

โครงการพัฒนาที่อยู่อาศัยตัวอย่าง
โดยวิธีประสานประโยชน์ทางที่ดิน

ชุมชนซอยเซงกี

SENGKI LAND-SHARING PROJECT

INTERNATIONAL YEAR OF
SHELTER FOR THE HOMELESS
DEMONSTRATION PROJECT

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- สหกรณ์ที่อยู่อาศัยชุมชนซอยเซงกี
- การเคหะแห่งชาติ
- United Nations Centre for Human Settlements (UNCHS - Habitat)
- United Nations Development Projects (UNDP)
- Institute for Housing Studies (IHS - Netherlands)

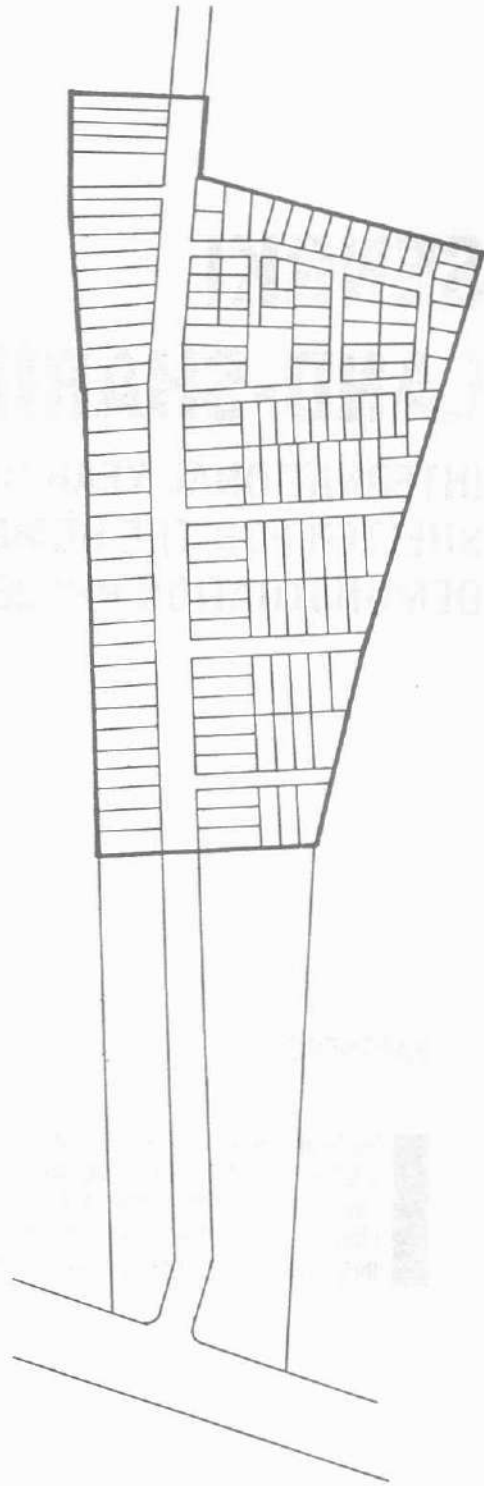
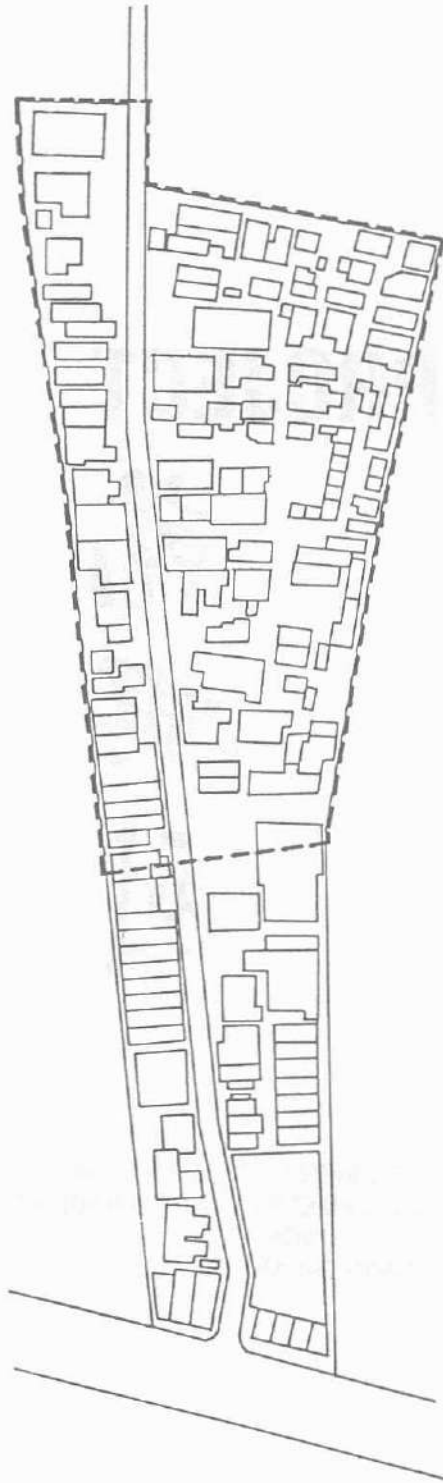
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PARTNERS

SENGKI HOUSING CO-OPERATIVE
CENTRE FOR HOUSING AND HUMAN SETTLEMENTS STUDIES, NHA
UNITED NATION CENTRE FOR HUMAN SETTLEMENTS (UNCHS-HABITAT)
UNITED NATIONS DEVELOPMENT PROJECTS (UNDP)
INSTITUTE FOR HOUSING STUDIES (IHS-NETHERLANDS)





UNITED NATIONS CENTRE FOR HUMAN SETTLEMENTS (Habitat)
CENTRE DES NATIONS UNIES POUR LES ETABLISSEMENTS HUMAINS
CENTRO DE LAS NACIONES UNIDAS PARA LOS ASENTAMIENTOS HUMANOS



PO Box 30030, Nairobi, KENYA. Telephone: 333930, 520600, 520320
 Telex: 22996 UNHAB KE, Cable: UNI HABITAT, Fax (254 2) 620724

TELEFAX TRANSMISSION

To: National Housing Authority Sukapibal I Bangkok Bangkok 10240 Thailand	Date: 1 August 1991
Telefax No: 375 8849	Drafter:
From: Dr. A. Ramachandran, Executive Director	Room: M-305
Subject: 1991 Habitat Scroll of Honour	5002 EX-15
	Allotment Account No.: UNU-19800-441 Authorized by: <i>[Signature]</i> Dr. A. Ramachandran, Executive Director
Prefix No.: <i>HZ 7754-08</i>	T.O.R.

Please accept my congratulations on the Senghi Land-Sharing Project being awarded the 1991 Habitat Scroll of Honour in recognition of developing innovative land tenure systems and financial mechanisms to facilitate adequate shelter for low-income groups.

Arrangements are being made to present it on the occasion of the 1991 World Habitat Day on 7 October 1991. Will inform you on further details.

Yours sincerely,

A. Ramachandran

Arcot Ramachandran
Under-Secretary-General and
Executive Director

Out/Fax No. _____ /19	Page <u>1</u> of <u>1</u>	T.O.D.
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INTRODUCTION

Sengki is an old, typical, low income community in the center of Bangkok. It began as a community on rented land and as the city developed it gradually became more crowded. In 1978 a huge fire in the community effectively removed the people's rental rights and any security of tenure they may have felt. The deterioration of the settlement due to the fire and the influx of new dwellers, together with skyrocketing land prices and increased demands for city land created pressures for the area's redevelopment.

In most slum communities when landowners want to redevelop a site the community has been moved out and forced to relocate. In the case of the Sengki community the dwellers were able to negotiate a deal with the land owners. The landlord sold a portion of the land to the dwellers. The dwellers could relocate to this section on the site of their former community with secure land tenure, while the landlord could develop the larger and more commercially attractive portion of the site as he wished.

The people of the community formed a cooperative to enable them to plan and organize appropriate housing and infrastructure. As a consequence of the overall strategy the people were not dislocated from their jobs or their community and continue development of their community without disruption. This strategy is called "Land-sharing"

The "Land-sharing" approach was first introduced at the Rama 4 community, and was later successfully applied to projects in the communities of Manangkasila, Wat Lad Bua Khao, Klong Toey and Sam Yod. Sengki was the sixth community to apply this approach. It could therefore be said that "land-sharing" is one effective alternative solution to the city's present evictions problems.

