

**BAAN MANKONG**  
at KLONG BANG BUA  
community guidebook  
บ้านมั่นคงชุมชนริมคลองบางบัว





ABOUT

# BAAN MANKONG

The Baan Mankong Community Upgrading Program was launched by the Thai government in January 2003, as part of its efforts to address the housing problems of the country's poorest urban citizens. The program channels government funds, in the form of extremely flexible infrastructure subsidies and soft housing and land loans, directly to poor communities, which collectively plan and carry out improvements to their housing, environment, basic services and tenure security, using budgets which they manage themselves. Instead of delivering housing units to individual poor families or bringing in a few standardized infrastructural improvements, the Baan Mankong Program (which means "Secure housing" in Thai) puts Thailand's slum communities (and their community networks) at the center of a process of developing long-term, comprehensive solutions to problems of land and housing in Thai cities. Under this unconventional program, which is being implemented by the Community Organizations Development Institute (a public organization under the Ministry of Social Development and Human Security), poor communities develop their upgrading plans in close collaboration with their local governments, professionals, universities and NGOs.



## OVERALL

Total Number of Projects Approved

# 858

Projects (some cover several communities)

Total Number of Cities/Districts Operated

# 277 cities



# in 73 provinces

Total Number of Communities Covered

# 1,546



## Communities

Total Number of Families Covered

# 90,813



## Households

Total Budget Approved



Grant for Upgrading

# 2,888

## Million Bath



Loan for Housing

# 4,149

## Million Bath

## TYPE of UPGRADING

Nearly Relocation  
(within 5 kms)

# 21.99%

24,441  
Households

Upgrading and  
Reconstruction

# 62.64%

57,913  
Households

9,631  
Households

# 10.42%

Relocation  
(more than 5 kms away)

473

Households

# 0.51%

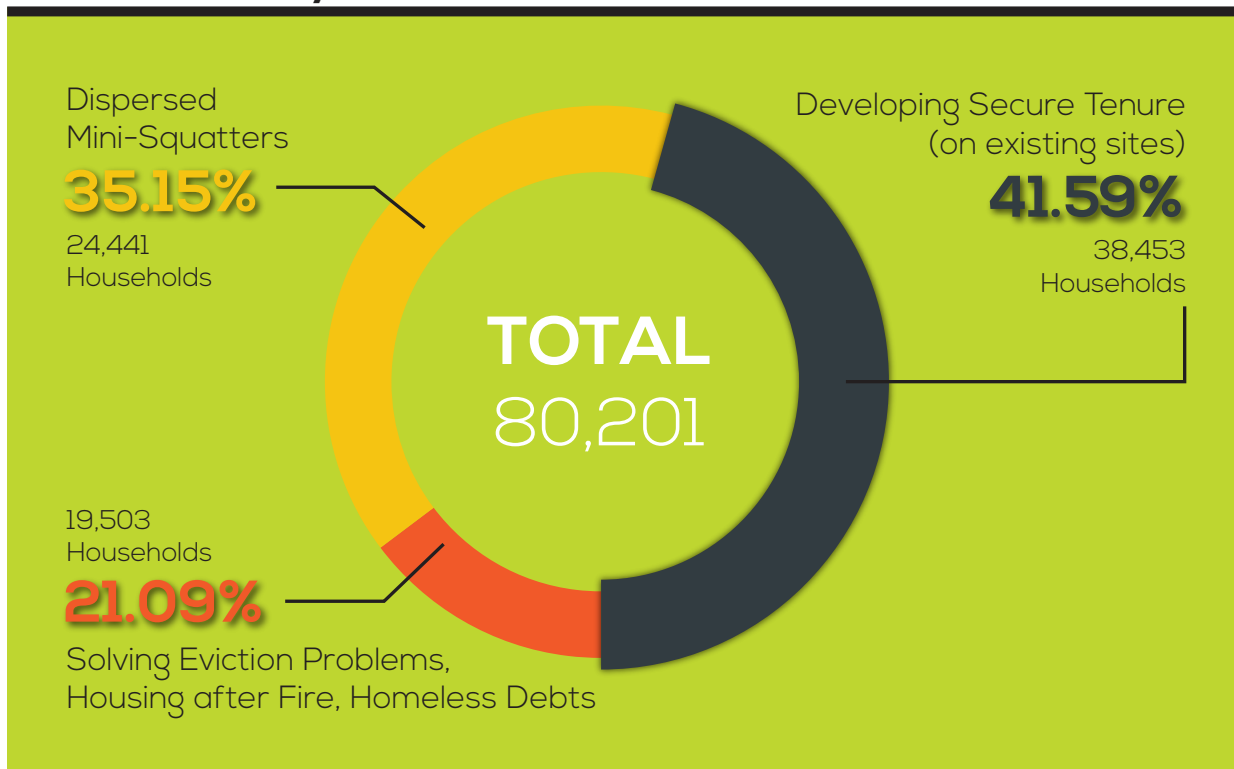
Homeless Housing

# TOTAL

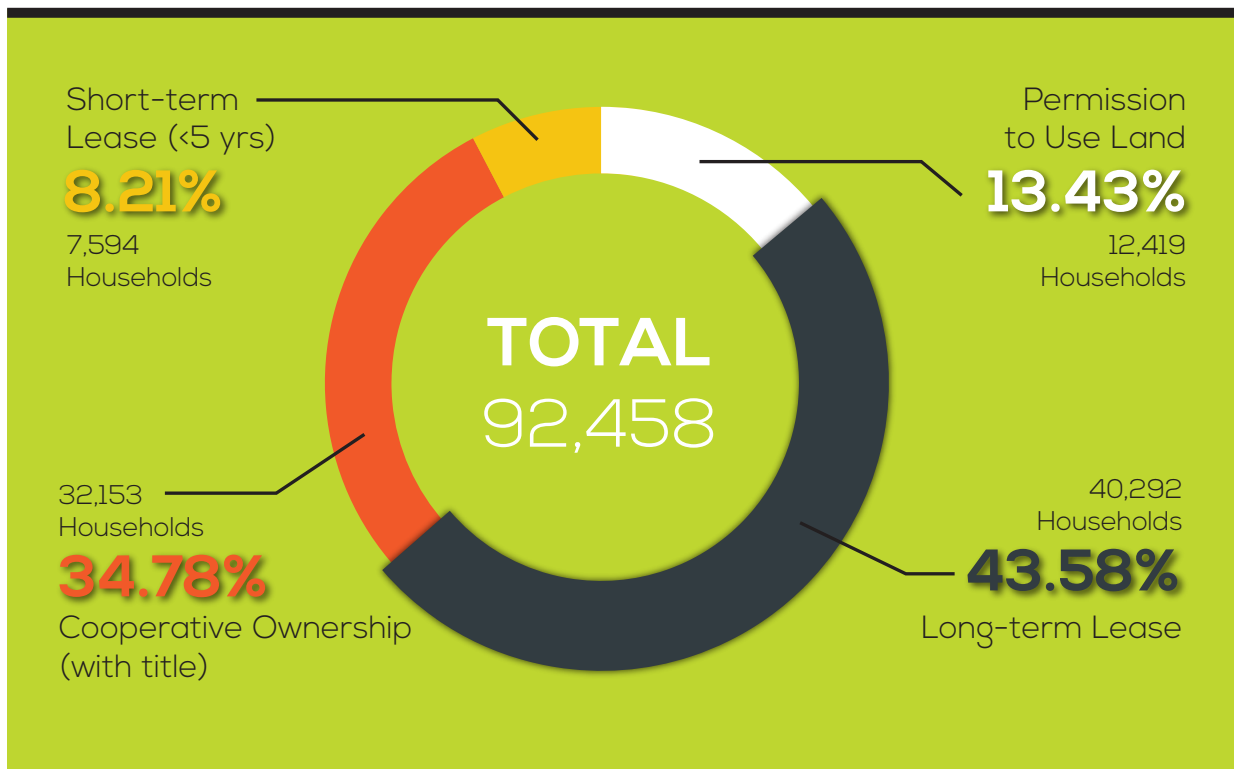
# 90,813



## PROJECTS by THE NATURE of HOUSING PROBLEMS



## STATUS of LAND TENURE



Baan Mankong Progress :  
(January 2011)



