Making centrally located, urban land available for housing the poor:
An experience on a pilot to test Land Law and Urban Social Land Concession in a secondary city in Cambodia

10th Annual Affordable Housing Projects
Kuala Lumpur, Malaysia
Bernadette Bolo-Duthy
Habitat for Humanity Cambodia
Global strategic goals and objectives for 2020

Seeking to put God’s love into action by addressing urgent housing needs in our communities, nations and world, Habitat for Humanity will be a partner and catalyst to:

**build Community Impact**
IMPROVE HOUSING CONDITIONS.
- Serve families through sustainable construction and housing support services.
- Leverage shelter as a catalyst for community transformation.
- Grow capacity to serve the most vulnerable, the disaster-affected and the urbanizing world.

Help 650,000 people annually improve their shelter situation.

**build Sector Impact**
PARTNER TO INCREASE SHELTER ACCESS.
- Support market approaches that increase products, services and financing for affordable housing.
- Promote policies and systems that advance access to adequate, affordable housing.

Create housing opportunities for 2.5 million people annually through market development and 25 million by 2020.

**build Societal Impact**
INSPIRE ACTION TO END POVERTY HOUSING.
- Serve as a leading voice in growing awareness of housing as a critical foundation for eliminating barriers to a better, healthier, more financially stable life.
- Mobilize volunteers as hearts, hands and voices for the cause of adequate, affordable housing.

Mobilize 2.5 million people annually to join the cause of affordable shelter.

**build a Sustainable Organization**
MOBILIZE RESOURCES AND STEWARD THEM FAITHFULLY.
- Fund the mission.
- Grow skills and leadership capabilities.
- Operate with excellence.
Technical support: to MFIs; labor market thru professionalizing construction skilled workers through technical vocational training; technical advise to real estate companies.
Introduction

By 2030, Cambodia’s urban population is expected to double: from 3M to 6M, or from 20% to 33%.

- GDP Growth rate: 7.2%
- Population: 15.8 M
- Poverty rate: 19% less than 1 USD/capita
- Share of the pop.: 73% under 3 USD/capita
- Urban population: 20%
- 55% of the urban population lives in slum housing, which equates to ~1.7 million people (UN-2016)
Introduction

Battambang Land Picture

- Cultivated Land, 23%
- Forest Land, 41%
- Wetland, 20%
- Open Land, 1%
- River and Lake, 1%
- Slum/Housing, 15%

We build strength, stability and self-reliance through shelter.
UNDERSTANDING AFFORDABLE HOUSING IN CAMBODIA: an urban perspective

Habitat for Humanity Cambodia
November 26-27, 2018
Growing urban population:
5.4 million urban residents, or 8 million people in Cambodian urban centers

Poverty:
7 of 10 Cambodian households earn less than US$1,000 a month
• Debt is twice the disposable income
• Loans are spent on daily consumption, not housing
Second highest ‘house price to income ratio’ in Asia
Only 1 in 10 can afford to purchase a home today (RGC)
Defining affordable housing

Cambodian affordable housing policy guidelines:

“affordable price refers to an appropriate pricing and installment plan in which the purchase of rental of the housing should not seriously affect families’ financial conditions […]” and should not represent more than 30% of households’ annual spending, while providing “comfort, hygiene and livable size”
Cambodian affordable housing policy guidelines:

- **US$15,000**: minimum threshold for affordable housing.
- **<20km**: location of new projects from city center.
- **30%**: of total household income does not include targets for supply of affordable housing.
- **US$360**: monthly income of a family with two minimum wage workers.
Housing market: Demand side

Urban Poor Households
< US$ 1100 annually (2IE)
< US$ 1700 annually (3IE)

Low-income households
< US$ 1,300 (2IE)
< US$ 1,900 (3IE)

Affordable housing price
US$ 3,099 (2IE)
US$ 4,648 (3IE)

Affordable housing price
US$ 3,920 (2IE)
US$ 5,880 (3IE)
Housing market: Demand side

Lower-middle income households
- < US$ 1500 per year (2IE)
- < US$ 3,300 per year (3IE)

Affordable housing price
- < US$ 4,380 (2IE)
- < US$ 9855 (3IE)

Middle-income households
- < US$ 2,900 per year (2IE)
- < US$ 7,700 per year (3IE)

Affordable housing price
- < US$ 8,760 (2IE)
- < US$ 22,995 (3IE)

Upper middle-income households
- < US$ 7300 per year (2IE)
- < US$ 16,500 per year (3IE)

