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Beirut, 11-13 April 2006

**Regional report on the review and appraisal of the implementation of  
Habitat Agenda in ESCWA member countries  
with special emphasis on secure tenure and good urban governance**

**Summary**

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## Introduction

This report is a working draft produced for the UN-ESCWA meeting held in April 11-13 in preparation for the ten year appraisal of the UNCHS (Habitat) Habitat Agenda, more specifically, the *Adequate Shelter for All* and *Good Governance* campaigns organized in the ESCWA region over the past decade. The report is divided in four sections: Section I describes the efforts of UN-ESCWA in encouraging and supporting ESCWA states in implementing the goals of these campaigns, the various occasions in which these countries have pledged their commitments to the goals of these campaigns, and how these goals have been formulated. Section 2 describes the current context of ESCWA countries, notably urbanization and the housing sector, in order to highlight the background in which these policies are being implemented. Section 3 attempts to take stock of the achievements of ESCWA countries over the past decade, looking critically at how they have addressed the components of adequate shelter for all, social development and poverty eradication, Environmental Management; Urban Economic Development; Good Local Urban Governance and International Cooperation. Section four analyzes the trends, arguing that the slow implementation of the campaign recommendations lies can be explained in large part by the formulation of the campaigns and the gap that exists between several assumptions in these policies and the existing realities, practices, and histories of ESCWA member states. The report concludes on a number of suggestions for bridging the gap.

Since most country reports are missing, this paper extrapolates data on the basis of already submitted reports, earlier drafts submitted to ESCWA, and a limited number of outside resources. It attempts to extrapolate trends on the basis of individual country experiences.

### **1. ESCWA Countries and the UN Campaigns**

1.a ESCWA countries<sup>1</sup> have reiterated their commitments to the principles of the Habitat II Agenda on many occasions over the past decade and have clearly expressed political will to follow through. Through the efforts of ESCWA, these principles have been adapted to the region in the course of many regional meetings that also became the occasion to update on progress and reiterate the commitments. Thus, the Global UN Campaigns were translated into five locally relevant principles: Good governance and good urban governance; citizenship and the right to adequate shelter; decentralization and the role of local authorities; urban poverty and informal settlements; social participation and civil society, and the development of relevant standards and indicators.

Regional pledges were first formulated in the 1995 Rabat Declaration about Sustainable Development of Human Settlements, held in preparation for the 1996 Istanbul Summit. They were reiterated in Beirut in 1998 and in Manama, in 2000, with the Manama Declaration about Cities and Human Settlements in the new Millennium. In all these occasions, ESCWA states renewed their commitments to the achievement of sustainable human settlements, in the decentralized, participatory, and inclusive frameworks of the concept. All countries also committed themselves to addressing the problems generated by their overgrown city sizes, such as increased urban poverty, the proliferation of

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<sup>1</sup> The ESCWA countries include thirteen states: Bahrain, Egypt, Jordan, Lebanon, Oman, Palestine –the West Bank and Gaza-, Saudi Arabia, Syrian Arab Republic, United Arab Emirates, and Yemen.

squatter settlements, and the lack of adequate services in these areas. The also declared their resolution to encourage the decentralization of this growth towards secondary centers and to fostering a well-balanced, environmentally and socially conscious, urban and regional development process that would protect the rights of living and future generations (Rabat Declaration 1995, Manama Declaration 2000).

1.b Verbal commitments are important: a change in discourse creates a new regional discursive reality and constitutes a first substantial step in the region. The new discursive reality is easily detectable in the country reports that repeatedly describe intentions to move away from traditional approaches to housing provision and urban governance. This is visible in the conceptualization of the role of the state in the housing sector: most country studies expressed intentions to move away from direct provision of housing to enabling the production/acquisition of housing (e.g. Jordan). Several reports also described in the intentions to engage in new partnerships, notably with the private sector that is increasingly recognized as the adequate provider of housing (Bahrain and Kuwait). Even more encouraging in a region that has been traditionally very hostile to the acceptance of self-help housing, several country reports (Jordan, Egypt, check Lebanon) have committed to insuring security of tenure for informal settlement dwellers and upgrading, to the extent possible, these settlements! Even when they are not translated in real projects, these commitments point to a paradigm shift in the approach to housing and governance in the region and should be evaluated accordingly.

1.c An important sign of these commitments is the establishment of urban observatories throughout the region in order to monitor urban changes. These observatories contribute to development and adoption of standards and indicators of evaluation that can be used comparatively throughout the region. They also contribute to the development of a knowledge base that can inform policymaking adequately. Several country reports thus celebrated the establishment of National Urban Observatory whose role is to set up urban indicators to keep up with the new strategies and policies.

1.d These changes should be understood in relation to a broader pattern of regional changes that stems from the need of ESCWA countries to face the new economic challenges posed by globalization. The general trend in the region has thus been towards economic liberalization, the privatization of service sectors, and a general realization that the role of the state as provider has to shift towards enabling, even among richer states. These shifts are visible in almost all the countries of the region (especially the GCC) where privatization is underway and foreign capital is finding higher opportunities for investment. This is, for example, the case of Kuwait and Qatar where new opportunities for foreign capital investments have been opened in several sectors (in local partnerships), of Oman where privatization policies have become an integral element of economic policies, and of Saudi Arabia where recent development plans have begun to include privatization initiatives within the panoply of their adopted policies. Several countries (such as Yemen, Jordan, and Egypt) have also engaged in economic liberalization through the structural adjustment policies they have been implementing since the mid-1990s under the advice of the World Bank. The importance of these shifts should be seen in relation to the traditional forms of governance in the region where central state authorities retains control over service provision.

1.e It is difficult to describe regional trends in the ESCWA region because the region comprises a great diversity of socio-economic, human, and natural resources and characteristics. To only mention a few, ESCWA countries differ in the income/resources that they possess, the levels of political and economic liberties and the traditions of governance related to these liberties, human development indices, political stability, recent histories of conflict, social cohesion, and modes of production in general. They also differ in their openness to globalization with a number of countries (notably UAE and Kuwait, Lebanon, Jordan) extremely receptive to globalization, sometimes without proper consideration of its implications. Some of these countries have been committed to market economies (GCC, Lebanon, Jordan & Egypt) while others have adopted state directed ones (Syria). It is also important to separate between post-conflict contexts (Lebanon, Palestine, Iraq and Kuwait) and others.

These differences have two implications. First, they make it difficult to describe changes at a regional level. Second, they require this overview to look at the localized histories and needs of these areas: the need for stability and reconstruction, for example, in Lebanon, but especially in Iraq and Palestine, poverty alleviation in Yemen, Syria, Egypt and Jordan, etc.

## 2. The Urban Context in the ESCWA region

2.a. ESCWA countries also have very different rates of urbanization. Some of these countries are almost completely urban (notably several of the GCC such as Bahrain, Kuwait, and Qatar), others show very high rates of urbanization (Lebanon, Saudi Arabia, and Jordan), while only a quarter of Yemen's population lives in cities.

**Table 1: ESCWA population, 2004**

	Total Population	Annual population growth (%)	Urban Population (as % of total)		
			1975	2000	2015
Bahrain	725,000	2.0	79.2	92.2	95.0
Egypt	68,700,000	1.8	43.5	42.7	45.8
Iraq	25,261,000	2.1			
Jordan	5,400,000	2.7	57.8	78.7	81.1
Kuwait	2,500,000	2.9	83.8	96.0	96.9
Lebanon	4,600,000	1.3	67.0	89.7	92.6
Oman	2,700,000	2.5	19.6	76.0	82.6
Qatar	637,000	2.1	82.9	92.7	95.0
Saudi Arabia	23,200,000	2.8	58.4	86.2	91.0
Syrian Arab Republic	17,800,000	2.3	45.1	51.4	57.9
UAE	4,284,000	6.9	65.4	86.7	91.6
West Bank & Gaza	3,500,000	4.2			
Yemen	19,800,000	3.0	16.6	24.7	31.2

Source: World Bank Development Report 2006.