A LITTLE BACKGROUND

## ON THE UPGRADING OF KLONG BANG BUA

About 3,400 families live in the 12 informal settlements which line the 13 kilometer stretch of Bangkok's Bang Bua Canal (canals are called "klongs" in Thai), many of them vendors, laborers and daily-wage workers. After almost a century of living in insecurity, with the daily risk of fires and eviction, and facing constant accusations of polluting the canal, the people living along the Bang Bua canal joined hands with the Baan Mankong Program to upgrade their communities and secure their land tenure.

Klong Bang Bua was the first network of canal communities in Bangkok to successfully negotiate a long-term lease to the public land they occupy, which is under Treasury Department ownership. This lease could never have been negotiated by a single community, which has no bargaining power. But as a network of 12 communities, and with the "network power" support of the city-wide network of 200 canal-side communities in Bangkok, Bang Bua was able to convince the authorities that redeveloping their communities in the same place is good for the people and good for the city as a whole.



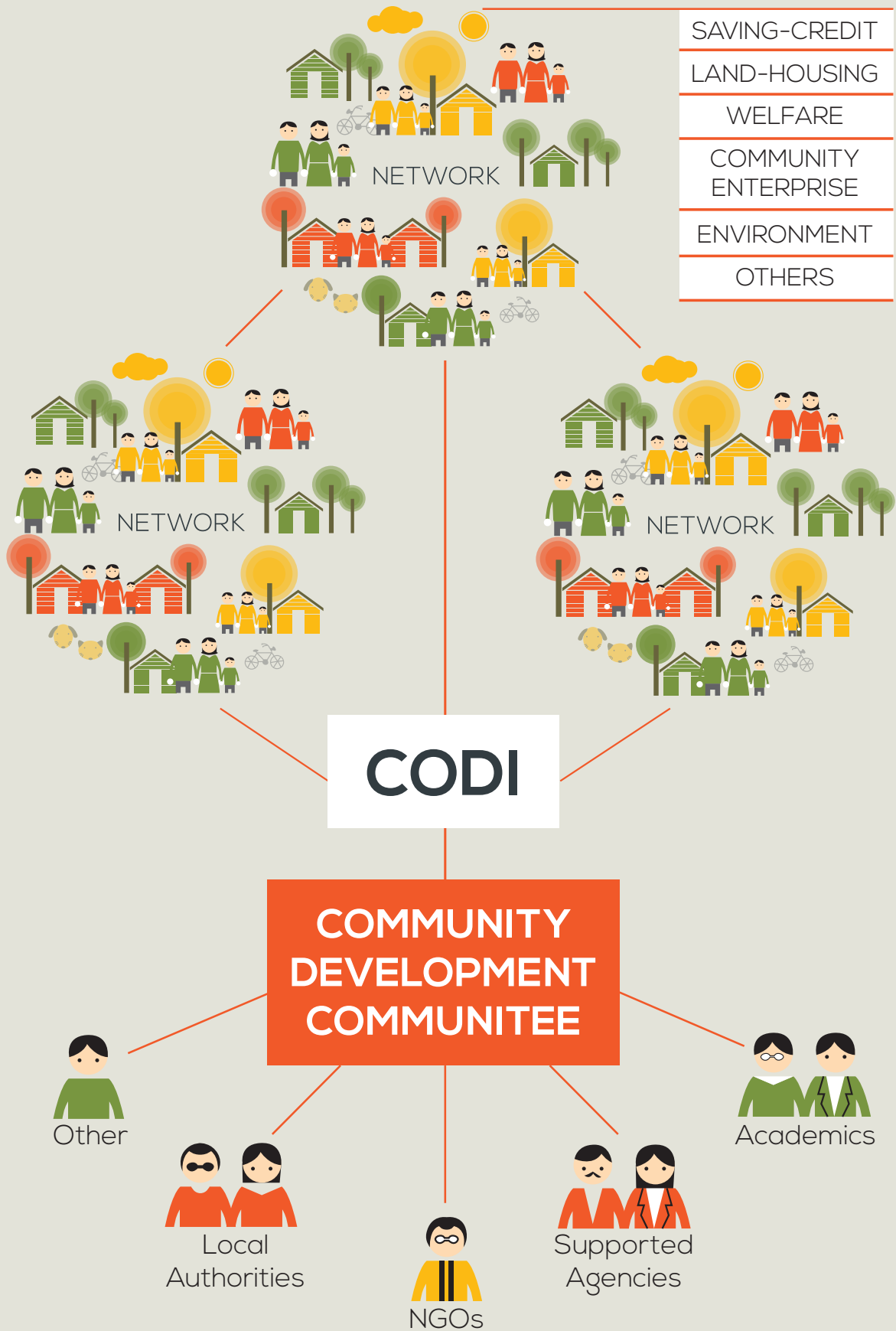
The 30-year renewable lease is key to long-term tenure security to these communities. After long negotiations, the people bargained the Treasury Department down to a rental rate of about 1 Baht per square meter per month, with adjustment for inflation every 5 years. This means that each family will pay between 40 and 70 Baht (US - 3) in land rent every month, depending on the size of their house. Each family pays the cooperative, which then makes a collective payment to the Treasury Department.

Besides new houses and infrastructure in the community, the canal is also getting a face lift and a brand-new, tree-lined, 6-meter lane along its edge, built partly on the swampy edges where houses used to perch, and partly on land reclaimed by the District Authorities in the canal. This new canal-side walkway will provide access to the communities along the canal and enable fire-trucks to enter the slum in an emergency. Though it will be open to motorbikes and cycles, the community people see this walkway as an important pedestrian amenity, providing space for children to play, people to visit and vending carts to sell their food and wares.



For years, the Bang Bua communities have held regular canal-cleaning jamborees, used unconventional organic "E.M." compost and water plants to bring the water in the canal back to life, set up grease-trap wastewater filters in all the kitchens and continue to negotiate with upstream polluters to reduce toxic effluents in the canal. All these activities, which have been strategically planned with other Bangkok canal networks, are ways of demonstrating to the city that these canal-side communities are not polluters but are an important asset to the city in its efforts to maintain its canal system. With good collaboration from the two district authorities (Bang Ken and Laksi) on either side of the canal, the nearby Sripatum University and CODI, the 12 communities along Klong Bang Bua formed a network, started savings groups, prepared plans for redeveloping their settlements and revitalizing their canal and formed a cooperative society. In the process, the Bang Bua communities have become the city's ally in revitalizing and cleaning this important canal. Samaki Ruam Jai was the first of the Bang Bua communities to begin rebuilding, in December 2004. At present, the network expands to include nearby inland informal communities.