Affordable housing price
- < US$ 21,900 (2IE)
- < US$ 49,725 (3IE)
<table>
<thead>
<tr>
<th>Cambodia Housing Policies</th>
<th>Affordable Housing Policy</th>
<th>National Housing Policy</th>
<th>Circular 03</th>
<th>Land Law</th>
</tr>
</thead>
<tbody>
<tr>
<td>Type of Policy</td>
<td>Supply side</td>
<td>Demand/Supply side</td>
<td>Supply side</td>
<td></td>
</tr>
<tr>
<td>Period</td>
<td>2016 in progress</td>
<td>2014</td>
<td>May 2010</td>
<td>2001</td>
</tr>
<tr>
<td>Policy Targets</td>
<td>Private sector</td>
<td>General people, especially low and medium income households and vulnerable groups</td>
<td>Legal framework that covered people whose occupation was illegal.</td>
<td>All Cambodians</td>
</tr>
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</table>
### Matrix of housing policies (Cambodia)

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<tr>
<td>Instrument Contents</td>
<td>Low cost housing; cooperation with the private sector; cooperation with development partners and NGOs, Rental housing; provision of land to poor households and communities for housing purposes; resettlement; onsite upgrading; financing options</td>
<td>Outlines steps ‘to provide resolution for only temporary settlements on state land which has been illegally occupied’. On September 27, 2010, an MLMUPC Decision was issued which added 13 appendices to the Circular 73: templates of official documentation required in order to complete all steps in the Circular</td>
<td>It outlines provisions for: private and public ownership, acquisition of ownership, regime of private ownerships, forms of ownership.</td>
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<tr>
<td>Criteria</td>
<td>Housing Policy Assessment Guide</td>
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<tr>
<td>Social Cohesion</td>
<td>Is the policy contributing to social cohesion by responding to the housing needs of low income residents, integrating refugees and ensuring safety? Is it affordable by everyone?</td>
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<tr>
<td>Urban Frameworks</td>
<td>Does the policy require how government will provide resources and accountability to provide housing services? Does it provide opportunities to allow stakeholders (GO, CSOs and housing developers) to optimize housing production? Does it integrate housing in urban development plans?</td>
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## Habitat 3 and the New Urban Agenda

### Housing Policy Assessment Guide

<table>
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<tr>
<th>Criteria</th>
<th>Question</th>
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<tbody>
<tr>
<td><strong>Spatial Development</strong></td>
<td>Does it expand housing options in city center to limit urban sprawl? Is it addressing regulatory constraints on land supply—land allocation practices, density thresholds, floor area ratios and plot sizes—have implications on the supply of affordable housing?</td>
</tr>
<tr>
<td><strong>Urban Economy</strong></td>
<td>Does it provide for proper location and siting of housing programs that would could improve the functioning of the urban economy and labor markets? Does it expand employment in the building sector and increase employment?</td>
</tr>
<tr>
<td><strong>Urban Ecology</strong></td>
<td>Does it enforce building codes and regulations to ensure resilience? Does it encourage efforts to reduce transportation and pollution?</td>
</tr>
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Landlessness in Cambodia

- Demographic pressure
- Enduring effects of decades of conflict. Result of civil war (1975 to 1979): increased “squatter” population
- Increasing urbanization that lack innovative planning and appropriate services
Landlessness in Cambodia

- Rural to urban migration (1990s) - settlement on any land (public state land) as informal settlements
- Unequal access to land for many poor families
Landlessness in Cambodia

- Inadequate information on land rights
- High administrative costs and the lengthy land registration process
- Accountability issues, etc
Policy and legal framework

Land Law 2001:
• Land remained the property of the state unless it has been legally privatized.
• Aims to improve tenure security and access to land through a market-based land reform including land-titling, cadastral administration and a liberalized land market.
Policy and legal framework

Land Law 2001:

- **Article 5**: “No person may be deprived of his ownership, unless it is in the public interest. An ownership deprivation shall be carried out in accordance with the forms and procedures provided by law and regulations and after the payment of fair and just compensation in advance”.
Land Law 2001:
• Formally established Social Land Concessions.
• The March 2003 Sub-Decree No.19 set out the conditions under which Social Land Concessions can be granted and used.
Social Land Concessions

- Redistributive land reform giving state land to landless and land poor people for residential and family farming.
- Focuses particularly on the poor, disabled soldiers, and families of deceased soldiers.
Eligibility

• Cambodian national with legal capacity to own land;
• Meets the financial criteria established by prakas of the Ministry of Social Affairs, Labour, Vocational Training and Youth Rehabilitation;
• Does not own or possess other land equal to or greater than the size limitations for SLCs; and
• Ready, willing and able to participate in the SLC program, in accordance with approved SLC plan.