2.b Urban centers play a dominant role in the economies of most of these states whereby cities have been important sources of growth, vibrant economies, centers of innovation, and they reflect, in general, the cultural, environmental and legislative conditions of a national populations.

2.c Despite these differences, the regional urban reality shares similar patterns in the form taken by their urbanization:

- Urban populations are increasingly growing, with annual population growths and continued rural migration in the countries that have not yet completed their urbanization process. This is the case of Egypt where the percentage of urban population has gone from 33% in 1948 to 43% in 2002. These rates of growth are further exacerbated by upward trends in population increases. The population in Egypt has gone from 48.3 million in 1986 to 67.5 million in 2003.
- The region is rapidly shifting towards a dominance of urbanization over rural dwelling: while Egypt and Yemen remain predominantly rural, the rest of the countries have over 50% of their populations living in urban regions (table 1). This includes Syria that only recently passed the threshold of over 50% of the population living in urban areas.
- Urbanization has tended to occur in a limited number of very large poles or mega-cities that are often way larger than secondary/tertiary poles. In fact, each country counts one, sometimes two large urban centers that dominate also its resource allocation. Cairo is the largest city in the region with a population of over ten million dwellers (that accounts for about 18% of Egypt). Beirut counts about two million urban dwellers (half of Lebanon), Damascus and Aleppo house together almost half the population of Syria, Baghdad 25% of the population of Iraq (Country Report). (see table 2).

**Table 2: ESCWA largest urban centers (>750,000 pop), 1999**

City	Country	2000 Population (thousands)	Annual Growth Rate (1995-2000)
Cairo	Egypt	10,552	2.03%
Baghdad	Iraq	4,797	2.02%
Alexandria	Egypt	4,113	2.40%
Riyadh	Saudi Arabia	3,324	4.76%
Arbil	Iraq	2,369	6.14%
Damascus	Syrian Arab Republic	2,335	2.75%
Aleppo	Syrian Arab Republic	2,173	3.32%
Beirut	Lebanon	2,055	2.36%
Jeddah	Saudi Arabia	1,810	3.86%
Amman	Jordan	1,430	3.87%
Sana'a	Yemen	1,303	6.00%

**Table 2: ESCWA largest urban centers (>750,000 pop), 1999 (Cont'd.)**

City	Country	2000 Population (thousands)	Annual Growth Rate (1995-2000)
Kuwait City	Kuwait	1,190	1.75%
Mosul	Iraq	1,034	3.26%
Shubra El-Kheima	Egypt	1,033	2.61%
Abu Dhabi	U.A.E.	927	2.96%
Mecca	Saudi Arabia	919	3.35%

Source: An Urbanization Prospects: the 1999 Revision.

- Much of this urbanization is happening illegally, in informal settlements. Living conditions in informal settlements have been deteriorating because of increasing densities. All in all, around one third of the total urban population in the ESCWA region lives in poor settlements today, in precarious environmental conditions. These areas are overcrowded and inadequately serviced, lacking access to water and sanitation. They suffer from unpaved road, unavailable garbage collection, as well as severe shortages in transportation, communication, health, and educational amenities.

**Table 3: ESCWA, Slum population, 2001**

	Urban Slum Population (1990)	Urban Slum Population (2001)	% of total Population (2001)
Bahrain	0	12,000	1.86
Egypt	14,086,925	11,761,704	19.15
Iraq	6,824,582	9,026,243	40.43
Jordan	387,750	623,494	13.66
Kuwait	60,412	56,254	3.01
Lebanon	1,142,000	1,601,500	38.04
Oman	N/A	N/A	N/A
Qatar	N/A	N/A	N/A
Saudi Arabia	2,385,108	3,609,342	17.40
Syrian Arab Republic	628,609	891,523	5.84
UAE	32,139	46,049	1.69
West Bank & Gaza	N/A	N/A	N/A
Yemen	1,787,400	3,109,569	18.73

Source: MDG Website (2006).

**Table 4: ESCWA, Slum Population, 2005**

Country	Slum population as percentage of urban (proportion of households with access to secure tenure) (UN-HABITAT)		Slum population in urban areas (UN-HABITAT)	
	1990	2001	1990	2001
Bahrain	0	2	0	12000
Egypt	58	40	14086925	11761704
Iraq	57	57	6824582	9026243
Jordan	17	16	387750	623494
Kuwait	3	3	60412	56254
Lebanon	50	50	1142000	1601500
Oman	NA	NA	NA	NA
Qatar	NA	NA	NA	NA
Saudi Arabia	20	20	2385108	3609342
Syrian Arab Republic	10	10	628609	891523
UAE	2	2	32139	46049
West Bank & Gaza	1,120	NA		NA
Yemen	68	65	1787400	3109569

Source: MDG Website (2006).

2.c Urban living conditions are not improving. To the contrary, there is evidence that they are deteriorating for many groups.

**Table 5: ESCWA, Human Development, 2002, \* 1998**

	HDI Rank		Population with no access to improved water sources %	Population with no access to adequate sanitation facilities %
	2000		2000	2000
Bahrain	39	High	NA	NA
Egypt	115	Medium	5	6
Iraq	126 *	Medium*	NA	NA
Jordan	99	Medium	4	1
Kuwait	45	High	NA	NA
Lebanon	75	Medium	0	1
Oman	78	Medium	61	8
Qatar	51	High	NA	NA
Saudi Arabia	71	Medium	5	0

**Table 5: ESCWA, Human Development, 2002, \* 1998 (Cont'd.)**

	HDI Rank		Population with no access to improved water sources %	Population with no access to adequate sanitation facilities %
	2000		2000	2000
Syrian Arab Republic	108	Medium	20	10
UAE	46	High	NA	NA
West Bank & Gaza	NA		NA	NA
Yemen	144	Low	31	55

Source: UNDP Human Development Report 2002.

**Table 6: GNI and GDP**

	Gross National Income GNI \$ per capita 2004	Gross Domestic Product \$ million 2004	Gross Domestic Product Average Annual % growth 2003-2004
Bahrain	12,410	NA	NA
Egypt	1,310	75,148	3.5
Iraq	NA	NA	NA
Jordan	2,140	11,196	5.1
Kuwait	17,970	41,748	2.4
Lebanon	4,980	21,768	4.4
Oman	7,890	21,698	3.5
Qatar	NA	NA	NA
Saudi Arabia	10,430	250,557	3.4
Syrian Arab Republic	1,190	23,133	3.1
UAE	NA	NA	NA
West Bank & Gaza	1,120	NA	NA
Yemen	570	12,834	3.6

Source: UNDP World Development Report 2006.



**Table 7: Urban Population in the ESCWA region**

	Percentage of Urban Population			Largest Urban Center	
	1960	1990	2000	Population (thousand)	% of population
Bahrain	82	83	58	134	26
Egypt	38	47	54	9,040	21
Iraq	43	71	75	4,044	26
Jordan	43	68	74	1,025	53
Kuwait	72	96	97	1,079	58
Lebanon	40	84	87	1,563	45
Oman	NA	NA	NA	NA	NA
Qatar	72	90	91	326	14
Saudi Arabia	30	77	82	1,975	10
Syrian Arab Republic	37	37	58	2,049	20
UAE	40	78	78	589	4.3
West Bank & Gaza	NA	NA	NA	NA	NA
Yemen	9	29	37	500	16.6

Source: World Urbanization Prospects: 1999 Revision.