# BAAN MANKONG

## BANG BUA CANAL

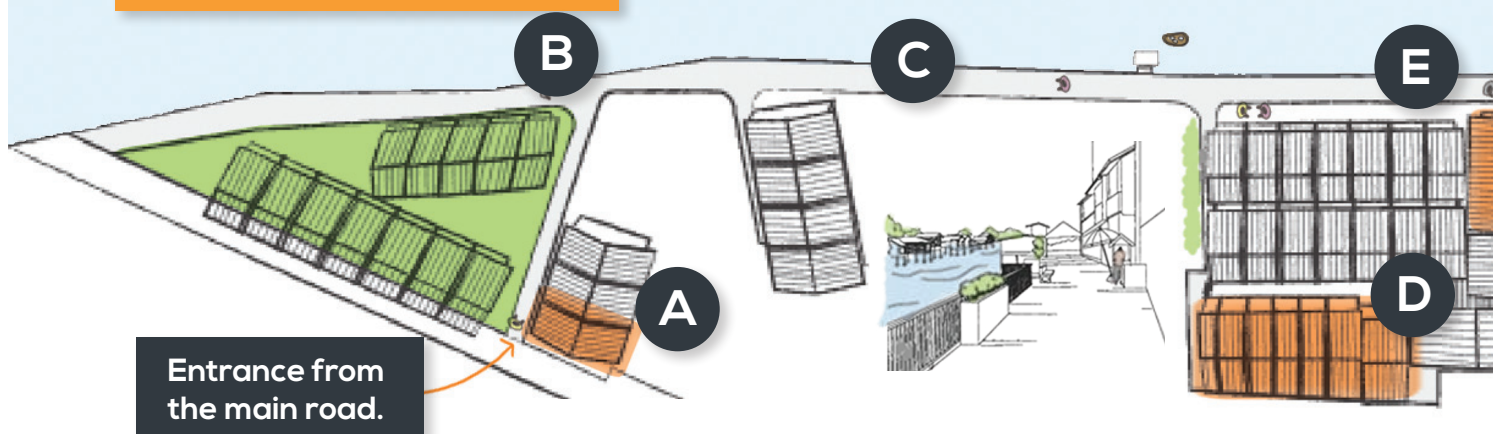




# SAMAKI RUAM COMMUNITY

No. of Households : 135  
 Location : Phaholyothin Road  
 Joined BMK in 2003  
 Type of BMK : Reconstruction

**C:** The new walkway along the canal is 3- meters wide in total. This three meters includes the 1 meter that was already there, one meter in the middle that was newly built by the community with main drainage lines underneath, and a new one meter that was built by the District Authority, on land reclaimed from the canal, with railings, planters and steps down to the canal. This newly built lane will connect all the communities along the canal, while also providing public access to the canal, according to the program's objective.



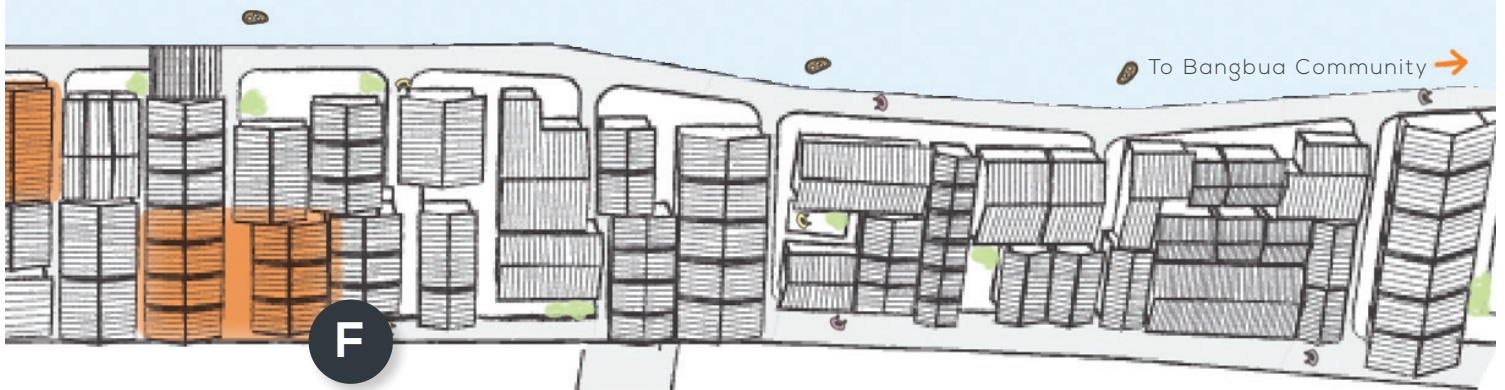
**A:** This is the very first house built under the Baan Mankong Collective Housing program at Bang Bua canal network. The owner gave up part of his original property so that a prototype house for the community could be built. A district-wide opening ceremony of the collective housing program was held on this very spot.

**B:** This area was originally planned as a 'green area' for the community, but there were problems and delays in negotiating with the community members. Consequently, the phasing of construction was interrupted. New houses could no longer be constructed in the same phase. In the end, some existing houses could not be moved out of the proposed 'green area'; these houses were then reconstructed in the same place.

**E:** Community and Health Centre: This is an office where members of the community committee meet every month. It originally belonged to an old man named Chana, who was a community leader. He donated his house to the community after he died.



**F:** This is a group of houses that belongs to the original inhabitants of Bang Bua. One of the houses belongs to Mr. Tawaii, who kick-started the development of the collective housing project in his area. Originally, the families who lived here had large houses, but they decided to give up some of their living space to the community. The street in this group of houses is 4 meters wide, and is functioning as a common space for various family activities.



**D:** This is another pilot site of collective housing, where the architects had originally envisioned a 4 meter-wide street, before the actual construction began. Unfortunately, one existing house refused to move and relocate during the construction, so the community decided to proceed with the plan and construct whatever is possible around that particular house. At a later date, when the owner finally agreed to move, the community was quick to improvise their own solution.

The community developed a special shared house for two young bachelors. "We don't have a lot of possessions. We are perfectly fine with this arrangement," says a young man. They are currently sharing a common entry and a bathroom. A two meter-wide house also sprouted up next to them; it is home to two residents who claimed to have the smallest house in the community. All this planning and adjustment was done by the community, without the architect's supervision, and the resulting plan has inherited a rather ad-hoc character.



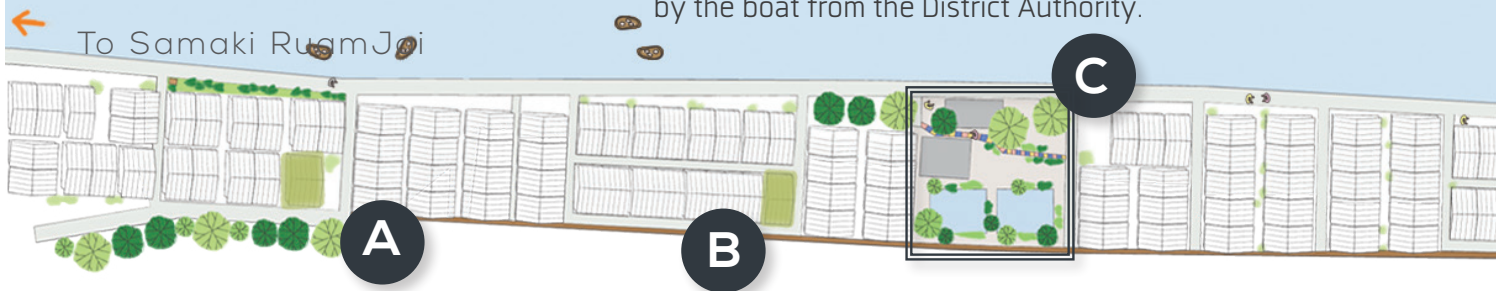
This was the condition of houses before the upgrading. Most of the old houses tended to jut out into the canal. Today, the owners of these houses have already agreed to move back from the canal and the construction of their repositioned houses is now underway.

