



WORLD BANK GROUP

Urban, Disaster Risk Management, Resilience & Land

IMPLEMENTING 'ZERO SLUMS PROGRAM' IN DJIBOUTI

DJIBOUTI INTEGRATED SLUM UPGRADING PROJECT

PARTNERS: THE AGENCY FOR URBAN REHABILITATION AND SOCIAL HOUSING (ARULOS)[1]

DURATION: 2018-2023

FINANCE: US\$20 MILLION [2]

AT A GLANCE

Country: Djibouti

Total population: 958,920 (2018)

Urban population (% of total population): 78

Urban population growth (annual %): 1.7

Population living in informal settlements: More than one-third of the population in the capital city of Djibouti live in informal settlements

1. CONTEXT: RAPID URBAN GROWTH FUELED BY CLIMATE AND CONFLICT AFFECTED MIGRANTS

Djibouti is a small country in the Horn of Africa, with a population touching 1 million. Despite large investments and rapid economic growth, it lags in human development. Twenty-one percent of Djiboutians live in extreme poverty, and the combined unemployment and underemployment is high at 47%.^[3] Adding to the challenge, 78% of the population live in cities, which are facing increased strain as more migrants from rural areas move in, exacerbated by repeated droughts over the past three decades. The urban population is also swelling as conflicts in neighboring countries push people to move to Djibouti. The urban expansion has been disorderly, and as a result a large part of the urban population now live in precarious housing.

The national capital, also called Djibouti-Ville, is the country's biggest city, home to more than 60% of the national population. More than one-third of the city's population lives in 13 slums,^[4] which have been growing rapidly in response to internal and external migration as well as a lack of affordable housing. This situation is particularly pertinent to the Balbala slum, which is home to over 40% of the capital's population and has its highest poverty rate. Access to public services is low in Balbala as well. Only 15% of households there have a connection to the water network, and the service is spotty. There are frequent water cuts, the pressure is low, and the quality of the water is poor because of a high level of salinity.

Faced with this rapidly rising population in informal urban settlements, the Djibouti government is working on a Zero Slum Program (ZSP) to tackle the problem systematically and comprehensively. The World Bank is supporting the program in its implementation and by leveraging its power to attract financing from other development organizations. The program builds on the lessons learned from the First and Second Djibouti Urban Poverty Reduction projects (DUPREP I & II).

[1] L'Agence de Réhabilitation Urbaine et du Logement Social.

[2] IDA credit of US\$15 million and IDA grant of US\$5 million, under the sub-window for refugees and host communities.

[3] According to the Draft Board Djibouti CPF dated February 21 2020 (unpublished), despite some progress in job creation, the official unemployment plus underemployment rate remains high at 47 percent in 2017 from 39 percent in 2015. Disaggregation of data by informal and gender categories is not available. This could affect the definition of unemployment, with a broader meaning that does not correct for informal employment. Linking different macroeconomic variable and country characteristics, the International Labor Office (ILO) estimates the unemployment rate at 6 percent. This provides a good estimate of the underemployment rate, or rate of precariousness for jobholders at around 41%.

[4] Slums here refer to underserved neighborhood informally developed without proper urban layout.

2. DJIBOUTI INTEGRATED SLUM UPGRADING PROJECT

The main objectives of the Djibouti Integrated Slum Upgrading Project (ISUP)[5] are to improve living conditions in selected informal settlements and to strengthen the capacity of public institutions to implement the Zero Slum Program [6].

To help the government, the ISUP supports the preparation of a strategy and investment plan for low-income housing and slum upgrading. It provides the regulatory, institutional, and operational framework for the ZSP, helping to attract other donors to support.

The ZSP is a new way to tackle the complex challenge of slum prevention in Djibouti. It is a comprehensive approach based on three interrelated pillars: (i) slum prevention; (ii) slum upgrading; and (iii) home improvement. For each pillar, the strategy establishes operational principles including service standards, investment prioritization, community engagement and consultations, and resettlement standards that apply to the entire program. The strategy aims to make investments more transparent, systematic, and efficient, while also sequencing interventions to address the most pressing and urgent needs first.

