related to housing	12% housing cost			\$15.120,00
5 Health (prevention and vaccination campaigns) (c)	\$150,00	\$44.250,00	\$52.500,00	\$15.000,00
6 Environment and basic sanitation education campaigns (d)	\$333,33	\$98.333,33	\$116.666,67	\$33.333,33
7 Community development and income generation campaigns (e)	\$450,00	\$132.750,00	\$157.500,00	\$45.000,00
8 Institutional development (f)	\$42,00	\$12.390,00	\$14.700,00	\$4.200,00
<b>9 Improvement cost per area</b>		<b>\$426.491,33</b>	<b>\$1.164.566,67</b>	<b>\$473.853,33</b>
<b>10 Total improvement cost</b>				<b>\$2.064.911,33</b>

References

- (a) Studies in Brazil show a range of cost of infrastructure-focused slum upgrading programs varying from US\$420 to US\$3,600 per beneficiary family, with an average of US\$2,100. The variation stems from the inclusion of regions with different development patterns and levels of infrastructure requirements. Here, we consider only the lower and average cost as a reference for improvement costs in East Timor.
- (b) According to information from the Urban Planning and Housing Division of East Timor, the cost of a 35m<sup>2</sup> house varies from US\$1085,00 to US\$1260,00.
- (c) Program for economic and social development in Serra Pelada - health project
- (d) Guarapiranga Program- environmental recovery project
- (e) Program for economic and social development in Serra Pelada - job training and income generation project
- (f) 2% of program cost

OBS: Implementation costs can decrease if self-help and mutual help regimes are implemented

**Table 2. Average household improvement cost**

	n° households	Total cost	Average cost
Santa Cruz	295	\$426.491,33	\$1.445,73
Caicoli	350	\$1.164.566,67	\$3.327,33
Mascarenhas	100	\$473.853,33	\$4.738,53
<b>Total</b>	<b>745</b>	<b>\$2.064.911,33</b>	<b>\$2.771,69</b>

**Table 3. Cost for improvement of the most vulnerable sucos of Dili (except suco Santa Cruz) (\*)**

Suco	Sub-district	Population	n° households	Improvement cost (**)
Talera Hun	Nein Feto	2227	371	\$1.028.298,13
Ailok	Cristo Rei	1515	253	\$701.238,35
Centruko Benemauk	Cristo Rei	3560	593	\$1.643.613,99
Camea	Cristo Rei	2889	482	\$1.335.956,06
Beira Mar	Dom Aleixo	5663	944	\$2.616.478,25
<b>Total</b>				<b>\$7.325.584,77</b>

(\*) According to the Suco Survey

**Table 4. Cost for intervention in all target areas**

Area	Improvement cost
Santa Cruz	\$426.491,33
Caicoli	\$1.164.566,67
Mascarenhas	\$473.853,33
Talera Hun	\$962.622,72
Ailok	\$654.860,09
Centruko Benemauk	\$1.538.813,15
Camea	\$1.248.772,81
Beira Mar	\$2.447.836,76
<b>Total</b>	<b>\$8.917.816,85</b>

It is important to note that the figures quoted above are intended to provide a rough idea of the physical cost of a slum improvement program. These and the overall costs of such a program can be mitigated through coordination and linking with other programs and funders. Finally, through the adoption of self-help and mutual-help schemes, implementation costs may decrease.

## **ANNEX 1: Complete List of Modules and Processes**

### **Module 1: Initiation**

*Process 1.1: Capacity assessment and formation of the project team*

*Process 1.2: Survey of existing data and establishment of cartographic base*

### **Module 2: Integrated Diagnosis**

*Process 2.1: Identification of survey areas*

*Process 2.2: Identification of community leaders*

*Process 2.3: Definition of survey scope and topics*

*2.3.1: The demographic survey*

*2.3.2: The social organizational survey*

*2.3.3: Urban and Environmental Studies*

*Process 2.4: Mobilization and Preparation of the Community*

*Process 2.5: Implementation of Surveys*

*Process 2.6: Social Studies*

*Process 2.7: Organization of Data and Geographic Referencing (Mapping)*

*Process 2.8: Presentation of Results and Construction of an Integrated Diagnosis*

### **Module 3: Response Development**

*Process 3.1: Local Development Plan*

*Process 3.2: Working Groups*

*Process 3.3: Development of Solutions / Project Ideas*

*Process 3.4: Presentation of Project Concepts to Community / Review and Revision*

*Process 3.5: Costing of Proposals*

*Process 3.6: Pre-Implementation Identification of Resources*

*Process 3.7: Development / Marketing of Proposals*

### **Module 4: Implementation**

*Process 4.1: Establishment of the Implementation Coordinating Unit*

*Process 4.2: Development of a Slum Improvement Implementation Plan*

*Principle 1: Stakeholder Participation*

*Principle 2: Integration and Coordination*

*Principle 3: Progressive Development*

### **Module 5: Evaluation**

## **ANNEX 2: Demographic Survey Topics**

List of households surveyed by address and name of family representative  
List of physical features of housing  
List of socio-economic data  
List of leaders by sector  
List by use type and occupation of real estate  
Total of heads of family by marital status  
Number and type of institutions frequented by residents  
Total of institutions that help the community  
Means through which people seek assistance  
Distribution of families according to family income  
Distribution of families according to per capita income  
Distribution of people by level of education  
Distribution of people per profession  
Distribution of people per occupation  
Households with water tank  
Households with drainage system  
Households with waste collection  
Households with electricity  
Households with sewage system  
Households with septic tank  
Households with toilet units  
Distribution of households per type of construction material  
Distribution of households per number of rooms  
Distribution of households per number of pavements  
Distribution of households occupied by more than one family  
Distribution of households per occupation type  
Distribution of households per occupation period  
Distribution of households per risk  
Distribution of households per use

### **Relation of Thematic Maps**

Cartographic base  
Predominant house construction material  
Land use  
Community leadership  
Family composition  
Total family income  
Per capita income  
School attendance  
Illiteracy rate for population over 18 years of age  
Number of rooms/house  
Access to water  
Access to electricity  
Households without toilet units  
Means of garbage and solid waste disposal  
Single people between the ages of 19 and 24 who do not work or study  
Occupational situation of the family head

Types of occupation  
Population over 65 years of age  
Number of families  
Land tenure type