2. A PROBLEM OF LAND AND HOUSING IN SLUM AREAS

The growing number of slum areas and evictions, is further evidence that Bangkok is facing a large scale problem in terms of low-income housing: an underlying fact is that trends in land use change indicate a move away from housing to other land uses. At the same time, most low-income earners have not had the opportunity to increase their real income and cannot find themselves appropriate places to live since the cost of housing in the housing market is far from what they can afford.

Slum settlements are, in fact, not a new phenomena in Bangkok. People with low-incomes have settled in such communities in some cases for over 100 years. There have been a number of new communities established over the past 15 years, but the average age of slum settlements is 25-30 years.

These slum communities suit the needs of the low-income sector because they are cheap, near to the workplace and retain a collective life style similar to traditional village life. Because of the neglect of the landlord and the authorities, the unplanned infrastructure systems and insecure housing and land tenure for residents, conditions have deteriorated. Settlements often appear unsightly with unhygienic living conditions and a variety of social problems. Meanwhile Thailand's rapid growth has engendered demands to develop the urban land and pushed up land prices significantly.

This has resulted in increased pressure to evict people in low-income communities. Many of the poor of Bangkok have been relocated several times from one evicted community to the next to make way for new urban development. The more the city develops, it seems, the more scarce the land for the urban poor. Developments have scattered the urban poor throughout the city without providing any reasonable housing alternatives for those evicted. They now comprise one fifth of Bangkok inhabitants and have been essential and valuable participants in the development of the city since its early days.

In general, a solution to eviction problems is to resettle low-income earners on a new plot of land, far away from the city center. Such a solution offers people secure land tenure and planned infrastructure, but it dramatically affects their livelihood, since relocation prevents people from retaining their jobs. Besides, relocation destroys the support networks, organizations and collective living processes so important to the survival of the poor. Many of those who are evicted and relocated end up returning to slums in the city area.

The land-sharing approach, as applied in Sengki Community, is one possible alternative solution for the urban poor who are facing problems of insecure housing and have been evicted without any other appropriate solution.



1 SENGKI COMMUNITY 2 WAT LAD BUA KAD COMMUNITY

3. PROJECT BACKGROUND

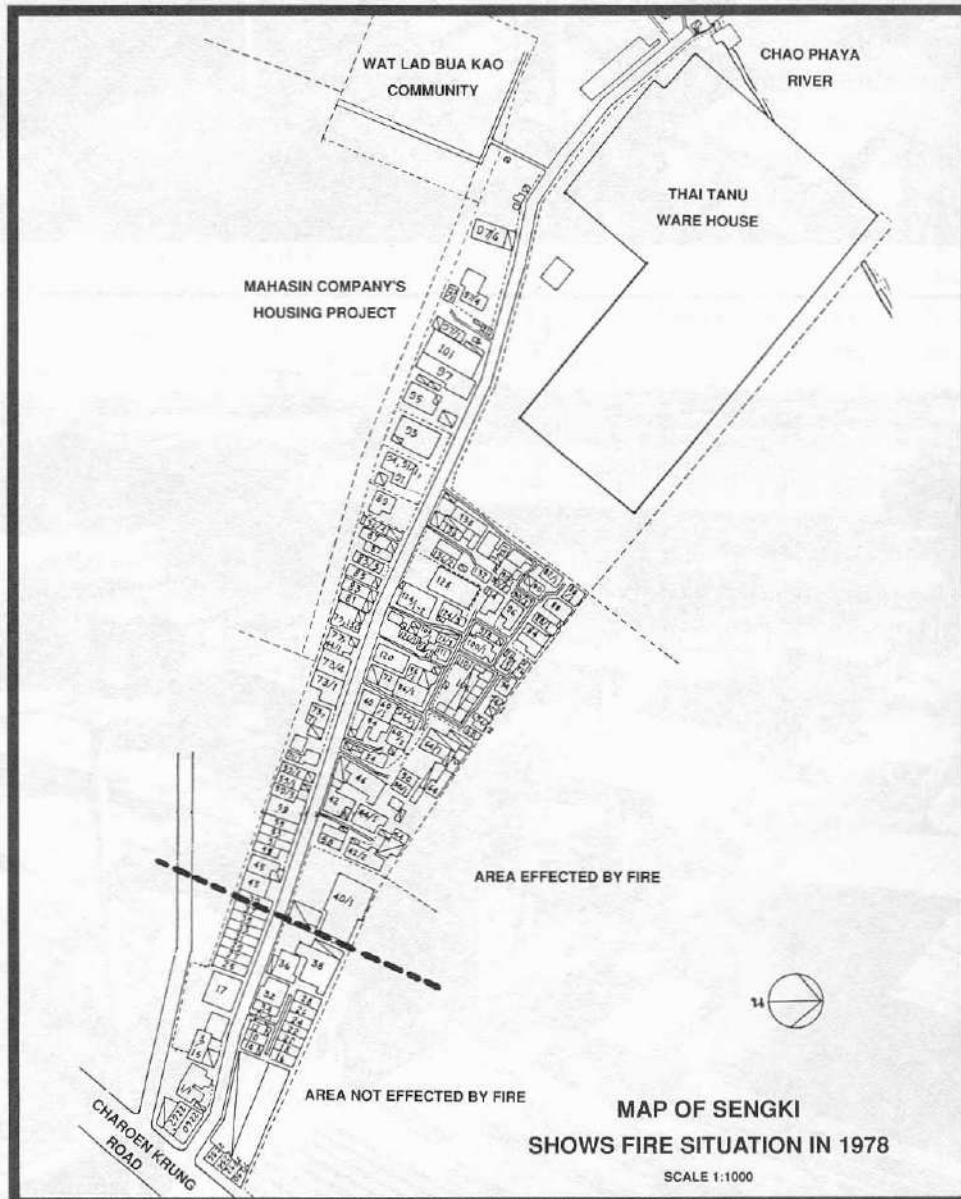
One Sengki community dweller remarked, "Sengki Community was settled no less than 60 years ago. At that time, the area was officially called "Saay Bua Lane", but the Chinese called it "Kieng Heng Lee." In a lane by the river, there was a mill called "Sengki mill", and the people used to call the area after the name of the mill. In 1942, there was a huge flood and because the Sengki community was on the Chao Phraya riverside, the water flooded as high as my waist."

Sengki community is bordered by Charoenkrung Road on the east side and the Chaophraya

River on the west. To the north is Kampani Lane and to the south Wat Lad Bua Khao Lane. The King's Property Bureau managed the land, and rented it to the people for 2-3 baht per square wah per month.

On April 16, 1978, at about one o'clock in the afternoon, there was a fire in Anglo-Thai Lane. The fire spread to Sengki Lane and destroyed 80% of the community. Only 20%, the front part of the community, was left.

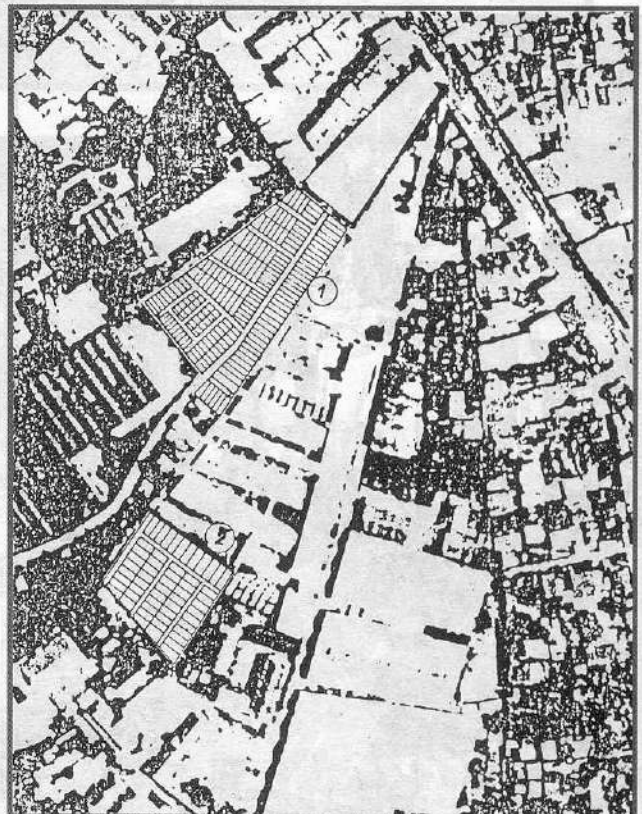
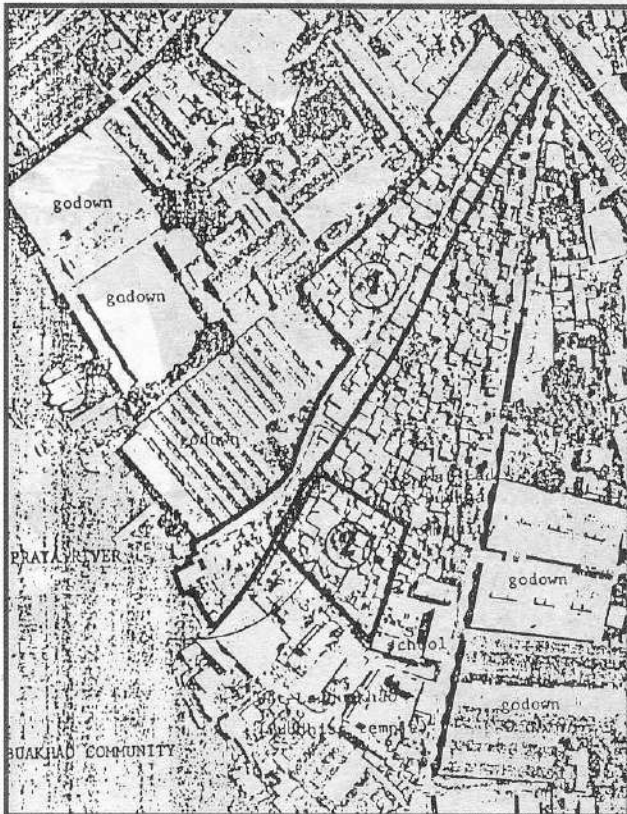
After the fire, the dwellers returned to the site, and rebuilt their houses in a way they could



