

Housing Policy and Circular No. 3 on Squatter Settlement Resolution



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Housing Policy

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Housing Policy: Introduction

Housing is an important social and economic asset for each household. Generally people save money for constructing The loss of land records during the Pol Pot regime and after 1979 the re-establishment of a land ownership regime, in combination with high demographic growth, repatriation of refugees, changes in land and housing values and especially the rapid economic growth in recent years, have triggered considerable migration of the rural poor to municipal and urban areas which have economic potential, and this has put more pressure on the need for land and housing.

Based on data from a demographic census in 2008, Cambodia's population will be more than 18 million in 2030, i.e. an increase of 4 million from today. Based on the 2008 census, the household size tends to decrease and one can estimate that by the year 2030, Cambodia may require approximately 1.1 million new houses, excluding the current housing deficit. This contributes to increased land and housing needs, and will cause new informal settlements if housing and spatial planning policies as well as measures are not yet developed to guarantee the right to adequate and affordable housing for the low and medium income population. At the same time housing is regarded as an important aspect of human life and as a source of income generation by the running of home-based businesses.

.....Article 31 of The Constitution of the Kingdom of Cambodia recognizes and respects human rights as stipulated in the United Nations Charter, the Universal Declaration of Human Rights and covenants and conventions related to human rights. The Cambodian Government is committed to implement the principle of human rights, especially the right to "adequate housing" for all citizens, in order to ensure the right to adequate housing for all Cambodian citizens, especially poor and vulnerable groups.

Housing Policy: Goal

3.1. Goals

- to provide general people, especially low and medium income households and vulnerable groups with access to decent housing or improving a house to ensure the right to adequate housing;
- to promote municipal, urban and rural development
- to provide resolution to households that are living temporarily in a dis-organized structure to have access to adequate, safe and comfortable housing and/or livelihood
- to encourage collaboration with development partners, civil society, charity and private sector to establish national and sub-national housing program for short-, medium- and long-term

Housing Policy: Goal

3.2. Objectives

- to formulate and update data of adequate housing demand, especially for low and medium income households and vulnerable groups;
- to disseminate and provide with options to access to housing for, and with financial options for construction or improving a house, especially for low and medium income households and vulnerable groups;
- to mitigate the number of inadequate housing households that are living in a narrow and un-organize structure, and are settling temporarily on public space;
- to grant land tenure security and take into account the determination of a location and appropriate types of construction by incorporating the national housing program into the urbanization plan or city, urban and rural development plan;
- to collaborate with development partners, civil society, charity, and private sector by creation of a community development project, social fund construction project for housing or a land development project for housing construction, low-cost housing construction project for low and medium income households and vulnerable groups through installments or for rental
- to establish local and national housing fund structure to provide finance options to the poor and to conduct studies on creation of housing bank to resolve housing needs or to improve housing;
- to encourage the implementation of Circular 03 of the Royal Government on resolution of temporary settlements on state land illegally occupied in the capital, municipal and urban areas; and
- to encourage the public and private housing development for rental or sale at low cost through installments.

Housing Policy: Strategy

The strategy of National Housing Policy shall meet basic human rights for adequate housing by taking into account the current housing demand and reserving land for the future demand for housing units; increasing cooperation with development partners, civil society and private sector; establishing a housing fund structure and measures for resolving all kinds of temporary settlements based on the following principles:

- a. Addressing future demand for new housing units with special attention toward low-income and middle income households and vulnerable groups.
- b. Allowing illegal settlers and the poor communities to temporarily occupy their settlements for a specific period of time in order to study the factual situation of each temporary settlement.
- c. Assuring that relocation as a last option, used in accordance with the principles of voluntariness, good governance, transparency, accountability, and participation from the affected settlers.
- d. Integrating new settlement structures into commune/sangkat and urban/municipal land use plans.
- e. Assuring and maintaining functional, structural, and social sustainability of new and old settlements, with the direct participation from the local community.
- f. Study the possibility and procedures for establishing a housing fund structure and a housing bank.
- g. Supporting and empowering the participation of people and local communities.

Housing Policy: Action Plan

Housing and relocation are the issue of urban development which shall involve various sectors at both national and sub-national level in establishment of spatial planning, land use master plan, land use plan, construction, architecture, engineering, establishment of infrastructure and basic services, the exploration of sources of resources as well as social and environmental impact assessment etc., which requires coordination between relevant institutions and establishment of adequate legislation to respond to the implementation of a housing policy. This involves all stakeholders such as all levels of Royal Government, development partners, civil society, the private sector and the communities. Hence the development of a housing policy shall emphasize enabling strategies such as allowing the participation of local communities; financing for housing improvement or erection; constructing new housing to meet housing demand; specifying the basis of developing land use master plan, municipal, urban and rural land use plans; establishing other types of housing; development of infrastructure and basic services; and defining fees for building permits.

