Asia Housing Conference
Constructing and Financing Affordable Housing in Asia

Community-Led Housing Development

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Insecure and poor housing conditions cause problems of inequality, quality of life and health to a big number of poor people in the unhealthy social and physical environment living conditions in Asian cities.

Housing for all is one core element of SDGs.
The problems......

From existing top-down and market low income housing development

- No housing policy for all leaving mainly to private sectors
- More demand than supply for poor people housing and over supply in high income housing
- The poor cannot afford, no money, no loans
- No land for housing the poor, land is very expensive
- No finance for poor people housing
- Urban Poverty and violation of human rights
- Government have little knowledge about the poor
- The poor are not organized and not repaying
- No social structure, no community, only individualize housing
- Eviction cause an end to existing communities without new solutions
- Resettlements always too far
- Formal housing arrangement do not match with informal system
- More and faster rate migration than housing supply
- Centralized government, no proper policy
- Cities have less responsibilities and capacity
- The poor have no part....
Performance of The Main existing housing development Industry

Government top-down conventional public housing does not work well

- too slow
- too far, problems about transport and job opportunity
- Often go to wrong target groups
- corruptions
- expensive
- high subsidy
- too many rules
- project base approach
- no participation
- no community organization
- problems about maintenances
- mostly organized by central government organizations, the cities have little involvement so they are mostly free standing projects

Problems of existing predominant private real estate commercial sectors on low income housing

- Unaffordable
- Problems about standard, the cheaper the lower standard
- Individualize housing, no community
- Problems about maintenance
- Strict rules, not negotiable
- Cheaper projects are far away, problems about transport to city
- Low income rental housing are very small, expensive and unhealthy
- No security

30% of urban poorer population cannot reach these existing housing arrangement or take them with difficulties to maintain and rebuild their secure lives and communities
City needs people and labors but not sufficient affordable housing provided so people house themselves anywhere possible to survive, legal or illegal, hazardous to disasters or flooding, healthy or unhealthy with limited space to live.

When housing is illegal, everything tends to be illegal and insufficient, the worse environmental location the more possible place to live.
Why not people’s organized housing solutions?

- Why not support people to be active actors getting housing solutions at scale?

- So housing will also be more an organized social unit building urban communities as social roots in cities.

- Support people to start making change, organize as communities and search for diversified and secure housing solutions.

5 Key elements to organize proper community driven housing solutions despite being poor and unaffordable:

- Community organizations/networks/community building/collective effort and joint development, build stronger social unit, using more sweat.

- Securing/searching for possible land.

- Access to finance, Community finance, making finance possible, link with other finance/loans.

- Knowledge on how to do as a group for a planned settlements.

- Negotiation power, get support from relevant organizations.
Housing development by key actors in Thailand

<table>
<thead>
<tr>
<th>Very poor</th>
<th>low-income</th>
<th>Lower Middle income</th>
<th>Middle class/ Middle income</th>
<th>rich</th>
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CODI support housing projects, starts where the poor are, managed and owned by the urban poor community organizations.
The challenges to work on community-led housing development at scale on city-wide approach

- **Active demand-driven**: Support urban poor communities to be active actors and owner of projects
- **City-wide**: Make change at the real scale of the problems covering all poor communities to work as partners with city in joint development process
- **New finance system to support**: Building financial capacity building new active community finance and City Development Fund
- **Integrated and Holistic Approach**: Develop secure housing with integrated approach; better social, environment, economic, democratic, and healthy community owned and managed by community
Diagram showing relationship of CODI as Government window to support community-led housing development at national and cities scale

CODI provides grants and loans to communities directly; some refinance to the Government Housing Bank, repayment 97%

1. Providing a housing subsidy of about 2,500 US$/unit from annual fiscal budget
2. Providing revolving fund
3. Policy for Government Housing Bank to refinance the loans
4. Refinancing

Community housing projects
Com.Net work
Savings groups
Housing coops
Municipality and City Development Committee
Ministry of Social Development and Human Security
Banks
CODI
Public Organization
Manage 200US$ revolving Fund
Housing coops
Repaying to the bank
Grants and Wholesale loan from CODI to community cooperatives
Development of sub-group clusters in community organization’s own management

