

A primer on **ATTITUDE CHANGE** in Nepal :



In several cities in Nepal now, we are seeing striking changes in how local governments perceive the poor communities within their constituencies. And we are seeing these attitude changes being manifested in contributions to city funds, help promoting community savings, inviting other cities to join and even giving land tenure in both big and small ACCA project communities. Bharatpur makes one of the most dramatic examples of this transformation. During our first visit to Bharatpur in February 2009, we met the city's CEO-Mayor, Ramji Prasad Baral, who had had no experience at all with these issues and had never once gone to see the poor communities in his city. But in the coming year, as the ACCA process in Bharatpur became very active, he watched, learned, discussed and ended up becoming an active participant in and supporter of that city-wide upgrading process. His support came a little at first, but more strongly later, as the problems in 30 - 40% of the city's slums began to be resolved. And he even eventually found some municipal funds that had been locked away to grant to the new community development fund. Here are his own words about the process :



The urban poor in Bharatpur are our development partners! We have to accept them as development partners, because it is something so natural for them to deal with all these difficult issues. And the local government needs to address issues of the urban poor. In Bharatpur, the Municipality just started working with the urban poor a few years ago, and the Municipality is now a partner of the ACCA project in Bharatpur, along with Lumanti, the squatter community network and the women's savings cooperatives. I am totally convinced about the approach being promoted by the ACCA program, in which people are the key actors in resolving their problems of land, housing and basic services, on a city-wide scale, in partnership with their local governments. And I am working to educate my peers in other cities, and in the national government, to adopt and support this new approach. But that's not so easy, because the government keeps changing in Nepal! In the Salayani community, the government has agreed to give the land to the people, and the city has promised not to evict them, but still no documents have been signed or given. Now, the municipality is coordinating with the Forestry Department to provide the *lal purja* (land title) to the people.

Besides the five million Rupees we have found in the municipal budgets to invest in the new urban poor fund in Bharatpur, we have also agreed that 20% of the budget we get from the Ministry of Local Development will be allocated for development of the urban poor communities in the city. That works out to another US\$80,000 and \$100,000 per year, which we can use to do more upgrading and more housing projects here! The Municipality already had a small fund for the urban poor, of about 5 million Rupees (\$75,000), but that fund was not used very well and the loans weren't repaid, so the city stopped using that fund. But the housing loans to Salyani are already being repaid. So it's clear that a people-managed housing process works better than a municipal-managed housing process. If the people manage the money, it comes back into the fund, but if the city manages it, the money disappears!

An epidemic of **CITY FUNDS** :

Years before ACCA began in Nepal, the Kathmandu municipality donated funds to set up the country's first city-based Urban Community Support Fund. After the ACCA projects began, the mayors in three more cities in Nepal have demonstrated their growing confidence in poor communities with cash donations to set up similar community-managed development funds in their cities, and the idea is catching on :

- 1 KATHMANDU :** The Urban Community Support Fund was launched in Kathmandu in 2002, as a collaboration between the Kathmandu Municipality (whose mayor chipped in the fund's \$100,000 seed capital), ACHR and SDI (who jointly matched this amount with another \$100,000) Lumanti and the local community federations and women's savings cooperatives. The fund's first loan went to 44 evicted riverside squatters to develop the country's very first community housing relocation project at Kirtipur.
- 2 BHARATPUR :** The new Urban Community Support Fund (UCSF) in Bharatpur was launched on Nov 23, 2010, with 5 million Rupees (US\$ 75,000) seed capital from the Municipality. The new fund will support projects conceived and implemented by the urban poor in Bharatpur, by providing loans (for land, housing and income generation) and grants (for sanitation and infrastructure projects). The local chapter of the national Basobas Squatter Community Federation will act as the secretariat of the new fund, the disbursements and loan repayments will be managed by the women's savings cooperative, and the mayor (CEO) will act as honorary chairman of the fund's board.
- 3 BIRGUNJ :** The Urban Community Support Fund (UCSF) in Birgunj was set up in 2009, with seed capital of 1.6 million Rupees (US\$ 23,000), of which the Birgunj Municipality contributed 800,000 Rupees (\$11,500) and Lumanti matched that amount. The fund is jointly managed by the community network and the municipality (the mayor is chairman), and has already given loans to community savings groups for their members to start small businesses, buy cycle rickshaws, buy land and build hand pumps. A total of 99 "honorable toilets" in 15 communities have been built by poor families with loans from the UCSF. The ACCA big project housing loans in Shanti Tole will go through this city fund.
- 4 DHARAN :** A social development official from the Dharan Municipality joined us on the ACCA assessment trip in Nepal in November 2010, and during the trip, he was in constant communication with his CEO mayor by phone, telling him about what he was seeing in Bharatpur, Birgunj and Kathmandu. At the end of the assessment trip, he announced that the Dharan Municipality had pledged to contribute Rs 4 million (US\$ 57,000) to the urban poor community fund in Dharan, which like the other city-based funds will be jointly managed by the city's urban poor communities and the municipality.



BURMA

Cyclone Nargis brings big development opportunities along with the devastation . . .