Housing Policy: Action Plan

5.1. Institutional Arrangements for Housing

- A. National Level
- B. Sub-National Level

5.2. Institutional Coordination and Stakeholder Participation

- A. Government
- B. Local community (poor community)
- C. Civil society organizations
- D. Private sector

5.3. Legal Framework

5.4. Housing Alternatives

Alternative 1: Low-cost housing

Alternative 2: Cooperation with the private sector.

Alternative 3: Cooperation with development partners and NGOs.

Alternative 4: Rental housing.

Alternative 5: the State provides land to poor households/communities for housing purposes

Alternative 6: Resettlement

Alternative 7: In-situ upgrading.

Alternative 8 : Forest policy for family-scale wooden houses

Alternative 9 : Assurance of shelter for employees

Housing Policy: Action Plan

5.5. Policy Options for Housing Finance

Significant options include:

1. **Savings and loans:**
2. **Contractual saving:**
3. **Special housing funds:**
4. **A private bank provides loans for purchasing houses repaid through installments at specific periods of time:**
5. **State Bank provides loans for housing upgrading or construction:**
6. **Pre-paid housing saving card:**
7. **Deposits in a special account in a bank:**

Housing Policy: Action Plan

5.6. Urban Planning and Development Plan of New Sites

5.7. Resolution of Current Problems

A. Secure tenure has a specific period of time for dwellers in temporary settlement sites

B. Baseline Survey: Data collection and Analysis

C. Basic Services for Supporting Implementation

Housing Policy: MONITORING AND EVALUATION (M&E)

6.

To ensure effectiveness and sustainability, MLMUPC shall have officials carry out M&E regularly to study, research strengths, weaknesses, good practices and opportunities to achieve the work plan.

MLMUPC shall organize a housing forum at least once per year, which involves relevant stakeholders to develop strategies linked with guidelines, programs and projects. Regarding the project providing adequate housing to low and medium income households and vulnerable groups as set out, MLMUPC shall monitor and evaluation the implementation regularly to ensure effective implementation and positive impacts.

Housing Policy: Conclusion

The National Housing Policy is the compass of the Royal Government of Cambodia that targets the resolution of social issues by promoting the livelihood of the people by means of all efforts and making sure that all peoples access to affordable, secure and adequate housing.

The National Housing Policy is developed for all Cambodian citizens regardless of race, skin color, sex, language, religious belief, political affiliation, origin, social status, resources or other factors. Good housing governance in combination with housing land use planning will ensure rights to adequate living of citizens, especially low and medium income households and vulnerable groups.

Therefore, land and housing policies will contribute greatly to socio-economic development and to the creation of employment opportunities to improve the people's livelihood, which accomplishes the national poverty reduction strategy of the Royal Government as well as the Cambodian Millennium Development Goals.

What is squatter settlement in the Cambodian context?

From Anarchic settlement in local **SAMNANG ANATHEABTEY** (squatter settlement) to temporary settlement in local **SAMNANG BANDOSASAN** (squatter settlement)

It was the government sympathy, especially the Prime Minister him self to officially request the above in order to provide dignity to all Cambodian regardless of their living status, ethnicity, income, and job.

In Cambodia, because of its unique history of destruction especially during the Khmer Rouge regime, 1975-1979, the informal settlement is divided into squatter and slum settlement for fair resolution.

What is squatter settlement and what is slum settlement ?

- Criteria used :

Criteria	Squatter settlement	Slum settlement
Legal status of land occupation	Illegal occupation	Legal occupation
Land use and building status	Can be in accordance with land use and/or building regulation Can be sub-standard or illegal	Not in accordance with land use and building regulation

What is compensation and what is assistance ?

Compensation is a solution used for settlement which is built on legal land occupation such as those which are to be expropriated for public development projects or those slum settlements

The compensation is proceeded in according to market price as stipulated in the Cambodia's **Expropriation Law**

Assistance solution is a human assistance used for squatter settlement which is built on illegal land occupation.

Assistance solution is sought in order to reduce the impact caused by squatter resolutions which can be happened both including on site upgrading and relocation as stipulated in the procedure of the **Circular 03** for urban areas and in accordance to **Circular 02** for rural areas.

Circular No. 03

0-Introduction: why having Circular 03

- This Circular is intended to provide resolution for only temporary settlements on state land which has been illegally occupied.
- Squatter settlements developed from several factors such as population growth, repatriation of refugee's family and families fleeing battlegrounds prior 1998 when the country had not fully achieved peace, land loss caused by natural disasters and other factors, especially rural to urban migration for finding jobs in the later which has experienced rapid industrial, service and urbanisation growths.