afford and without a precise physical plan. With the growth of the families of the original dwellers and with the addition of new squatters the community gradually expanded. While ties amongst the original inhabitants who comprised the majority of dwellers, remained strong, the community began to deteriorate as land tenure, after the fire, was complicated with dwellers having no legal entitlements and thus unwilling to invest in community and dwelling improvements.

Eventually, the King's Property Bureau wanted to develop land in this area particularly because of the areas rapidly rising land values and in part because of the deteriorated condition of the community. Sengki Community dwellers had tried to organize a solution to the problem, but being inexperienced in this field their aims, at this early stage, were unclear.

In 1982, the nearby community of Wat Lad Bua Khao succeeded in avoiding eviction through a land-sharing strategy. This event had an impact on the residents of Sengki. The King's Property Bureau requested the National Housing Authority (NHA) to cooperate in solving the problem at Sengki. The NHA, through its Center for Housing and Human Settlements Studies (CHHSS), began studying the possibility of applying the land-sharing strategy to the Sengki Community. The CHHSS organized negotiations on how the land could be shared between the dwellers and the King's Property Bureau. The CHHSS proposed the project to the United Nations Center for Human Settlements (UNCHS) as a demonstration project for the International Year of Shelter for the Homeless and it was accepted. With technical assistance from The United Nation Development Project (UNDP), the 'demonstration project' could be implemented in a more flexible manner than other projects.



1 SENGKI COMMUNITY 2 WAT LAD BUA KAO COMMUNITY

4. BASIC INFORMATION ON SENGKI COMMUNITY

(Before the community has been developed.)

AREA :

The total area of Sengki Community was 15-2-70 rai or 25,080 sq.metres.
The total area comprised :
6-1-94 rai (10,076 sq.metres) rented by Thai Danu Warehouse;
6-3-53 rai (11,012 sq.metres) as dwelling areas; and
2-1-23 rai (3,692 sq.metres) rented by the sawmill.

POPULATION AND HOUSING :

Number of houses:	132
Number of households:	216
Population:	928

TYPE OF HOUSES:

One-storey houses:	63.11%
Two-storey houses:	35.25%
Houses with only one multi-purpose room:	33.61%
Houses with two rooms:	34.43%
Houses with more than four rooms:	15.00%

INFRASTRUCTURE

Houses with toilets:	92.62 %
without	7.38 %
Houses with electricity metre:	61.47 %
without	38.53 %
Houses with water metre:	39.34 %
without	60.66 %

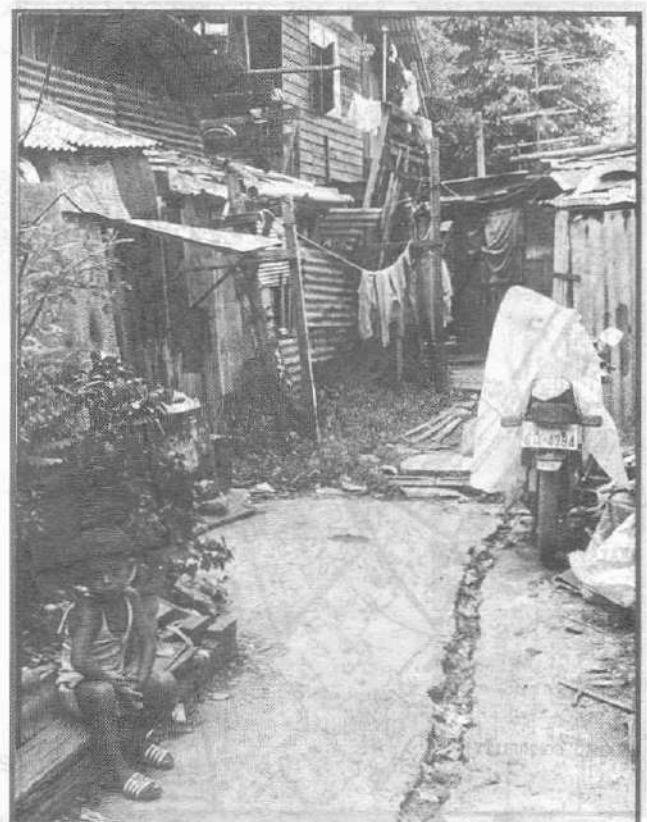
DWELLERS' STATUS

Dwellers could be classified into 3 groups:

- Dwellers who lived in the community before and after the fire: 68.0 %
- Dwellers who settled after the fire: 23.7 %
- Dwellers who formerly lived in the community but moved out after the fire : 8.3 %

Dwellers' land tenure could be classified as follows :

- Lease holders : 41 %
- Subleases and second household : 40 %
- Squatters : 11 %
- Owners of rented houses : 6 %
- Others : 2 %



1 SENGKI COMMUNITY 3 WAT LAJ BUA KAO COMMUNITY

The close relationship among the community dwellers was based on family networks and social familiarity. The people participated in community celebrations and activities such as cleaning out drains, organizing new year festivals and children's day celebrations, etc. The first evidence of