The community-driven development process in Burma (Myanmar) - one of Asia's poorest countries - got a very big boost through the intense process of relief and rehabilitation after Cyclone Nargis ripped across Burma in May 2008, killing 140,000 people and affecting a majority of the country's already-poor, already-traumatized population. The ACCA projects in Burma are being implemented by four small, local groups who all became active in the post-cyclone relief activities: Women for the World, the Aungzabu Foundation, the Bedar Group and the Buddhist Youth Group. Four of the five ACCA-supported project townships are in the Yangon region, and all were badly affected by the cyclone. These townships and the community groups within them all have their own activities, but they all have in common several key elements:

- **SAVINGS**: setting up active community savings and credit groups (mostly run by women).
- **RICE BANKS**: setting up communal rice banks as primary communal and self-sustaining projects in almost all of the villages - which is a new thing after Nargis, with a lot support from ACCA.
- **NETWORKS**: linking together into networks of learning, sharing, mutual support and mutual management of development funds - within and between the various townships ("townships" are the Burmese equivalent of "districts").
- **COLLECTIVE REBUILDING**: using the post-cyclone reconstruction as a tool to help them rebuild their communities together - and by doing so many things together to revive fast-disappearing systems of collective village development.
- **COLLECTIVE FINANCIAL MANAGEMENT**: showing how simple, fast and efficient the rehabilitation process can be when communities work together and manage the funds themselves- *even very small funds!* (with many spin-offs)

ACCA in BURMA :

PROJECT CITIES (total 6)

- Khamu Township
- Kunchankone Township
- Dadeye Township
- Gangaw Township
- North Ukkalapa Township
- Hlaing Tar Yar Township

SMALL PROJECTS

Small projects approved : 25
 In number of cities : 5
 Total budget approved : \$82,000

BIG PROJECTS

Big projects approved : 4
 In number of cities : 4
 Total budget approved : \$160,000

SPECIAL PROJECTS

Disaster-rehabilitation projects in 3 cyclone-hit townships (Khammu, Kunchankone and Dadeye), budget approved \$92,800.

SAVINGS (only in 6 ACCA cities)

Savings groups : 53
 Savings members : 3,419
 Total savings : \$37,533

CITY DEVELOPMENT FUNDS

CDFs active in : 3 cities
 Total capital in 3 CDFs : \$90,000

- from ACCA \$80,000 (87%)
- from coms. \$0 (0%)
- from gov. \$0 (0%)
- from others \$10,000 (13%)

IMPLEMENTING GROUPS

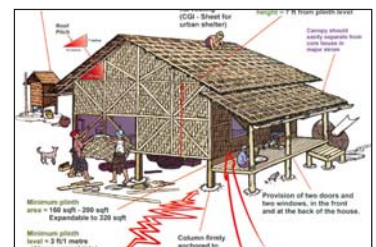
The ACCA projects are being implemented by four local groups: Aungzabu Foundation (Khammu), Bedar Development Trust (Dadeye), Buddhist Youth Group (Gangaw) and Women for the World Myanmar (Kunchankone, North Ukkalapa and Hlaing Tar Yar).

IN KAWMU TOWNSHIP, a network of 18 villages organized around the Aung Zabu Buddhist Monastery used ACCA funds to rebuild their totally destroyed villages. They started by using the ACCA big project funds to repair and rebuild some 750 houses within less than a year, through an extraordinary collective construction process that was managed entirely by the village savings groups. They used the small project funds (and some additional disaster support) to repair roads and drains, rebuild community halls, set up rice banks, plant trees, restore wells and water ponds and rebuild bridges that had been washed away in the cyclone. They also set up a special fund for education and the elderly, and planted vegetable gardens, as part of a longer-term sustainable development program.

Most of the UN and big aid agencies working in Burma got their engineers to develop standard house models and then reproduced those models hundreds of times, in long straight rows, with all good intentions. But in this ACCA project, where the people sat together and planned their own house reconstruction, they were able to repair and reconstruct 750 houses (all of them beautiful, all of them different and full of whimsy) for the same amount the big relief agencies could build less than 100 houses. Some houses needed only a little bit of repair, while others had to be totally rebuilt, but the important thing was that they did both repairs and reconstruction *together*. So the house reconstruction wasn't a charity hand-out, but became a tool by which these communities rebuilt themselves, after the cyclone.

IN KUNCHANKONE TOWNSHIP, a small Yangon-based NGO, Women for the World Myanmar (WWM), has used ACCA support to help another fast-expanding network of cyclone-devastated villages to rehabilitate their houses, farms and communal facilities and build new self-support systems in the process. Besides setting up savings groups, establishing rice banks and rebuilding destroyed houses and roads, they have used ACCA project funds to build children's libraries and set up special revolving loan funds to support experimental farming cooperatives for landless families (a huge problem in Burma) that are managed by the whole village and that are testing mixed cropping and organic farming techniques as an alternative to the conventional chemical farming practices which have bankrupted so many farmers.

IN YANGON: Most visitors to Yangon see only a nice, clean, colonial city, with wide, tree-lined streets, beautiful old buildings and few cars. But outside of this picturesque center lie vast swaths of informal settlements, where the city's poor live, without basic services, in thatch and bamboo shacks, on swampy land - some plots rented from farmers who have subdivided their rice paddies and many squatted on informally. The two ACCA projects in Yangon, also supported by WWM, are focusing on these peripheral areas of the city, with surveys, forming networks and setting up women's savings groups, which are growing fast and implementing small projects to set up biogas plants, lay drainage lines and develop communal water supply systems. But the most striking breakthroughs in Yangon have been in the two big ACCA housing projects that are being implemented so far: one completely finished in the Hlaing Tar Yar Township (see opposite page), and another in North Ukkalappa Township, which is now in process.



This "core house" designed and built by the relief agencies (above) costs \$800 to build, while this house built collectively by the villagers in Khammu (below) cost just \$180.



After reconstructing 37 houses in Ingapur Village, families repay their loans in rice.



Many poor families in Yangon's periphery raise pigs for food and income, and some used small ACCA grants to set up biogas plants to turn animal dung into cooking fuel.