

Partnership for infrastructure in the *musseques* of Luanda

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Introduction

What impact has CARE Angola's Luanda Urban Rehabilitation and Enterprise project (LURE) had on the household livelihood security of the urban poor living within the Municipality of Kilamba Kiaxi? This chapter explores this issue in the context of the changing political context in Angola. This study focuses on the relationships between income generation and neighbourhood improvements in the un-serviced low-income settlements (*musseques*) of Kilamba Kiaxi, one of the nine municipalities that make up the Province of Luanda, the capital city of Angola. The objective is to gain an understanding of the dynamics that govern the relationship between financial and physical assets at the household, neighbourhood and municipal levels.

A community consultative process demonstrated that urban poverty is only partly a result of low incomes. Equally important is the failure of both civil society and the state to provide affordable urban services. The project understood poverty reduction to include livelihoods, access to services and good governance. On the basis of this understanding the LURE project sought to alleviate poverty by both improving household livelihoods and by facilitating an enabling environment in which communities work together with local government to plan, and to progressively upgrade and manage urban services. The first phase of the DFID funded LURE ran from 1999 to 2003 (LURE1), with a second phase from 2003 onwards (LURE2).

The chapter first looks at the context within which the LURE project operated, including the political context of the return of civil war in 1999, and the continuing economic and social upheavals that entailed. It outlines the effect of the years of war have had in transforming the country from a predominantly rural one, into one where, by 1995, over 50 per cent of the population lived in urban or peri-urban areas. The chapter then outlines the situation for residents of Kilamba Kiaxi, including information from baseline studies and a wealth-ranking exercise. This gives a detailed insight into the nature of

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urban poverty in the municipality. The next section looks at some of the key aspects of the LURE approach, in particular its focus on partnerships and governance. It argues that the shift towards a greater focus on governance within the Household Livelihood Security (HLS) framework was a key factor in the success of the programme. The final sections consider the impact of three different interventions on livelihoods: a road and bridge-building initiative, a water reticulation scheme, and a micro-finance programme. Impacts are compared against control areas where there was little or no intervention.

### Contextualizing LURE

The LURE project was designed during 1997 and 1998 and started operations in May 1999. During this period relative peace prevailed between UNITA and the MPLA. This was also a period of political change with the transition from a one party state to pluralist political institutions, an independent civil society and a freer economy. However, the process of change had not worked itself down to the sub national level before war restarted in December 1998.

While LURE was designed in the context of an apparent opening of society, the political changes had been made with little or no public participation. War was used as a reason for the abuse of civil rights. There was little sense of empowerment and people continued with their daily lives as their livelihoods and living environments deteriorated. As the project began, open hostilities resumed in the form of conventional battles, guerrilla warfare and besieged cities. LURE was one of CARE Angola's first attempts at working on a rehabilitation and development project (as opposed to a war induced emergency project). The primary aim was poverty reduction to be realized through three key interventions:

- Improving access to urban services through infrastructure investment.
- Improving quality of service through community management.
- Improving household livelihood security through access to micro-finance.

The project was to be implemented using participatory tools and techniques and direct delivery. Many of the interventions were premised on decisions made during the period

of apparent democratization but which were not implemented once war resumed. Thus for example, a World Bank financed water program that was to be the basis for a community managed secondary reticulation network never materialized. At the same time, the LURE project was designed within the parameters of the CARE Household Livelihood Security Framework, and hence project activities aimed at having a measurable impact on household livelihood security.

After two years of project activity, it was clear that a shift and deepening of approach was required to have meaningful impact on urban poverty in Luanda. In particular, there were four problems. Community participation was a passive process providing good information for planning purposes and empowering those that attended, but it was not building civil society and an active urban social movement. Second, local NGOs lacked the conceptual tools and institutional capacity to address the complexities of urban development. Third, while partnership agreements existed between the project and the local administration, EPAL and other service providers, they were superficial and dependent upon CARE; there was little understanding and capacity within state institutions to make real the spirit of the partnerships. Finally, CARE staff spent a great deal of time acting as an intermediary between service providers and the community but it was increasingly evident that civil servants only felt accountable upwards, and no mechanism existed to hold service providers locally accountable. To address the problems, project staff made a strategic shift and sought to include a greater recognition of the importance of: effective and efficient local government, organized and articulate civil society, and active and constructive engagement between government and civil society.

This chapter aims to develop an understanding of how governance and a shift towards removing institutional barriers became the key determinants of a successful urban programme. This shift in focus is seen as enriching the HLS framework. A shift towards governance within the context of the HLS framework maintains the focus on the household, while simultaneously transforming local government, building civil society and developing public community engagement institutions. A focus on governance can improve access to the institutional support required to meet basic needs and thus improve livelihoods. To the extent that access to basic needs can be perceived as a

right, the focus on governance encourages marginalized communities to work towards realizing such rights.

### **A history of conflict**

Angola has been at war for 40 years. The liberation struggle against Portuguese colonialism turned into a conflict between two rival movements when, on the 11 November 1975, both MPLA and UNITA separately declared independence. These divisions played into the protracted cold war and it was only in May 1991 that the Bicesse Accord was signed. This started a period of 18 months of peace prior to elections, which were held on 29 and 30 September 1992. UNITA rejected the results and war continued. On 20 November 1994 the Lusaka protocol was signed between the Government of Angola and UNITA starting a fragile peace, which lasted until December 1998 when open warfare began once again. This phase lasted until the death of the UNITA leader on 22 February 2002 and the declaration of a cease-fire on 13 March 2002. While the cold war period was a struggle between ideologies fuelled by external interests, the post elections conflict was internal and specific to Angola. It was primarily a struggle for control of the state between two elite groups, made possible because both sides had access to wealth from mineral resources. The conflict was driven by personal ambition and fuelled by a deep mistrust between the parties after more than a generation of war and two failed peace processes. No one predicted the sudden end of war.

Between 1990 and 1995, Angola fell from 58<sup>th</sup> position to 161<sup>st</sup> in the world league tables of GNP per capita and from 94<sup>th</sup> to 164<sup>th</sup> in the league table of the Human Development Index. Angola ceased to be classified as a medium income and became a low-income country. With the ending of the war came the predictable opening up of political space for new ideas. This created the space for the project to tackle some of the root causes of urban poverty. One of the consequences of protracted conflict had been the abandonment of the rural areas and the emergence of huge non-serviced urban settlements.