- Rapid urbanization has also impacted negatively the capacity of ESCWA countries to insure adequate levels of service provision, especially in large cities, despite registered advances since the early 1980s. In average, an estimated 90% of the urban population in the ESCWA region accesses safe drinking water and another 75-100% have urban sanitation. Furthermore, electricity is widespread everywhere and reaches over 95% of all populations except in Yemen (35%) (ESCWA 1999: 199). Given the difference in income between GCC and non-GCC countries (which have lower income levels), high differences in services exist between the two groups. For example, while the majority of people in GCC have adequate shelter and access to good quality urban services as well as health and education, almost all other countries suffer from important gaps and inequality among their different population groups. Hence, while 100% of the urban population of Qatar, Bahrain, and Kuwait have access to fresh water, only 82% of the Egyptian urban population access sanitation (ESCWA 1999: 198). In order to insure their water access, a number of GCC countries, notably Kuwait and Saudi Arabia, have resorted to very expensive techniques such as water desalination, which are not possible for poorer countries that suffer from the same scarcity. Access to sanitation is also very comprehensive in many Gulf countries, such as 100% of Saudi Arabia and Kuwait, 98% of Oman, and 93% of the UAE (*Synthesis of National Reports* 2001: 8). In contrast, only 20% of Egypt, 40% of Yemen, and 77% of Syria have access to the same services (ESCWA 1999: 198). Even among non-Gulf countries, percentages vary as well, with Lebanon for example managing to provide 100% fresh water access to its urban population. Contrasts also exist in municipal refuse collection, which is adequate in collection and disposal procedures that normally meet sanitary requirements in

GCC countries, but which, in non-GCC countries, shows alarming trends. In most cases, around 50% of the waste generated is left uncollected, causing serious health risks and unpleasant nuisances. Much of this waste is then disposed of in open dumps and burning, causing potential water and air pollution problems (ESCWA 1999). The large volumes of solid and hazardous waste disposal, including domestic refuse, make land pollution a threat almost everywhere.

**Table 8: ESCWA, urban services and population (2005)**

	Sanitation: Percentage of population with access to improved sanitation in urban areas (WHO-UNICEF)		Water: Percentage of population with access to improved drinking water sources in urban areas (WHO-UNICEF)	
	1990	2002	1990	2002
Bahrain	100	100	100	100
Egypt	70	84	97	100
Iraq	95	95	97	97
Jordan	97	94	100	91
Lebanon	100	100	100	100
Oman				
Qatar	100	100	100	100
Saudi Arabia	100	100	97	97
Syrian Arab Republic	97	97	94	94
Yemen	57	76	74	74

Source: MDG Web site (2006).

2.d Chief among the problems is the issue of urban environmental pollution which results essentially from the excessive use of transportation vehicles.

- Higher urbanization has meant lower air quality everywhere. While the situation remains generally acceptable in the GCC region, except in crowded city centers and near industrial centers, it is reaching alarming levels everywhere else. The most acute cases of urban problems are Cairo, Beirut, and Damascus that seem to suffer from dangerous trends with high levels of air and noise pollution causing serious health threats. These cities suffer from large traffic congestion, parking problems, the absence of green spaces, and sometimes frequent flooding. The case of Cairo is particularly alarming due to suspended particulate matters that are generated by wind-blown dusts, the incomplete combustion process of industries and traffic, as well as limestone quarrying, nearby cement factories, and again the burning of rubbish, all contributing to high rates of pollution in the urban atmosphere. Cairo's atmosphere is believed to contain all major air pollutants today (Bonine 1997).
- In most cities, the increased reliance on motorized transportation systems makes of traffic the largest source of urban pollution. Several countries in the region (Lebanon, Egypt, and

Jordan) have built elaborate highway networks and sought to facilitate this car circulation. The drawback has been in substantial rises of air pollution levels, especially in the absence of monitoring for car emissions, the widespread use of leaded fuel, unregulated fuel types, and extensive use of old vehicles. This is the case for example for Iraqi large cities that have seen substantial increases in air pollution emitted by the transport system. This is also the case in most other non-GCC countries of the region.

- Another negative impact of urbanization is its effects on the surrounding ecosystems. Many cities of the Middle East have expanded over precious and scarce agricultural land. This is the case of Amman for example, which expanded on one of the few remaining acres of agricultural land (less than 10% of the country; Al-Asad 1997), of Cairo and Beirut as well.
- Finally, rapid urban growth is pressuring limited water resources, which are being withdrawn in unsustainable trends. Many of these countries, especially GCC countries and Yemen (with Jordan and Palestine to a lesser extent) have been tapping on non-renewable underground water. The situation in Iraq is also dramatic where many estimates point to the contamination of water tables, etc.

### **3. The Housing Sector in the ESCWA region**

The housing sector in ESCWA countries suffers from several weaknesses that have impacted its functioning over the past decade. These are listed below under the categories of housing markets, availability of land, informal settlements, weakness of the rental market, housing finance, housing stock, and available services.

#### **3.a. Dysfunctional Housing Markets: Highly segmented, mismatch between supply and demand**

Evidence taken from submitted country reports indicates that housing markets have been unable to respond to the needs of the lower and middle-income populations. This is because of massive discrepancies between the prices of apartments available for sale and the purchasing capabilities of large sections of the population. Indeed, Even cheaper apartments available on the market (low quality apartments, located in the suburbs, etc.) remain unaffordable to the majority of urban dwellers in Lebanon, Jordan, Yemen, and other countries.

Country reports indicate an important shortage in the housing stock everywhere. This shortage is perhaps the most salient in war torn countries. In Iraq, for instance, the World Bank estimated about 1.5 million needed housing units in September 2003, of which the report hoped that 270 thousand would be executed over a period of four years (2004-2008). Another estimate of the Ministry of Housing estimated that about 882,000 housing units will be needed in 2000, predicting that this number will reach the World Bank estimates over the next few years. Lebanon's shortage was estimated at 250,000 new housing units in 1995 by the Council for Development and Reconstruction (CDR) in 1995. Furthermore, surveys indicate that 41% of the Lebanese and over half the capital city's residents would like to change their houses but almost all of them (85%) would not afford to do it (ACS 1998).

Sometimes the shortage results from lifestyles and preferences. In Kuwait, for example, independent housing units are the dominant mode of housing acquisition and the preferred form of most urban dwellers, making the production of affordable housing extremely difficult.

Despite this shortage, country reports indicate that many of these countries possess nonetheless large stocks of empty apartments, pointing to the segmentation of housing markets as a main problem: an oversupply of large houses and a limited number of small affordable housing units (Jordan country report, Lebanon). In short, existing housing supply is generally geared towards luxurious or larger apartments for sale while the majority of urban dwellers are unable to access low cost housing built to answer their needs.

### 3.b Land is inaccessible

Lack of access to affordable land with services is clearly one of the central housing problems in ESCWA countries. This problem is exacerbated by two factors: on the one hand, most countries have refrained from adopting policies that can curb land speculation and prevent artificial increases of land prices. Thus, the impact of land on the price of an apartment can exceed 50% for an apartment in Beirut. This ratio reaches higher levels and under certain conditions, such as in prime sea-front areas of the capital city, where the price of built square meter is sold at the same price of the square meter of land! On the other hand, urban regulations often still impose large lot sizes, making it virtually impossible for low income households to access small lots on which they could build their houses. As a result, land markets appear to be as segmented as housing ones, with an oversupply of large lots that are unaffordable to most urban dwellers. In Jordan, for example, a 1991 study conducted in four major cities (Amman, Az-Zarqa, Irbid, and Rossayfa) indicated an excess of large lots and a shortage of smaller ones (Jordan/ Country Report date).

In many cases, land is inaccessible because it is managed by agricultural rather than urban policies (Syria), because state regulations control its trading (GCC, Syria), or because poor surveys and registries make it harder to transact with land.

### 3.c Densification of informal settlements

Another serious housing problem is the increasing number of informal settlement and, more alarming, the densification of existing informal settlements and the deterioration of their living and environmental conditions because of growing urban pressures. This is the case of most countries in the region, whether their informal settlements essentially house their own citizens, migrant workers, or international/internal refugees. All major cities in the region, including Cairo, Amman, Beirut, Damascus, Aleppo, San'a, and others house large populations in informal settlements. While many of these neighborhoods had begun (in the 1950s) as neighborhoods where living conditions were acceptable, the absence of public policy towards these areas, the lack of housing alternatives, and the scarcity of new land especially in the last ten years has lead to a rapid densification and deterioration of living conditions in these neighborhoods.