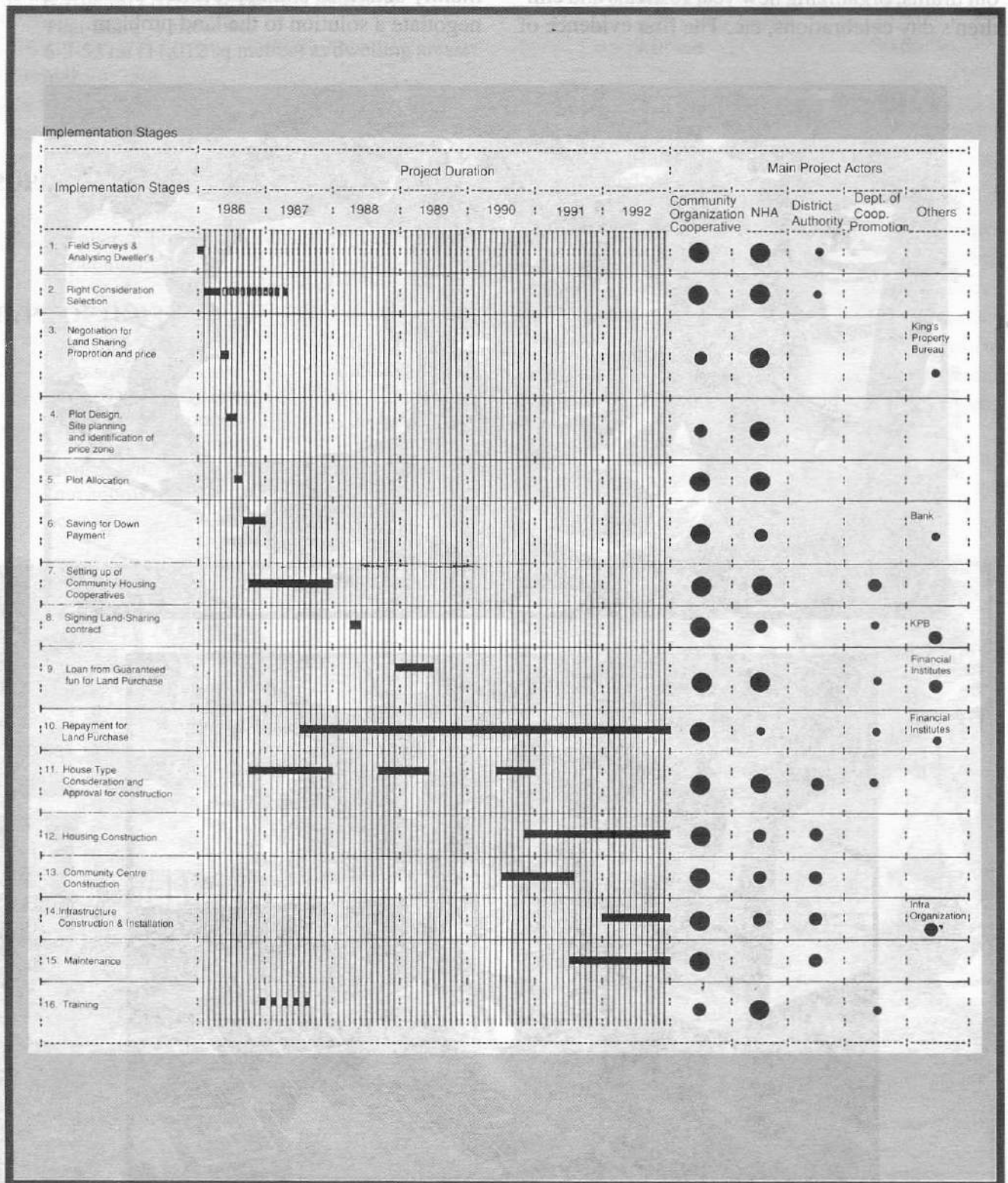
a formal leadership structure occurred when they established the community committee in 1985, with the approval of the Yanawa district authority. The committee has subsequently organized community activities and approached the landlord to negotiate a solution to the land problem.



5. THE PROCESS OF HOUSING DEVELOPMENT

(Before the community has been developed.)

The NHA assigned a team to work with the community dwellers, in a manner whereby the people could fully participate in the development process. The details are outlined below:



5.1 A COMMUNITY SURVEY

In 1986, the community committee, the NHA and the Yanawa District Authority conducted a survey of the community's population. The survey showed the population to be 928 people, from 216 families.

5.2 THE RIGHT TO HOUSING SELECTION PROCESS:

Due to the large variety of housing types and the differing status of the dwellers, a committee, comprising community representatives, the NHA and the Yanawa District Authority, was set up to decide the criteria by which dwellers would be selected and allocated houses. Dwellers rights were to be based on the following criteria:

- A. Major criteria to qualify dwellers for a right to a housing allocation:
 - The dwellers must be presently living in the community. The dwellers must have been living in the community before the fire in 1979.
- B. Supporting criteria used to decide the size or number of plots allocated to households.
 - The number of members per household (eg. less than 10 members 1 plot)
 - The number of dwelling units and the number of households.
 - Dwellers land tenure status, eg. rented or not; plot size.
 - The period of time the dwellers have lived in the community was a consideration for renters.
 - Consideration was given to dwellers whose needs for housing were more serious.
 - The dwellers' participation in community activities.

5.3 THE NUMBER OF RIGHTS AND PLOT SIZE

The above selection criteria resulted in the allocation of 126 plots. The total area of the project was 1,508 sq wah of which 1500 sq wah was allocated to dwelling area and 8 sq wah to a sidewalk.





5.4 THE LAND PRICE AND PURCHASE

With the survey completed and allocation rights determined, representatives from the King's Property Bureau, the NHA, Sengki Community and the Yanawa District Authority met to discuss further procedures. The King's Property Bureau agreed to sell the 1,508 sq.wah (6,032 sq.meter) of land for 4,427,000 baht, i.e. 2,935 baht per sq.wah (the actual price at the time was estimated at 8,000 baht per sq wah). The land was not sold to the individual dwellers, but to the dwellers' legal representatives.

5.5 PLOT ALLOCATION, COST AND SELECTION

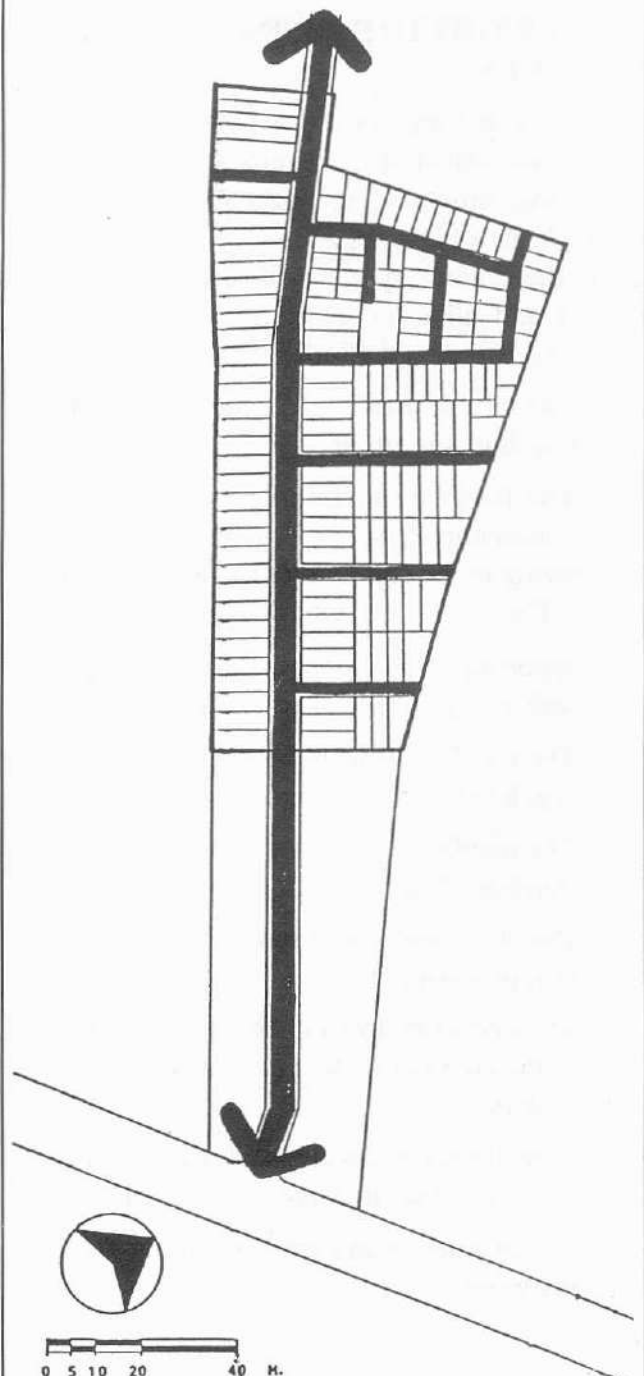
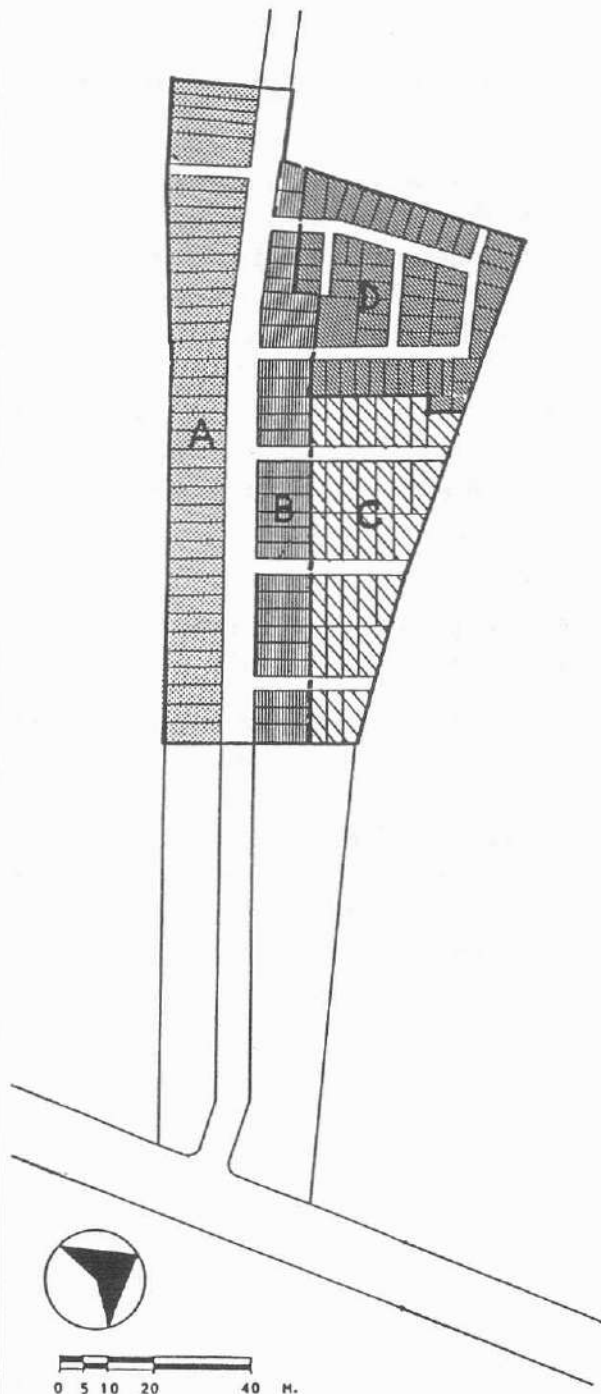
The King's Property Bureau offered land for the construction of a six meter wide main road through the center of the site. The division of the site into plots was dependent upon the shape of the site and the physical condition of the land. Land prices differed according to location, as illustrated in the table below.