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Despite increasing interest in Angola, little attention has been given to arguably the biggest social transformation of all, the demographic transition from rural to urban. A 1996 study commissioned by UN-Habitat estimated that over 50 per cent of Angola's population already lived in urban or peri urban areas by 1995. While Luanda is governed as a province with a Provincial Governor and nine municipal administrators, it is in reality a large metropolitan city. After 30 years of conflict, Luanda has grown to an estimated 4 million people (a quarter of the national population), of whom more than 1 million arrived after the resumption of war in 1992. At independence, the city had a population of less than 400,000 people housed in what is known as the concrete city. Today the same area has suffered great deterioration and is now home to 800,000 people. The remaining residents live in the unplanned and under-serviced *musseques*.

For the 75 per cent of Luanda residents who live in unplanned peri-urban settlements or old and new infill settlements around the concrete city, clean water, access, drainage, waste removal and household income are major priorities. The new urban areas are considered by the state to be emergency settlements. The assumption was that at the end of the war people would voluntarily return to their respective areas of origin. While no formal research has as yet been undertaken all the indications are that the vast majority of households are simply not returning to the rural areas.

There is no explicit urban policy in Angola. What policy exists relates to developing a new modern city and rehabilitating the old colonial city. How the huge mass of urban poor fit into this framework is not clear. One of the key objectives of rural development strategies is to provide rural employment and attract people away from cities. Other policies relate to developing decentralized economic and administrative centres. It is not clear how a modern urban city will be built with such obvious conflicting land use claims between settled communities and a vision of a modern city. To date forced removals have been used, but on a very limited scale and with some state violence. If Angola is going to have livable cities in the future then it needs to develop urban planning and development policies that address the day-to-day realities of city management and growth. The solution to urban problems lies in programmes that develop effective local government and strong civil society and that improve processes

of production and consumption. This must be done in the context of an integrated rural/urban development policy.

### Survival strategies

Over the years of war, three very distinct categories of people have moved from rural areas and small towns to Luanda. First, there are households that were a part of a trading economy and who previously lived in the small towns and villages. Second, there are farmers who were market producers and thus linked to the rural/ urban economy. Third, there are households that were previously rural subsistence farmers. As a broad generalization these three groups have fared differently in Luanda. The first two groups have integrated into the city economy and survive through trade. The third category has tended to remain in the Internally Displaced Persons (IDP) camps around Luanda although many have left and integrated into the city's barrios.

Luanda can be an area of relative opportunity, but it is also a difficult place to secure a living. Fundamental to survival is the capacity to earn an income, as money is the means by which all services are obtained except in the IDP camps. A Household Livelihood Security approach focuses on economic opportunities, with a strategy that typically include a mix of credit, savings and business development services. The LURE1 project demonstrated that it was possible to improve household livelihood security through providing access to credit to households that were already engaged in relatively successful economic activity. Less success was found in providing credit to the really poor.

The formal economy is unable to provide sufficient work opportunities and it is the informal economy that is enabling families to survive. However, the urban poor are forced to trade from over-crowded markets and are precluded by antiquated planning legislation from accessing the more prosperous trading places. The local administration has no role in promoting an environment in which the informal economy can flourish. It became increasingly apparent that while micro-finance activities help to improve incomes there are structural factors that impede economic activities:

- Badly located market places with poor environmental health.

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- An oil orientated economy with few linkages to the informal economy.
- Low education and skills levels.
- An unhelpful legal framework with bureaucratic regulation and old inappropriate colonial laws.
- A tax regime that punishes local production and promotes imports.

The LURE project has played a large role in transforming an *ad hoc* network of micro credit practitioners into a small enterprise development forum promoting the interests of small and medium enterprises. The Forum looks into best practice in lending and facilitates a dialogue between the state and small enterprises to ensure that barriers to economic activities are minimized. A focus has been placed on improving markets through creating systems to ensure that levies charged help to improve trading conditions. In addition, the legal framework does not recognize street trading and traders are often harassed with their goods being confiscated. Discussions have occurred with the police to ensure a better understanding between the police and traders. The project works closely with the local authority to engage stakeholders in the formation and promotion of local economic development strategies that facilitate access by the poor to the mainstream economy and that promote economic diversification.

### Environmental health

With the growth of the urban population has come the inevitable problem of increased pressure on existing infrastructure, with very little expenditure on expansion, maintenance and repair. The health problems associated with a lack of clean drinking water and sanitation and with uncollected solid waste are clear. At any given time, close to half the urban population is suffering from one or more diseases associated with a lack of urban infrastructure, the most deadly being malaria.

Given that Angola is an oil producing country and that Luanda was not directly in the war zone, it is hard to understand why the city should have such totally sub standard urban services. Undoubtedly the decades of war offer a partial explanation. However one needs to look at the broader question of a lack of good governance to find a stronger explanation. Some 150 years ago, European and American cities faced similar

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problems to those that the South faces today. However a revolution in public sanitation occurred, with cities investing heavily in housing, water, sewerage and drainage facilities. These changes happened because wealthy residents could not escape the effects of unhealthy living conditions. By the time urbanization began to affect the South, technological advances enabled the wealthier residents to protect themselves from diseases and access private services. Advances in medicine, portable electricity generators, water pumps, water filters, bottled water, vacuum trucks, air-conditioning all enabled households to adequately protect themselves, undermining the impetus for change. Simply put over time the economic elites have isolated themselves into privatized neighbourhoods.

However, more recently, greater prosperity with an estimated 140,000 middle class households together with a freer press has resulted in an acknowledged need to improve infrastructure and services. To this end a new city to the south is being built and the old city rehabilitated. However, the emerging vision does not include the urban poor. Plans for services and area upgrading do not exist in the low-income residential areas. The official position is that such areas are temporary and receive only emergency services. Hence the majority of the urban poor receive water via a tanker truck system. Private water tankers fetch water from the river or from a Giraffe (name given to a tall water point that fills tanker trucks). These tankers sell the water in bulk to households who have invested in ground tanks. Neighbouring households purchase water (at high cost) from the ground tank owner. The scale of neglect is exemplified by a recent water plan for Luanda which envisages laying new conduits past existing settled communities to service the new developments to the south of the city for higher-income families. The conduit passes 150,000 people without water but there is no provision other than a Giraffe in this low-income settlement. This plan is premised on unorganized and weak civil society.