# BANG BUA COMMUNITY

No. of Households : 264  
Location : Phaholyothin Road,  
Soi.49/2  
Joined BMK in 2003  
Type of BMK: Reconstruction



C: The main open space is currently used for a playground, football field and for special ceremony and festive events. The architect intended to keep traces of community's old small walkway, trees and ponds, which existed before the reconstruction. There is a plan to build a community nursery and community learning centre in the near future. Recently, the community got some financial support from Action-Aid for the construction work. Along the canal bank, there are designated points for weekly garbage collection by the boat from the District Authority.



A: This multi-purpose pavilion was used as a meeting space of the Bang Bua community members during the participatory planning process with CODI and architects.

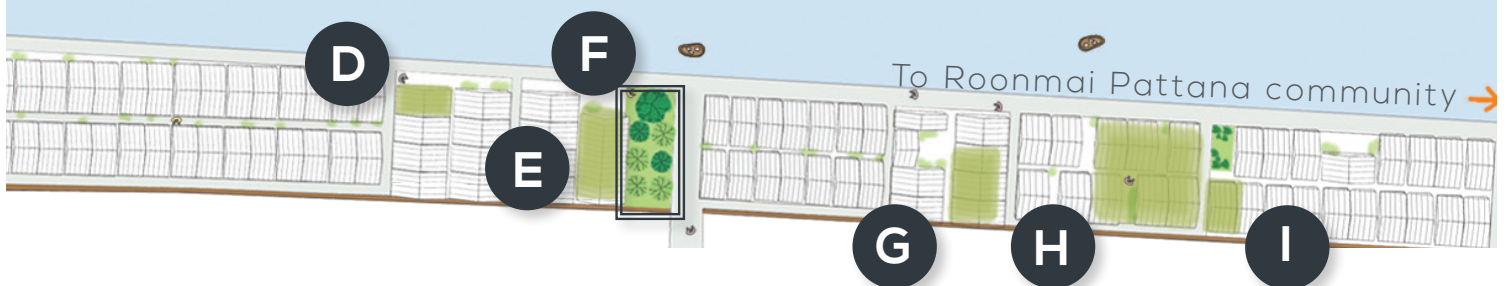


B: Baan Klang ("welfare house"). The community built two welfare houses to accommodate the poorest, elderly and disabled people who have nobody to look after them. The houses were financed by community members collectively with a small subsidy from CODI. These people live downstairs, while other rooms upstairs are occupied by renter families who have lived in this community but did not have structure-owner rights. If these renters stay and rent for ten years, then they will get full rights and build their own houses. The rents the community cooperative earns from these rental units will partly be used to feed and take care of those living in the welfare houses, and to build up a fund for taking care of future needy people.

D: Some rows of houses have electrical lines passing through them. That is because the Electric Generation Authority of Thailand, which was supposed to move the electric poles three meters away from the site, did not cooperate well at the beginning of the program. The community recently got some financial support from the District Authority to relocate these electric poles. But it took them years to get this done.

F: This community centre was built on land that was formerly occupied by Uncle Sanit. After many negotiations and also social pressure, his land was redistributed equally to others, and one part was given to the community centre. The building offers an office and a multipurpose space for the community to hold meetings and workshops. The women’s group, which set up a small catering enterprise, also uses the space to run their activities regularly. This group has generated income for housewives in the community. A youth group has also actively runs activities to generate income, such as producing artificial flowers and growing vegetables in the canal for sale to some local schools. At this centre, there is an old tree that the locals pay great respect to and set up a spirit house for this tree.

G: This compound of self-built houses is owned by a local builder, who lives with his relatives. Self-building is an alternative for the family to save on their construction costs. These skilled community builders eventually formed a network and set up as a community enterprise to help build other Baan Mankong housing projects. At Bang Bua in particular, the community builders, together with community cooperative, set up a ‘Home Service Centre’ which provides construction services to the



E: The main entrance to this community is from Phaholyothin Road, Soi 49/2. In the past, Uncle Sanit, a former community leader, asked a local politician to help the community to negotiate with the adjacent military base to open this access for the locals.

public, in order to generate more income.

H: The first phase of this community is a group of houses planned next to a small garden. These houses became examples to help other community members to visualise what their houses would look like. Khun Tan’s house was the first house built here, since her old wooden house was badly decayed. The house of Mr. Prapas, a community leader, was also built in this first phase. Though his family once owned a big plot of land with rental houses, the family agreed to participate in Baan Mankong program and built a smaller house. Mr. Prapas considered that his position as a leader and a pioneer in the upgrading process would encourage others to participate in the upgrading program. In these ways, the first visible, physical changes the upgrading process starts bringing about work to give people faith in the upgrading program.

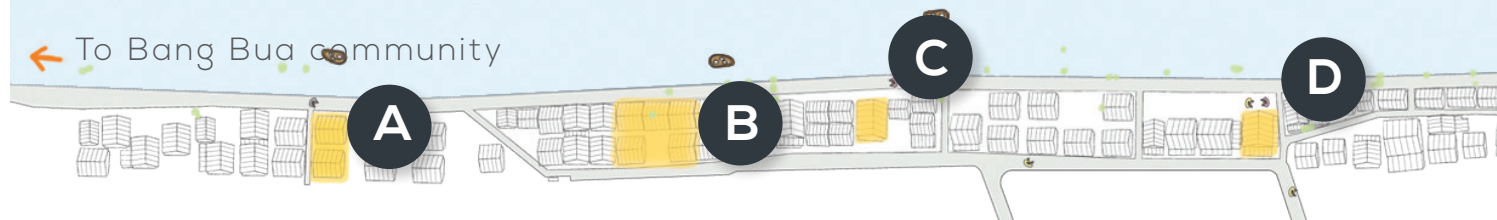


I: This community library in Bang Bua was supported by the Bang Khen District Authority, as a pilot project. The district’s support includes paying the salary of one librarian at \$200 a month. This library is going to be shared between the Bang Bua community and the Roonmai Pattana community nearby.

# ROONMAI PATTANA COMMUNITY

No. of Households : 155  
Location : Phaholyothin Road,  
Soi.51  
Joined BMK in 2004  
Type of BMK : Reblocking

About 22 houses in this community have been completely rebuilt so far. The plan is to move houses which are built over the canal to inland areas, in order to clear the canal edge for a public walkway, as in the other communities along the canal. There will be a 3 metre set-back from the canal, and in this space, a community walkway will be built, which will not only provide access for pedestrians and motorcycles, but will become a generous public space for recreation, markets, festivals and socializing. The Treasury Department owns the land. As the land belonged to the Royal Irrigation Department, it was not categorized as a natural canal. Therefore, title deeds can be issued. After a negotiation process, the Treasury Department agreed that the community can start to pay the land rent when 80 percent of the building process is done.



A: Pi Saijai's semi-detached house was built in the first phase of the upgrading process. She got interested in joining the upgrading program because she saw the Baan Mankong Program being implemented in the nearby Bang Bua and Samaki Ruam Jai communities. Her old house was a very dilapidated one-storey house made of wood. She was able to recycle some of the timber from her old house as she built her new houses. There is an outdoor common area for drying clothes on the second floor which is shared by the families in the two attached houses.



