



**HUMAN SETTLEMENTS AND
SHELTER SECTOR DEVELOPMENT
IN SRI LANKA**

**NATIONAL REPORT FOR
HABITAT II CONFERENCE : THE CITY SUMMIT**

**MINISTRY OF HOUSING, CONSTRUCTION
AND PUBLIC UTILITIES
OF THE GOVERNMENT OF
DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA**

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ABBREVIATIONS

ADB	Asian Development Bank
AHS	Average Household Size
CAP	Community Action Planning
CAPRES	Community Action Planning Resource Persons Association
CBOs	Community Based Organisations
CDCs	Community Development Councils
CHPB	Centre for Housing Planning and Building
CSP	Clean Settlements Project
CUA	Colombo Urban Area
CWS & SP	Community Water Supply and Sanitation Project
GSS	Global Strategy for Shelter
GCA	Greater Colombo Area
GDP	Gross Domestic Product
GNP	Gross National Product
HDFC	Housing Development Finance Corporation
HSCs	Housing Sub-Committees
HTHP	Hundred Thousand Houses Programme
HUDCs	Housing and Urban Development Councils
ICTAD	Institute for Construction, Training and Development
IRDP	Integrated Rural Development Project
IYSH	International Year of Shelter for Homeless
MCs	Municipal Councils
MHC & PU	Ministry of Housing, Construction and Public Utilities
MHP	Million Houses Programme
NBRO	National Building Research Organisation
NGOs	Non Government Organisations
NHAP	National Habitat Action Plan
NHDA	National Housing Development Authority
NHSC	National Habitat Steering Committee
PCHSCs	Provincial Council Habitat Steering Committees
PSs	Pradesiya Sabhas
SAARC	South Asian Association for Regional Cooperation
SMIB	State Mortgage and Investment Bank
UCs	Urban Councils.
ULAs	Urban Local Authorities
UNCHS	United Nations Commission on Human Settlements

EXECUTIVE SUMMARY

1. This concise report on Sri Lanka's human settlements and the shelter sector deals with many aspects in accordance with the guidelines suggested by the UNCHS for the preparation of national reports for the Habitat II conference in June 1996 in Istanbul, Turkey. It contains the outcome of the consultative process related to the preparatory activities of the Habitat II, followed by the National Habitat Steering Committee appointed by the government. All relevant Ministries, Public Agencies, NGOs and CBOs were parties in the consultative process.
2. Sri Lanka's human settlements can be categorised into three main sectors: the rural, the urban and the estate, in the order of population size which represent 70 percent, 22 percent and 08 percent respectively.
3. The highest level of urbanisation is found in the Greater Colombo Region which is the largest urban agglomeration in the island. A slow but a steady increase of urban population is observed in the island during the past 50 years. However the special phenomenon is that the rural to urban migration has been marginal compared to the other developing countries.
4. Prior to the National Independence in 1948, the plantation / estate sector was paid more attention in development but during the post independence period, rural areas attracted more investment and government intervention. At present the government's policy is aimed at balanced development of all the three sectors. The open economy policy of the country has opened up increased opportunities for development.
5. The rural sector suffers problems of relatively higher unemployment, under employment, poverty and low incomes, imbalances and inadequacies of social and physical infrastructure. The urban sector has inherited problems of slums and shanties, and the urban sprawl etc which demand for urban renewal programmes. The hill country estate sector has issues related to landlessness for human settlements development, soil erosion, land degradation and frequent landslides etc.
6. Poor shelter conditions, including water supply and sanitation, domestic lighting facilities, shortage of domestic cooking fuel, and a high proportion of semi-permanent and temporary houses in the housing stock demand more state intervention. The need for a suitable set of urban and housing indicators is felt for planning, decision making and monitoring of shelter and human settlements development programmes in urban, rural and estate sectors.
7. The government intervention in the shelter sector in Sri Lanka dates back to 1930 s and as a result a substantive change in terms of regulatory control and institutional development has taken place even before the Habitat I conference in 1976. During the past two decades, the implementation of three major public housing programmes, the high level political commitment, the evolution of the provider-based housing concept into a support based paradigm, human resource and institutional development were major achievements in the human settlements sector.

8. Sri Lanka has launched a wide range of activities towards the achievement of Global Strategy for Shelter to the year 2000. These include the provision of shelter, human settlements management, land-use planning and management, provision of environmental infrastructure, provision of energy and transport, disaster areas settlements development, expansion of the construction industry and the capacity building of local authorities and agencies. The initiatives taken by Sri Lanka even before the IYSH in 1987 are remarkable and the experience gained during that process has paved the way for future development programmes.

9. Some useful 'Best Practices' in the human settlements sector embracing the areas of low cost construction, water supply and sanitation, community development, disaster preparedness, participatory planning and community finance mechanisms etc. have been identified and evaluated.

10. In terms of priority issues, the country at present faces a high rate of 14% unemployment, inadequacies and disparities of social and physical infrastructure, recurrent natural and man-made disasters, wide spread landlessness, inaccessibility to housing finance, deficiencies in the construction sector, low capacity levels of local authorities, procedural delays related to the vision of devolved governance, growing homelessness, the low structural quality of the housing stock, low level of urban and industrial development and the civil conflicts etc.

11. The aforementioned issues directly influence the human settlements and the shelter sector and therefor the government has adopted policies and strategies to face those challenges. Specially the policies and strategies of the sub-sectors of housing, water supply and sanitation, construction industry, urban development and regional development have been geared for this purpose. These policies and strategies have been translated into a Five Year Plan of Action which will be implemented with the participation of key actors; the public agencies, the private sector, the NGOs, the CBOs as well as the international agencies. Special monitoring and evaluation mechanisms will be developed for the successful implementation of those programmes and projects.

12. Sri Lanka wishes to harness international co-operation and assistance for the achievement of its priority needs in the coming two decades. Mobilisation of housing finance, institutional development, basic infrastructure provision, development of monitoring mechanisms, human resource development, strengthening of NGOs/CBOs are some important areas identified for international co-operation.

13. Sri Lanka is determined to support the Habitat II, Global Plan of Action by accepting the principles and commitments embodied in the Draft Global Plan of Action, extending institutional arrangements and facilities to the UNCHS, organising manpower training and conducting exchange programmes for regional and international requirements.

Note: A summary of this national report, prepared according to the guidelines suggested by the UNCHS and sent to the Habitat II Secretariat for inclusion into the Conference Document is found in the Appendix V.

PART A: INTRODUCTION

1. PREAMBLE

1.1 This National Report contains information and the national vision pertaining to human settlements and shelter sector development in urban, rural and estate sectors of Sri Lanka within the context of the United Nations Conference on Human settlements (Habitat II); the City Summit to be held in Istanbul, Turkey in June 1996. The government of Sri Lanka furnishes this report to the Secretary General of the Conference with the objective of getting the appropriate contents reflected in the Global Plan of Action that would be adopted at the Conference.

2. THE PROCESS

2.1 The Government of Sri Lanka appointed a National Habitat Steering Committee (NHSC) which followed, from its inception on 18th May 1994, a consultative and participatory process in arriving at consensus on assessing priority issues of the human settlements sector of the country and various other aspects of the National Habitat Action Plan (NHAP) for the coming five years. Further, the participants of the NHSC deliberated on the long-term vision of the sectors in keeping with the goals of (A) adequate shelter for all and (B) sustainable human settlements development in an urbanising world. Agencies directly responsible for the development of the urban sector and the shelter sector, and as well as other allied agencies are represented on the NHSC. This has enabled the NHSC to generate discussions in a multi-disciplinary and broad-based sense with a view to evolving an integrated NHAP. Some of the highlighted activities that were organised or initiated, in addition to the monthly sessions of the NHSC, have been outlined in the Appendix I.

2.2 The subject areas covered under those preparatory activities were urban development policy, housing development policy, national housing data banks, plantation area housing quality survey, affordable housing technology, housing finance, participatory planning, water supply and sanitation, regional development, community based methodologies in urban low income housing, NGO participation in shelter activities, housing indicators, urban indicators, development of partnerships between public and NGO sectors, settlements environment, solid waste disposal, best practices in the human settlements sector, manpower development, human settlements strategy and spatial planning, real estate industry, innovative finance mechanisms and future strategies for housing development.

2.3 The activities initiated by the NHSC have generated substantial consultative processes; enthusiasm and awareness regarding human settlements and shelter sector issues and requirements in the island.

3. THE PARTICIPANTS

3.1 Considering the need for multi-sectoral interaction, integration and coordination, the opportunity was made available for a wide range of participants/key actors to be involved in the process of national preparation. The key actors are of four categories:

- i Public sector participants
- ii Private sector participants
- iii Participants of non governmental organisations and community based organisations
- iv Representatives of scientific community

3.2 The key actors were incorporated into the process either by officially appointing as members of the NHSC or by inviting to participate in or perform various activities in the workshops, seminars and exhibitions.