LURE1 was concerned that community groups participated in project activities and used a range of tools and techniques to this end. But this proved to be insufficient and more active negotiation was required. Negotiated development depends on the capacity of local organizations to represent and report back to a constituency or interest group. This would mean working with city level grassroots social movements (developed or



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embryonic) in addition to local NGOs. Such urban community based movements are increasingly recognized and are growing in strength and confidence throughout the Americas, Asia and Africa. In South Africa the Homeless People's Federation network the homeless and landless, and have demonstrated that with an enabling environment the poor can house themselves more appropriately than waiting for the state.

Hence LURE2 sought to go beyond groups such as community water management committees to address non-democratic practice and exclusion. The LURE project has facilitated the formation of area-based residents organizations (ABO) which include children, youth, women, and men, disabled and old people as well as those working with churches, schools and other local organizations. The primary objective of an ABO is to develop a community plan and a future vision. The ABOs are federated to create an urban human settlement social movement premised on inclusion in the future city. Their credibility depends on the activities and quality of engagement with the broader community. The key function (for LURE) is to link the implementation of the local plan with the administration whilst protecting its integrity.

### The Municipality of Kilamba Kiaxi

The CARE LURE project as part of the Luanda Urban Poverty Program operates within the Municipality of Kilamba Kiaxi. Kilamba Kiaxi is one of the nine municipalities that make up the province of Luanda. Its 66km<sup>2</sup> is further divided into six territorial communal divisions: Havemos de Voltar, Golfe, Vila Estoril, Palanca, Neves Bendinha and Camama. Administratively each commune includes *quarterões* of varying size. A local administration (appointed by the provincial governor) administers each municipality. Municipal and Communa Administrators have no policy making or revenue raising mandates but administer the state at the lowest level (mainly around land allocation and development control).

Prior to independence in 1975, the area today known as Kilamba Kiaxi was a low-density mixture of four different land uses (industry, non-Portuguese worker housing, a golf course and Portuguese owned agricultural smallholdings). Kilamba Kiaxi is named after

the Nome de Guerra of the first president of Angola, Agostinho Neto and is where the armed struggle against Portuguese colonial rule was started. Today an estimated 500,000 people live in Kilamba Kiayi predominantly in unplanned under-serviced areas. Some 57 per cent of the population have lived there for less than 10 years.

The following information has been gathered from both official and NGO sources, from the years between 1999 and 2003, to provide an impression of the settlement. The average household size is seven; however, households of up to 14 members are common. Most households include a single adult or a couple living with their own children with related adults and children. Nearly a third of households (27.5 per cent<sup>1</sup>) are led by women as a result of either war or divorce<sup>2</sup>. Some 39 per cent<sup>3</sup> of the population is under 15 years of age, of which 27,000 do not attend school.

Fifty nine per cent of households own the house they live in. This reflects the fact that families generally build their own houses, although without secure tenure of the land. Some 21 per cent rent accommodation in outbuildings and 16 per cent live with family or friends without paying rent. Some 40 per cent of houses in Kilamba Kiayi have only one bedroom and most are un-plastered cement blocks.

**[Photograph 1: Caption: Housing in Kilamba Kiayi]**

Water is scarce and expensive. Access and price depend on relative proximity to a water tank or water point. Two thirds of the population are served by the water tanker system. A further one third living in Palanca are served by communal water taps. Households who own a water tank can buy water in bulk from a truck tanker pay US\$27 per 5,000 litres. Others buy small amounts from the private ground tanks and pay US\$8 per 1,000 litres. Households served by a communal water tap are paying US\$3 per 1,000 litres. Twenty eight per cent of households have a private latrine. More than half (58 per cent) of households share latrines with 6 per cent sharing with more than four families. Some 14 per cent of households do not use latrines and commonly defecate out in the open or dispose of the waste directly on the rubbish dumps.<sup>4</sup>

Only 1 per cent of households have access to the electricity supply grid. Most houses that have potential access are not connected as a contract costs US\$200 to connect and

households are liable for monthly bills. Even for those who pay there are regular power cuts. A majority that have electricity gain access either by pirating from the nearest grid or by linking to a generator.

Only 11 per cent of households deposit waste in the appropriate containers. Some 36 per cent of households either bury their rubbish on site or burn the rubbish on the roadside. A staggering 53 per cent of households simply deposit household rubbish within 200 meters of the house most commonly in a public drain.<sup>5</sup> There is little wastewater drainage and vast areas of clay soil. Water stagnates and mixes with rubbish causing massive public health issues.

Most households (64 per cent) have only two meals and 7 per cent have only a single meal per day.<sup>6</sup> Typically a household diet consists of bread, white rice or *funge* (cornmeal porridge) with tea, occasionally topped with cassava leaves (cooked without oil) beans and fish sardines. Meat is seldom eaten except on special occasions.

### Wealth ranking

In the LURE baseline survey of 1999, community members were asked to build a wealth ranking of households against a community definition of wealth and poverty. Five profiles were created as follows:

**Rich.** One or two children, three meals a day, able to support at least four non nuclear family dependants. Staple diet including imported food, cheese and meat, access to overseas and tertiary education. No children out of school, at least one house, one business premises, a motor vehicle, and full range of household appliances. Formal sector employment, more than US\$600 monthly income. Private house with tiled roof, water tank, courtyard and electricity supply, at least three bedrooms. Access to formal banking services, and savings of more than US\$50 a month.

**Not Very Rich.** Three or four children, two or three meals a day, able to support 3-4 non nuclear family dependants. Diet of *funge*, pasta with fried fish, chicken, cooked rice and beans, tea, bread, margarine, milk, rice, big sea fish, eggs, wine. Access to secondary

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education, no children out of school. House, land without title deed, small business infrastructure, savings accounts. Formal employment, rural/urban remittance, local informal whole sale businesses, US\$200-400 monthly income. Formal blockhouse, tin roof, water tank, on site latrine, 4-6 rooms, wall fence. Private or rented, 2-3 bedroom house. Access to intermediate financial institutions loan, access to community safety nets, and savings of US\$20-50 per month

**Less poor.** Four or five children, 1-2 meals a day, able to support 2-3 non nuclear family dependants. Staple diet of *funge*, pasta with fried fish, chicken, cooked rice and beans, local food and tinned food, tea, bread, margarine. Children educated up to junior secondary level, 1-2 children out of school. House, land without title deed, essential household appliances and equipment. Informal trade, low-income job, US\$50-100 monthly income. Cement block house, wood, tin roof, 2-4 rooms, without latrine, 1-2 bedrooms. Access to social welfare credit schemes, and savings of US\$10-20 a month.