การจัดกลุ่มของแปลงที่ดินตามราคา
PRICE ZONE (BAHT/ WAH²)

	ZONE A	ราคา ตรว.ละ	3,000-4,000 บาท
	ZONE B	ราคา ตรว.ละ	2,900-3,400 บาท
	ZONE C	ราคา ตรว.ละ	2,500-2,800 บาท
	ZONE D	ราคา ตรว.ละ	2,500 บาท

การวางระบบสาธารณูปโภคตามผัง
 ทั้งระบบ ไฟฟ้า, ประปา, ทางระบายน้ำ
และถนน

**MAIN INFRA STRUCTURE
 (ELECTRICITY, WATER SUPPLY, BRAINAGE AND
 CIRCULATIONS)**

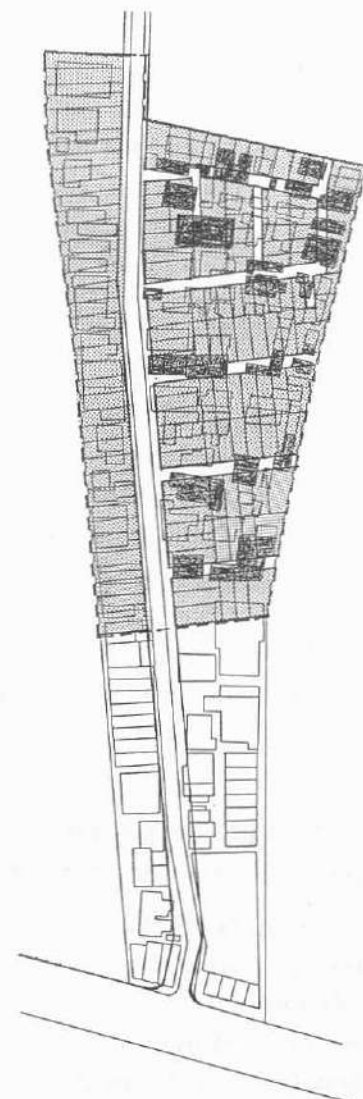


ZONE		NUMBER OF PLOTS	SIZE PER PLOT (meters)	AREA (sq wah)	PRICE (baht per sq wah)
A		39	3.79 x 12.00	11.25	4000 - 3400
B		26.50	3.75 x 11.50	10.78	3400 - 2900
C	C1	7	3.75 x 11.25	10.50	2,800
	C2	11	3.75 x 11.25	10.50	2,600
	C3	17	3.75 x 11.25	10.50	2,500
D		25.50	3.50 x 6.00	5.25	2,500
TOTAL PLOTS		126			

After agreement had been reached by the community on plot allocation and prices, a system for the selection of plots was determined. A household's former location was a basic consideration in determining its new site.



**EXISTING HOUSES
HAVE TO BE REMOVED
FOR SURVEYING**



EXISTING HOUSES AND NEW PLANNED PLOTS

5.6 THE ESTABLISHMENT OF A COOPERATIVE

On December 17, 1986, the Sengki Housing Cooperative was established by the people to act as their representative. The cooperative's main responsibilities were to represent its members in any legal transactions and to collect members' monthly repayments for the King's Property Bureau. The repayments would be made over a 5 year period. The cooperative's other responsibilities were to allocate plots, to manage construction and to secure a loan for the construction of housing and the community center, etc. When the loan is paid-off the King's Property Bureau will transfer the land title to the Sengki Housing Cooperative, and later, the land title will be transferred to the cooperative's members. The cooperative was to act as the legal body to develop the land for its members. Dwellers who were eligible and wished to purchase land were required to be members of the cooperative.

5.7 LAND PURCHASING

The Sengki Housing Cooperative signed a contract to purchase the land from the King's Property Bureau on May 22, 1987. According to the contract, the dwellers paid 20% of the land price, 885,400 baht, as down payment, and the other 80% plus interest was to be repaid in 60 months, at 74,813 baht per month. The interest charged by the King's Property Bureau was 9.75%. The cooperative would sell the land to the dwellers at the same price.

5.8 REQUEST FOR A GUARANTEED FUND TO REPAY THE LOAN FOR THE LAND

In 1988, the Netherlands Habitat Committee agreed to offer, through the NHA, 3,020,362 baht as a revolving guaranteed fund for low-income people. Sengki Community was the first community to benefit from the fund. It was used as a

guarantee for a 2,830,000 baht loan, from the Bangkok Bank (with an interest rate of 7.75%).

This amount was equal to the amount of repayments outstanding for the land purchase. The Sengki Housing Cooperative used this loan to redeem the land title from the King's Property Bureau. At present, the land in Sengki Project belongs to the Sengki Housing Cooperative.

5.9 COLLECTION OF INSTALLMENTS AND OTHER MANAGEMENT DEMANDS

The cooperative has consistently collected the installments from its members for the bank, and the loan will be repaid by May, 1992. The cooperative has opened an account with the Thai Danu Bank in order that its members can deposit money directly into the cooperative's bank account. Dwellers in different allocation zones pay different rates of installments as illustrated in the table below.

ZONE	PRICE (baht/sq.wah.)	INSTALLMENTS (baht/month)
A	4,000 - 3,100	850 - 625
B	3,300 - 2,900	745 - 645
C	2,800 - 2,500	665 - 590
D	2,500	295

5.10 TYPES OF NEW HOUSES

The dwellers have agreed that the type of house they acquire depends not only on their preference, but also on what they can afford. The new houses can be classified into three types:

1. A three-storey reinforced concrete house with shared terrace.
2. A type which dwellers build themselves.
3. A type built on half of a regular plot (6 sq.wah).