3.3 The NHSC is comprised of public sector representatives of all allied Ministries and state agencies, and as well as representatives from human settlements sector NGOs/CBOs. (See appendix II for the list of participants)

3.4 The state agencies which are allied to human settlements sector but not directly represented on the NHSC, the private sector agencies and professional institutions also were invited to participate in various activities and sessions. (See Appendix II for the list of such interests)

3.5 The Ministry of Housing, Construction and Public Utilities as the National Focal Point, made arrangements to invite, as and when necessary, additional representatives from other Ministries and state agencies, NGOs/CBOs, private agencies as well as selected specialists and resource persons from the scientific community for carrying out of a comprehensive programme of activities in preparation for Habitat II.

3.6 The attempt throughout was to have a wider participation by the key actors and stakeholders, and thereby to make the process a participatory one.

PART B: ASSESSMENT AND PRIORITIES

1. THE BROADER SETTING

1.1 Sri Lanka's human settlements are categorised into three main sectors, namely, the rural settlements, the urban settlements and the plantation/estate settlements. The share of population in each sector is indicated below:

Population by Urban, Rural & Estate Sectors

Sector	1981(1)		1996(1)	
	Population(Mln)	%	Population(Mln)	%
Urban	3.19	21.5	3.97	22.0
Rural	10.46	70.5	12.64	70.0
Estate	1.19	8.0	1.44	8.0
Total	14.84	100.0	18.05	100.0

Source:(1) Dept. Of Census and Statistics
(2) Estimated figures on the basis of 1981 census

1.2 The distribution of the occupied housing stock in the settlements of the three sectors at the last census in 1981 and the estimated figures for 1996 are shown in the table below:

Sectoral Distribution of the Occupied Housing Stock

Sector	1981 (1)		1996(1)	
	No. Units	%	No. Units	%
Urban	509400	18.11	706000	18.00
Rural	2084400	74.16	2891060	74.00
Estate	217600	7.73	301340	8.00
Total	2811400	100	3898400	100

Source:(1) Dept. Of Census and statistics
(2) Estimated figures on the basis of 1981 census

1.3 The largest urban agglomeration of the country is the Greater Colombo Region in the Western Province. Colombo, the largest city of the island, had a population of 0.635 M in 1994, according to the sample survey conducted by the Department of Census and Statistics. Altogether, in terms of official urban status, the island has 12 Municipal Councils, 39 Urban Councils and about 300 growing small towns in rural divisions.

1.4 Even though the population living within the declared administrative boundaries of urban centres has been enumerated as urban population (21.5 percent), the actual urban population on the basis of spatial urban character and urban employment, is higher than the official figure. The present urban population living in urban areas has been estimated at 27-28 % and it would reach 30% by the year 2000 and around 45% by the year 2015 according to studies carried out by the Department of Town and Country planning of the University of Moratuwa, Sri Lanka.

1.5 Rural to urban migration in Sri Lanka has been very marginal during the past five decades compered to many other developing countries. This was mainly due to the rural development policies and programmes of the government since the National Independence in 1948. In 1946 the urban population was only 15.37% and by now it has increased up to about 28% according to the estimated figures as stated before. However, the percentage of rural population (including the estate sector) has been gradually decreasing and the corresponding urban population has been steadily increasing in percentage terms. This tendency may increase consequent to the current status of saturation of employment opportunities in the rural sector and the migration to urban areas for employment.

1.6 Another reason for the future increase of the urban population will be the geographic expansion of urban areas and urban centres. The rapid growth of the Colombo Metropolitan Region, the expansion of provincial and district capitals and the small towns will embrace more space and population into the urban sector.

1.7 During the period of colonial rule, adequate attention was not paid to rural development, and the traditional agricultural base such as highland food crops and lowland paddy cultivation, were given scant attention. The plantation/estate sector which produced tea, rubber, coconut and other types of export crops was given high priority and, consequently, this sector was better planned, organized and financed. Since the National Independence in 1948, the policies of the successive national governments were geared for rural development with a view to enhancing national food production for self sufficiency and employment generation etc. which made rural settlements reasonably attractive. At present, the country is facing serious problems in unemployment which amounts to 14% at national level, consequent to the saturation of rural sector primary employment in agriculture. Therefore more emphasis has been placed on urbanization and industrialization to create more secondary and tertiary employment. Resultantly, it is envisaged that a higher rate of urbanization will take place in the coming two decades, transforming the whole economy and the settlements pattern into a new scenario.

1.8 The present national policy is concerned about the balanced development of all the three sectors for increased production, generation of employment and better incomes to raise the quality of life.

1.9 The open economy policy of the country has created ample opportunities for increased regional and international linkages, higher participation of the private sector in economic development and more involvement of the NGOs/CBOs in development efforts.

1.10 However, the major draw back affecting the human settlements and shelter sector of the country is the inadequacy of funds for investment in the sector. Two major issues are involved in this area. One is the low affordability levels of low income categories which form 70% of the national population who earn incomes up to about Rs. 3,000/- (approx. 60 US\$) per month. Further about 30% of them earn incomes up to Rs. 1,500/- (approx. 30 US\$) who are recognised as the absolute poor, living below the subsistence level. Low middle and middle income strata also have problems such as lack of collateral for housing loans, and liquidity issues for investment. The second problem is the inadequacy of public funds for investment in housing. Over the years, the public sector investment in housing (PSIH) has dropped. The following figures reveal the position of public investment in housing during the previous five years.

Public Investment in Housing as a Percentage(%) to the GNP (Rs. Millions)

Item	1989	1990	1991	1992	1993
Investment	373	262	339	304	335
GNP	242323	310764	362353	413935	493730
%	0.15	0.08	0.09	0.07	0.07

Sources : (i) Public Investment Programme: 1995-1999 (P.135)
(ii) Reports of the Dept. of Census and Statistics

1.11 Over the five years from 1989 to 1993, the public investment in housing has decreased by 10%. The public investment in housing as a percentage(%) to the GNP also indicates a decreasing trend.

1.12 To overcome this dilemma, the NPA expects to adopt a three fold strategy. One, is to introduce, relatively low rates of interest, a flexible collateral system and community based financial mechanisms for low income categories. Second, is the deferment of the payment of rate of interest for a specified period in respect of middle income categories, under government guarantee. Third, is to mobilise funds from Commercial Banks, Insurance Companies, Employees Provident Funds and foreign sources.

1.13 Further, to create a better environment for investment and fund mobilization, measures such as fiscal policy adjustments, increased borrowing from foreign sources, introduction of group mortgage and secondary mortgage systems, title registration and insurance, easy repayment systems, innovative and alternative collateral methods etc will have to be devised.

The economic potential of investment in the housing and the construction sectors should be positively understood. The direct government intervention at policy level in this area is now being emerged due to the hard felt need.

2. CURRENT CONDITIONS

2.1 The rural sector having the largest share of population (70%) suffers, problems of relatively higher unemployment and under-employment, inadequacy of incomes, imbalances in terms of social and physical infrastructure, inadequacy of marketing facilities resultant to the low growth of rural service centres coupled with insufficient transport facilities, the existence of a high proportion of semi-permanent and temporary houses, issues connected to land fragmentation, deterioration of soil fertility, lowering agricultural productivity, land tenure problems, braindrain connected with migration to urban areas etc. However as a result of the national economic policy geared for rural development during the past five decades, the quality of rural life has become relatively better and that is why the rural to urban migration rates are insignificant and manageable. A major fact contributing to the negligible rates of rural to urban migration is the heavily subsidised rates of transport fares in the country. The rural population is blessed with adequate transport facilities to access to district and provincial capitals and the city of Colombo; the national capital to fulfil their urban service requirements. In addition, the government has been implementing extensive programmes on agricultural subsidy packages too for the benefit of the rural masses.

2.2 The urban sector settlements, as stated before, come next to rural in terms of population size (22%) and represent issues such as existence of slums and shanties, urban sprawl, growing urban poverty, inadequacy of urban infrastructure, growing requirements of the informal sector and the vulnerable groups, landlessness for housing and environmental implications demanding urban renewal based on better planning and regulatory controls. These problems are acute in the highest urbanised Colombo Urban Agglomeration while the conditions of the provincial and district capitals remain at a modest level. However, as a whole, the urban problems of Sri Lanka are yet at a manageable level. In the meantime, urbanisation is perceived as a means of economic growth through agglomeration economies.

2.3 The estate sector is the smallest in terms of the population size and inherits issues of landlessness, inadequate conditions of estate workers housing, insufficient social and physical infrastructure, soil erosion and the degradation of soil quality, specially in hill country tea estates areas, insufficient urban facilities and damage to water-shed areas and environmentally sensitive areas. The plantation sector has been identified as a priority area in need of government intervention and currently a sizable settlement and shelter development programme is being carried out.

2.4 As far as the income levels are concerned, the urban sector and the plantation sector families earn considerably higher incomes than that of the rural sector. The large majority (80%) of the poor families who receive public assistance are found in the rural sector.

2.5 Shelter sector conditions can be reviewed through housing indicators. In order to bring about the characteristics of the national housing stock as the basis for a general qualitative and quantitative assessment, it is useful to examine some selected indicators. (See appendix III for the relevant statistical tables). In the absence of current data, the information of the last census in 1981 has been utilised for this purpose.