**Poor.** Five or six children, one meal a day, able to support 1-2 non nuclear family dependants. Diet of *funge*, pasta with fried fish, cooked rice and beans, local food and tinned food. 1-2 children in basic education, 3-4 children out of school. Land without title deed, rented house of wood or cement with tin roof, 1-2 rooms, no latrine. Access to family loan, employment in retail market and home based selling, income between US\$10 and US\$50, and savings less than US\$10.

**Hardcore Poor.** Six or more children, one meal every two days, able to support no non nuclear family dependants. Staple diet of *funge*, pasta with small fish, sweet potatoes leaves, cooked rice. Children not at school or at neighbourhood informal classes. No fixed assets. Work as street vendors, daily piece work. House has mud walls with canvas or plastic sheet roof, no latrine, no rent payable in informal settlement area. Income up to US\$10 a month, and no savings

On the basis of these definitions, a study of 135 households revealed that some 58 per cent of households were defined as less poor, 31 per cent as poor and 10 per cent as hard-core poor. Only 1 per cent of households were defined as rich. This survey

is flawed by the under representation of the richer households and more realistically close to 10 per cent of households would classify as rich.

The focal group discussions on the underlying causes for urban poverty identified four sets of problems: weak civil society, poor governance, poor quality and quantity of social and physical infrastructure, and low household income. It is clear that the four underlying causes of urban poverty are highly interrelated and that effective strategies are needed that address all four, and that such strategies are only likely once a greater understanding of urban poverty is popularized. This growing conceptualization of the integrated nature of urban poverty fed into the dynamic of creating a mechanism for multi-stakeholder dialogue around issues of urban poverty, and the capacity building of both government and civil society stakeholders.

### **Children**

From focus group discussions with children it is clear that while some get three meals a day, most children only get two or a single meal a day. Many children complain that they do not get enough to eat. Children have to spend a great deal of the day collecting water. Even in areas where there is a basic water supply children wake up at 6 a.m. to collect water. Many children complain that they have few clothes and few of the children have toys of any sort. Many work to support themselves and the family. Commonly they sell goods on the streets, polish shoes and wash cars to raise the funds to attend school and to buy other needs. The children explain that their parents work but do not receive enough money to cover the household expenses.

Children complain that there are no spaces for them to play and when they do find places they are often dangerous due to traffic and other environmental health considerations, principally stagnant water and waste. Physical insecurity is a major problem, as children are vulnerable to others stealing their shoes, school bags and/or other goods.

Many of the children have no documents to prove their birth and identity and are therefore unable to attend either government or government recognized private schools. They are forced to attend badly resourced unrecognized institutions with little or no

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capacity to teach anything other than reading and writing. Children born in the provinces and forced to flee due to war are the most affected.

### **Youth**

Most male and female youth only study to basic level education because of school fees. Very few youth are fully supported by their parents and pressure to contribute to family expenses is great. Some learn practical skills such as small trade, mechanics, masons, electricians but success stories are few. The biggest barrier they confront is the financial means to develop income-generating activities. The vast majority work as daily manual labourers or sell goods at the road side to help cover their subsistence costs. By far the biggest priority identified by the youth is employment, followed by education and recreation facilities including football fields.

### **Women**

Formal sector employment is scarce and men secure what is available. Four out of every five women work in the informal economy. Women and girls are increasingly the household primary breadwinners and work longer hours than men, on average over 12 hours a day. Their busy daily schedules impose constraints on childcare, well-being and other domestic responsibilities. As most men are not employed, women and girls carry disproportionate responsibility for income generation in many families. They are involved in all types of businesses particularly buying and selling, and food preparation.

### **Older people**

Most older people are displaced and living with their children or relatives. However many request help to enable them to return to their place of origin. They complain of non-payment of pension and are concerned about medical treatment, nutrition, clothing and housing conditions. A majority eat only twice a day. There are no organizations that help them and they depend on families that are already poor. Earning money is a major challenge. Older people might have the capacity to be active but do not have resources to purchase the materials they need. Older women frequently sell goods in the markets but earnings are low. The older people complain that in the provinces there were organizations to help them but in Luanda there is none.

## **Disabled**

The bad access roads are a major problem to disabled people. Many disabled people do not have basic equipment such as wheelchairs. Other family members generally support them, but there is strong pressure to contribute to the household. No one is prepared to employ a disabled person. They receive no support from the state nor from other organizations.

The LURE project: partnerships and governance

## **Building a culture of engagement**

Whilst it would be tempting to ignore local government, the evidence suggests that communities without effective local government support are unable to progress beyond limited initiatives. Key roles and responsibilities are reserved for the state and accessed through the local administration. Without the necessary official cooperation it is almost impossible to achieve results as LURE1 found. For example, a proposed market for disabled people was abandoned because it took more than a year to have land allocated; when land was finally allocated, it was unsuitable for the disabled.

Within Luanda there is administrative decentralization with a limited devolution of powers. There are nine municipal administrations and the provincial government makes decisions on budgeting and investments. Urban local administrations remain dependent on the provincial government for their revenues. The provincial government dominates the management of the urban sector and there is no urban coordinating authority. Different ministries and about 20 state-related executing agencies divisions have important responsibilities for the urban sector leading to coordination difficulties. There are other, generally isolated, initiatives by public companies, the private sector, NGOs and the churches.

Few projects are conceived in an integrated way. Local communities pirate water and electricity creating environmental hazards and threatening the financial viability of the

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service provider. Waste removal initiatives may create even bigger environmental health problems when communities dump rubbish at a central point without transfer to the waste dump. Conflicts occur when houses are destroyed as higher order plans override local level land rights. Both community and state need to recognize their inter-dependency if poverty is to be addressed. No single entity working in isolation has the resources and capacity to reduce poverty and local initiatives need to be linked municipal, provincial and national plans.

LURE has sought to make the local administration more effective and legitimate, whilst improving coordination between provincial and local administration departments. The project identified the need for a municipal level development forum to strengthen permanent dialogue between the stakeholders and in September 2001 the Kilamba Kiayi Development Forum (KKDF) was launched. The Forum has endeavoured to meet every six weeks with both government officials and community participation. In the context of a society emerging from centralized rule and civil war, the Forum is a visible sign that it is indeed possible to institutionalize a constructive public community dialogue. The Forum aims to build a culture of engagement between the community and the government, and in so doing help to overcome some of the legitimacy problems associated with appointed administrations.