Circular No. 03

1- Data collection on actual numbers of temporary settlements

- Mechanism: Participation from community representative and relevant NGOs.
- Goal: Only one consensus data list for all stakeholders which will be used for solution finding.

Circular No. 03

2- Identification, mapping and classification of the sites of temporary settlements

- **Land which had been used as:** public gardens, public space, state private land, individual private land or land belonged to private company; land belonged to pagoda, etc.
- **Land which already had use plan for:** public gardens, sewage or drainage system, road system, commercial, industrial, residential, tourist zones, etc.
- **Location which can cause accident to settlers: close to** dumping ground, on the pavements, close to water drainages, on the right of way (ROW) or railways, on flood control dams, river banks, streams, creeks, and roof terraces, etc.
- ...hold a meeting to seek an agreement on the occupation and classification of land either on state public land, or state private land, or privately owned land, and shall prepare a report by attaching maps, supported documents, opinions of consent or not-consent, as well as comments of the meeting in order to seek an approval from the Capital/Provincial State Land Management
- ... the authorities shall register those land accordingly.

Circular No. 03

3- Households and population census in temporary settlements

- ...to collect statistics of all household members of each household in each temporary settlement, by attaching ***photos of the head of household and all household members***. In each household statistic, there must be an indication of the status of each member ***as owner of the temporary settlement or the renter, with thumb-prints of all members of the task force*** who have undertaken the work as well as ***thumb-prints of the head of household or representative*** of each family, as proof of evidence.

The household statistic table which have already compiled shall be publicly ***displayed for a period of 30 days*** at the temporary settlements and at the commune/Sangkat office in order to collect suggestions from local residents.

Circular No. 03

4- Solution finding

- taking into consideration public interest as the first priority and also shall be based on the physical characteristics of squatter location and shall be based on the interest of the majority of the population in the community as well as the necessity of local development.

- Relocation where the temporary settlement's location is not suitable for on-site upgrading; or

- On-site upgrading where temporary settlement's location is suitable for such solution; or

- Other types of solution policies based on actual situation.

- For any solution which has been agreed by the meeting, a public display shall be conducted in a period of 30 days

Circular No. 03

5- Coordinated discussion in order to identify solution policies

- For temporary settlements which can be implemented with on-site upgrading, the Capital city/Provincial Governors shall discuss with all relevant stakeholders to develop infrastructure development plan, to identify methods for plots or houses organization, and/or other policies which shall facilitate the development of local livelihoods.
- For temporary settlements which cannot be implemented with on-site upgrading and thus have to be relocated into new locations, shall develop practical plan before implementation and/or to assist as policies in order to facilitate relocation of the settlers.

For on-site upgrading or relocation, the target beneficiary settlers may obtain:

1. Usufruct right based on agreement; or
2. Ownership right after the beneficiary settlers have continuously occupied and lived on the approved location for at least 10 years, commencing from the date of agreed solution; or
3. Rented right in an agreed time frame with symbolic (token) renting fee.

Circular No. 03

6- Basic public infrastructures and services to support livelihood

- a.** Every solution shall be taken into consideration the installation of basic public infrastructures and services for low-income households, such as limiting the size of the plots and/or houses with relatively small size, avoiding the types of solutions which can be seen as encouragements and attractiveness for the establishments of new temporary settlements on land which is illegally occupied.
- b.** Basic needed public infrastructure and services shall be prepared in advance for both locations, the on-site upgrading and relocation, such as roads, water supply, sewage, and other needed basic services including education and healthcare services and to also consider employment opportunities.

Circular No. 03

7- Participation of stakeholders in development

In order to carry out any type of solution which is agreed by relevant stakeholders, ...shall review the preparation of the location before leading to the implementation of action plan. All relevant stakeholders shall continue to support the target population in both cases of relocation and on-site upgrading in order to help them to organize as a community or to continue the existing community organization which has already been organized by assisting them in developing community internal regulations and community savings based on voluntary principle.

Local authorities together with Development Partners, NGOs and civil societies may work together in finding a solution by contributing moral, material and financial supports since the initiative stage of means to build and improve infrastructure, to provide basic needed public services and to facilitate employment generation for those population

4 The way forward

Medium-term solution:

- Provincial/Municipal/
District/Communal and
Village physical master
plan with clear instruction
on housing

Short-term solution:

- Urban squatter resolution,
Circular 03
- Rural land squatting solution,
Circular 02
- UPDF, community saving

Medium-term solution:

- Social Land Concession

Long-term solution:

- National Housing Policy
- National Spatial Plan
-

Country wide and all walk of life campaign on problems and needs of public housing