2.6 The average household size (AHS) of the country had decreased from 5.75 in 1971 to 5.35 in 1981. It is estimated that the AHS would diminish gradually to 4.7 by the year 2001 in response to the decreasing population growth rate (1.3% in 1993) of the country.

2.7 The most prominent source of domestic water supply was dug-wells (72.8%) specially in rural areas where safe drinking water is a health issue. Pipe-borne water (17.7%) was mainly limited to urban areas. Sanitation is a primary concern in all the three sectors. Nationally, 30.26% of the houses do not have any type of latrines.

2.8 For domestic lighting, only 14.9% of the houses had electricity connections and 82.5% depended on kerosene oil. As for the primary cooking fuel, 94% of the houses used fire-wood.

2.9 In terms of the tenure types, 69.5% of the houses were owned by occupants. But by 1990, both owner-occupied houses and the houses under 'purchasing' accounted for 83% of the total housing stock.

2.10 It is noteworthy that the use of indigenous building materials is very prominent in the shelter sector. Out of the total housing stock, 43.8% was of mud/earth walls, 40.2% was of cadjan or palmyrah roofs and 49.7% was of mud/earth floors.

2.11 Most of the houses (63%) had one or two rooms and the national average number of rooms per house was 2.5. The floor area per person in 1991 was 18.71 SqM.

2.12 In case of structural status of the housing stock, only 41.88% had permanent structures. The balance 58.12% was in need of structural improvements or replacement. The structural status of the occupied housing stock as at the last census in 1981 is indicated below:

Status	%
Permanent	41.88
Semi-Permanent	51.65
Improvised	6.47
Total	100.00

2.13 The high proportions of semi permanent and improvised houses in the occupied housing stock imply the necessity of according priority on the allocation of more resources for the upgrading of houses. The large majority of semi permanent and temporary houses are found in rural areas. The need for additional housing units to the housing stock is gradually diminishing. The requirement of new housing units upto the year 2001 has been approximately estimated as 70,000 units per year. The need of new units from 2001 to 2015 will be in the range of 30,000 units per year as a result of the diminishing rate of population increase.

2.14 The following indicators have been extracted from the document titled "Indicator Programme" comprising forty six (46) key indicators for the Colombo city, Sri Lanka (UNCHS under SSA95/094) published in 1996.

Population Growth Rate (1993)	1.3%
Women Headed Households (1993)	20.3%
Household Formation Rate (1993)	2.22%
Mortgage to Credit Ratio (1995)	24.8%
Housing production, Sri Lanka (1993)	0.17%
Housing Investment in Sri Lanka (1993)	0.07%

3. THE PAST 20 YEARS

3.1 Even before the Habitat I Conference in Vancouver in 1976, human settlements and shelter sectors were fairly active in Sri Lanka. Urban and rural planning activities by the Dept. of Town and Country planning, regulatory controls of the Housing and Town Improvement ordinance (No. 19 of 1915), regulatory controls and development work by the Municipal Councils, Urban Councils, Town Councils and the Village Committees, housing rent control measures from 1940s and the actions taken under the Ceiling on Housing Property Law (No 1 of 1973) were outstanding interventions in these sectors. Under the irrigation settlement schemes established in the dry zone, settler families were provided with housing units up to 1956. Since 1956 they were provided with cash grants and building materials for construction of houses. The government implemented an extensive housing subsidy programme in the rural regions under the Village Expansion Schemes which were aimed at providing additional land resources to the rural poor. In 1949, the Housing Loans Board was established and the Housing Loans fund was created to make housing loans available to companies, cooperatives and individuals etc. In 1954 the National Housing Department was established (Act No 37 of 1954) and the National Housing Fund was created for the furtherance of same objectives. However, the important features prior to 1976 were the regulatory controls, the government interventions in the housing finance market, institutional development and house construction on direct construction basis etc.

3.2 The total population of the country in 1971 was 12.7 M and it increased up to 14.5 M by 1981 as at the last National Census. The population shares in terms of sectors in 1981 constituted 70.5% in rural, 21.5% in urban and 8.0% in estates.

3.3 The estimated population for 1995 is 18.05 M and it is assumed that the percentage composition of population among the sectors remains without drastic changes for the purpose of estimating sectoral housing requirements for 1996. A relatively higher shortage of housing units and over-crowding have been observed in urban areas due to the fact that 21.5% of the population lives in urban areas possessing only 18% of the total housing stock according to 1981 Census data.

3.4 The distribution of the occupied housing stock by sectors in 1971, 1981 and the estimates for 1996 are indicated in the table below:

Housing Stock By Sectors: 1971 - 1996

Sector	1971(1)		1981(2)		1996(3)	
	Number	%	Number	%	Number	%
Urban	421200	19.00	509400	18.11	706000	18.00
Rural	1558700	70.29	2084400	74.14	2891060	74.00
Estates	237600	10.71	217600	7.73	301340	8.00
Total	2217500	100	2811400	100	3898400	100

Source : (1) & (2) Dept of Census and Statistics (Based on National Housing Censuses of 1971 & 1981)
(3) Estimated Figures.

3.5 Public Housing Programmes since 1970s

3.5.1 Housing and Settlements Strategies in 1970s

During this period, the National Housing Department (established by National Housing Act No.37 of 1954) implemented programmes such as housing loans, construction of rental and rent purchase housing, clarification of land titles and land acquisition for Building Societies. Lands were allocated to Building Societies to facilitate house construction by individual families; the owner home building process.

Further, the Aided Self-help housing development concept was introduced and projects were implemented in urban and rural areas.

The Rent Act (No-1 of 1972), through the Rent Boards, basically secured the rights of tenants and protected them from charging exorbitant rentals by house owners, specially in urban areas.

Under the Ceiling on Housing Property Law (No 1 of 1973), a programme to issue house titles/ownership to tenants was implemented by the Commissioner of National Housing.

3.5.2 Hundred Thousand Houses Programme 1978-1983 (HTHP)

This six-year programme implemented from 1978 to 1983 was a nation-wide housing development programme evolved from the activities undertaken by the state during the previous decade which was well distributed to all electorates and districts through several sub-programmes, viz;

- i Direct Construction Programme including houses/flats and public servants quarters implemented by the NHDA.
- ii Rural Housing Programme consisting aided self-help scheme, model villages scheme, fisheries housing scheme and electoral housing scheme implemented by the NHDA.
- iii Home Builders Loans Programme implemented by the National Housing Department.
- iv Slum and Shanty Upgrading Programme implemented by the Urban Development Authority.

According to the physical progress indicated in appendix IV the programme had fully achieved its targets, as stated in the NHDA reports.

This was a provider based (delivery by state) housing programme, characterised with heavy overheads and construction cost. The programme failed to answer the question of affordability of the beneficiary families. It was realised that a provider approach cannot be sustained in human settlements development policies under the present context of financial and other resource constraints. However, under the Aided Self-Help Scheme, Home builders Loan Scheme, and Slum and Shanty Upgrading Scheme, where the facilitator role was played by the government, some degree of success was observed. Thus there was a policy change in 1984 towards a support-based housing development policy.

3.5.3 Million Houses Programme 1984-1989 (MHP)

This is recorded as the first wide-spread and well-coordinated support based national housing development programme which was an umbrella programme having six sub-programmes under it, namely;

- i Rural Housing Sub-Programme
- ii Urban Housing Sub-Programme
- iii Mahaweli and Major Irrigation Settlements Housing Sub-Programme
- iv Plantation Housing Sub-Programme
- v Private Sector (formal) Housing Sub-Programme
- vi Private Sector (informal) Housing Sub-Programme

Most of these sub-programmes were continuation of strategies adopted since early 1970s but organised in a well-coordinated manner and monitored regularly to ensure the achievement of a pre-determined target.

The programme was basically an enabling one through housing loans and technical advice to home builder families. Formal private sector (loans from banks and financial institutions) and the informal private sector (owner home builders/individuals) were expected to achieve 45% of the programme target. An outstanding feature of the programme was the Housing Options Approach which was evolved from the original housing loans schemes which included small housing loans and technical advice to families for varied housing options such as new houses, upgrading of houses, extensions to houses, construction of latrines, purchase of housing plots, domestic drinking water supply and electricity connections etc. Therefore the programme addressed both new house construction and qualitative improvements to the existing housing stock which accounted for major portion of the achievement. The table in the appendix IV indicates the progress of this programme on the basis of families reached.

3.5.4 1.5 Million Houses Programme: 1990 to 1994 (1.5 M H P)

In the period of this programme too, the same support based concept, the housing options approach and the housing sub-programmes of the Million Houses Programme were continued. Five additional programmes were newly included to cater for special socio-political requirements, viz;

- i Special 5000 Urban Houses (direct construction) Programme
- ii Disaster Housing Programme
- iii Provincial Councils Housing Programme
- iv Co-operative Housing Programme
- v Employees Housing Programme

These housing sub-programmes indicated in the table in appendix IV reveal that the housing sector activities had been expanded to cover almost all embraceable geographic areas and social sections and groups.