As can be expected the Forum has had difficulties. Prolonged poor governance and human rights violations have fuelled deep mistrust between the community and the state. At an early stage Forum was suspected to be an attempt by UNITA to gain control of a local constituency. While community organizations supported the Forum from the beginning, government officials backed off after the official launch when no clear endorsement from the top was received. However, even though local officials withdrew, a number of high profile government officials independently backed the process. As the Forum grew and as practical problems were debated, politicians and government officials began to attend. After the eighth session, with the realization of peace, a notable turn around started to occur with the increasing participation of government officials including national politicians.



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One notable decision was a consensus that communities must pay a reasonable service charge for urban services if they wish to achieve a healthy environment. Another was a task team set up to investigate the establishment of a community waste removal company. A further milestone was reached when EPAL (the provincial water authority) presented its water distribution plan and community members discovered for the first time the hard realities of municipal finances. Up until then all communication had simply been public announcements via the national radio and newspaper. It was arguably the first time that a public service was held accountable to an independent community meeting in Angola. Others discussed issues included HIV/AIDS (with the Ministry of Health), land tenure and disarmament.

Forums are not ideal for more detailed work and two permanent standing committees (social and physical) meet every two weeks. The standing committees are elected at the KKDF and report back to it. Thus for example to address issues of waste removal a standing committee met and this led to the formation of a joint community/public waste removal service. The community guard waste in the yard and pays a tractor to take it to the dump. At the Forum community representative's report back on the service and corrective action is then referred back to the standing committee. By actively participating the local authority begins to develop the legitimacy it needs to be effective. The community members also become more involved in the development process and begin to understand the complexity of local governance.

With the emergence of an alternative vision, channels of communication are needed to formulate a consensus vision for the city. Increasingly urban planning is not about structure plans and blue prints but more about processes aimed at developing a shared future vision for a city to which all contribute and from which one cannot be isolated. To this end the Forum starts to demonstrate how genuine engagement can occur not only between government and the community but also between different vested interests within and between communities. These engagements are in sharp contrast to the elites that assemble in Luanda at intermittent talk shops to bemoan the state of the city.

### **Building internal capacity**

While it is important to promote a culture of engagement between the local state and communities the very process is undermined by the practical incapacity of the local state to be an effective partner. With this objective the LURE2 project allocated a team to work directly with local government counterparts inside the local administration. While the overall responsibility of the local administration is varied, the project focuses on two key aspects: participatory governance and community services, and participatory urban planning. Even for countries that have not been through the same historical context as Angola, the issue of participatory governance is problematic. Participation is time consuming and fraught with difficulties. In Angola the tendency of civil servants is to be accountable to the management level above them. Participatory governance requires a shift of culture both within the state and the community at large. In this context a growing frustration is evident as grass root organizations efforts to improve their situation are thwarted by bureaucracies' bent on maintaining control rather than creating enabling environments that encourage popular participation.

The principal objective of LURE in linking participatory governance and urban services is to ensure that the urban services provided by the local state are appropriate, affordable and sustainable. In a world in which public sector resources are heavily constrained, there are pressures to improve financial performance and to increase 'value for money'. The need to strike the balance between level of service and affordability gives rise to the need for participatory consultations to understand household affordability and service needs. There is also a need to exchange experiences, and examine innovative practices in governance and service delivery. Urban services can no longer be seen as the role of the state with communities as passive recipients. Rather participatory governance starts from the premise of partnership and the sharing of roles and responsibilities. Closely linked to the issue of participatory governance is that of participatory planning.

In Angola, planning to facilitate land development and urban growth does not exist. The provincial government has largely retained the responsibility for the preparation and execution of development projects, leaving the local municipalities with minor implementation responsibilities. The plans are highly inflexible, do not reflect economic

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and financial realities, and poorly linked to the aspirations and capacities of urban local bodies. Consequently there is very little sense of municipal and popular ownership of (or knowledge about) these plans. This lack of clear policy and institutional arrangements is resulting in institutional demoralization, decreasing environmental quality and growing conflict and evictions. Five intertwined processes have jointly served to undermine the system. First, the rate of urbanization has far exceeded the capacity of the system to plan, implement and settle. Second, development controls require substantial unaffordable additional costs. Third, low wages and demoralized bureaucracies have resulted in massive corruption. Fourth, land markets are unable to provide affordable well-located land to the urban poor, resulting in land invasions. And fifth, urban planners cannot manage the increasingly politized processes. As a result there is typically little relationship between reality on the ground and physical land use plans. If poor people are to be included in the city then they must access the planning process. The urban poor need to formulate a vision of the future and to negotiate the vision with other important interests. LURE2 is based on the premise that the needs of the poor and the needs of a future modern globally competitive city are not mutually exclusive. By creating the engagement mechanisms, it should be possible to find space for all and to adequately mitigate against negative externalities.

### Impact of interventions on urban livelihoods

In the DFID KAR sponsored study, three key research questions have been examined:

- The impact of investment in physical infrastructure on household economic activities.
- The impact of improved household economic activities on physical infrastructure.
- The impact of governance on physical infrastructure and economic activity.

Key research questions	Research hypothesis	Baselines	Project Outputs	Findings	Positive Outcomes
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Impact of physical capital on economic activities	That small economic activities and enterprise development directly benefit from investment in infrastructure enhancement.	1. Access to and consumption of water. 2. Barriers to physical access.	1. Water supply investment. 2. Road upgrading / access improvement.	1. Quantity and cost of average HH water consumption in project and in control area; 2. Road traffic prior and post construction work; 3. Number of road side business activities	1. Increased HH savings (time and cost) 2. Increased economic opportunity through increased traffic.
Impact of economic capital on infrastructures and neighbourhood	That financial services targeting poor economically active people increases investment into housing and enhances business facilities of micro /small entrepreneurs.	1. Access and level of HH finances;	1. Micro finance and small enterprise development program providing long term access to low cost financial services;	1. Main source of local finances and income in project and in the control area, 2. Housing infrastructure and business premises building with the support of micro finance activities;	1.1 Improved Household livelihood poverty profile (income, expenditure) 1.2 Household physical assets enhancement (credit,

					saving, BDS)
Incorporated impact of governance on both physical and economic capital	That the quantity and quality of HH investments into housing, is directly linked to issues of governance (land tenure, production system and political responsibilities, corruption etc)	1. Power of local government to implement local infrastructure strategies; 2. Existence of civil society organizations	1. Public and public/private partnership investments into basic services in poor urban settlements; 2. Collaborative. community/public initiatives for infrastructure enhancement	1. Public /community initiative and partnership for basic services; 2. Policy and administrative barriers to doing businesses.	1. Deterioration of household living conditions standards 2. Increase of aggregated Gross Production

As part of the capacity building initiative of the LURE project, project partners were actively involved in all stages of the research process from questionnaire design, information collection, data input and analysis. A group of 30 including members from the area-based organizations<sup>7</sup>, local NGOs and staff local administration staff were trained by the Kilamba Kiaxi based Information Management Institute in how to collect information, input data using SPSS<sup>8</sup> and analyse the findings. The information presented in this study has been gathered through a series of 115 focus groups in 21 areas within three communes (including children, women, men, aged, disabled and youth), meetings with key informants and field surveys.