Conditions to obtain a title: peaceful occupancy of land and without force for five years.
Strengthening civil society-government partnership to deliver land tenure security

Emerged from the Cambodian government's interest to **test different approaches** for providing the urban poor with access to land and livelihood assistances.

**Goal:** Pilot test the Land Law Framework on Social Land Concession process in a community known as the Garden Area, in Prek Preah Sdach Sangkat commune, Battambang Battambang Municipality, Battambang Province, Cambodia

**Target:** 400 families living in precarious settlements, no tenure security, no basic infrastructure

**Partner:** Municipal Technical Working Group of the Battambang provincial government
Habitat Cambodia’s project was the first to make centrally-located, urban land available for housing the poor, undertake a systematic upgrading of an existing settlement and implement a sites-and-services project for a voluntary and participatory settlement by the poor.
Strengthening civil society-government partnership to deliver land tenure security

Interventions
• Transfer of land
• Awareness raising
• Land rights advocacy
• Partnership development
• Participatory planning
• Capacity building of government
• Re-blocking
• Land management
• Processing registration as well as provision of housing solutions and support services to enhance livelihood sustainability
Strengthening civil society-government partnership to deliver land tenure security

Results:
- Operational manual
- Infrastructure map
- Re-blocking map
- Provision of support service for community development
- Implementation of resettlement plan, setting mechanisms for addressing grievances, procurement, and monitoring and evaluation, family registration based on Circular 03, which is a resolution for temporary settlements on illegally occupied state land in the capital, municipal and urban areas.
Strengthening civil society-government partnership to deliver land tenure security

- Participatory planning as well as awareness raising activities
- Allocation of land through balloting for transparency
- Supporting sustainable livelihoods
- Efficient use of mechanism in identifying land needs based on local context
- Incremental strengthening tenure for poor households

Habitat Cambodia acted as a key facilitator in the implementation of the project in collaboration with the Battambang government in identifying regulatory and other barriers to the provision of affordable legally approved land and housing.

The recognition and application of the Continuum of Land Rights as an effective alternative to focusing on individual land titling, which is seen as lying on a continuum between informal and formal rights to land was applied: removing possible barriers to secure tenure and housing.
Challenges:

• Project focus depended on strengthening of civic and government partnership, which took time.
• Delays in family selection, verification, to final approval of Provincial Governor
• Overall sensitivity of the land issue nationwide.
• Re-blocking of the land parcels - some beneficiaries were only interested in gaining secure tenure unwilling to surrender part of their land for public infrastructure
• Understanding of legal frameworks: a constraint to both the local authority and people - sometimes resulted in lack of confidence in decision-making
• High-ranking military members: claimed plots of land in the garden area and threatened the orderly process
Lessons learned:

• The existing legal frameworks for solving informal settlement in Cambodia are sufficient to start for finding solution to informal settlers who are living on state land. However, some detailed guidelines need to be formulated.

• Land tenure projects require patience and tenacity as it usually involves a lot of stakeholders especially government. It is process-oriented and time consuming.

• Understanding government complexity- how it works and thinks are vital in being able to sustain advocacy work.
Strengthening civil society-government partnership to deliver land tenure security

Lessons learned:

• Strong political will of the stakeholders especially government to work with the poor
• Pilot small-manageable on-site upgrading before scaling up
• Transparency on the part of government and community partners in decision-making especially in family section is vital
• Understanding, clarifying, and enforcing land rights have a powerful impact on all members of society, especially women.
• Important to find creative ways of training people on land rights in a manner that is not perceived by government as too confrontational.
Lessons learned:

- Imperative to scale up this work which started in a secondary city through piloting social housing models that will impact the country nationally.
- Support needed from National Government to allocate land for testing affordable housing for the poor.
- Expand work with the government, private sector and the urban poor communities to develop policies that will facilitate access to affordable housing (i.e. mortgage policies).
Lessons learned:
- Work with the private sector to help them develop housing products that will be affordable to the bottom 30% of the economic ladder.
- More evidence-based research is needed for advocacy to enable scaling up.
- Explore ways of making centrally located land available for the poor.
- Lease the plots at an affordable price directly to local families and groups, who can then build – or buy – homes for themselves.
- Land sharing concepts.
- Rent plots to build movable homes.
Strengthening civil society-government partnership to deliver land tenure security

This institutionalization of the social function of land in Cambodia is an example of a government’s commitment to address the land tenure insecurity and to make housing affordable.

This project is a recognition that most of what is unaffordable about unaffordable housing is not the house itself, but the land beneath it and its location in relation to jobs and livelihood. It is also a further recognition that it is beneficial to government to plan a city with the poor in it and not outside of it.
Thank you!

Bernadette Bolo-Dothy
Habitat for Humanity Cambodia