In contrast to the HTHP, the MHP and the 1.5 MHP mostly catered for the improvement of the existing housing stock rather than constructing new housing units. These programmes were able to attract beneficiaries from all the three sectors as a high proportion (58%) of the houses were semi permanent and temporary ones in need of upgrading or extensions. The progress of the programme was also evaluated on the basis of the number of families reached through varied housing options but not on the basis of the number of new houses constructed.

3.5.5 Janaudana and Present Housing Programme

The present Housing Development Programme implemented by the National Housing Development Authority (NHDA) too continues with the issue of housing loans to Low Income categories in all the three sectors and construction of flats and apartments in urban areas. Further, the NHDA implements the Hundred Houses Per Electorate Programme based on site and services approach which is named as the Janaudana Housing Programme. This is designed to construct new houses but with the enabling approach and participation of beneficiaries in direct construction. As they are new housing complexes, basic infrastructure facilities including community buildings, access roads, water supply where necessary, and as well as land plots etc are being provided by the government. Beneficiaries are provided with housing loans at affordable interest rates. Special emphasis is given for skill development under the Janaudana Programme in order to enhance the capacity of the communities to undertake construction activities.

This housing programme addresses two major issues related to the shelter sector. One is the need for house upgrading assistance for the large proportions of semi permanent and improvised houses in the occupied housing stock as discussed before. Second is the need for the construction of new housing units to cater for the new families formed and for the replacement of old and dilapidated houses. The Hundred Thousand Houses Programme added only new units to the housing stock. The Million Houses Programme and the 1.5 Million Houses Programme were mainly designed to upgrade the substandard housing units in the stock.

3.6 During the past 20 years, some major outcomes and salient features were observed in the human settlements and shelter sectors. Implementation of four major nation-wide public housing programmes and the high political commitment on the subject, evolution of the provider-based housing concept of public housing into a support based paradigm, gradual droppage of the public sector investment in housing (only 0.07% of the GNP in 1993), continuation of the regulatory controls like the rent control subject to marginal changes, increased involvement of the commercial banks in the housing finance market and the participation of the formal private sector in house building due to tax and financial incentives introduced by the government were the most important features in the shelter sector.

3.7 The institutional and manpower development related to human settlements and shelter sectors were very substantial during this period. The establishment of the National Housing Development Authority, the Common Amenities Board, the Housing Development Finance Corporation, the Centre for Housing Planning and Building, the Institute for Construction Training and Development and the Central Environmental Authority and a separate Ministry for environment has made a tremendous impact on human settlements. To cater for the requirements of these agencies and the processes generated by them, extensive manpower training programmes have been conducted through the formal training streams as well as through in service on the job training arrangements.

3.8 The evolution of innovative community development and mobilisation mechanisms also is a remarkable achievement. Formation of Community Development Councils (CDCs), and the establishment of Housing and Community Development Councils in the Urban Local Authorities (ULAs) under the Urban Housing Sub Programme of the NHDA, formation of Urban Basic Services Units in ULAs under the UNICEF Assisted Urban Basic Services Programme for community development, the development of the Community Action Planning (CAP) methodology for participatory planning and implementation with the support of the UNCHS, emergence of community finance mechanisms through NGOs and CBOs are well known examples.

3.9 Major projects related to human settlements development like the Integrated Rural Development Projects (IRDPs), the Community Water Supply and Sanitation Project (CWSSP) and the Clean Settlements Project during this period are new models of development which created opportunities for participatory planning, and popular participation while lowering the cost of construction. The government under these projects invested sizable amounts of resources in the development of basic settlement infrastructure.

3.10 In the Urban Development sector, the declaration of all ULAs under the UDA law, preparation of structural development plans for ULAs, capacity building of ULAs by the Urban Programme Unit of the Ministry of Local Government, and manpower development have been reported during this period.

4. AGENDA 21 AND THE GSS

4.1 AGENDA 21

4.1.1 The Agenda 21 (chapter 7) of the United Nations Conference on Environment and Development held in Rio de Janeiro in 1992 refers to the promotion of sustainable human settlements development. The overall human settlements objective stated there, is to improve the social, economic and environmental quality of human settlements and the living and working environments of all people, in particular the urban and rural poor. Such improvements should be based on technical co-operation activities, partnerships among the public, private and community sectors and participation in the decision making process of

the community groups and special vulnerable groups such as women, indigenous people, the elderly and the disabled. These approaches should form the core principles of national settlements strategies.

4.1.2 In developing the strategies, the member countries are expected to take into account and follow the "eight programme areas" adopted at the conference. Sri Lanka has initiated a wide range of activities in this respect and already is in a moving process towards the achievement of those eight objectives, the position of which is briefly described below.

- i Providing adequate shelter for all: In 1988, the UN General Assembly adopted the GSS to the year 2000, with the objective of achieving adequate shelter for rapidly growing populations and for the currently deprived urban and rural poor through an enabling approach to shelter development and improvement that is environmentally sound. This objective is reiterated and reinforced in the Agenda 21 too. This will be discussed in details in the latter part of this section.
- ii Improving human settlements management: To this end, Sri Lanka's vision is the devolved governance and already action has been taken to devolve and decentralise powers and functions to local authority levels to handle human settlements management in a more local and effective manner. Establishment of provincial councils and the proposal for Regional Councils and further devolution of powers illustrate the commitment of Sri Lanka in this direction. Urban Local Authorities (ULAs) and the Pradeshiya Sabhas (PSs) in the rural divisions are undergoing a process of capacity building and strengthening with government and international support. For example the work performed by the Urban Programme Unit, the ongoing Urban Management Project and the Urban Development Sector Project (UDSP) of the Urban Development Authority have been successful initiatives. Further, the present policy is to involve NGOs/CBOs, the private sector and the communities to the optimal level in the human settlements management.
- iii Promoting sustainable land-use planning and management: The country has developed an adequate legal, regulatory and institutional framework for this purpose. The ULA areas are planned, regulated and managed by the respective local authorities with the support and the supervision of the Urban Development Authority. Small towns and the sacred areas are planned and regulated by the Department of Town and Country Planning. District Land use planning units of the Land Use Planning Project and the Integrated Rural Development Project which prepare regional plans and sub-regional plans regulate and systematise the land use in the rural and regional context. The local authorities are gradually acquiring capabilities in land use planning and management.
- iv Promoting the integrated provision of environmental infrastructure: water, sanitation, drainage and solid-waste management: The government intervention in the provision of environmental infrastructure is ensured as a policy. Basically, the local authorities

both urban and rural, are responsible for these services and the central govt extend technical co-operation and provide annual grants to bridge recourse gaps. Further, the central government agencies such as the Urban Development Authority, the National Water Supply and Drainage Board, the Ministry of Finance and Planning and the Department of Health are also involved in the provision and maintenance of environmental infrastructure.

- v Promoting sustainable energy and transport systems in human settlements: Augmentation of electricity to meet the domestic demand of the increasing population and the economic activities, extension of the national electricity grid for maximum coverage of rural areas under the Rural Electrification Programme and the diversification of the energy sources are priority items in the energy sector. Promotion of the private sector participation, through BOO/BOT projects, electrification of railway system in crucial areas and the promotion of public transport as a measure of reducing private car ownership have been emphasized.
- vi Promoting human settlements planning and management in disaster-prone areas: A major study and preparation of maps on landslide hazard areas in the hill country covering seven districts have been undertaken by the National Building Research Organisation with the objectives of regulating the human settlements development and land-use in those regions. The government, under its current investment programme has accorded high priority to the rehabilitation of human settlements in the civil war affected North and East provinces. It has further attended to reduce the possible damages to human settlements in the intermittent cyclonic belt in the North & the East provinces and to mitigate or prevent damage to human settlements by annual floods in certain areas, specially in the Wet Zone.
- vii Promoting sustainable construction industry activities: As a policy, the government promotes activities in this area considering its contribution to the economic growth and employment generation. The Institute for Construction Training and Development (ICTAD) and the National Building Research Organisation (NBRO) have launched a massive programme including activities such as manpower development and skills training, application of appropriate technology, production and popularisation of local and indigenous building materials, research and testing of materials for the promotion and expansion of the construction industry.
- viii Promoting human resource development and capacity-building for human settlements development: Sri Lanka has developed a broad-based system over the time that can help achieve the requirements under this objective. The national university system supported by the Ministry of Housing, Construction and Public Utilities offers graduate and post graduate level training in town and country planning, housing development, rural development and many other disciplines allied to human settlements development and management. The Urban Programme Unit of the Ministry of Local Government provides opportunities to ULAs in human resource

development and capacity building. The ongoing Urban Management Project and the Urban Development Sector Project (UDSP) of the Urban Development Authority funded by the ADB provide training and capacity building for all ULAs and the PSs; the rural local authorities as well. The Community Action planning (CAP) methodology promoted by the UNCHS; introduced and implemented by the NHDA and now being fostered by the Community Action Planning Resource Persons Association (CAPRES) also is an effective system which helps participatory planning, training, capacity building and awareness raising of officers and communities in low income settlements development.