### 3.d Weaknesses of the rental market

Statistics collected around lower income countries indicate that large percentages of urban populations access their housing through rent (UN-Habitat 2003). Yet, most country reports did not mention rental markets in relation to security of tenure, showing that the problem has been altogether evaded. Yet, anecdotal evidence collected in the area point that rental constitutes an important method of acquiring region, and that these markets have been weakened by poor policies (lingering rent controls, Unaffordable formal rental market, insecure and poor informal markets, etc.).

### 3.e Lack of Access of Finance to Access/ Build housing

Housing finance mechanisms are the main (and in fact only) housing policy adopted by housing authorities. However, and despite a hybrid system destined to render bank loans more accessible to low income people, public finance mechanisms are inaccessible to the vast majority of the populations. In order to evaluate this claim one only needs to look at the household incomes in relation to the price of housing. In Lebanon, for example, over 60% of the Lebanese population cannot access the most subsidized loans, those targeted to poorer classes.

### 3.f Inadequacy of the existing housing stock

Another problem related to housing is linked to the deterioration of the existing housing stock and its increasing density (overcrowding). Where conflicts have occurred, the housing stock has severely suffered. This is the case of Kuwait, for example, where the country report describes huge negative effects on the physical conditions of housing (and infrastructure). Iraq, Lebanon, and the West Bank and Gaza have also seen their housing stocks deteriorate rapidly during the periods of military strife. The Economic Intelligence Unit (2002) thus estimated that about 400,000 houses were destroyed or severely damaged during the Lebanese civil war.

In Lebanon, for example, studies indicate that a large section of the existing housing stock is of poor quality and does not fit the needs of families. While problems of over-crowding or the old age of apartments is overshadowed with the more salient question facing new couples, the numbers listed by housing studies are alarming. The ACS survey indicates that 41% of the Lebanese and over half the capital city's residents would like to change their houses that they find inadequate for their needs because of size, humidity, age, poor services, pollution, and others. Of these, overcrowding is the most listed factor. Overcrowding also appears to be a major problem in Iraq where at least 10% of households suffer from over-crowding, mostly in urban areas.

But this problem is not limited to those countries where war has occurred. In many other cases, such as Jordan and Bahrain, overcrowding and the deterioration of the existing housing stock (due to age and other factors) are listed as major problems.

### 3.g Lack of access to basic infrastructure

A number of countries have managed to provide almost complete services to their dwellers successfully, although the rural/urban gap is still visible everywhere with urban populations receiving much better services. In Lebanon, and despite fifteen years of civil war, around 80% of the population is connected to the water main system, over 95% of Beirut. Water quality is however not always acceptable. Sewer networks are also largely installed in urban areas: about 90% of Beirut and its suburbs is hooked to sewer networks and all in all, 81% of urban areas and 8% of rural areas are collected to sewer networks. Almost all the country (96.73%) has also access to electricity, including informal settlements, even if the service is often interrupted outside Beirut. The situation is different in other contexts. In Iraq, for example, only 38% of families are connected to the sewage system (Iraq country report, 2004 statistics). In poorer countries, notably Yemen, the negative effects of urbanization on the environment have been heavily felt. In urban settlements, water has been scarce, sewer systems insufficient, and solid waste management weak. Estimates listed in the *Yemen Country Report* indicate that only 39% of the Yemeni population accesses safe tap water, unevenly distributed between 84% of urban dwellers and 24% of rural dwellers. Only 12% of the total number of housing units in the country is connected to a sewer system and less than one third accesses the public electricity network.

## 4. **General Evaluation with respect to the Campaign Goals**

An overview of their practices indicates that despite a few breakthroughs, ten years after Istanbul, the practices have been slow to follow suit or at least, it is impossible to talk about changes in overall trends. This section is divided in five sections: Adequate shelter for all, Social Development and Poverty Eradication, Environmental Management, Urban Economic Development, and Good Local Urban Governance. Its main focus is however the first section.

### 4.a Adequate Shelter for All:

Adequate Shelter for all is probably the most salient and widely celebrated aspect of the Good Urban Governance/Tenure security campaigns. Under this banner, one should look at the efforts of ESCWA countries to recognize the entitlement of their dwellers to shelter and develop the institutional capabilities to manage and organize their housing sectors in view of achieving these goals.

#### (i) The administration of the housing sector:

In an effort to improve the performance of their housing sectors, most ESCWA states have taken measures to improve its administration, notably through decentralization and the creation of new partnerships. Most country reports thus describe efforts deployed to create partnerships with the private, cooperative, and non-profit sectors and in some cases, between local and central public agencies. Most reports also indicate clear commitments to delegating large housing tasks to the private sector. A number of countries have progressed in creating innovative partnerships between public/private actors and central/local public authorities. This is the case of the UAE and Bahrain where local governments (in partnership with central authorities) have intervened in the provision of

housing through financing programs to low-income urban dwellers in order to upgrade physically their dwellings (in the form of credit and subsidies).

In several cases, housing institutions were restructured and/or new ones created. In Jordan, for example, the Public Housing and Urban Development Institution replaces previous housing agencies and coordinates all public interventions on the housing sector. In Bahrain, the newly established Social Housing Fund reorients public funding towards the poor. In Kuwait, two agencies, the Public Agency for Housing Support and the Credit Bank (*bank attaslif wal iddikhar*) were instituted in order to address/serve the new housing tasks. In Egypt, three new entities were instituted in view of implementing the new approaches to housing (and urban governance more generally): the national center for planning and land use, the regional repertoire for urban revitalization, and the regional council for human rights.

That said, most countries still keep a blend of a centralized housing authority (whether a ministry or a high level public agency reporting to a ministry). There are in addition cooperatives and a housing bank or any type of public agency that provides housing loans, as seen in the table below.

**Table 9: Housing Institutions**

<b>Countries</b>	<b>Leading Agency</b>
Bahrain	A specialized housing committee
Egypt	State and the private sector
Jordan	State
Lebanon	Public Corporation for Housing
Qatar	A specialized housing committee
Syrian Arab Republic	Public agencies, housing and private sectors
UAE	Central and local authorities
Kuwait	Public Corporation for Housing
Yemen	Public Works Ministry and the private sector

Source: Cordahi (2006).

(ii) The conceptualization of the role of the state: provider or enabler?

Many countries have moved away from conceptualizing public interventions on the housing sector in terms of direct production. In fact, most have recognized that production should be left to the private sector, with the help of cooperative and non-profit sectors. This is notably visible in the commitments stated in country reports whereby, for example, both the Jordan and Kuwait country reports describe a social, political, and economic shift in freeing housing production to market forces and thus inviting the private sector to step in the production of housing. The *Kuwait Country Report*

also discusses changes in legislation during the 1990s (notably Law number 27, issued in 1995), which gave the private sector the opportunity to build housing on public land.

It is however not clear what the role of the enabler will consist of, aside from stepping out of the physical production of housing. For several states, the role of enabler moves from the production of housing to the supply of land. Bahrain, for example, has expropriated land from the peripheries of villages to sell them back to those who need housing. Similarly, Yemen has been engaged in facilitating the provision of urban land and services in order to encourage the production of housing by the private sector. In Egypt, new legislation was adopted in 2001 in order to encourage real-estate investments in land and facilitate the access to land for low-income groups, especially in new areas outside the congested Wadi and Delta areas. Egyptian housing authorities are also planning some eighty new settlements where adequate transportation and land uses will be provided in order to encourage the development of new housing areas. So far, around 20 settlements have been created providing one million housing units and around 3000 factories.

The role of enabler is also perceived as engaged in the provision of financing and hence many states have invested in developing/improving the performance of their housing banks. Egypt here is a case in point: the *Egypt Country Report* explains that Egyptian national authorities have opted to strengthen their role in the design of housing policies, while limiting their intervention on the production side to 20% of the total needed units, those needed by the poorest segments of society, while housing loans (some subsidized) will become the main tool of intervening on the housing market. The *Jordan Country Report* lists similar intentions and commitments. The *Yemen Country Report* reiterates the commitment of its housing agencies to the privatization of housing production although its current housing strategy still maintains a central role for the public sector in housing production- a role, one should add, that the Ministry has been unable to fulfill because of limited financial and administrative capacities. To the contrary, the report explains that about 95% of the housing stock in Yemen is produced by private investors, groups, or cooperatives. Among these groups, individuals produce the largest section of the housing stock, while a few contractors have also produced houses. This production of this housing stock is also financed through private funding, whether selling individual assets (such as jewelry) or borrowing money from close family members.