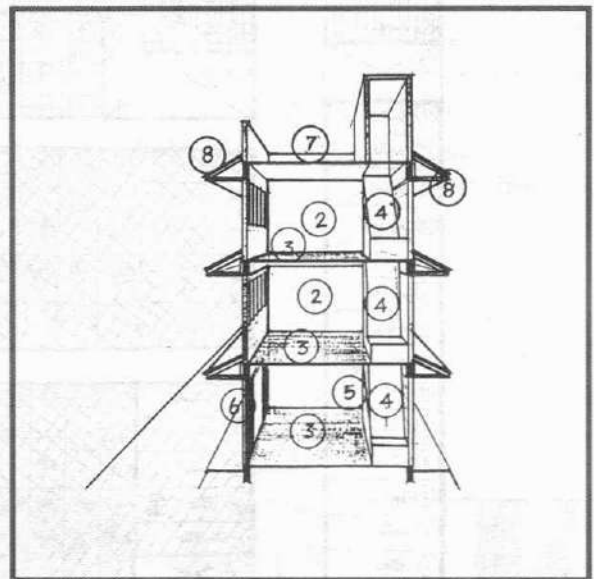
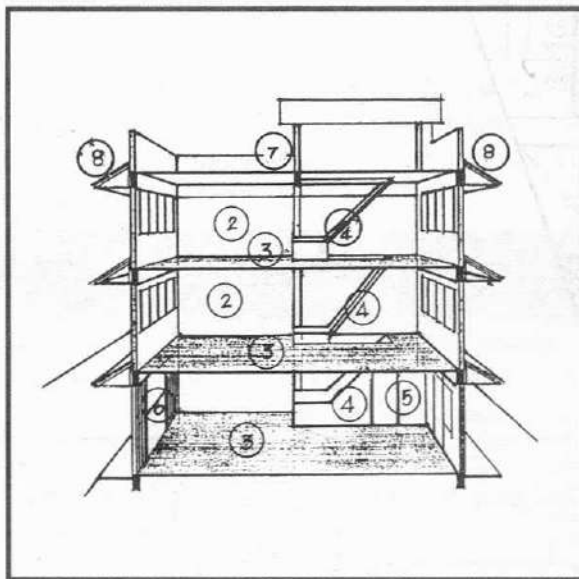
5.11 HOUSE CONSTRUCTION

House construction in the Sengki Project was different from that of other projects because the new houses were to be constructed in an area overlapping that of the former houses. Houses were planned to be constructed section by section to allow the flexibility needed for people to remain living on the site until they were ready to move. The construction of the first three sections, which included 37 units, began in early 1991.

The first three sections, comprised terrace style, three-storey reinforced concrete houses, the total cost of construction being 430,000 baht per

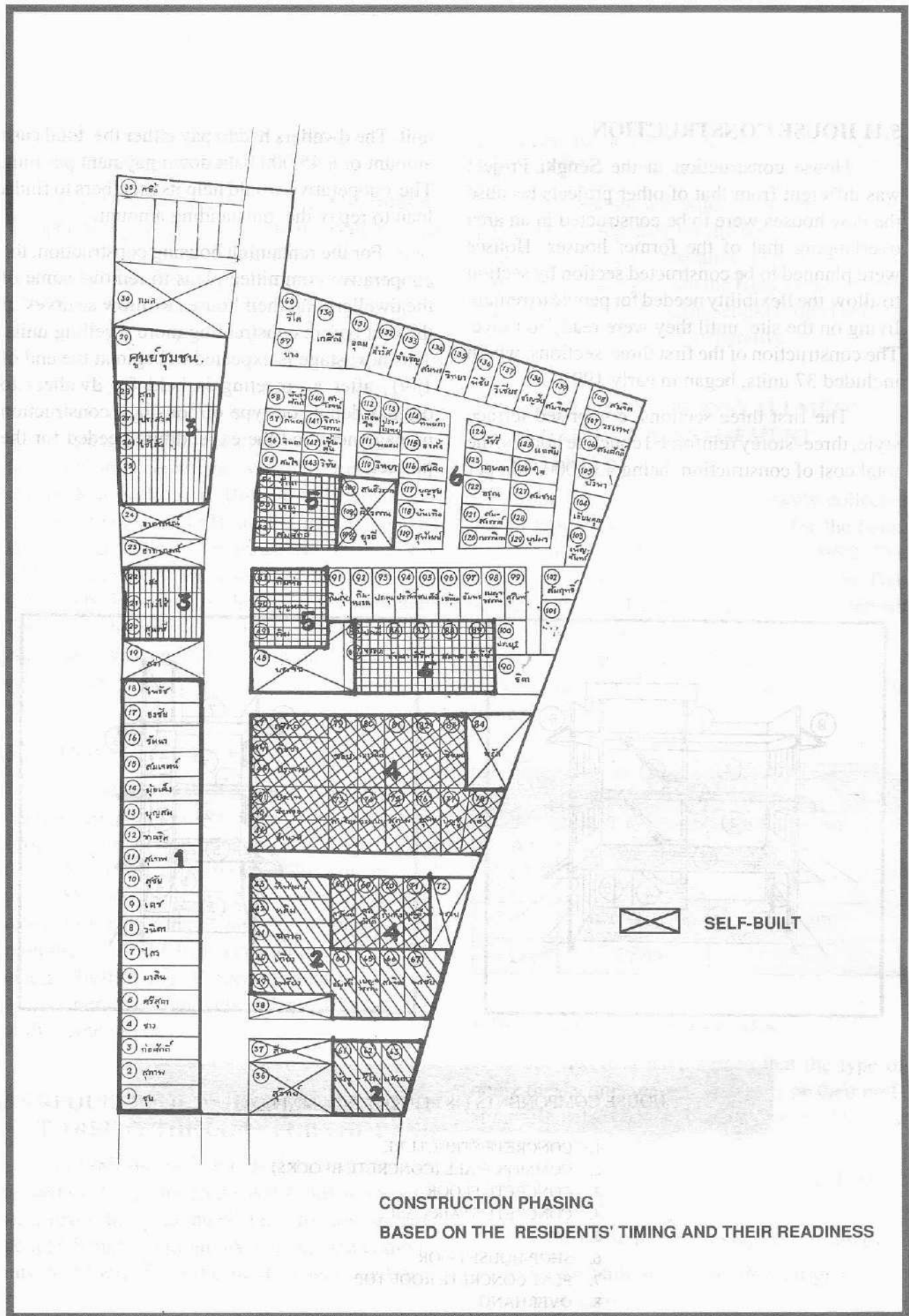
unit. The dwellers had to pay either the total cash amount or a 45,000 baht down payment per unit. The cooperative would help its members to find a loan to repay the outstanding amount.

For the remaining housing construction, the cooperative committee plans to remove some of the dwellers and their houses to allow a survey of the plot before constructing more dwelling units. This next stage is expected to begin at the end of 1991, after a meeting is held for dwellers to discuss details on type of housing, construction management and the expenditure needed for the project.



HOUSE COMPONENTS (48 M2 PLOT & 24 M2 PLOT)

1. CONCRETE STRUCTURE
2. COMMON WALL (CONCRETE BLOCKS)
3. CONCRETE FLOOR
4. CONCRETE STAIR CASE
5. WC.
6. SHOP-HOUSE DOOR
7. FLAT CONCRETE ROOF TOP
8. OVERHANG
9. IN HOUSE ELECTRICITY



5.12 A CONSTRUCTION OF A COMMUNITY CENTER

The dwellers have agreed on the necessity of constructing a Community Center to facilitate the following activities:

1. The holding of community activities such as traditional celebrations. It could also be a center to publicize information for community dwellers.
2. It could be used as a nursery.
3. It could be used as a health service center for community members.
4. It could be used as a vocational training center, and employment agency for its members.
5. It could be used as an office for the cooperative.

A three-storey reinforced concrete building on a 23 sq.wah plot of land was planned for the community center. The dwellers shared the purchase price of the 86,250 baht plot of land, while different actors helped with construction costs. Details are listed below.

ITEM	AMOUNT (baht)	SOURCES OF FUND
1. Land purchase	86,250	Dwellers shared to purchase 86,250 baht
2. Expenditure of construction	1,042,45	UNDP 100,000 baht
		Netherlands Habitat Committee 400,000 baht
		Bangkok Member of Parliament's fund. 200,000 baht
Total	1,128,707	786,250 baht

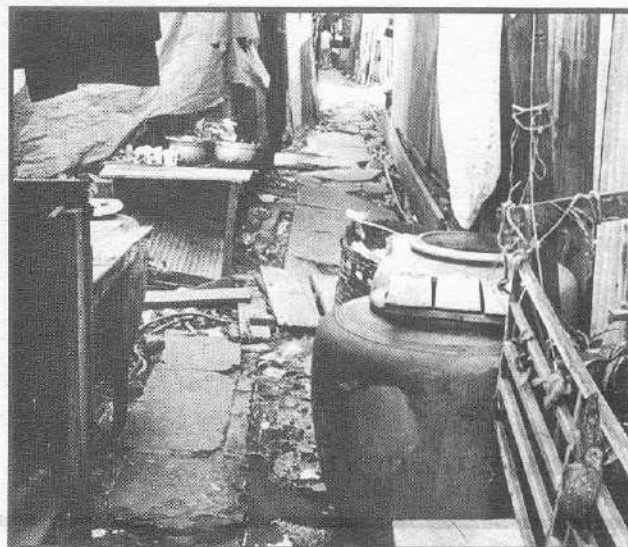
The cooperative lent 300,000 baht from its revolving fund to pay for the remaining construction costs.