4.2 GLOBAL STRATEGY FOR SHELTER (GSS)

4.2.1 The commitment of Sri Lanka for the realisation of the GSS is rooted in the two objectives of the International Year of Shelter for Homeless IYSH (1987) viz.

- i To improve the shelter and neighborhoods of some of the poor and disadvantaged by 1987.
- ii To demonstrate, by the year 2000, ways and means of improving the shelter and neighborhoods of the poor and the disadvantaged.

4.2.2 To this end, following the initiative made by Sri Lanka in the proclamation of the IYSH, the Government launched a comprehensive Programme of Action to ensure the realisation of the objectives of the IYSH. The major activities under this programme can be summarised as follows:

- i Appointment of an Inter-Ministerial Steering Committee to prepare a comprehensive Action Programme and implement it through the Miniseries and state agencies.
- ii Establishment of a National IYSH Secretariat to service the Steering Committee and to monitor the implementation of the IYSH programme of activities.
- iii Acceleration and the decentralised implementation of the Hundred Thousand Houses Programme (HTHP), which was then in operation (1978-1983) in all constituencies giving due consideration for equitable distribution of benefits.
- iv The implementation of the Million Houses Programme (1984-1989) in urban, rural and plantation areas through a decentralised institutional framework extending assistance to families on a wide range of shelter related options.

- v The implementation of Demonstration Projects to generate innovative ways of improving shelter and neighborhoods for the benefit of the national and international community. These included a shanty improvement project, an inner-city slum improvement project, an unserved neighborhood development project and a site and services project. The outcome of these projects has greatly influenced the subsequent shelter policies and programmes of Sri Lanka.

4.2.3 The National Action Programme formulated for IYSH by the Inter-Ministerial Steering Committee covered all aspects of human settlements activities in Sri Lanka. Those included the provision and improvement of shelter, provision and improvement of shelter related services including drinking water, waste disposal etc, improvement of health and sanitation, research and development of traditional construction techniques; skills and materials, provision of security of tenure, improvement of institutional finance for shelter and related activities, provision of education; training and information on human settlements, promotion of income generation activities including home gardens and cottage industries, settlement of families in new lands and a wide range of other related activities.

4.2.4 Sri Lanka continues its political commitment and the national momentum for the realisation of the GSS objectives after the IYSH (1987) as well. The most important programmes and activities in operation towards the achievement of this objective have been outlined below.

- i The nation-wide implementation of the 1.5 Million Houses Programme (1.5 MHP) (1990-94) which was an umbrella programme having many sub-programmes that addressed the needs of different social strata in all sectors.
- ii The Community Water Supply & Sanitation Project (CWS&SP) which is being implemented in several districts with assistance from the World Bank. It is expected to expand this project into a national scale programme for the provision of safe drinking water and sanitation facilities at micro settlement level in all sectors.
- iii The Clean Settlements Project which is being piloted in a few districts with the objective of evolving a wholistic development model for low income settlements with World Bank assistance also would be expanded nation-wide in the future.
- iv The Government has taken initiatives in the development of a sustainable housing finance system to mobilise adequate resources for housing development. Leading financial institutions viz, State Mortgage and Investment Bank (SMIB) and the Housing Development Finance Corporation (HDFC) were strengthened by providing loan assistance amounting to Rs. 1000 M to improve their capital structure for lending housing loans. Action has already

been taken to establish a National Housing Development Bank. The Development of Community housing finance mechanisms is treated as a priority for low income housing finance.

- v Steps have been taken to provide skill training to cater for man power demand created by the expansion of construction sector activities. The Institute for Construction, Training and Development (ICTAD) has been entrusted with the task of training skilled, semi skilled and managerial personnel for the sector. Selter sector manpower training and research tasks have been undertaken by the Centre for Housing Planning and Building (CHPB) as well as the National Building Research Organisation (NBRO).
- vi The present National Housing Development Programme (1995-1999) being implemented by the National Housing Development Authority includes three major components, namely, the urban Housing, the Rural Housing and the Plantation Housing. The Janaudana programme is a complementary programme which embraces all the above three components and gives emphasis on construction of new houses. These three components and the Janaudana programme include the provision of housing loans for low income families, technical assistance and land alienation etc.

4.2.5 The processes under the Agenda 21 and the GSS will be combined with the proposed Five Year National Plan of Action that will be implemented from 1996 onwards.

4.2.6 The Permanent National Habitat Steering Committee will pursue the progress of the Agenda 21 and the GSS.

5. BEST PRACTICES

5.1 As a preparatory activity for the Habitat II conference, among other items, the Ministry of Housing, Construction and Public Utilities organized an exhibition on Best Practices in human settlements development in Sri Lanka from 03rd to 06th October 1995. The purpose was to identify and assess the best practices or models that can be adapted and replicated not only within the country, but also in the region and world-wide. The criteria proposed by the Habitat II secretariat for the selection of best practices were of three fold - namely, the possible impact areas of the best practice, the partners involved and the prospective areas of favourable change. Accordingly the following best practices were demonstrated at the exhibition.

5.1.1 Title: Compressed Earth Blocks and Treated Timber Poles

This practice demonstrated the production of Cement Stabilised Soil Blocks, Treated Timber Poles and Micro Concrete Tiles as a means of reducing housing construction cost. The advantages of this practice are introduction of low cost building materials

for house construction that can be produced locally by low income families, greater participation as beneficiaries are involved in the production process, provision of income generation opportunities for the communities, environmental friendliness as no burning is involved in the production of earth blocks and tiles, and possible reduction of forest felling in the long run due to the long-lasting quality of treated timber.

The impact areas of this practice are the affordable housing and access to shelter. It also enables the partnerships by NGOs/CBOs and international agencies. Further it can influence social policies and strategies in terms of adequate shelter for all.

[Agency: Lanka Evangelical Alliance Development Services, 25, Hospital Rd, Dehiwala, Sri Lanka. Tel : 94-1-724793 Fax: 94-1-735674]

5.1.2 Title: Rain Water Harvesting and Low-Cost Storage

This is one of the community water supply options being developed and expanded under the Community Water Supply and Sanitation Project of the Ministry of Housing, Construction and Public Utilities. This option suits water scarce districts where other popular traditional options such as dug wells, pipe borne water or tube wells are not possible. Local investigations reveal that rain water harvesting for domestic consumption is currently in practice in Sri Lanka even if there is no planned rainwater harvesting programme. The objectives of this project are the development of appropriate technology to harvest and store rain water and to build the confidence of the potential consumers regarding the possibility of rain water harvesting, its quality and reliability for domestic uses. Extension of safe water supply and sanitation and affordable services for human settlements development are the impact areas of this practice. It can lead to partnerships among national government, international agencies, NGOs/CBOs. Further it influences social policies and strategies.

[Agency : Community Water Supply and Sanitation Project, Ministry of Housing, Construction and Public Utilities, Sethsiripaya, Battaramulla, Sri Lanka, Tel: 94-1-864762/864776 Fax: 94-1-864764/864765]

5.1.3 Title: Community Ownership of Water Supply Facilities

This practice demonstrated the case of community water supply and sanitation projects being implemented in rural settlements by a NGO with CBOs under the Community Water Supply and Sanitation Project of the Ministry of Housing, Construction and Public Utilities. Organising and mobilising the community under the catalytical role of the NGO with the objectives of achieving domestic water supply and sanitation have been highlighted. Advantages of this project are the community awareness of health aspects related to safe drinking water and sanitation,

participatory planning, decision making and implementation of projects, enhancement of community maintenance capabilities and eventually the common ownership of community water supply systems that are developed in settlements. Affordable services, extension of safe water supply and sanitation are the impact areas. It promotes partnerships among national government, local government, international agencies, NGOs and CBOs. Social policies and strategies too can be influenced by this practice.

[Agency : Arthecharya Foundation 16/1,1/1,Galle Rd, Mt. Laviniya, Sri Lanka, Tel: 94-1- 725755 Fax: 94-1-733042/726811]

5.1.4 *Title: National Community Federation*

This federation attempts to organise Community Development Councils (CDCs) in the ULAs throughout the island under one umbrella through networking. It is at present operational in Kotte Urban Council area; (one locality adjacent to the City of Colombo) and has organised a Federation of CDCs with the objective of low income settlement development. The Federation implies unity, power and enablement. The objectives of the Federation are strengthening of CDCs, formation of women societies, promotion of Community Action Planning (CAP) methodology, identification of potential lands for low income settlements development, regularisation of tenurial rights, guidance for housing loans, assistance in pre-schooling, education, health and cultural activities and community awareness programmes.

The impact areas of this practice would be the alleviation of poverty and employment creation, upgrading of informal low income settlements, access and title to land and better opportunities for children and women. It paves the way for partnerships among local government, NGOs and CBOs. Possible areas of change can be the decision making process and management practices.

[Agency : National Community Federation, 243, Nanayakkara Rd, Obeysekarapura, Rajagiriya, Sri Lanka]

5.1.5 *Landslide Hazard Mapping Project*

Landslides events have been reported in seven hill country districts of Sri Lanka. The country has been experiencing a spate of landslides over extensive areas of its central and South-Western regions since the early eighties. Destruction to life, property and economic infrastructure, disruptions to water supply; power generation and distribution; telecommunication network; transport; education, damage to environment, forest cover and wild life have been the consequences of such landslides.