### Defining the sample and the control area

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The hypotheses were examined through 400 households in 21 project intervention zones and 3 control areas. Those interviewed included micro finance clients, common residents and residents along two main roads of Kilamba Kiaxi.

<b>Hypothesis</b>	<b>1:</b>	<b>2: Finance</b>	<b>3: Good</b>	<b>Row</b>
Data collection	Infrastructure investment improves household economic security	enhances household physical assets	governance - a catalyst physical and economic development	totals
Baseline survey in control areas	Households residents in a zone without a water reticulation system (Golfe 2) 100 randomized	Household livelihood assessment prior to micro finance. 100 randomized		200 households
Impact assessment in project areas	Household's resident in a zone with a water reticulation system (Palanca). 100 randomized	Households micro finance participants. 100 randomized	Micro finance clients affected by market closure. 29 households	229 households
<b>Column totals</b>	<b>200 households</b>	<b>200 households</b>	<b>29 households</b>	<b>429 households</b>

Investment in road and bridge building

The Sapu area south west of Kilamba Kiaxi is the most expansive bairro of the municipality. Prior to independence in 1975 Sapu was a huge Portuguese owned cattle ranch and completely outside of any vision of an urban future. At independence the land was abandoned. During the cold war the Cubans stationed in Angola used a road in the area extensively to move armoured tanks to strategic positions. The tanks caused major damage to the road surface. The road provided access to land that was quickly settled as households took refuge from the growing war. The area had the added advantage of a water supply, which was destroyed as people settled on top of the water lines and illegally connected without the appropriate materials. As a result of the collapse of the piped water system, people were forced to buy water from the privately owned water tankers. Deforestation and continued unplanned settlement had a dramatic impact on the drainage patterns of the area and the force of storm water eventually dissected the road. The area became difficult to access and subject to flooding making access to public transport and tanker water supply difficult.

Through participatory planning exercises conducted in 2000, the community identified the need to improve access. A small bridge was designed and built by CARE Angola based on a 1 meter diameter pipe to enable the storm water to pass through however the bridge was destroyed by floodwater. The investment needed was significantly greater than project resources. The problem was compounded by the floodwaters dissecting the road in a further two places and hence three bridges were needed.

The project control area is a road within Kilamba Kiaxi, known as Rua B. The road is a major connecting road between the main national road (Estrade de Catate) and the centre of Kilamba Kiaxi. During the rainy season the road becomes impassable; local businesses lose customers and children suffer as they are unable to access common water points. Officials within the Provincial Government claim that there is a plan for the road to be upgraded but as yet no funds have been allocated.

### **Hypothesis 3: Good governance - a catalyst of physical and economic development**

The LURE project works closely with the Municipal administration of Kilamba Kiaxi. The administration has no devolved powers that relate to road construction or maintenance. In order to find a solution the Lure project investigated possible synergies between the state bridge building company (Empressa Nacional de Pontes or ENP), the local

administration, the community and CARE. The initial response was that ENP could only work with the agreement of national or provincial government as they implement projects financed by central government. When provincial government was approached they stated clearly that they had no plans for the area and were unlikely to have in the near to medium future. The problem remained that at a local level and at a provincial and national level it was of very low priority. Given that the local administration has no devolved powers to raise revenues implementation seemed unlikely.

The only possible solution was to link the different agencies together. ENP had technical staff and heavy-duty machinery sitting idle. CARE was willing to pay operational costs and provide basic building materials. ENP would provide at no cost to the project technical skills, heavy machinery, site security and a subsidized cost on the construction of heavy metal culverts. The community offered unpaid unskilled manual labour for the cleaning out of the natural drains. The local government negotiated the legal permission to proceed from the relevant national authorities. This represented one of the first (if not the first) cross sector development partnerships within Angola.

In total the LURE project invested US\$57,000 in the construction of the three bridges. The true value of the ENP contribution has been difficult to calculate. However a proxy is offered by a number of private sector estimates for the construction of the three bridges. The lowest quote received was valued at US\$400,000 with the highest approaching a million dollars. While these quotes reflect the blatant profiteering associated with construction in Angola, it is clear that the value of the ENP contribution is substantial. On the basis of four heavy machines being used for 42 days at a conservative market rate of US\$400 per machine per day the ENP's contribution can be estimated at US\$67,200. Three hundred days were invested by the community into the project valued at US\$5 per day giving a value of US\$1,500. Thus the total direct cost of the three bridges is estimated at US\$125,700.

### **Hypothesis 1: Infrastructure investment improves household economic security**

The question arises as to what were the impacts at a household economic security. Prior to completion of the construction of the bridges in December 2002 a base line was conducted and a follow up impact assessment was conducted in July 2004. The key



indicators chosen to measure impact were economic activities adjacent to the road, road traffic including water tankers, and the number of residents.

Finding 1: Increased vehicle access

Prior to the construction work, the area could always be accessed through circuitous routes. An assessment of road traffic conducted before the road repair indicated that an average of 126 different vehicles (not trips) a day served the area. Notably no mini bus taxis were counted. These taxis are the backbone of the public transport system in Luanda. Since the construction of the road, vehicle access to the area has increased by 52 vehicles giving an average of 188 different vehicles a day. The area is now served by 33 mini bus taxis making numerous daily trips.

A key motivation was to improve access to water tankers. The study found that there has been a 23 per cent drop in the number of water tankers serving the area for two major reasons. Easier access has enabled households to access the substantially cheaper public water points that are located on the periphery of the area and this has resulted in a massive increase in the number of traditional hand pushed water carriers. Secondly larger more efficient water tankers now have access to the area. We conclude that the road has given households greater access to cheaper water and allows household to decrease cost for water consumption and thus save money.