Construction of the Sengki Community Center began in July 1990 and was completed in August 1991. The opening celebrations were held on August 18, 1991. At this early stage of the project's development, the Sengki Community Center is in a way, a practical illustration of the success of the project. This success is the result of the cooperation of the many actors and donors involved in supporting the idea that the people have a center to operate as the nucleus for their long term housing and community development.

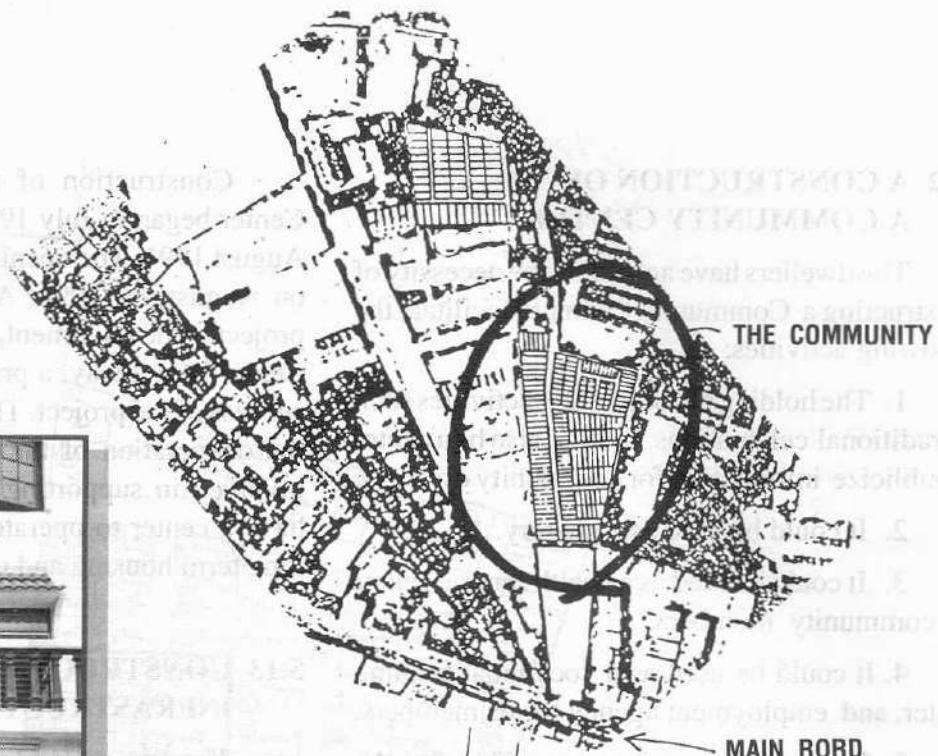
5.13 CONSTRUCTION OF INFRASTRUCTURE

The Bangkok Metropolitan Authority will manage the construction of the 6 meter wide main street, with drains, through the center of the community. The NHA will be responsible for constructions of minor streets, walkways and drains within the community. Minor streets are to be 3 meters wide, with drains alongside. The NHA will use part of its budget allocation from the government for community development to implement the construction.

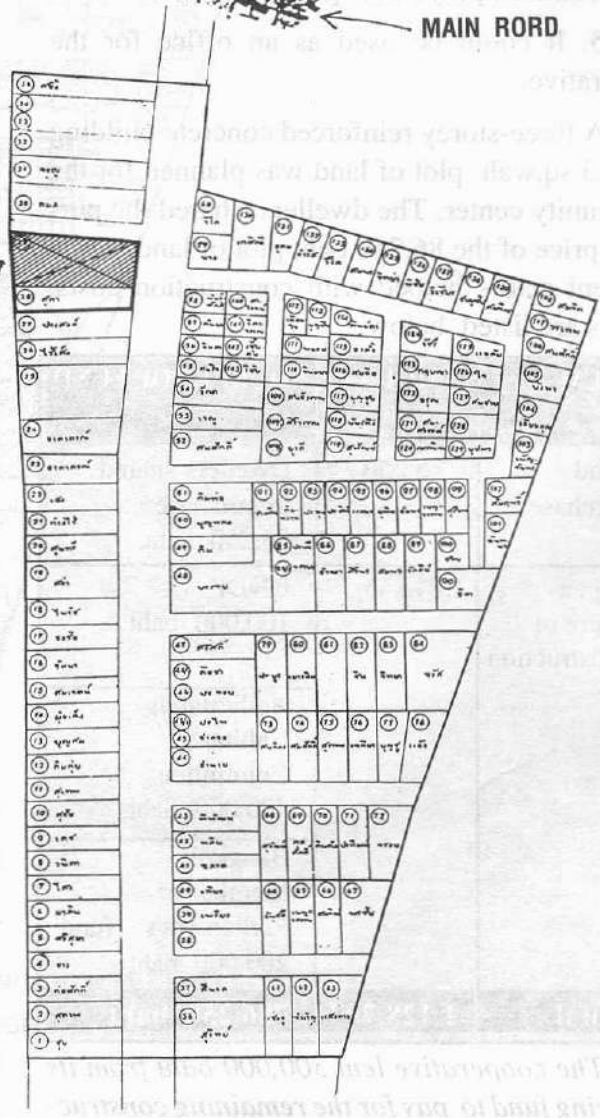
The Metropolitan Electricity Authority and the Metropolitan Water Works Authority will provide electricity and water supply by installing meters or transferring meters from the old dwelling units.



Construction of the Bangkok Community
 completed in 1970 and was completed in
 the early stage of the Bangkok Community
 project. This success is the result of



DEMONSTRATION UNIT PLOT



DEMONSTRATION UNIT MAP

TOTAL EXPENDITURES INVOLVED IN THE PROJECT

ITEM	AMOUNT (BAHT)	SOURCE	
		DWELLERS	OTHERS
Land	4,340,750 *	4,340,750	
Infrastructure	3,003,000		3,003,000 (BMA & NHA)
Installation of water supply and household electricity	592,200	592,200	
Housing Construction	36,612,000	36,612,000	
Community Center Construction	1,128,707	86,250 (land purchase)	1,042,457 (UNDP, Netherlands Habitat Committee, MP's Fund)
Administrative fee on landpurchase	170,440	170,440	
TOTALS	45,847,097	41,801,640	4,045,457

* EXCLUDING THE LAND FOR THE COMMUNITY CENTRE

6. THE ACTORS INVOLVED

6.1 The Dwellers

People's participation was the most important element in the implementation of the project. The dwellers were the core decision makers and main actors at every stage of the project.

Before formal organizations were established, temporarily elected committees were set up at each stage of implementation to work on individual activities involving such things as rights to plot selection; determining prices for different plots; and included committees representing the interests of various sub-groups within the community etc. They enabled many potential leaders to gain valuable coordinating experience. Later, when the cooperative was established, a cooperative committee was elected to work on behalf of the dwellers, act as their legal representative, develop procedures and manage the implementation of all community projects. Committee members were elected for two year terms.

It could be said that the rearrangement of land use and housing in the Sengki Project is a concrete example of the incremental processes acting to organize the community: the organization of the community in the early stages was a rather haphazard and spontaneous process. Its gradual development into an acceptable legal body which could effectively represent the community and operate in a business like manner in the form of a cooperative has formed the foundation for further development of the community by the people themselves.

6.2 The Crown Property Bureau

The Crown Property Bureau was the actor who instigated the development of the area. In accepting a land sharing arrangement it lost much of the benefit it could have received from developing the whole site (possibly an additional 8 million baht). It was therefore an important facilitator in developing the Sengki project and enabling the dwellers to remain on the site and buy housing at an affordable price.

6.3 The National Housing Authority (NHA)

Two units from the NHA were involved in the project. They were the Centre for Housing and Human Settlements Studies and the Community Development Department.

The CHHSS assisted with some techniques and skills for example in preparing alternatives for solving problems at various stages of the organizing process, providing trainings, calculating project expenditures, designing allocation plots and acting as a middle person in negotiations between the dwellers and the land owners, and between the dwellers and other organizations.

After various stages had been developed (before) until the cooperative had been established, land had been purchased and the cooperative could work independently, then the CHHSS was phased out. The Community Development Department then took over the coordinating work and will also construct infrastructure for the community.

6.4 Yanawa District Authority

The Yanawa District Authority supported the project from the beginning. It helped regularly to coordinate work, and particularly when the NHA had reduced its involvement in the project.

6.5 The Department of Cooperative Promotion

This department was important in its provision of support, knowledge and assistance with the Sengki Community Cooperative. It followed up on the cooperatives work, aided with auditing, helped it work in a systematic way and acted as its consultant.