Roles of subgroups
• Group guarantee
• Help each other
• Collect repayment

Interest 4%
CODI Fund about 200 US$

CODI is Government Public Organization attached to Ministry of Social Development and Human Security

Community Cooperatives on lend to members using interest margin for community development, management and welfare

• subsidy of about 2,500 $ per family (for infra., housing, capacity building and coordination)
• The housing loans of about 10,000 $ ceiling/ fa.(av. 7,000 $/fa.)
CITYWIDE Surveys & Mapping

Survey and information gathering

Community mapping leading to community savings, network building, small upgrading activities

To support by community architects
City-wide Housing Development Approach getting cities and urban poor community organizations to work actively together
Develop active community finance

Saving people, saving money, saving group managerial capacity
And building community financial system for long term housing development
Participatory planning
Ruam Samakki Slum Reconstruction

Before

Before upgrading

After

After reconstruction

Before upgrading
Charoenchai Nimitmai Reblocking Upgrading Community

Location: Bangkok
Land Owner: Cooperative
Situation: Eviction
Area size: 0.7 ha.
No. of Units: 81
Improvement: Reblocking
Size: 40-100 m
Repayment: 1,100-2,000 baht (27-50 U$) per month

Before Upgrading

After Upgrading
RELOCATION: nearby / Single Community / Multi Communities
Land-sharing projects

Wat Lad Bua Khaow
60s families

Behind Manangkasila
200s families

Rama 4 800s families

Samyod 100s families.
Canal Community Housing Reconstruction Project 7,000+ families
Cooperatively Housing for Roomrenters

With new secure land and housing and community and it is cheaper than the rents！！！

Max. loan/unit about 10,000 USD, ave. loan about 6000-8000 USD
Active people participation, Work Together, build together Building new community together

The actual price reduce to half the normal construction cost and also build social capital
**Community Resilience**

Community Development Fund allowing community to develop and solve many possible poverty activities collectively

- Community Fund
- Community welfare
- Income generation activities
- Disaster prevention
- Social cultural activities
- Linking youth and elderly

Welfare house for elderly

Help each other When affected by disaster

Going beyond just making houses !!!

“Decent poor”

Income generation loans
Work with Government as an active organizations with well prepared plans from communities

Active participation and good collaborations with the local authority and development organizations

Upgrade positive political relationship and negotiation power leading to more collaborations and building partnership with relevant organizations
ACCA PROJECT IN 19 COUNTRIES 215 CITIES IN ASIA
Community people are actively planning to upgrade and changing slums to proper settlements. *The poor themselves are the best actors in planning their new lives*

Picture from ACCA Program implementing in cities around Asia 146 housing projects

*Picture from Myanmar, Vietnam, Fiji and Thailand*
ACHR/ACCA
Supports for 146 housing development projects in more than 10 countries
Just 40,000 USD/project contributions/city
Poor women organize community savings groups which link into a Women Community Savings network in Yangon and search for cheap possible land to be purchased and developed as their affordable housing projects, now total 11 projects with loans from Microfinance interest rates 24%/annum !!!

Housing projects by Women savings groups in Yangon Myanmar

Access to finance for the groups are the real key !!!!

Cost of original housing unit and loan about 2,000 USD repayment 60% cheaper than those one-room rental rooms

Cost of original housing unit and loan about 2,000 USD repayment 60% cheaper than those one-room rental rooms
## Positive results of Community led-housing

### Affordable
- No profit making, materials at real or cheaper price
- Secure, legal but incremental in relation to the reality of income and affordability
- Using community labour, collectively
- Negotiation for cheap possible options

### Building community
- No isolation, everybody is part of active system
- Having collective mechanism to help and work together
- Community as basic welfare unit

### Leading to more development to solve poverty
- Community fund to provide loans and financial needs linking and supporting family finance
- Income generation activities, Community welfare, children education, etc.,
- Community resilience

### Legitimate and active citizen
- Legitimacy to work and link with many other organizations and larger system as a whole
- Building participatory and active communities for local development
- Active citizen, active social roots of the city
Try bottom up approach!

The World has changed!

let people at big city scale be the active actors to make big change for their housing

We are ready!