The control assessment on Rua B with some 1,470 residents revealed that the road continues to carry relatively low traffic (105 vehicles per day) and has not noticeably increased over time.

Finding 2: Created economic opportunities

Prior to the opening of the road, 10 enterprises were identified along the road located at the points of intersection where the circuitous detours linked back onto the road. Of these 7 had been in business for more than two years and business development in the area has been slow.

After two years of improved access, 44 new income generation activities have been identified along the road. All the ten existent enterprises have invested substantially in their business premises transforming informal structures into more formalized

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businesses. With relatively more dwellers (1,470 inhabitants), Rua B has fewer small businesses located along the road with only 30 small businesses and 1 large wholesale shop at the point of intersection with the main tar road of Palanca.

A detailed participatory exercise conducted by Lure amongst households with income generating activities found that the average daily income of the small businesses in Kilamba Kiayi is around US\$9. The new businesses along the road generated some US\$124,080 per annum in total additional income, in one year this is nearly equal to the costs of the total investment.

### Finding 3: Improved spatial form

The road is becoming an activity corridor increasing the popularity of the area. There is a notable increase in the number of houses that are renting out space, with income benefits for these landlords. There has also been an increase in family and friends living without paying rent with household size increasing from five to six members, and a total increase of 13 per cent in the population residing along the road.

The construction and rehabilitation of the bridges on Coronel Ivadi begins to demonstrate that through spatial planning it is possible to open up economic opportunities and to spatially rationalize the city.

### Investment in water reticulation

Two types of water system characterize the *musseques* of Luanda. The first is managed by the provincial water authorities and serves the public through multi tap water-points linked to a piped water network. The second system is managed by the private sector and supplies water in bulk to retailers via large water tanker trucks. Four key factors were investigated: time spent collecting water, cost, quality and quantity of water, and who collects the water

The study area is the commune of Palanca (70,000 residents or 11,660 households) there are no house to house connections. Investment into water projects was undertaken via a public private partnership between the provincial public water company (EPAL) and a Brazilian construction company. Fifteen water points were built an average of 385

meters apart. A major constraint is that they are only opened at 7 a.m. and close at 5:30 p.m.; this causes inconvenience and sometimes conflict.

For decades, the commune of Golfe 2 has been served by water tankers and no-one has ever publicly questioned the lack of urban infrastructure investment in the area. As part of the project planning process, the communities living in Golfe 2 identified improved water supply as the major priority. This commune was used as a control area to investigate access and cost of water. Families spend a daily average of 1 hour and 27 minutes<sup>9</sup> collecting water with an average water consumption for a family is 97.5 litres of water per day. In these areas the average cost of daily water consumption per household is US\$0.65. Thirty per cent of the people collecting water are unaccompanied children and youth, a further 22 per cent are women. Most typically a mother and her children will collect water together (38 per cent of the cases). The most common source of water is a private water tank with 88 per cent of households using this source. Some 7 per cent collect water from a private water tap, paying the owner. A few collect stagnant storm water or walk the long distance to the closest public water point.

### **Hypothesis 3: Good Governance - a catalyst of physical and economic development**

The ABOs discussed the possibility of connecting into the new pipeline that passes through the area. The initial response by EPAL was that there was no plan to supply Golfe 2; furthermore there was no capacity to supply both the middle income Greenfield site and the needs of Golfe 2. However, faced with an organized community, EPAL agreed that it would be unfair not to enable the community to connect. A hydrology study was undertaken and a 15 water point system designed. The ABO working directly with the local authority identified and negotiated the land required to build the public water points, and began to work out how the water points would be managed. The ABOs help to ensure greater responsiveness by the authorities to the needs of communities, and provide an institutional mechanism to transfer the complex issues of management of the public water points to the community level.

## **Hypothesis 1: Infrastructure investment improves household economic security**

### Finding 1: Investment in water infrastructure reduces cost to user

The average time spent collecting water at a public water-point is 31 minutes. The average water consumption per household is 150 litres reflecting a 54 per cent increase in water quantity. The average daily cost of water per household is US\$0.45 (0.25 Kwanza per litre).

Households using a piped public water system based on average 385 meters apart and open for 8 hours a day make a saving of US\$0.20 per 100 litres per day or US\$6 per month. This saving would be increased if there were more water points and longer opening hours. In a context where children do not attend school for lack of payment of school fees, this constitutes a significant saving. This would imply a policy decision to extend the water network and increase hours through a community-managed approach. However there are very strong economic interests attached to the trucking of water and the onward selling of water that also need to be considered.

### Finding 2: Time management of water points has strong gender implications

The opening hours of the public water point have an impact on women involved in economic activities. With the water tank system, women have longer hours enabling them to both work and collect water. At the water point, women have to use valuable work time to collect water. This has led to a increase in male participation in water collection. Other than the small number of men (1 per cent) who are paid to collect water there is a 6 per cent increase in men collecting water. However women and children (30 per cent) continue to be the main bearers of this burden.

### Finding 3: Water supply needs to be part of an integrated plan

A water point should be seen as a community asset and remains high on the community priority list. However, experience has shown that the water tanker system is more dispersed and has limited wastage whilst the water point system water usage is highly concentrated with a great deal of wastage and a greater risk of flooding. Hence water points have greater risks of road deterioration and poor health due to stagnant water.

Micro-finance services

The Lure project has been facilitating access to a number of financial services including micro-credit, community based savings and business development services. Do these activities have a positive impact on household livelihood and an impact on the physical upgrading of human settlements?

### **Hypothesis 2: Financial services enhance investment in household fixed assets**

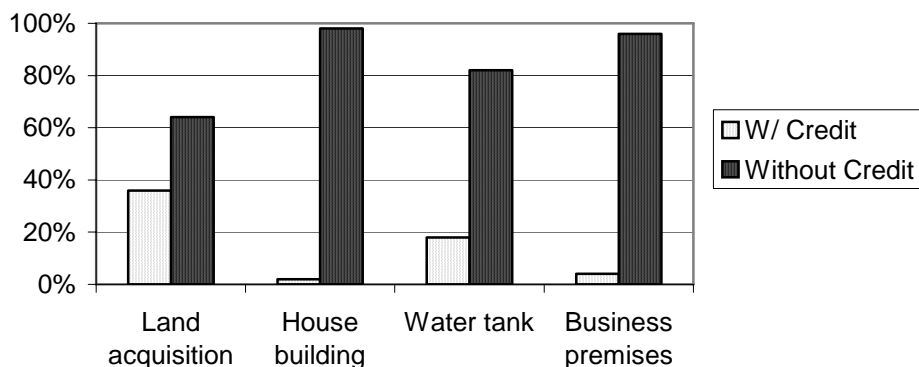
The results of the 2002 baseline survey indicated 95 per cent of head of households are either selling at the road edge or trading in the market. Some 74 per cent of households earn less than US\$50 per month while a further 22 per cent of households live on less than US\$100 a month. Only 4 per cent of households earn more than US\$100 a month. The average household income is \$47 per month. Only 12 per cent of households have an additional source of income most commonly renting a room (8 per cent) or additional part time work (4 per cent).