The strategy puts the highest priority on improving access to essential and social services for the 115,000 residents of the City of Djibouti and those seeking to move there. This includes access to all-season roads, water, electricity, and public lighting. The other priority is to improve climate and disaster risk prevention, such as by reducing the threat of earthquakes, flooding, heatwaves, as well as any structural failures and collapses in homes and buildings. Additionally, the strategy emphasizes public transport and land tenure security, access to jobs for women and youth, and housing for migrants from neighboring countries. It also promotes social inclusion throughout the ZSP's implementation, with community's involvement at each step. The successful integration of all these elements into the ZSP promises to transform the way the government addresses slum prevention and urban development on a broader scale throughout the country.

The project will support the upgrading of one neighborhood, Balbala Ancien, to the benefit of 20,000 residents, and this in turn will make it possible to test and strengthen the devised slum upgrading instruments. The ISUP provides a combination of physical, social, and economic development activities aimed at mainstreaming the participatory approaches to prioritize, facilitating ownership, and improving the sustainability of investments within the neighborhood community.

[5] Project Task Team Leaders: Hazem Abdefattah and Anastasia Touati

[6]<http://documents.worldbank.org/curated/en/145511542078037348/pdf/project-appraisal-document-pad-P162901-20181017-10232018-636776568298453523.pdf>

A. SPATIAL INCLUSION: SUPPORTING INFRASTRUCTURE, RESETTLEMENT AND LAND REGULARIZATION

Priority investments in Balbala Ancien include:

- **The primary and secondary infrastructure intervention is to rehabilitate a 1.2-km access road** into Balbala Ancien that also runs through the neighborhood's main commercial area. The road will improve access for residents and promote economic development in the adjacent market area.
- **The tertiary infrastructure interventions** include building roads, bus stops, drainage, electricity and water systems, and energy-efficient street lighting, as well as internet connections, health care facilities, primary schools, community centers, sports facilities, commercial facilities, and public spaces.
- **Resettlement zone development and housing reconstruction:** The Balbala Ancien project is expected to resettle 252 households. To do that, an area with similar capacity will be selected on the state-owned land within the urban extension of Balbala South, and this will be allocated to the Agency for Urban Rehabilitation and Social Housing (ARULOS). This area will be used to relocate households affected by project priority investments.
- **Investment program.** If at the end of that process there is still land available, that land will be used to resettle any households affected by other ZSP investments. The project will also finance the construction of urban infrastructure and housing units for resettled people, including refugees and displaced populations. This will demonstrate how resettlements under the broader ZSP can be done safely and equitably.
- **Land regularization support:** The project strengthens the capacity of the public institutions in charge of the land regularization program led by ARULOS with support from the Land Directorate and the Territorial Development, Urban Planning, and Housing Department. This will increase land regularization titles.



B. ECONOMIC INCLUSION: CREATING JOBS THROUGH PROJECTS

The project includes interventions to reinforce the impact of project investments on the community economic well-being. These include:

- The youth innovation program of the Community Development Fund (CDF) supports direct educational activities for youth and facilitates their access to employment and job training. It also leverages existing initiatives, such as providing transport to educational programs.
- The labor-intensive civil works, such as paving roads, that are financed under this project will be designed to provide residents with job opportunities, especially young people. The total number of people to be hired for the construction of the 1.2-km road is estimated to be between 20 and 30 people.
- The construction of spaces for economic activities such as markets and small workshops.