Objectives of this project are to regulate the development of housing and infrastructure in the hill country, provide a landslide hazard assessment, ascertain socio-economic problems of resettlement, create an awareness among communities about the adverse impact of improper land use and improve institutional capability to handle this subject area.

Impact areas are the improved disaster mitigation preparedness and redevelopment of environmentally sensitive areas. Partnerships may be developed among national government, local government and international agencies. Areas of change are the social policies and strategies.

[Agency: National Building Research Organisation, 99/1, Jawatte Road, Colombo 5, Tel: 94-1-500354]

5.1.6 Title: Fluoride Filter

The excess of fluoride content in water in the dry-zone areas of Sri Lanka is acute and already younger generation in these areas has unsightly teeth. Excess fluoride content of drinking water can lead to many other health problems and therefore this type of low-cost, affordable fluoride filters can be useful to our rural folk who uses ground water for domestic purposes. It can be replicated in the other developing countries having similar situations. It influences the extension of safe water supply for settlements. National government, NGOs and CBOs and the private sector can form partnerships to promote this practice. It can change social policies and strategies in the settlement sector.

[Agency: National Water Supply and Drainage Board, Sarasaviyana, Peradeniya, Sri Lanka]

5.1.7 Title: Community Action Planning (CAP)

Community participation through the enabling strategy was the fundamental approach in the process of urban slum and shanty upgrading programmes. The set of operational tools used to implement this approach was developed, practised and promoted by the National Housing Development Authority with the assistance of UNCHS/DANIDA.

This project has developed workshop modules and films in the areas of micro-settlement planning, Community Development Councils formation and strengthening, land regularisation and blocking out, community building, housing loans, community contracts, women enterprises support, market links, community environmental health and community monitoring and evaluation for the use in participatory planning, decision making and implementation.

Poverty alleviation, health improvement, affordable housing, upgrading of informal settlements, access to land and better opportunities for women and children are some of the impact areas of this methodology. It can bring about changes in legislation, standards, social policies and strategies, decision making process and management practices. It enables partnership formation among national government, provincial government, local government and international agencies, NGOs and CBOs. This methodology has been effectively used in urban, rural and plantation areas of the island.

[Agency: National Housing Development Authority, Colombo 02, Sri Lanka. Tel: 94-1-446180/446860]

5.1.8 Title: Women's Bank -Praja Sahayaka Sevaya

The evolution of the Women's Bank took place through a participatory effort of low-income women in shanty and slum gardens in the city of Colombo. It provides loans for all purposes of poor families including housing, services, consumption, medical facilities, enterprises and cultural requirements etc at a relatively lower rate of interest. Savings are mostly by the poor families, who are the owners of the bank and beneficiaries as well.

This community finance mechanism can impact the areas such as poverty alleviation, employment creation, affordable housing and services, regularisation and upgrading of low income settlements, access to land and shelter, better opportunities for children and women and gender sensitive issues. It strengthens partnerships among national government, provincial government, local government, NGOs, CBOs and international agencies. Further, it can help social policies and strategies and the decision making and the management practices.

[Agency: Women's Bank, No 151/13, E-Zone, Seevalipura, Borella, Colombo 08.]

5.1.9 Title: Community Based Sewer Disposal Systems

This is a shallow sewer disposal system developed, constructed and managed by a community through its Community Development Council with the support of a NGO. It is a shanty settlement of 37 families settled on 50 sq meter housing plots by NHDA. Sewer disposal was one of their acute problems. This is a case where government and local authority merely played the role of policy maker and the provider of technical advise and planning clearance. The major steps were the designing through a participatory process, construction and supervision by the community, building individual toilets by families and finally the carrying out of operational and maintenance activities by the community.

Impact areas of the project are reduction of pollution and improvement of community environmental health. Social policies and strategies, decision making

process and management practices are the areas of change. Partnership formation can take place among NGOs, CBOs, international agencies, the national government and provincial and local government.

[Agency:Sevanatha, 220/3, Nawala Rd, Rajagiriya, Sri Lanka. Tel: 94-1-862148
Fax: 850223]

5.1.10 **Title : Declaration of Special Project Areas for the Upgrading of Urban LowIncome Settlements** (Note: This best practice was not demonstrated at the exhibition from 3rd to 6th October, 1995)

This is an enabling strategy for the regularisation and upgrading of urban informal low income settlements. The National Housing Development Authority (NHDA), the Urban Development Authority (UDA) and the relevant Urban Local Authority (ULA) can jointly declare a specific extent of land as a special project area within any urban locality under the UDA law. The purpose is to make the regulations related to urban settlement infrastructure more flexible and lower the conventional standards so that the urban poor can afford to achieve them. This system has been practised over the past two decades in all the ULAs in the island, but more intensively in the city of Colombo. This has enabled the poor to commence the process of incremental development and a large number of such settlements have reached different stages.

Reduction of pollution and improving environmental health, affordable housing and services, regularisation and upgrading of informal settlements, inner-city renewal and rehabilitation, access to land, better opportunities for women and children are the possible impact areas. This can generate partnerships among national government, local government, NGOs and CBOs. Areas of possible change are legislation, by laws, regulations and standards, social policies and strategies, decision making process and management practices.

[Agencies: The National Housing Development Authority and the Urban Development Authority]

5.2 Sri Lanka will continue to identify, assess and document for dissemination and support the promotion of Best Practices in the country. This will help linking the best practices with the Electronic Data Bank to be set up by the UNCHS (Habitat) to perform a world-wide dissemination and exchange service.

6. PRIORITY ISSUES

6.1 Issues of current and projected priority related to human settlements and shelter sector as agreed upon in the preparatory consultative process of the NHSC are summarised below:

6.2 Physical Aspects

- 6.2.1 Physical infrastructure disparities at inter-regional, intra-regional and settlement levels in terms of water supply, sanitation, energy, transport and telecommunication.
- 6.2.2 Landlessness for shelter sector requirements in urban, plantation and rural sectors which lead to land fragmentation and encroachment, etc.
- 6.2.3 The growing housing needs and the backlog of housing (housing gap) in urban, rural and plantation sectors and resources and remedial measures to handle it in the coming five years and beyond.
- 6.2.4 The low structural quality of the National Housing Stock is an issue. The existence of 58.12% (51.65% semi-permanent and 6.47% improvised) low structural quality housing units in the total national housing stock necessitates a national scale settlement level house-upgrading programme.
- 6.2.5 Imbalanced urban growth with no adequately grown regional urban centers and service centers in rural localities. Lack of intermediate level urban centers may accelerate the migration into major urban centers.
- 6.2.6 Urban sprawl and the haphazard development of the Colombo urban agglomeration that needs immediate attention in terms of planning, urban management and proper enforcement of development control regulations.
- 6.2.7 Lack of an inter-regional and intra-regional efficient transport network which inhibits the expansion of industrial development in regions other than the relatively better developed Colombo urban agglomeration.

6.3 Economic Aspects

- 6.3.1 Unemployment including under employment and seasonal unemployment in the rural agricultural economy, the plantation economy and the urban economy which amounts to 14% unemployment in total at national level which affect the quality of shelter and human settlements.
- 6.3.2 Housing finance related issues such as the low rate of national investment (0.07% in 1993) in the sector and unaffordability or inaccessibility to housing finance especially

by the middle, low-middle and low income categories including the ultra poor.

- 6.3.3 Unaffordability of the ultra poor category which amounts to about 30% of the population in fulfilling their housing requirements.
- 6.3.4 Low productivity and profitability of the agricultural sector which inhibits the absorption of additional labour, specially in the absence of mechanisation, adequate rate of growth in agro-based industries, sufficiently developed animal husbandry, adequate multi-cropping, inter-cropping and agro-diversification, as well as value addition to agricultural produce.

6.4 Environmental Aspects

- 6.4.1 Natural and man-caused disasters including the long lasting civil wars, seasonal threats of floods in the plains, landslides in the highland and intermittent cyclones in the Northern and Eastern belts of the island all of which cause damages to settlements and temporarily displace the population.
- 6.4.2 Erosion along the coastal-line of the island that makes damages to settlements and infrastructure, and the loss of top-soils due to erosion in the hilly regions which causes siltation and soil degradation.

6.5 Social Aspects

- 6.5.1 Social infrastructure disparities in different regions and at settlements level specially in terms of health, education, recreation, trade and commerce, banking facilities and administrative services. Inadequacies of infrastructure in specific areas where necessary have created real constraints in promoting development.
- 6.5.2 Constraints or inadequacies in the areas of modern construction technologies and their norms and standards, traditional technology, conventional building materials, local and traditional building materials and the related construction skills development.
- 6.5.3 Low capacity levels of Local Authorities, namely the Municipal Councils (12), Urban Councils (39) and Pradeshya Sabhas (293) in terms of human settlements development, general management capabilities, financial management & staff shortages.
- 6.5.4 Procedural delays related to the devolution and decentralisation of powers and functions to provincial and local governments which would in turn decide the position and responsibilities of local authorities in case of human settlements and shelter sector development and management.