When the privatization of housing production is adopted, it is also often because of realistic expectations, or the sheer inability of public agencies to intervene on housing production because of the lack of available funds. This was the case of the Iraqi Public Housing Agency (a central authority reporting to the Ministry of Housing) whose role in the design and execution of housing projects was suspended during the late eighties but restored after sanctions were lifted, albeit in more moderate terms.

Given the above outlined differences between countries, these two steps constitute *business as usual* for the countries that have always had a liberal approach to their policymaking, such as Lebanon, while it constitutes an important breakthrough for those states who have traditionally kept a heavy hand in the production and management of housing. To the latter group of states, the provision of housing (or at least housing subsidies) has not been altogether eliminated and the long tradition of housing



production continues, albeit with a much reduced production of housing units. Hence, the privately built housing stock in Kuwait will be sold at highly subsidized rates to the neediest.

(iii) Developing National Strategies for addressing housing issues

A number of countries have managed (or at least showed serious efforts) to develop an integrated vision of the housing sector, coordinating thus housing production and regulations with subsidies, credit, and other tools. This is the case of Jordan, for example, which country report describes a successful attempt to integrate housing policies to include land management, infrastructure provision, finance, regulations, and institutional reforms together. Yemen has also developed a national housing strategy in 1995 that contained many components, including the provision of housing units for low income dwellers and public sector servants, the development of land registries, the resettlement of informal settlement dwellers, a housing finance program implemented through the Housing Bank, and facilitating the production and distribution of local construction materials. This strategy has however been slow to implement because of weak financial and institutional capacities.

Other countries have however not been able to develop integrated national strategies and instead, uncoordinated public initiatives are undertaken by a multiplicity of public institutions that seek to provide credit, lift/modify rent control legislations, evict/upgrade squatters, or directly build housing without consolidating into a comprehensive strategy. A good case in point here is Lebanon where no public authority plays the role of a coordinator between a multiplicity of actors intervening more or less directly on the housing sector. The Public Corporation for Housing (PCH) –currently under the tutelage of the Ministry of Social Affairs (MOSA)- is the highest housing authority in the country. However, PCH (as well as the Housing Bank and private banks) has so far only been involved in housing loan programs, while rent control legislation is coordinated by a special commission, the Administration and Justice Commission (under the jurisdiction of the Ministry of Justice), the Ministry of Displaced orchestrates the “return” of families displaced by the war by facilitating their access to their old houses, the Autonomous Fund for Displaced repairs damaged houses and rebuilds new ones, and *Elyssar*, an independent public agency, organizes the rehabilitation of the squatters located in the south-western suburbs of the capital.

(iv) Addressing Informal Settlements

Some thirty years after Habitat I proclaimed informal settlements to be a “housing solution”, countries in the ESCWA region are finally coming to terms with the inevitability of informal settlements as permanent aspects of their cityscapes that need to be accepted and upgraded. In fact, several countries in the region have taken groundbreaking steps in recognizing informal/illegal settlements as legitimate modes of housing acquisition. This is the case of Jordan, Syria, and Egypt, for example, where urban upgrading projects have been initiated. Egypt provides a case in point since its country report acknowledges at length informal settlements’ role of in the provision of housing. A survey of informal settlements was conducted throughout the country in view of upgrading their vast majority (1201 of the 1221), providing services to these neighborhoods such as water, sewage, and electricity networks, insuring transportation, and improving general levels of security and hygiene. The *Egypt Country Report* explains that so far, 23% of these neighborhoods have been addressed, with a

total spending of 2,406 billion Egyptian Pounds. Egypt has also initiated a property transfer, in Nasser City for example, where many informal settlement dwellers now own the property on which they dwell. In Kuwait, too, physical upgrading has been given priority in informal settlements where deteriorated physical conditions were seen as a threat to the security of their dwellers. Interventions sought to improve physical conditions and help dwellers deal with humidity, over-heating, sand storms, and strong winds. Lebanon has also initiated a similar step with the Elyssar project in the southern suburb of Beirut that recognized the entitlement to housing of informal settlers, if not their right to stay.

The recognition of informal settlements is a positive step that will enable those states to begin to develop the necessary experience to deal with these neighborhoods like other lower income countries around the world (such as notably Mexico) who have been successful at doing this for several decades. However, the recent history of this shift means that many of the experimental approaches that have succeeded in other parts of the world have still not been attempted here (see conclusion). It is also worth pointing that old ways of doing things has not been totally revoked: evictions are still an acceptable option for a number of governments (sometimes the only one).

#### (v) Financing the Production of Housing with Subsidies and Credit

Subsidies: Widely adopted in the early independence phase of low-income countries, subsidies gradually moved to being an actively condemned tool of intervention. Nonetheless, country reports indicate that ESCWA countries have not revoked this housing tool but that their economic constraints are forcing them to reduce them and develop elaborate strategies to target these subsidies adequately. One dominant form of subsidy in the region is land subsidies that are provided by GCC countries (notably Qatar, UAE, and Bahrain) to their citizens (especially public sector employees). Bahrain has also provided financial subsidies for the maintenance or rehabilitation of housing in bad physical conditions.

This could be a positive step that allows to reform and improve this tool into a well-targeted and transparent one rather than simply rejecting it, especially that experiences around the world are indicating that subsidies are not as objectionable as they were once seen: they can prove to be a useful tool in the hands of urban planners to help in preventing gentrification for example or facilitating processes of upgrading.

Credit: Housing finance emerged in the 1990s at the heart of urban housing policies. Mortgage systems and other credit facilities (including micro-credit) constitute different policies aimed at facilitating access to urban housing. The success of credit experiences has encouraged governments (with the support of international donors) to invest in improving their institutional housing finance structures. In fact, all ESCWA country reports indicate a commitment to developing their housing finance institutions which has become the most common form of state assistance in Lebanon and Jordan for example. In Syria, the state has also been providing financial facilities for the private sector to build housing. In Kuwait, the newly instituted Public Agency for Housing Support and the Credit Bank (*bank attaslif wal iddikhar*) provide credit (and subsidies), under the supervision and guarantee of the state.

Nonetheless, access to credit for lower income communities, and hence the capacity of credit systems to actually solve housing problems for low-income families remains to be proved since lending conditions are often prohibitive for low-income urban dwellers. This is not unique to the region, statistics indicate that over half the world urban population, in some cities over 90% of urban dwellers, are unable to access credit through formal credit structures.

The success of micro-credit as a tool for poverty alleviation has encouraged planners and development agencies to think about methods of extending the success of lending banks to addressing housing problems. While most lending agencies have so far been reluctant to lend money for housing improvements, recent changes in the perception of housing as an opportunity for production and income generation have modified this attitude and encouraged the development of a new micro-credit approach that lends money for home improvements. Agencies are also encouraged by the experiences of families who have used micro-credit successfully to invest in their houses. Accordingly, USAID has developed micro-finance projects in Jordan and the Gaza Strip. In Lebanon, at least one NGO providing micro-credit is also disbursing micro-loans for housing improvements.

The effectiveness of housing banks in providing housing loans is uneven: in poor countries such as Yemen, this role has been limited by the scarcity of funds.

#### 4.b Social Development and Poverty Eradication

Poverty eradication and social development have begun to gain importance in the region, as evidenced in the number of studies commissioned in the region to that effect. These studies point to the promising emergence of a developmental discourse and a language of equality that recognizes the entitlement of all groups to basic needs and services. In this process, local authorities and the non-governmental sectors are increasingly recognized as partners. It is essentially NGOs that have been lately recognized as partners in development in the region since their long history and experience in service provision places them at the forefront of addressing poverty and other social concerns. One should notably list the proliferation of micro-credit NGOs that provide opportunities for low-income groups, notably women, in generating employment.