6.6 International Organizations Involved

UNCHS: assisted with the project and promoted it as a demonstration project for the International Year of Shelter for the Homeless. UNCHS also disseminated details and information on the project throughout the world.

UNDP: Supported the project with some resources and knowledge concerned with implementing the project.

Netherlands Habitat Committee: Assisted by providing a revolving fund through the NHA amounting to 3,020,362.50 Baht.

6.7 Other actors involved were:

The Department of Land;
The Thai Danu Bank;
and the Bangkok Bank.

These three actors were involved at stages relevant to their concerns. The Sengki Housing Cooperative represented the community in coordinating its work with these actors.



7. THE PROJECT OUTPUT

7.1 Former dwellers as well as renters were able to stay on the site with secure land tenure. The deteriorated houses will be redeveloped according to the affordability of the dwellers. The community's environment as well as its basic infrastructure will be redeveloped accordingly.

7.2 The land was shared between the dwellers and the land owner. While the dwellers took 46.47% of the land which enabled them to legally develop their new housing project, the land owner retained the remaining 53.53% and could develop it according to his wishes.

7.3 The formerly illegal community has been recognized as legal.

7.4 It was an innovative method for new housing development in that it allowed dwellers to fully participate in all processes. It was the first time in Bangkok that people had organized their own housing cooperative for urban low-income earners, and this inspired the formation of housing cooperatives in other low-income communities.

7.5 As the processes of housing development evolves, so does the potential of the people to become actively involved in every stage. At present, their capabilities have developed to the extent that their understanding and management skills allow them to cope effectively with the whole process of formal housing development. Furthermore, they are able to carry on with further development without any help from outside organizations.

7.6 It has become a concrete illustration to other slum communities who are facing eviction as well as to other organizations involved. It has

demonstrated that the land-sharing strategy, promoting people's organizations as the main actor in the development process, is one possible and workable alternative to the eviction of urban poor slum communities.

7.7 It is proof that the people are capable of being main actors in the process of housing development, and in fact, such a method works more efficiently. The people can also transfer the skills they have learned to continuously further the community's development through their own efforts.

7.8 It stands as an example showing that urban development can successfully accommodate low-income urban housing development. Slum communities do not have to inhibit or obstruct urban development, and urban development doesn't necessarily occur only when the formerly settled communities are evicted.

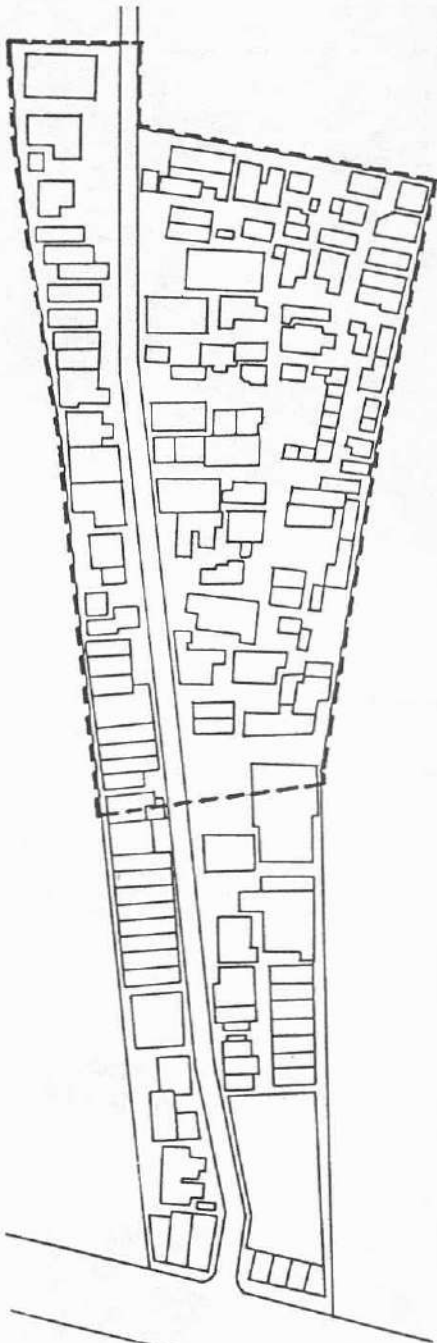
7.9 There was a change in the role of the government organizations involved, from planning and designing each stage to supporting and facilitating the people's organization thus strengthening it and enabling it to develop independently. If this model could be developed further, then the government could greatly increase the efficiency of community development.

7.10 The housing standards within the project were lower than those required by law. This was based on the realistic acceptance of the economic circumstances of the people in the community. It aroused the organization involved to give greater attention to the issue of housing standards.

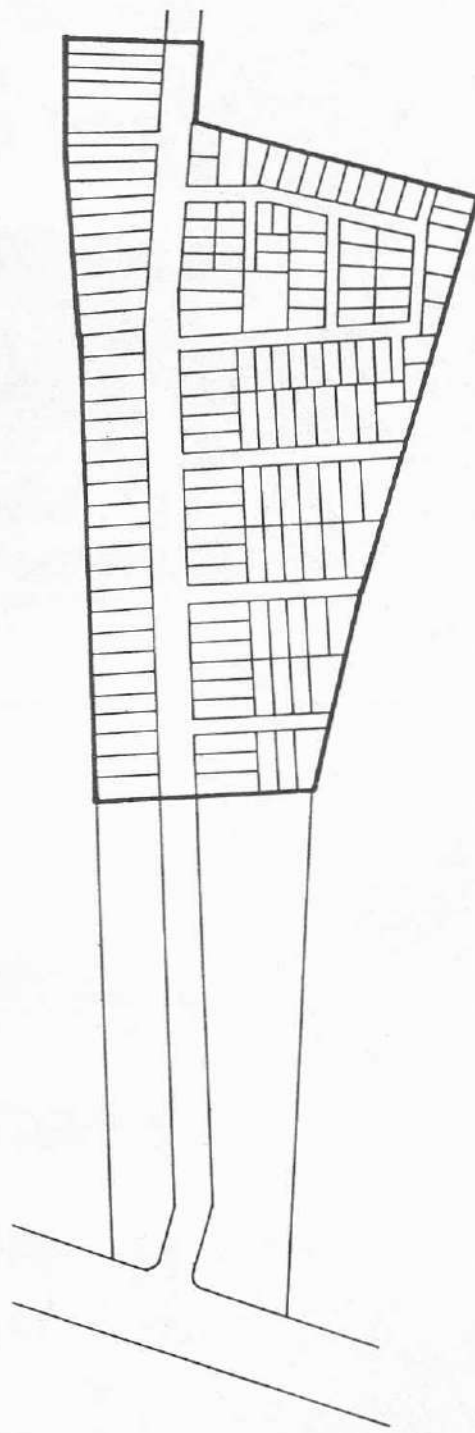


SENGKI LAND SHARING PROJECT

BEFORE LAND SHARING :



AFTER LAND SHARING :





EXISTING CONDITION

PERSPECTIVE OF THE
COMMUNITY

AFTER CONSTRUCTION



8. PROBLEMS AND CONSTRAINTS

8.1 The problem of changing from the informal to the formal sector whilst remaining within the informal employment sector: Dwellers previously part of the irregular and relatively cheap informal housing sector found the transition to the formal sector involving regular payments, problematic. Whilst remaining in the informal employment system characterized by low and irregular income they were forced to radically adjust their economy as expenses had increased but income had not.

8.2 The problem of access to affordable lending sources for the low-income sector housing: Although they bought the land at a cheaper than the market price, the dwellers still had to pay for it and simultaneously pay for the construction of new housing. Because they have no savings and housing is expensive the dwellers needed loans with low interest rates payable over long term periods. The lack of appropriate sources for loans caused problems for the dwellers.

8.3 The problem of housing standards and land division: The fact that the size of the plots and the standard of housing were less than the legal

standards caused long delays in the building process. The lower standards were necessitated by the economic condition of the people.

8.4 The problem of taxation: There were no tax concessions or exemptions for the cooperative even though it had been established in order to solve housing development problems and was a non-profit organization. This increased the debt-burden of the dwellers unnecessarily because the cooperative had to add the tax to the price of the land.

8.5 The problems inherent in the people's organization processes: Because it has to undertake procedures and negotiate decisions very sensitive to its beneficiaries, eg in the process of plot allocation and their prices, many conflicts arise in people's organizations.

8.6 The problem of lack of understanding and gaining support from organizations involved in order to proceed with the project a great deal of time is taken by concerned organizations in efforts to understand and clarify processes evolving from the "bottom up".