- 6.5.5 The immensely felt need for a participatory approach in decision making, planning, implementation and management of human settlements and shelter sector as against the top-down approach which has proved its inability in reaching envisaged goals and objectives.
- 6.5.6 Lack of accurate and updated settlements and shelter sector data and information related to social infrastructure, physical infrastructure, housing, land ownership, employment, environmental problems, population and urbanisation during inter-censal periods for the monitoring and decision making process.
- 6.5.7 Backwardness of the fisheries sector that retards the upliftment of the quality of life and the stability of fisheries settlements in the island.
- 6.5.8 Lack of a proper spatial planning and development strategy for the accelerated development of urban, rural and plantation sectors taking into account the employment generation, provision of social and physical infrastructure and equitable distribution of investment, development and economic growth opportunities.
- 6.5.9 Instability of internal peace and security due to the civil wars and heavy expenditure on same that curtails the resources for various other priority requirements and thereby hampers the overall national development. Establishment of civil administration in the North and East, rehabilitation of all settlements in those regions including boarder villages demand colossal resources.

PART C: THE NATIONAL PLAN OF ACTION

1. POLICIES AND STRATEGIES

1.1 The human settlements sector is interrelated, directly or indirectly, to all other sectors such as agriculture, industry, economic infrastructure, transport, education and health. Therefore, national policies and strategies related to human settlements development are reflected in all allied sectoral programmes, policies, strategies and programmes. However, the government's public Investment Programme considers four sub-sectors directly under the human settlements sector viz, housing, water supply and sanitation, construction industry, urban development and regional development. Firstly, policies and strategies generally applicable to the human settlements sector as a whole have been outlined in this section. Secondly, the specific policies related to different sub-sectors have been dealt with.

1.2 Balanced development of urban, rural and plantation settlements with a view to uplifting the quality of life is a priority. Raising the productivity levels in urban, rural and plantation sectors, promoting systematic land utilisation, provision of social and physical infrastructure are major concerns of the national development policy and the strategy.

1.3 Finding solutions to the problems of poverty, unemployment/under-employment and low incomes prevalent in all the three sectors have become frontline priorities. The government pays more attention for the creation of secondary and tertiary employment opportunities in urban and industrial sectors. The Samurdhi Programme (poverty alleviation programme) is implemented nation-wide as a transitional measure to uplift the quality of the poor.

1.4 Decentralised governance is another policy and a strategy. Decentralisation and devolution of functions and powers to regional and local authority levels can accelerate development in a more effective manner. Capacity building of local authorities is aimed at supporting this policy strategy.

1.5 The government will follow an "enabling policy" in achieving objectives and targets of sectoral programmes. The private sector participation, specially through BOO/BOT projects, the involvement of NGOs/CBOs, the involvement of international agencies and community based mechanisms will be accorded a prominent place and facilitated accordingly.

1.6 The principle of sustainable development has been accepted and is being followed in all sectoral projects and programmes. Financial, environmental and social sustainability of all development projects related to housing, water supply and sanitation, construction, urban and regional development, industrial development, transport and energy etc are reviewed from the preliminary stages in this regard.

1.7 Open economy policy is the fundamental strategy for the mobilisation of resources and key actors to accelerate overall development. Restructuring of the public enterprises and the capacity building of the private sector to undertake most of the development, maintenance and management responsibilities have been accorded high priority. Globalisation of the national economy is taking place within the environment of the present open economy policy.

1.8 Further, the government has given high priority for manpower development, training, research and the development of information systems in the human settlements sector which are essential ingredients for policy formulation, implementation and monitoring and evaluation of development programmes.

1.9 Housing

1.9.1 The housing policy of the government is directed towards removing the constraints and facilitating the development of housing construction and related infrastructure services needed for improved living conditions in human settlements. In this regard, the high cost of buildable land and building materials, high interest rates on housing loans, cumbersome loan procedures, problems with regard to land titles are the major constraints on house building and the expansion of the housing industry. The government will act as an enabler and facilitator to overcome these issues.

1.9.2 House building by individual families has been the mainstream in Sri Lanka and this will be emphasised, facilitated and promoted. The ratios for public: private construction of houses were considered as 1:4 and 1:6 in the periods 1963-71 and 1971-81 respectively.

1.9.3 The provision of housing related infrastructure will be promoted through government intervention and the active participation of local authorities and communities. The government is exploring the possibility of involving beneficiary communities in site development, maintenance and management of housing schemes. Cost of water and electricity supply may be recovered in the long-term through user-charges.

1.9.4 The needs, expectations and affordability of different income groups are given due consideration in designing projects and programmes. The case of vulnerable groups including the absolute poor, women-headed households, the aged and the disabled will be given adequate attention.

1.9.5 Open market mechanism will be promoted to improve the formal and the informal housing finance market to facilitate all social strata as a policy. However, special arrangements will be made to cater for the low income groups not served by Banks.

- 1.9.6 Application of low cost building technologies and appropriate building materials will also be promoted. The use of local and indigenous building materials and traditional technologies will be encouraged.
- 1.9.7 Information systems for housing will be developed, specially for the identification of upgrading needs and the requirement of new units at micro-settlements and local levels. This will help decision making, planning and resource allocation.
- 1.9.8 High priority will be accorded for the acquisition of new and cost-effective technology for urban house construction. This is in view of affordability, need for expeditious construction and the necessity for increased densities for optimal land utilisation.
- 1.9.9 Housing development concepts and strategies will be directed towards comprehensive or wholistic development. The development of areas or localities, taking into consideration the creation of employment opportunities, provision of housing and infrastructure rather than taking housing in isolation will be the strategy.

1.10 Water supply and sanitation

- 1.10.1 The government will construct, manage and maintain the water projects with the assistance of Provincial Councils and the donor agencies. Attempts are being made to cover at least a part of the project cost from beneficiaries in the long run.
- 1.10.2 The provision of pipe-borne water supply to the growing and expanding intermediate and small towns, emerging townships and rural centres will be a policy.
- 1.10.3 The government will continue to extend the 100% subsidy on the cost of sanitation projects including the sewer systems.
- 1.10.4 The policies and strategies of the water supply and sanitation sub-sector will be based upon the principle of cost-effectiveness of service delivery systems. Cost of water supply should be recovered through the consumer charges and the sewer maintenance costs are borne through the property tax.
- 1.10.5 Innovative and cost effective methods are being promoted to increase the coverage of rural water supply as a policy to extend benefits to the large majority living in rural areas.
- 1.10.6 The progressive tariff system which help conserve water consumption will be continued. However, the present tariff structure which provides a significant cross subsidy from commercial, industrial and government institutions to the domestic consumer will also be continued.

1.11 Construction Industry

- 1.11.1 The construction industry is treated as a high priority area considering its capacity for employment generation, contribution to the economy and the utilisation of local resources such as indigenous building materials, traditional technologies and skills.
- 1.11.2 The government policy towards the development of the construction industry will concentrate on the quality improvement through testing and the involvement of the private sector for the expansion of the industry.
- 1.11.3 The government will play the role of a facilitator in the acquisition of appropriate technology, manpower and skills development as well as the promotion of research in the subject area.
- 1.11.4 The enhancement of construction project management capabilities in the sector has been facilitated through a project implemented by the ICTAD. Consultancy services, project management, financial management and managerial capabilities will be reviewed and improved under this project.

1.12 Urban Development

- 1.12.1 The government considers urban development as a necessity and a pre-requisite for growth and development. Urban renewal programmes, infrastructure projects, slum and shanty redevelopment projects etc will be undertaken on partnership basis with the private sector through BOO/BOT concepts. Special attention will be paid on the systematic development of the country's urban hierarchy by planning and initiating the growth process of major urban centres, small and medium towns and satellite towns.
- 1.12.2 The policy is to guide and coordinate economic and infrastructure development strategies in respect of crucial urban centres and thereby facilitate the acceleration of economic growth, particularly in the industry and service sectors.
- 1.12.3 In the overall urban development framework, the private sector participation will be encouraged according to a pre-determined plan and the government will act as the enabler.

1.13 Regional Development

- 1.13.1 The government's policy under the regional development is to achieve a balanced and socially equitable development in rural areas to raise the quality of life in the more remote and backward regions. The Integrated Rural Development Project (IRDP)

strategy attempts to play a supportive and conducive role to create necessary infrastructure for effective implementation of sectoral development programmes in regions.

1.13.2 Intersectoral coordination in all rural development activities, keeping the issues of poverty, low incomes and unemployment at the centre, is another important function under the regional development strategy.

1.13.3 The main strategies for the future will be the preparation of regional and sub-regional plans with special reference to the ongoing IRDP plans and Area Development Plans.

2. OBJECTIVES

2.1 The NHSC during the process of consultation has identified priority and measurable objectives for inclusion into the Five-Year Plan of Action and the long-term plan. The objectives that have been formulated taking into consideration the socio-economic, physical and environmental aspects would need further refinement and rationalisation in preparing the detailed Five Year Plan of Action.