C. SOCIAL INCLUSION: MOBILIZING COMMUNITIES THROUGH THE COMMUNITY DEVELOPMENT FUND

The project adopts an inclusive, participatory approach to slum upgrading by engaging the targeted communities in the design and maintenance of the investments. Attention is given to specific groups that can benefit from the project, particularly women, youth, and vulnerable groups such as the elderly, refugees, and displaced populations. Activities include:

- The public space and facility management window of the CDF reinforces civil society's role in community development initiatives to improve the overall living environment, such as initiatives to promote water supplies, sanitation facilities, tree planting, and solid waste collection.
- The community facilitators stationed in the slums being upgraded are to work to coordinate neighborhood participation at different stages of the project.
- The training of community representatives and municipal officials on community engagement.
- The administration of the CDF emphasizes the key role of community representatives and municipal officials.
- A central role is given to women in the CDF's decision-making processes, which is coupled with gender-sensitive training on fund management for both women representatives and other fund management members.
- The project supports awareness and other activities that address some of the unique challenges faced by women slum dwellers, notably urban safety, gender-based violence, and access to public spaces.
- The government has established a grievance redress mechanism (GRM) for individuals and communities who believe that they are adversely affected by the project. The GRM aims to mitigate any social risks in the project, such as an influx of labor or gender-based violence. The GRM is integrated within the Djibouti Ville's existing GRM system and includes neighborhood councils of elders, a customary law tribunal, a city council mediator, and a modern legal system.

3. RESULTS: PUTTING IN PLACE STRATEGY AND BUILDING BLOCKS

As of January 2020, after less than a year of the project's actual implementation, several achievements can be highlighted, including:

- (i) the finalization of the national Zero Slum Program strategy;
- (ii) a successful restructuring of ARULOS;
- (iii) the delivery of the Balbala Ancien restructuring study and the urban study for relocation, two key prerequisites to start the priority investments;
- (iv) the launch of the priority investments in Balbala Ancien, with construction of the first access road getting underway on October 15, 2019.
- (v) the start of social engagement activities in February 2019, led by the Ministry of Social Affairs and Solidarity. The main achievements in this area include the creation of six committees to facilitate exchanges and communication with the community, as well as a committee of project-affected people; the recruitment of five community facilitators; and communication with the inhabitants of the 60 dwellings affected by the construction of the access road.



4. CHALLENGES AND LESSONS LEARNED: FROM AN AMBITIOUS VISION TO FEASIBLE SOLUTIONS

Given that the project was recently launched, the main challenges and lessons learned are related to the project's preparation:

- **Balancing Vision with Practical Solutions:** When preparing a national program strategy, it is crucial to help the government balance its ambitions with international best practices and what is feasible to achieve. The government's original vision required resources that would be difficult to mobilize. It took time and effort to work out a more viable strategy that satisfies the government.
- **Community Consultation:** The government-led public consultations, while they came late in the preparation of the strategy, helped to achieve a consensus and boosted confidence in the program.
- **Capacity Building:** The client's capacity to deal with such a complex operation as this was limited. That made it essential to provide capacity building including a study tour and participation in a conference on slum upgrading to help the people involved to better understand their respective roles. Also, ARULOS' capacity to coordinate with other government officials was vital, something that was learned from its other activities.
- **Learning by Doing:** Taking a learning-by-doing approach is key to testing interventions to find out what works best on the ground, such as by establishing resettlement standards that are tailored to the population.
- **Sequencing and Phasing Investments:** The phased approach for investments in the neighborhood, starting with a no-regret investment while preparing the full restructuring plan, helps to engage the population to make the project more concrete and real for them.

The case note is prepared by Urban Poverty and Housing GSG and Urban Poverty and Slum Upgrading KSB. The team comprised of: Phoram Shah, Waad Tamaa, Reyna Alorro, Rodica Tomescu-Olariu, Mansha Chen, Judy Baker and Dean Cira. Project Task Team Leaders, Hazem Abdelfattah and Anastasia Touati provided substantive inputs. Charles Newbery provided editing support.

Please visit GSG website for additional information (<https://worldbankgroup.sharepoint.com/sites/gsg/uphgsG/Pages/index.aspx>).

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