Yet, the ability of ESCWA states to address poverty alleviation is highly dependant on their respective financial and administrative capacities. Indeed, although they all house large communities of poor dwellers in dire need of assistance, those states who benefit from oil revenues, for example, have better resources to address the need of the poor. Furthermore, in countries that have suffered (or continue to) from military conflicts, poverty and income inequalities are on the rise. Lebanon provides again a case in point where recent figures indicate that poverty levels and income inequalities have been exacerbated –in comparison to 1975. In Iraq, the effects of the Gulf War and the sanctions have been dramatic. Similarly, the continued colonization of Palestine has negatively affected human indicators and, since the last intifada (2000), poverty rates are skyrocketing.

It is worth pointing out that the pool of poor urban dwellers is increasing in all states, an evidence of the necessity of broader and deeper interventions in this direction. This pool is notably

fuelled by refugees (such as Palestinian refugees in Lebanon) and foreign migrant workers who often live in very poor conditions.

Finally, we should mention that economic liberalization policies have not necessarily lead to less poverty in the region. To the contrary, there is actually evidence of poverty levels rising in many countries and income inequalities being more exacerbated. The World Development Report (2000) listed, for example, that over one fifth of Egypt's population lives below the poverty line, so does about 15% of Jordan's population, while over one third of Yemen's population earns less than two dollars a day. A 2000 UN-ESCWA working paper also attributes bread riots in Jordan and Egypt in the 1990s as well as rising levels of poverty and unemployment in the region at least partially to the negative impacts of economic liberalization that has cancelled food subsidies. The current trend for privatization might have also had negative effects on poverty alleviation. This is the case across borders as well where policies in the Gulf tend to affect the poverty levels of other Arab countries that provide their labor pools, notably Yemen and Egypt (ESCWA Working Paper 2000).

#### 4.c Environmental Management

The growing awareness for the need to strike a better balance between developmental and environmental needs among all ESCWA states is also well evidenced in the commitments of this region's governments in international treaties on environmental issues. Almost all countries have signed agreements for the protection of bio-diversity, the reduction of pollutants that cause climate change and deplete the ozone layer, and to combat desertification, among others. Most countries have also increased their attention to precepts of urban environmental management and are now trying to integrate environmental concerns to their earlier developmental goals, including, in some cases, efforts towards instituting national conservation policies. Most states have also acknowledged the need to revise the institutional component of environment management, by instituting, for example, a Ministry of Environment, or encouraging local authorities and municipalities to participate in environmental management, in partnership with central ones. Everywhere, the necessity of developing integrated strategies at local and national levels is recognized. However, current practices and efforts towards achieving sustainability appear to be held on ad-hoc basis, in piece-meal, often without an integrated vision or program.

The commitments to sustainability have materialized in the adoption of new legislation in the fields of environmental protection and use of natural resources. Country reports indicate a general trend towards higher efficiency in water use and the establishment of comprehensive water resource management plans and policies, especially in Egypt and Syria. For example, Egypt has adopted a *National Public Scheme for Conservation of Drinking Water*. The project aims at reducing the losses of drinking water, locally and nationally, through the utilization of 16 locally developed sanitary fixtures, intensive public awareness program (media and personal contact), and training programs for local plumbers. The Best Practices Database indicates that these measures resulted in reducing the water consumption by 36 million m<sup>3</sup> over a one year period, with cost saving of about 5 million USD/ year and a large reduction of the load on the sewerage system. The positive effects of clean water provision are already visible with for example, an improvement of health indicators: infant mortality rates have dropped from 4.33% in 1996 to 3.52% in 2000. The report of the Arab Syrian Republic indicates a

similar move towards water conservation. The report describes the country's plans to develop a water policy that would encourage awareness and reduction of water consumption as well as increases of distribution services. A long-term plan has been put in place and steps towards implementation have been undertaken.

New legislation towards the reduction of pollution is also being implemented, especially with the reduction in urban air pollution that is reaching alarming levels in large cities. The Egyptian state, for example, has taken a number of steps towards reducing water pollution, recycling solid waste, controlling pollution sources in urban areas, and protecting natural resources. In the West Bank, the City of Nablus managed to initiate a relocation project for industries to reduce air and noise pollution in the city. The GCC countries and Lebanon have also taken up several measures towards the adoption of lead-free petrol and the enforcement of objective environmental impact assessments, pollution reduction mechanisms, the introduction of environmental management systems, and awareness raising. For example, in the UAE, the Dubai municipality was able to implement projects including medical waste treatment facilities, an integrated hazardous waste treatment disposal system, an efficient waste management/ recycling system, a 24 hour continuous air monitoring system, the protection of coral reefs, modern facilities for a sewerage system and sewage treatment, irrigation, and others.

Still within the framework of combating urban pollution, several ESCWA countries have made efforts to reduce pollution problems by setting standards of air pollution developed adequately to their environments. These countries have also aimed at decreasing the percentages of polluted and dangerous substances to their minimum levels.

In order to address their environmental problems, a number of countries have been developing their knowledge base on the subject, a necessary step to address deteriorating urban conditions. Thus, studies have been conducted in order to gauge the levels of pollution while efforts were deployed regionally to adopt standards set by international organizations at a regional level.

The persistence of problems of natural disasters and their negative effects on national and local levels, the states of the ESCWA region have laid out policies and plans in order to diminish their outcomes, especially in the cases of earthquakes, fires, industrial disasters, and precipitation. In light of this, country reports also stressed the importance of implementing administrative decentralization and encouraging partnerships between local authorities and NGOs which specifically have experience in environmental issues.

Future plans should include the integration of environmental issues with the general national development scheme, the development of adequate technologies to manage natural resources, and increasing the level of awareness concerning the preservation of the environment. Finally, there is a need to initiate projects outside the framework of the technical components of disaster management, production and consumption patterns, urban and regional planning, technology, and land use management, in view of tackling the political, gendered, and critical aspects of environmental management that has so far been under-investigated.

#### 4.d Urban Economic Development

Urban economic development has been tackled by the states of the ESCWA region by supporting small projects, promoting women's participation in economic development, and creating partnerships between the public and private sectors.

Country reports discussed major achievements in urban economic development through the implementation of new legislation and changes in economic and investment strategies. In Gulf countries, for example, the private sector has played a central role in generating economic growth, especially in the services sector. This is facilitated by the liberal approach to economic development generally adopted by ESCWA countries, consequently giving great value to the role of the private sector. Egypt and Iraq have also adopted policies that encourage small scale projects and companies, relying in large part on their non-profit sector. Within this same framework, several countries, such as Jordan, Syria, Palestine, Lebanon, Egypt and Yemen have also created funds that aim at fostering local development and empowering the role of women in their economies.

Country reports indicate that the adopted economic approach in the ESCWA region has generated positive implications over the past decades, whereby in several cases economic progress and local revenue have increased.

#### 4.e Good Local Urban Governance

Governance is another central pole of the ESCWA campaigns that needs to be discussed at length. This section will look at decentralization and partnerships.

Decentralization: Most countries in the region have expressed their commitment to decentralization, one of the focal points of good local urban governance, and achieved progress in that direction and some progress has been achieved. Even countries with long traditions in centralization of authorities have taken steps in this direction. If progress has been gradual, often slow, with conflicting pressures sometimes leading states to revoke some of the initiatives they had adopted, the trend is nonetheless internationally visible. Egypt, Jordan and Lebanon are among the countries that have taken the most steps in the direction of decentralization. This is however also the case of Yemen that has been implementing steps towards administrative decentralization as part of the structural readjustment plan coordinated with the World Bank since 1995. The United Arab Emirates has also achieved great success and visibility through the municipality of Dubai which was able to secure continuous development to most of its urban projects in the economic, social, and environmental fields.

Many countries have also renewed their municipal legislation, adopted new regulations that could strengthen the role of local authorities, and held municipal or local elections. In Egypt, new legislation modified the local administrative system in order to encourage decentralization by increasing public participation in planning and administration. This new legislation enables local authorities, in consultation with central ones, to organize and manage all public projects within its jurisdiction.