B: This house, which is owned by one of the savings group leaders, Mr. Vilai, is in a cluster of houses which are owned by his relatives. They earn their living by doing laundry for people. Not far away is the house of Pi Juntana, who sells sushi from a small stand in order to earn a little extra money. She applied for loans to renovate her old house, rather than completely construct a new house, since her wooden house was in fairly good condition.





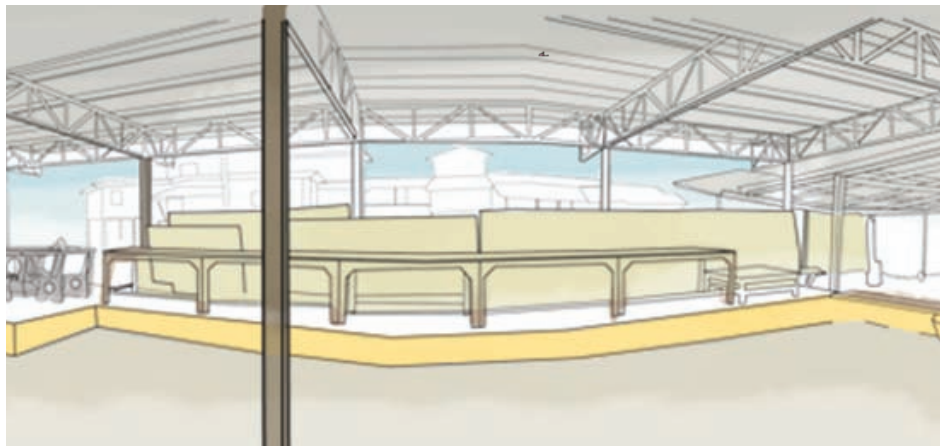
D: Local shops and an entrance from Phaholyothin Road, Soi 51. There is a bridge linking with Chai Klong Bang Bua community, located on the



F: Existing community space remains active for community festive events. There is a plan to develop a livelihood centre in this area. Next to the community space, there is a 100 year-old tamarind tree and a spirit house underneath it, which the community members pay great respect to. Small scale urban farming is also practiced by



C: House number 7/40 is good example of a house that was rebuilt for a large, extended family. The house is about 7.5 x 7.5 metres. For a single family house, the plot is less than 5 x 10 metres. The community used a surplus from the community loan interest to reconstruct the house, in order to make this as an "example house" for others to see. Also, in certain cases the community used loans from the "CityFund" of the Bang Khen Canal Network for the upgrading, as an available and flexible bridge funding, while they waited for loans from CODI. Having access to various funds is a key to the accomplishment of the project.



E: So far, there are only about 20 households here who are interested to join the upgrading program. Most community members in this area aren't ready to join the program yet. One savings group leader said that the process is quite delayed because about a half of community members did not join the program yet as they feel unsure. Showing some physical, tangible outcomes has been recommended as a way to getting these people excited and involved in the upgrading. Those who don't participate are mainly the people who own big pieces of land and don't want to give them up. Another obstacle is the discouragement of the elected community leader, who does not agree with the concept of the Baan Mankong Program.



# ROI KRONG COMMUNITY

No. of Households : 126  
Location : ChaengWatthana Road  
Joined BMK in 2004  
Type of BMK : Reblocking

Of the 126 households in the Roi Krong community, 67 have applied for housing loans from CODI and are waiting for them to come through, while 47 have got their loans and are now building their new houses. The community has not yet signed an official lease with the Treasury Department, which requires that the community lease the land collectively – not on individual leases. But this agreement to collectively lease the land is taking some time, since only about half of the community members are participating in the savings groups, and the half that are ready, cannot afford to pay the rent for all.



A: This is an entry gate into the community, which the community got permission to build, from the adjacent Phranakorn Rajabhat University.



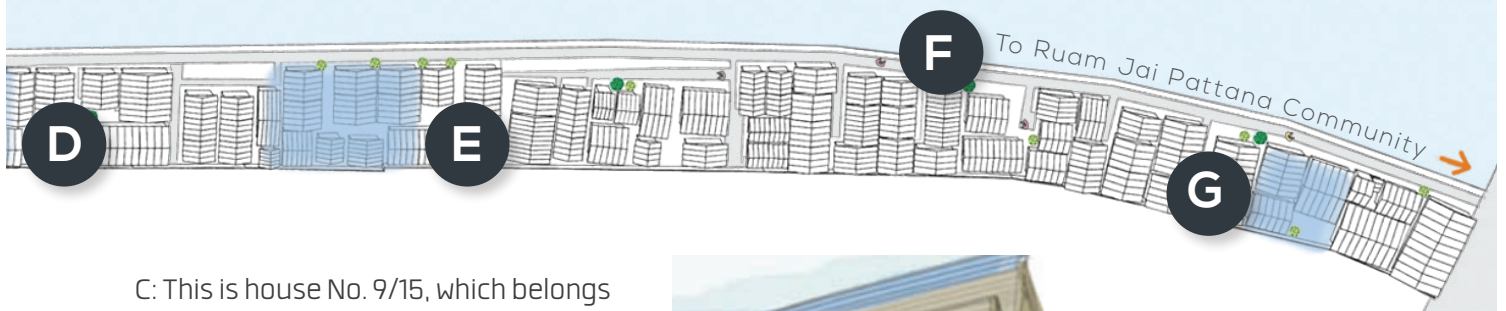
B: This is house No. 9/46, which belongs to the current vice-president of community. The family makes shrimp paste for sale and raises geese.

E: The first phase of Baan Mankong project in the Roi Krong community was driven by a group of households who are the poorest and were in greatest need of improving their deteriorating houses. The first house built was house No. 112/4. Once the construction of this first phase was completed, it helped other less certain households in the community to better understand the project and to feel confident enough to participate in the Baan Mankong upgrading programme. There are two Baan Klang ("welfare houses") in this compound.

F: This area of the community is mostly occupied by a private owner who has built rooms for rent, and these residents haven't shown interest in joining the upgrading program yet.

G: The Roi Krong community agreed to allow each sub-group of 5 houses decide how to renovate or reconstruct their own houses, as a group. This house No.88 belongs to Aunty Pheung and her relatives. Her sub group decided to renovate their old houses, and the work has recently been finished, with very good results, where all the houses are nicely decorated, with a shared garden and pavilion. There are both single detached and semi-detached houses in this area.

The community's elected leader lives in house No.9/10, which is part of the second phase of Baan Mankong in this community. His house was designed by his own son, who is an architect. The house cost \$17,000, which is much more than the cost covered by the CODI loan, but he paid the extra from his savings and family resources.



C: This is house No. 9/15, which belongs to Uncle Sawang (who recently passed away), one of the important actors in the Bang Bua canal network's upgrading process. He was also the inventor of a homemade grease-trap tank that is used by hundreds of families in the canal-side communities to separate fats, oils and grease in wastewater from their kitchen sinks, before the water goes into the canal. This innovative device is made from inexpensive materials available locally, such as PVC pipes, plastic buckets, charcoal, and gravel. Each tank costs about

\$8 to make. This grease-trap has been tested by the Department of Agriculture and has its official approval.