Some 25 per cent of households do not save. These households would typically not have access to any form of social service that requires payment. Some 56 per cent of households are saving between US\$1 to US\$50 per month. Of those who save, 34 per cent of households save at home by investing in products such as building blocks that retain value as a hedge against inflation. A further 30 per cent save money through the traditional *kixikila* ROSCA system. Only 8 per cent save at the bank and 2 per cent invest in stock for the household shop. The main source of credit is the traditional ROSCA and local money-lenders. A third of the sample reported to have used these sources for emergency loans.

### **Finding 1: Increased income results in a process of house and business premises upgrading**

Just under a third (31 per cent) of households benefited directly from short-term loans and the opportunity to acquire business skills with an average loan of US\$170. Monthly business profit of households increased from US\$47 to US\$75. After a year of exposure to financial and non financial services, the number of household owning their houses increased from 59 per cent to 74 per cent and a considerable number of the interviewees claimed to have invested in housing, infrastructure and land from income directly generated from loans. Very few used credit directly to improve housing except in the case of land acquisition (Figure 1).

Figure 1: Investments made with or without access to credit



A total of US\$28,000 was disbursed in credit. The resulting investment over the same period in land, housing and business infrastructure has been estimated at US\$48,000. This represents a substantial investment in fixed assets at a household level.

Finding 2: Increased savings has little impact on urban infrastructure or housing

While all project participants engage in mandatory savings to benefit from the project’s financial services there has been a dramatic increase in the number of households who are saving voluntarily over and above the mandatory amount. The number of households engaged in voluntary savings schemes increased from 75 per cent to 93 per cent, and the average monthly savings increased from US\$22 to US\$55. Most commonly savings are seen as a guard against illness, paying for special events or as a means of paying fees.

**Hypothesis 3: Good governance - a catalyst of physical and economic development**

While Angola is often defined as an oil economy, 80 per cent of households earn their living through the informal economy. Despite this, the state does not actively promote small enterprise. Underlining this policy is the state belief that the informal economy is the major factor discouraging people from returning to the areas of origin.

Finding: Poor policy undermines economic development

An impact survey conducted with 29 credit clients directly affected by the closure of two markets in Kilamba Kiaxi ordered by the provincial government revealed that a third of the credit clients were 100 per cent dependent on the market with no alternative

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selling places. Some 40 per cent arranged alternative selling places but had their monthly income reduced from US\$55 to US\$20. Children were forced out of school and fewer meals served. Households that were moving out of poverty were forced back in.

By developing a network (RASME)<sup>10</sup> of organizations involved in the micro enterprise sector a coherent response was possible. The network was able to raise the issue with the authorities and to demonstrate that the impact of closure goes beyond urban congestion and waste and negatively effects livelihoods which are in turn linked to the economic prosperity of the city. Today the network is recognized as the interface between the state and the small enterprise sector. This provides an opportunity to feed into pro-small enterprise policy formulation.

### Conclusion

The LURE project has been through a steep learning curve. It has effectively engaged both local government and urban communities. Through endeavours to increase household livelihood security as measured by practical indicators it became increasingly clear that households are part of a more complex urban system. If the system is efficient and effective, it has huge positive impacts on household livelihood security. The LURE project has maintained its focus on household livelihood security but enriched it by linking households with institutional actors that in time will provide a better enabling environment. The shift from a centralized and controlling state towards decentralized and facilitative government will provide for greater opportunities for all.

The results of our work illustrate the following conclusions.

Little household investment in the urban form will occur if civil society is weak and without a vision of the future. Civil society needs to be empowered to both understand its problems and to present a vision for the future. Without this vision, the state and other service providers set the agenda rather than responding to the needs of the community.

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The city will not develop and meet its challenges if the problem is continually perceived to be the size of the city rather than the failure to manage urbanization and growth. This raises the challenges of decentralization and the need to bring services closer to the community via mechanisms that enable accountability and transparency.

Sustainable urban infrastructure will only occur if infrastructure is linked to local economic development. Directly engaging with micro-enterprise activities including credit, savings and business development services is insufficient on its own to have a noticeable impact on the urban environment. It is important for the state to invest in the physical conditions for enterprise development such as business sites, markets, water, drainage, electricity and road access. This then feeds into the continuing viability of the service.

Households will continue to struggle against poverty unless the macro policy environment promotes micro enterprise and helps to eliminate all the obstacles that households face in developing viable small economic activities.

### LIST OF ABBREVIATIONS USED THIS CHAPTER

LURE Luanda Urban Rehabilitation and Enterprise project

DFID Department for International Development

HLS Household Livelihood Security

UNITA

MPLA

EPAL Provincial Water Authority

IDP Internally Displaced People

ABO Area-based Residents Organizations

NGO Non-Governmental Organization

KKDF Kilamba Kiaxi Development Forum

ENP Empresa Nacional de Pontes

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<sup>1</sup> Multiple indicator Survey 2003 (National Institute of statistics and UNICEF)

<sup>2</sup> Divorce is more an abandonment as the deserting spouse typically has no further financial obligations.

<sup>3</sup> Multiple indicator Survey 2003 (National Institute of statistics and UNICEF)

<sup>4</sup> LURE base line survey 1999



<sup>5</sup> LURE base line survey 1999

<sup>6</sup> LURE SEAD impact survey 2002.

<sup>7</sup> Area Based Organisations are residents committees that develop local plans and work closely with local government to promote the local plan.

<sup>8</sup> Statistical Package for the Social Sciences

<sup>9</sup> LURE Baseline survey prior to installation of water points in Golfe 2.

<sup>10</sup> Angolan Network for Micro Enterprise Sector.