Many local authorities have also invested in strengthening their capacities and improving their technical and human capacities. The municipalities of Qatar, Gaza, Dubai, and others are setting precedents in administrative performance that could inspire many others in the region. Another important point is the awareness to a number of environmental problems, so far severely neglected, which some municipalities like Nablus, and Aleppo have chosen to address, despite severe financial restrictions. They have also intervened on the housing sector where they have implemented projects in Bahrain and the UAE for example.

Finally, it is worth mentioning that local authorities have generally replicated some of the structural biases already observable at the central state, such as the type of projects undertaken (housing and poverty alleviation, for example) in line with the regional traditions of planning and at the expense of systemic social problems such as gender inequality which should be placed on the agenda for the coming decades. The representation of women is in fact striking in the region since very few women have actually occupied political positions, despite efforts made to address women's participation in the political sphere (in Egypt, Jordan, Syria, Iraq, Palestine, and Lebanon). A number of countries have witnessed the election or appointment of women as mayors or members of municipal councils, but the gender gap remains wide. Less than 1% or 14 women were, for example, elected in the 1998 Lebanese municipal council elections. Among them, only 3 hold the position of Mayor. Only one woman held the position of Mayor in Jordan in 2000.

**Partnerships:** Most country reports acknowledged the importance of creating partnerships with local authorities, NGOs, and civil society in order to achieve sound governance strategies. This is giving way to the emergence of new kinds of NGOs that replace or complement the traditional philanthropic and service providing sector with other advocacy and development components. During the last decade, a number of countries have thus seen the development of NGOs advocating human rights, women's rights, minorities' rights, sound election processes, transparent governance, and hence taking up *advocacy* as a main task in their work. This has been the case in Palestine, Lebanon, Jordan, and Egypt. Lebanon is perhaps the country that has seen the highest number of such organizations, with a spontaneous committee for the monitoring of parliamentary elections organized prior to the 1996 elections and a mobilization movement to put pressure on the state for holding municipal elections two years later. Again in Lebanon, and along the same lines of popular pressure for democracy, another type of advocacy work, essentially funded and channeled by international donors, have reclaimed higher transparency and accountability from the operations of the Lebanese State. As for gender, the *Egypt Country Report* indicates that several women NGOs have been formed and are now working closely with the leadership of urban communities to strengthen the role of women and their involvement with local and central authorities. With the help of UNCHS, the Arab Women Network in Urban Development was established as a Regional NGOs with the goal of ensuring equal rights for women in development policies. It is now active in Lebanon, Jordan, Yemen, Syria, Palestine, Iraq, Egypt and Oman and has been influential on national and local levels.

NGOs have also been playing an active role towards improving urban conditions. In Iraq, for instance, the rehabilitation of a residential neighborhood was only possible through the help of NGOs and residents of the neighborhoods. This initiative alleviates the burdens imposed on municipalities and contributes a great deal to the improvement of conditions in human settlements. In Egypt, an informal

settlement was upgraded on the basis of participatory measures taken with its dwellers. In Egypt too, partnerships with civil society organizations, syndicates and political parties have been organized in several programs such as the Shourouq Program for Local Development that seeks to foster rural development in partnership with local communities in the conceptual, financial, and implementation phases wise, with financial and technical public support.

## 5. An Analytical Reflection of the Performance of ESCWA states

How can we explain the continued degradation of urban realities in ESCWA states and the slow implementation of the policies in a context where so much goodwill has been invested? In order to address properly housing problems, it is important to reconsider critically how campaigns are launched and how countries conceptualize/address approaches to housing policies and good governance reforms. Indeed, a large part of the difficulties in the implementation of the Habitat Agenda in the ESCWA region is related to a mismatch between the goals set by these campaigns and urban and institutional realities. (Some of these critiques can be waged to all contexts while others are particular to the ESCWA context.)

### 5.a. The Campaigns in the Context of the ESCWA region: What International Organizations should think about:

The Good Governance and Tenure Security campaigns have important merits in the ESCWA region that need to be outlined. They are indeed proposing a novel understanding of housing policy that integrates good governance and tenure security together, infusing in their understanding social, economic, and environmental concerns. By widening the scope of housing policies beyond physical production or upgrading to include social integration, employment, and other socio-economic dimensions of housing, the campaigns also bring an innovative approach to the understanding of housing in the region, one that is likely to change the conception of housing policies in the region, in line with what we are seeing in other regions of the world. By tying Good Urban Governance to Security of Tenure and developing intermediate/locally relevant principles, UN-ESCWA also managed to place on the agenda of the region's countries one of the most lasting problems of the region, the inability of the countries in the region to implement what are often sound housing strategies due to their weak or inadequate institutional capacities. These institutional changes are likely to be accelerated with the current trend for liberalization of the housing sector since the introduction of market forces and the emphasis on project cost recovery inevitably brings the issue of participation to the core of housing policies. Indeed, once physical approaches to housing production are questioned, and once residents are required to share in the costs, it becomes impossible to develop an acceptable scenario without involving actors. This is more so the case given the increasing complexity of urban issues, the necessity of developing similarly complex urban policies, and the growing inability of central states to address them, all factors leading public authority to the realization that there is no substitute to new partnerships and public participation.

Some of the slogans put forth by UNCHS, such as *Shelter for All* or *Poverty Eradication* however appear to be too ambitious, and hence perhaps discouraging. Indeed, given the complexity of urban contexts, no intervention can pretend to solve the most salient urban problems in a



comprehensive way, let alone all of them. This is made clear by the failure of successive approaches (going from social housing and state sponsored construction to site and services and slum upgrading) to provide comprehensive solutions or even to substantially decrease the scale of slums and urban poverty throughout the world. To the contrary, as described in the first section of this report, most cities in the ESCWA region are growing fast, mostly in slums and deteriorated old and new cores, and a majority of their urban dwellers continues to live in poor conditions.

More problematic however is the way these campaigns conceptualize the housing problem in ways that could be counterproductive to the development of sound housing, poverty, and governance policies. Indeed, by claiming that it is possible to have *Cities without Slums* within the current economic and political context, these slogans conceal the permanence of slums and poverty in urban contexts, reducing them to accidental side-effects that can be prevented rather than seeing them as inherent elements of existing social, economic, and political realities. Second, such worldwide campaigns conceal the specificity of local contexts and how each defines the attributes of slums or poverty differently (e.g. high-income/ low-income countries). It discounts the conditions that lead to the development of slums in every country, the factors that shape various communities' perceptions of their own housing, and therefore the specificity of every national context that makes up its potentials and difficulties. One should for instance not lump workers' settlements in the GCC countries with war squatters in Beirut, even if they seem to have similar physical conditions. Furthermore, what is defined as "slum" in the eyes of western trained planners who have accepted the standards of "acceptable housing" can end up excluding most low-income urban dwellers from so-called "legal" sections of the city and justifying neglecting services in their areas.

In order to address these contradictions, it would be useful to reformulate the slogans of *Shelter for All*, *Poverty Eradication*, or *Cities Without Slums* in more modest and realistic terms, and hence redefine the goals of future housing policy. For example, the gradual reintegration of slums in the city and the reduction of developmental gaps across urban neighborhoods constitute more achievable goals than total poverty eradication. Developing locally relevant and feasible models of project evaluation, ones that account for losers in every project and every housing policy would also initiate research on defining benchmarks for project success in terms of the "acceptable number of losers", rather than the glittering scenarios claiming there will be none.

#### 5.b. The Campaigns in the Context of the ESCWA region [2]: The Gap between Goals/Realities in the Housing Sector

Another set of difficulties in the implementation of the ESCWA campaigns relates to a clash between the predominant practices, approaches to planning, and conceptualizations of housing in the ESCWA countries that clash with the assumptions/basics of the ESCWA campaigns.