D: This community centre was created with an old wooden house which the community bought from its owner for \$2,300, adding an extra \$6,600 of work and materials to transform it into a multi-purpose building, which contains a community office, a library, a nursery and a variety of functions. The centre is also used for accommodating some households, as a temporary shelter while they are constructing their new houses. There is a plan to eventually transform an open space in front of this centre into a community playground.

# CHAI KLONG BANG BUA COMMUNITY

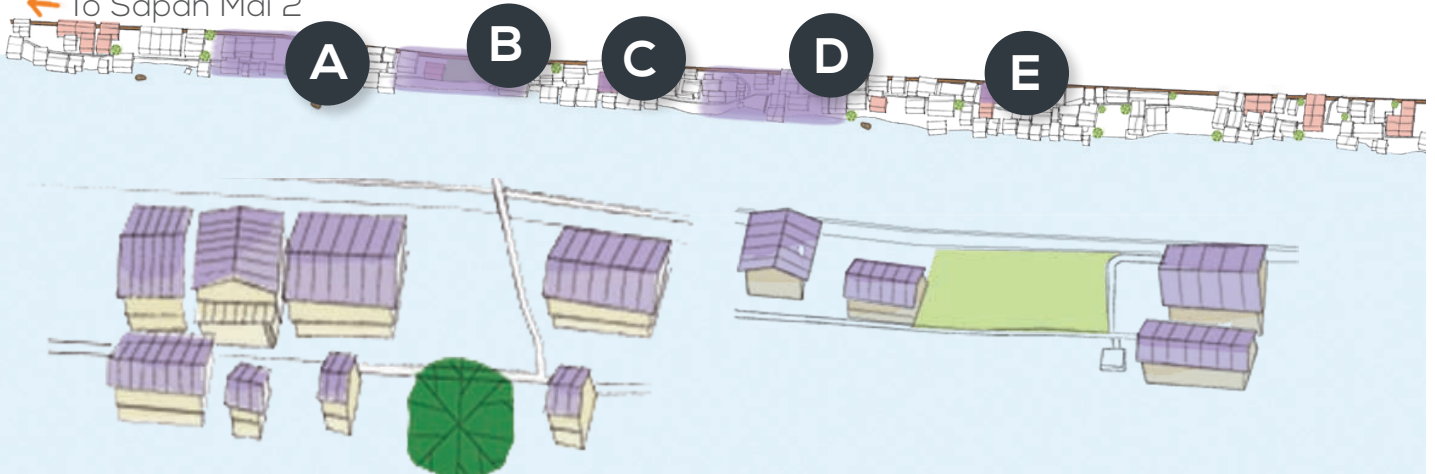
No. of Households : 360  
 Location : Phaholyothin Road,  
 Soi.51, ChangWattana Road  
 Joined BMK in 2004  
 Type of BMK : Reconstruction  
 (3 phases)

C: One of the rules the community set was that all the houses which were built over the canal edge would have to move inland and clear that canal -side land for a public walkway. After the reblocking and reconstruction, there will be a 3-metre walkway along the canal, which will link the community members to the outside world and link all the households within the community.



■: First phases of reconstruction

← To Sapan Mai 2



A: An old Limonia tree: the community identified this beautiful old tree as a resource they wanted to preserve in their community upgrading process. The community architects have helped design the community site plan accordingly, by setting back all the construction to leave space around this tree.



B: This is an example of a small cluster of relatives who decided to share a walkway near a small playground.

D: This is a community space which leads to the Roonmai Pattana community, which is located on the opposite side of the canal and can be reached by a nearby bridge. There is also an exit to Phaholyothin Road, Soi 51. A community library has also been established in this area.



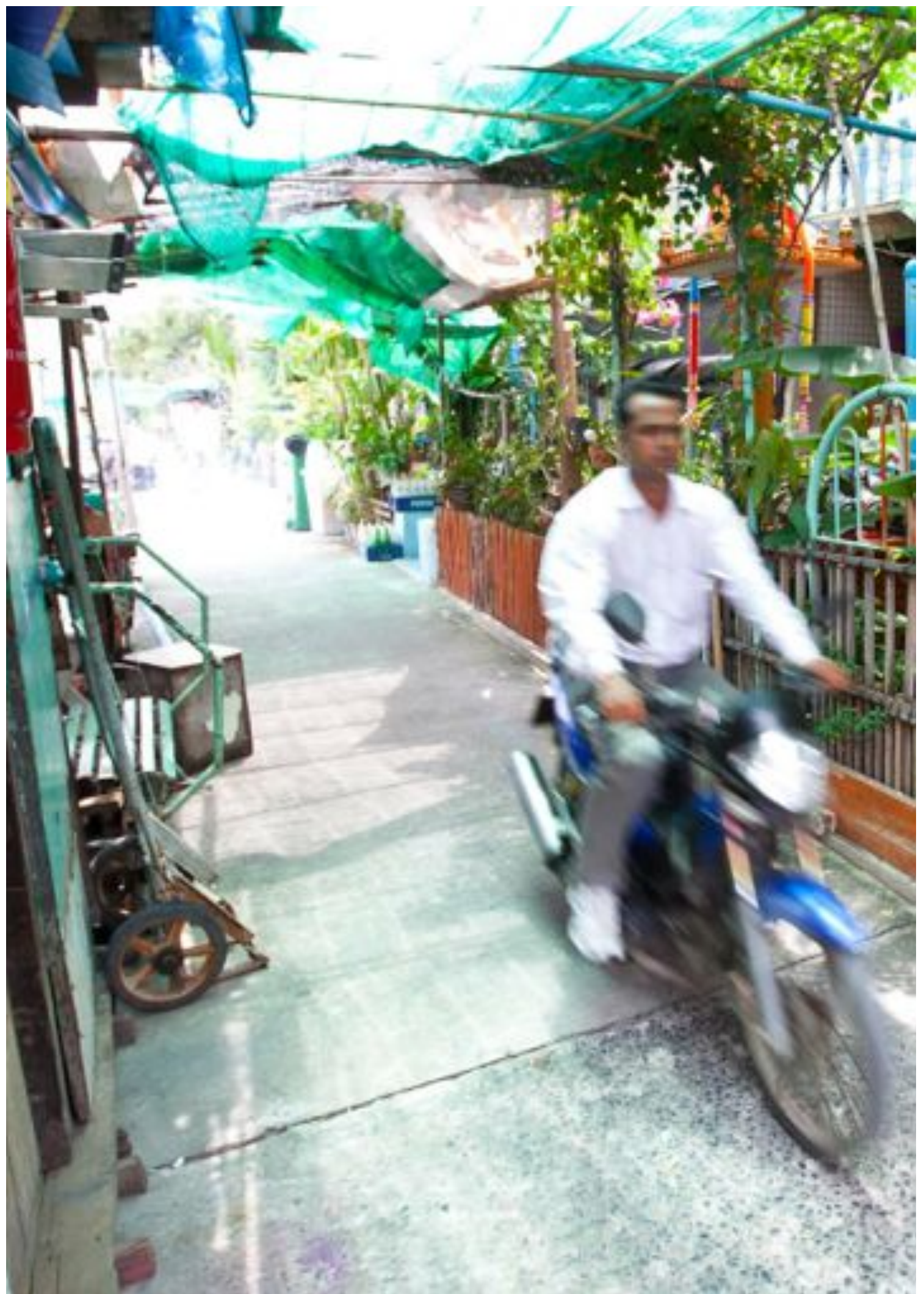
F: The standard size of the new houses is 7x10 metres. Orientation of the houses varies, according to the negotiations within the small clusters of houses. This area is an example of detached houses built in phase 2 which decided to face their houses towards a common walkway.