A central difficulty lies in a mismatch between the definition of housing adopted by UN-ESCWA and the one adopted still adopted ESCWA countries. Indeed, the policies adopted by ESCWA states indicate that housing is still largely perceived on the grounds of shelter/ social need and welfare. This is, for example, clear in the way all country reports measure their housing problems by quantifying the number of missing housing units and hence the gap in production. Conversely, the

implicit assumption in the security of tenure/shelter for all campaigns is a complex definition of housing that includes, aside from shelter (and hence physical attributes of privacy, adequate space, physical accessibility, security of tenure, structural stability, and proper lighting), the socio-economic and political dimensions of housing, such as its role in direct income generation, capital accumulation, or social representation. Indeed, housing is a key asset in the hand of low income urban dwellers, an important means of capital formation (since land value is likely to increase over time, housing allows for the accumulation of personal savings and can become a central source of money generation for its dwellers) and income generation (though the establishment of home-based enterprises, HBE), especially with the proliferation of micro-credit and other means of poverty alleviation that have encouraged households, especially women, to initiate ventures that contribute to the household income. Housing also plays an important role in facilitating or hindering its' dwellers' access to employment since its location will impact accessibility to employment, transportation costs (in time and distance), as well as in social representational (an image and a social status that impacts the decision of employers).

This mismatch has implications on the formulation of housing policy. Indeed, a complex definition of housing implies transforming housing policy into an elaborate exercise of integration and coordination between poverty alleviation and the physical improvement of living conditions. While it is not advisable to reduce housing policies to their socio-economic components only and evacuate physical dimensions, it is important to add to these physical dimensions the judicial and institutional reforms that can widen the scope of housing markets and redirect, channel, control, and limit urban growth in ways that can provide more affordable housing. It is also necessary to include poverty alleviation strategies within housing policies, since home improvement is directly linked to income generation.

5.c The Campaigns in the Context of the ESCWA region [3]: The Gap between Goals/Realities in Sustainable Urban Governance

Another gap to be noted is between the critical conceptualization of Good Urban Governance that the campaigns put forth and existing structures of governance in ESCWA countries. Indeed, the concept of good urban governance entails three levels of analysis: systemic, administrative, and political that ultimately describes a new role for the state and its interaction with other private and non-governmental bodies through partnerships and negotiations. This new role is however extremely difficult to conceptualize and implement in the context of ESCWA countries because history, practices, and existing know-how are rooted in the centralized process of planning which has marked the region. Thus, decentralization and partnerships have been implemented within their administrative rather than political dimensions. Similarly, sustainable urban governance has translated in urban service provision, which although important, remains in the bolts and screws rather than in the devolution of authority over the management of human settlements.

Similarly, sustainability, a concept that entails the delicate balancing of social, economic, and ecological concerns continues to be limited to its narrow environmental definition, such as the conservation of resources. Here too, one can analyze the gap between the integrated vision fostered by the UN-ESCWA and the institutional arrangements in ESCWA countries which are designed to manage economic, social, and environmental aspects of development separately. Moreover, the

weakness of many of these institutions, especially environmental ones which are often marginalized and disadvantaged by very low budgets, the fragmentation of the various components of sustainability produce an even-more fragmented development process which lacks the necessary coordinating structures required by a sustainable strategy.

5.d Before closing this section, it is important to mention that the intermediate goals set by UN-ESCWA address important aspects of the above mentioned gaps. Indeed, by adopting a language of entitlement and justice as a framework for its regional campaigns, UN-ESCWA has placed policies fostering housing acquisitions under the banner of the Human Rights Declaration and thus called on countries to rise to the challenge of providing housing and land by first critically re-evaluating projects and policies that could lead to forced evictions, the loss of the right to dwell, dwelling in what is termed an “illegal” house or neighborhood, as well as to more general forms of discrimination. UN-ESCWA has also placed service provision and prompt responses to rising levels of poverty within this same framework of entitlement. A similar language of entitlement and justice was also infused in the good governance and good urban governance campaigns (with partnerships and sound models of governance).

## **6. Conclusions: Looking Forward, Some Innovative Approaches to Think About**

In lieu of conclusion, the report suggests a number of approaches to addressing the goals of the campaigns which have been tried rather successfully in other contexts.

### **6.a Revising construction standards, developing new models**

An important step towards the implementation of the UN Agenda could be the development of national or regional building/urban standards that adapt to what is locally considered as “socially acceptable housing,” or “minimum acceptable housing,” housing perceived by its residents as “acceptable” in a given context, even if it is built according to standards “below” the set norms upheld by the public sector. The definition of “socially acceptable housing” could then be developed through active negotiations between public institutions and residents, the former as the guarantor of technically acceptable norms and the latter as an indicator of social and economic limitations and potentials. It would therefore acquire the necessary legitimacy and applicability required to develop any housing policy for which such a benchmark is a necessary pre-requisite (a base below which interventions are therefore required) and form a new model of urban governance. It could also define a context specific benchmark for policies, since both what is socially acceptable and economically feasible will be accounted for. Such a benchmark would also necessarily be flexible, since what is socially acceptable and economically feasible can change over time.

### **6.b Framing, supporting, advising self-help housing**

Recognizing that the majority of the housing stock will be built by its future dwellers and the inability of existing market structures to provide the necessary housing stock, a number of policymakers have moved to discussing ways of supporting and/or directing the development of self-

help housing. A good example taken from the Arab world is Moroccan where the Agence Nationale pour le lutte contre l'Habitat Insalubre has set up institutes where it helps disseminate the know-how acquired by teams working in its various upgrading experiences. Elsewhere in Cuba, an NGO Habitat-Cuba also instituted over the course of its 10 years of operations (1990-2001) 550 offices around the country, where architects advised communities and worked with them on ways of designing environmentally and economically adequate housing.

#### 6.c Developing New Evaluation Criteria

Since all interventions—even when they are desirable- have winners and losers, it is important for project evaluations to account for a margin of losers before they are considered as failures. It is thus necessary for policymakers to develop standards of project evaluation that incorporate benchmarks for an acceptable number of “losers” rather than claim it is possible to have an all-winner project. This creates another sphere of state-society negotiations in which good practices of urban governance and partnership can be investigated.

#### 6.d Addressing Urban Segregation

None of the ESCWA country reports discussed the urban segregation as an approach to changing their housing policies. One successful approach to fighting segregation in an innovative framework is the French approach of *Politique de la Ville*. This integrated approach looks at housing as one element of the living conditions of urban dwellers, next to their access to employment, the social and cultural environment in which they live, and their perception of their place in the broader urban context. It is based on a holistic understanding of the city and its low income neighborhood where housing is identified as one –important- component. These projects depart from the strictly physical approach to housing to develop multi-sectoral approaches that combine economic, social, and urban dimensions of housing and involve actors at several levels. New types of activities are created for residents, providing incentives for outsiders to visit the neighborhood (e.g. implantation of attractive facilities, easy access, etc.) while appropriate policies, such as targeted subsidies are provided to support the local community and curb potential processes of gentrification. They are also achieved through simultaneously addressing and coordinating between small and large scale interventions, organizing well targeted, small scale projects catering for specific neighborhoods as well as large scale projects that address city-wide concerns. These measures have been explored in the past decade in other lower income countries successfully (e.g. Vietnam).

#### 6.e Initiating Long-Term Strategies, Incremental Projects, Learn by Doing

Finally, the scale of necessary interventions, the complexity of the existing conditions, and the failure of earlier interventions and projects point out the need to move away from a short-term vision of punctual rehabilitation, eradication, or upgrading towards incremental and experimental interventions capable of developing locally adapted approaches that extend over time to provide the necessary flexibility, build know how, insure participation, and allow for the establishment of partnerships with private actors.

Once public institutions accept the premise that they necessarily need to adopt participation and acquire the support of the private sector in their projects, then the particular institutional mechanisms that will be established, the types of incentives they have to provide, as well as the form the intervention will take are determined incrementally, along with partners, and are gradually adapted to the specific context in which they are developed. Such projects can also extend over time, leaving thus a leeway for auto-correction and pre-empting negative social impacts after the first phases are implemented.