E: This is the house of the newly-elected community leader (house number 63/6), Mr. Noppa. This was the first house built in the upgrading process, built in 2008. The community's office is located nearby, in house number 68/21.

G: There has not been much participation from the community members in this area yet, because the former community leader who lives here does not agree with the concept of the Baan Mankong Program. Conflicts are evident, so the upgrading program slowed down for a while. But after the new community leader is elected, many community members believe that more people will participate in the upgrading planning and join the savings group. Organizing a platform for dialogue and communication is mentioned as a key.









## Key Steps in Starting

# The BAAN MANKONG Projects

1. Identify the stakeholders and explain the program.
2. Organize network meetings which may include visits from people in other cities
3. Organize meetings in each urban poor community, involving municipal staff if possible
4. Establish a joint committee to oversee implementation. This includes urban poor community and network leaders and the municipality; also local academics and NGOs. This committee helps to build new relationships of cooperation to integrate urban poor housing into each city's overall development and to create a mechanism for resolving future housing problems.
5. Joint committee holding a meeting with representatives from all urban poor communities
6. A survey organized to cover all communities with information collected about all households, housing security, land ownership, infrastructure problems, community organizations, savings activities and existing development initiatives. Doing the survey also provides opportunities for people to meet, learn about each-others' problems and establish links.
7. From the survey, develop a plan for the whole city.





## BEFORE



## AFTER

8. While the above process is going on, support community collective savings as these not only mobilize local resources but also strengthen local groups and build collective management skills.

9. Select Pilot projects on the basis of need, community's willingness to try them out and learning.

10. Prepare development plans for pilots, start the construction and use implementation as learning center for other communities and actors.

11. Extend improvement processes to all other communities, including those living on the fringe of society such as the homeless and migrant workers

12. Integrate these upgrading initiatives into city-wide development. This includes coordinating with public and private land-owners to provide secure tenure or alternative land for resettlement, integrating community-constructed infrastructure into larger utility grids, and incorporating upgrading with other city development processes.

13. Build community networks around common land ownership, shared construction, cooperative enterprises, community welfare and collective maintenance of canals and create economic space for poor (for instance new markets) or economic opportunities wherever possible within upgrading.





# PARTICIPATORY PROCESS AT BANG BUA





PUBLIC HEARING

SAVING GROUP



SURVEYING  
& PLANNING

DESIGN WITH ARCHITECT  
& FOCUS GROUP  
DISCUSSION



IMPLEMENTING +  
CONSTRUCTIONS



MANAGEMENT

# Prototypes of Houses

After working with the architect, the houses built on the canal were reorganised and rebuilt according to the decisions of those small groups, while a new walkway was built to connect the whole communities along the canal, which became the main circulation route. Three styles of house were developed; single house, semi-detached houses and row houses.

All are two storeys with about 90 square meters of living space, with a kitchen, bathroom and two bedrooms. Each house costs around 150,000 -250,000 Baht for the basic structure, excluding the finishing and decoration. The decoration of the houses, therefore, depends on the family's income and budget. The use of recycled material for houses was encouraged. There are different styles of finishing, ranging from highly decorated to unfinished houses.

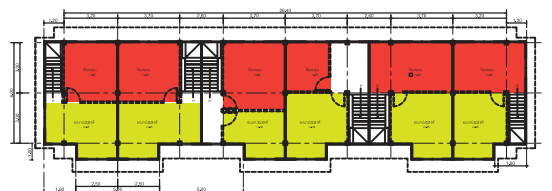
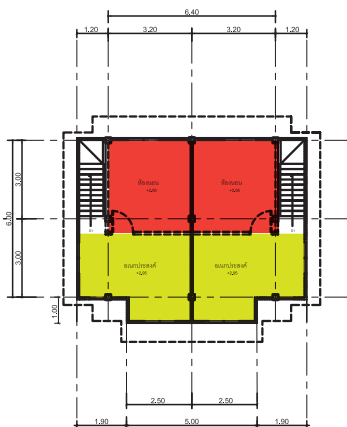
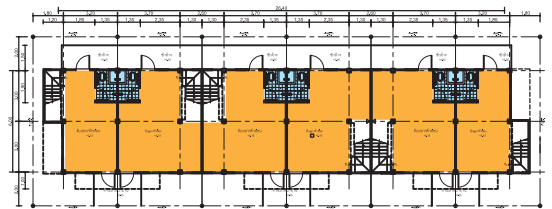
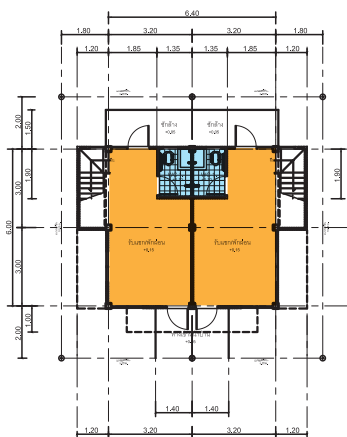
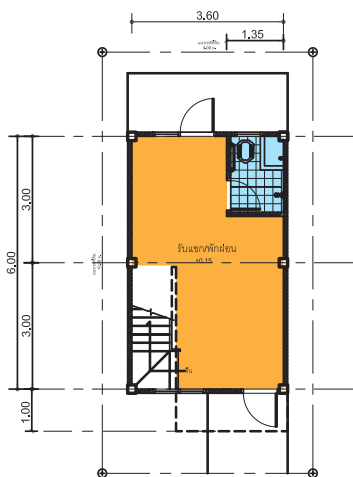
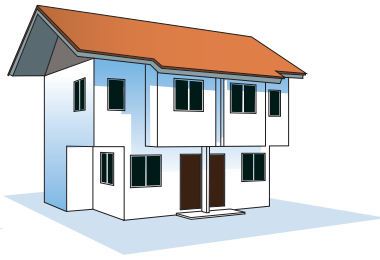
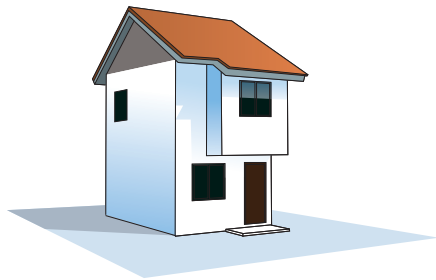
In each house, special low-cost filtration tanks have been installed, so that the water from the kitchens and bathrooms will be filtered and de-greased before being discharged into the canal. Additionally, the new design provided communal spaces, such as a green area and canal-side walkway as the main circulation of the community, and spaces designed for the construction of a kindergarten, a community centre. Moreover, there were apartments available for rent aimed at generating income for the community's co-op in the future. 'Baan Klang', a welfare house provided for vulnerable members of the community such as the elderly and disabled people, was built and financed collectively by the locals with a small subsidy from CODI.



# บ้านเดี่ยว SINGLE HOUSE

# บ้านแฝด SEMI-DETACHED HOUSE (TWIN)

# บ้านแถว ROW HOUSES



# BUDGET & FUNDING METHODS

## On-site Upgrading Subsidy

**25,000 baht (US\$715)**

per family for onsite-communities upgrades/repairs.

## Reconstruction Subsidy

**35,000 baht (\$1000)**

per family for communities rebuilding

to landscape the newly upgraded settlement	to liven up the visual character of the new community	to construct temporary houses in case of fire or eviction
<b>20,000 Baht</b> or <b>\$600</b> per community	<b>20,000 Baht</b> or <b>\$6000</b> per community	<b>18,000 Baht</b> or <b>\$500</b> per community

## 1. Infrastructure Subsidies

- On-site Upgrading Subsidy: 25,000 baht (US\$715) per family for onsite-communities upgrades/repairs.

- Reconstruction Subsidy: 35,000 baht (\$1000) per family for communities rebuilding their settlement on the land they now occupy or for communities relocating to different land and rebuilding there. This is the standard subsidy, but in special cases where the cost of filling land or infrastructure is very high, the per family subsidy can go up to 45,000 baht (US \$ 1,285)

- Additional Subsidies: Additional subsidies are available (as necessary, not always) to help communities do heavy land filling if their land is low-lying, to install household sewage treatment systems, to landscape the newly upgraded settlement (20,000 Baht or \$600 per community), to liven up the visual character of the new community (200,000 Baht or \$6,000 per community), to construct temporary houses in case of fire or eviction (18,000 Baht or \$500 per community), or to construct a community meeting house (18,000 Baht or \$500 per community).



The ceiling for land and housing loans put together is  
**300,000 Baht (\$9,000)** per family

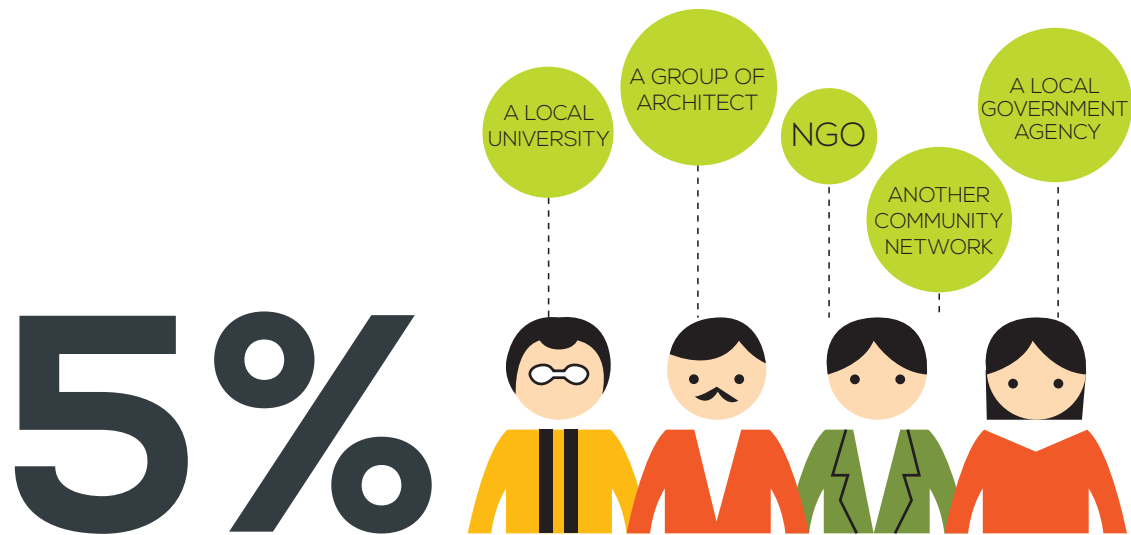
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housing loans alone go up to a maximum of no more than  
**150,000 - 200,000 Baht (\$6,000)** per family

## 2. Land/Housing Loan

Soft loans are made available from CODI to families to purchase new land (in case of relocation) and to improve their houses or build new ones after upgrading or relocating, with interest rates subsidized by the program, so loans can go to the community cooperatives at 2% annual interest (the non-subsidized CODI housing loan rate is 4%). The ceiling for land and housing loans put together is 300,000 Baht (\$9,000) per family, and in general, housing loans alone go up to a maximum of no more than 150,000 - 200,000 Baht (\$6,000) per family. All loans are made collectively to the community cooperative, not to individual families. With both housing and land loans, the community cooperatives must have saved 10% of the amount they borrow from CODI and keep that 10% in their community saving account during the repayment period.

More recently, this loan subsidy has been handled a little differently. Now, communities can receive the loan interest rate subsidy in the form of one-time housing/land cash payment of 20,000 Baht (\$600) per family, at the start of the upgrading project. The cooperatives then pay CODI's standard non-subsidized interest rate of 4% on whatever land and housing loans they take. Most cooperatives add a 2-3% margin on top of this (to support their activities and create a fund for late repayments), so individual cooperative members pay 6-7% interest on their land and housing loans.



Of the total infrastructure subsidy

### 3. Administrative Subsidy

A grant equal to 5% of the total infrastructure subsidy will be made available under the upgrading program to whatever organization the community (or the community network) selects to assist and support their local upgrading process. This could be an NGO, another community network, a local university, a group of architects, or a local government agency.

## THE VARIOUS ACTIVITIES

including exchange visits between cities
seminars at various scales
meetings, coordination costs
on-the-job training activities
support for the community network's involvement

### 4. Process Support Subsidy

This is the subsidy the program provides to support all the various activities that go with such a large national upgrading process, including exchange visits between cities, seminars at various scales, meetings, coordination costs, on-the-job training activities, support for the community network's involvement in the upgrading process and salaries.



# How is this different from the conventional approaches?

1. Urban poor community organizations and their networks are the key actors and control the funding and the management; they also undertake most of the building (rather than contractors) which makes funding go much further and brings in their own contributions
2. It is demand driven as it supports communities who are ready to implement improvement projects and allows a great variety of responses, tailored to each community's needs, priorities and possibilities (for instance communities choose how to use the infrastructure subsidy)
3. It promotes more than physical upgrading; as communities design and manage their own physical improvements, this helps stimulate deeper but less tangible changes in social structures, managerial systems and confidence among poor communities. It also helps trigger acceptance of low-income communities in the city's larger development process as legitimate parts of the city and as partners
4. It works to develop urban poor communities as an integrated part of city; people plan their upgrading within the bigger city development framework
5. Government agencies are no longer the planners, implementers and construction manager delivering for beneficiaries.
6. Secure tenure is negotiated locally in each case – and this could be done through a variety of means such as cooperative land purchase, long-term lease contracts, land swaps or user rights.





## **GENERATING INCOMES, WELFARES AND COMMUNITIES' COLLECTIVE FUND**

At Bang Bua community, income is gradually generated through community-based construction projects. The locals, working as construction labourers, managed to form a group of local builders working on the construction process. In some cases, they built their own houses to save costs as they have had the relevant experiences and skills. The locals have set up a co-op construction contractor called "Chang Chumchon" (community builders) to build for other communities in the network. CODI considers this type of entrepreneurship a technical support mechanism for the upgrading process, as well as a kind of job creation scheme in a form of collective business. There is also a rule that if anyone wishes to sell their house, they must sell it to the community co-op, not to outsiders.



Additionally, various welfare schemes have been initiated by the locals. For example, the members contribute a certain amount of money regularly and receive payouts to cover births or marriages within the family. A funeral fund is provided to cover the expenses occurred in the event of a death.

A scholarship scheme for children has also been established.

Recently, the Bang Bua canal communities' network started its own community fund to provide housing loans to its members. Pooling together the money of all of the saving groups in the 12 communities produced a fund of a million baht. This could be given to the members to build houses at a 4% interest rate. To date, three communities have benefitted from this collective funding scheme and the locals do not need to wait for CODI to support them.

A government bank' CSR initiative provided a small budget for the Samaki RuamJai community to start up a local fishery business.









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