2.2 Physical Objectives

2.2.1 Cater to the needs of the estimated share of urban population which will at least increase up to 30% during the next 5 years. Further an annual increase of urban population by 1.0% may be anticipated up to the year 2015 which will bring the urban share up to 45%.

2.2.2 Have an effective urban development within Greater Colombo Area as a contiguous, polycentric agglomeration where the population density is very high. This could be achieved to a greater extent by providing more infrastructure in the urban centres and satellite towns within the agglomeration. Planning and other preliminaries to be completed by the year 2000. In the meantime 25% progress to be achieved on the provision infrastructure and services during the next five years.

2.2.3 Upgrade or replace at least 25% of the Semi permanent (52%) houses and temporary (6%) houses of the existing housing stock in urban, rural and plantation sectors and increase the national housing stock up to 4.25 m, which is the estimated requirement by the year 2001 for a population of 20 m and keep pace with the annual incremental requirement of housing units during the next 15 years according to a spatially guided national land use plan. The total requirement of housing units for a population of 21.7 M by 2016 is 4.6 M. (The estimated population and the housing stock in 1991 was 17.7 m and 3.54 m respectively).

- 2.2.4 Introduce and implement a land title registration system immediately. Facilitate access to credit for house building process by completing 25% of the country's title registration requirements by the year 2000 and the balance to be attended to before 2015.
- 2.2.5 Formulate land use guidelines to systematize and rationalise land uses and to protect the environment of non-planned rural areas. Preparation of guidelines and planning to be completed by the year 2000 taking into consideration the economic development aspects, environmental protection and conservation.
- 2.2.6 Increase the present safe drinking water provision coverage of 63% upto 80% in the Human Settlements by the year 2001 and the balance to be covered by 2015.
- 2.2.7 Increase the present sanitation coverage of 72% up to 85% in the Human Settlements by the year 2000 and to cover the balance by 2015.
- 2.2.8 Provide adequate solid and liquid waste disposal measures to facilitate the 30% of the national population expected to live in urban areas by the year 2001 and 45% by 2015.
- 2.2.9 Maintain the functional efficiency in terms of accessibility, passenger and goods transport and the information flow between the human settlements in the urban and non-urban areas and further between the employment and residential areas. The development of Galle Port, Batticaloe Port and Kankasanturai Port will be accelerated with the objective of improving internal and international shipping to a substantial degree by the year 2000. The public road grid and railways will be extended and developed to cater for the envisaged industrial and urban growth. Around 1000 Km will be added to the existing length of 11077 Km by the year 2000. Several super highways such as Colombo-Matara high way and Colombo-Katunayake express highway will also be completed by the year 2000. Secondary and tertiary road network too will be extended, upgraded and rehabilitated island-wide during the coming five years.
- 2.2.10 Provide reliable, affordable, and efficient energy supply for the population of the country mainly through renewable energy sources such as hydro power, solar power, bio-mass, wind power, etc. through an energy sector diversification programme. A diesel plant at Sapugaskanda will be installed to meet the power requirements in the near future. Two more hydro power plants, namely, Kukule and Upper Kötmale will be completed before 2000. The present installed capacity of 1385 MV will be increased to 1869 MV to meet the 10% growth in the demand in the next 05 years.
- 2.2.11 Increase the coverage of existing telecommunication network upto 70% from the present 49% by the year 2001 to maintain a better functional system, and the balance to be covered by the year 2015.

- 2.2.12 Achieve a planned development in suitable locations within the framework of a national strategic plan having a carefully designed spatial configuration of urban, rural and plantation settlements. At least one such area; either a ULA or a PS, in each district will be attended to during the next 05 years.
- 2.2.13 Strengthen the capacity of local authorities in financial, managerial and man power terms to enhance their participation in human settlements development related functions. During the next 05 years, 50% of the ULAs and 25% of the PSs will be covered and the balance to be attended to before 2015.
- 2.2.14 Improve the fisheries sector in order to increase productivity to meet the future demands and to enhance the quality of life in fisheries settlements. Mechanization of fishing fleets to increase production, promotion of inland fishing and the rehabilitation of fisheries activities in the North and the East will be accorded high priority during the next five years. It is expected to increase the fish production at least by 10% on the existing production of Mt.224000 to meet the demand in the next five years. At least 25% of the permanent fisheries settlements along the coastal line of the island will be upgraded by regularising land tenure, constructing houses and providing settlement infrastructure.
- 2.2.15 Improve and revitalise the traditional technology in favour of house construction taking into account the local building materials, skills and design approaches for better affordability and sustainability. The ICTAD has assisted Vocational Training Institutes and the NBRO to carry out training and research programmes with the objective of achieving a sizable progress in the coming five years.
- 2.2.16 Introduce a system for the better and effective management of land resources at local authority level. All the ULAs and 25% of the PSs will be covered by the year 2000.
- 2.2.17 Improve the quality, range and coverage of health service both in curative and preventive aspects on an equitable basis in districts by the year 2000.
- i Increase the number of Medical Officers to reach the national average of 18 Medical Officers per 100,000 population in each district.
 - ii Increase the hospital bed strength to reach the national average of 3 per 1000 population in each district.
 - iii Provide one midwife for every 3000 of population and 1 Public Health Inspector for every 12,000 - 20,000 population in each district

2.3 Economic Objectives

- 2.3.1 Improve the productivity of the agricultural sector by introducing modern technology with an emphasis on agro- diversification to increase the income levels of the rural population and estate sector workers enabling to improve their quality of life. The value of the agricultural product, including fisheries and livestock (at current producer prices) 1994 was Rs.115762Mln out of the GDP and it is envisaged to maintain at least 8% increase on the annual production over every year during the next five years.
- 2.3.2 Create productive employment opportunities in secondary and tertiary sectors in order to reduce the unemployment rate and to increase income levels of the community. Further integrate the economic development policy and human settlements development policy to reduce the present unemployment rate of 14% to 8% by the year 2001 and this rate will be reduced to the acceptable level of 5% by the year 2015. More employment opportunities will be created in industrial and tertiary sectors.
- 2.3.3 Provide an efficient and integrated marketing network for the collection and distribution of agricultural produce and products of agro-based industries with an appropriate and adequate spatial dimension. This will be achieved by the year 2000.

2.4 Environmental Objectives

- 2.4.1 Prevent land degradation that takes place due to unplanned and haphazard human settlements development. The preparation of land use plans for all ULAS and PSs to be completed by the year 2000.
- 2.4.2 Preserve and conserve the environmentally sensitive areas by discouraging further human settlement development in such areas. Out of the total land area, 10% is covered by the land above 5000 ft. MSL contour which is mainly steep lands, marshes and mangrove-swamps. It is important to maintain this percentage as a minimum requirement to avoid natural hazards and further to safeguard the water catchment areas. The preparation of plans for environmental protection, conservation and management will be completed at least for 50% of the local authorities by the year 2000.

2.5 Social Objectives

- 2.5.1 Develop a comprehensive Forestry Master Plan taking into consideration both conservation and development aspects, specially making provisions to convert hither to under-utilised forest cover in the Dry Zone into economically viable forest plantation, and also to release marginal forests to cater for the increasing demand of lands from rural agricultural sector. The plan to be designed with stakeholders and finalise by the year 2000.
- 2.5.2 Achieve a higher level of public participation in human settlements and shelter sector development and management with the involvement of NGOs, Community Based Organisations, social workers, observers and scholars, etc. This will be considered as a model in the provision of housing, water supply and sanitation etc. in the future and action will be taken to promote this concept in all urban, rural and plantation areas.
- 2.5.3 Improve the quality of man power, which will in turn improve the quality of the social status, and make education more responsive to the national requirements by the year 2000.
- i Increase the present student enrollment to the universities by 75%. Also increase the new technology and agriculture based study courses by 75%.
 - ii Increase the opportunities for skills development training, participatory planning & research related to human settlements and shelter sector development at technical college level.
- 2.5.4 Improve the living standards of all vulnerable groups including the economically disadvantaged, the disabled, the elders and the people displaced due to natural and man-made disasters. Following to be completed according to the time framework stipulated below:
- i Improve the living standards of the ultra poor category that accounts for 30% of the population by the year 2000.
 - ii Subsidise 50% of the rural poor by the year 2000 through housing, water supply and sanitation.
 - iii upgrade or replace at least 25% of the urban slums and shanties in the next five years and attend to the balance before 2015.
 - iv Provide facilities to accommodate the people displaced due to natural and man-made hazards in human settlements such as floods, landslides and civil wars etc. Implement a crash programme to resettle all the displaced families

immediately in the Jaffna peninsular and extend it subsequently to the other areas in the North and the East and complete the activity by the year 2000. Rehabilitation of roads, electricity network, water supply, ports, schools, hospitals, sewerage, drainage and civil administration service centres should be completed urgently.

- v Provide facilities, accommodation, and security of income to the 1.2 million aging population. Actually they will be looked after by the children but the government will facilitate institutions to take actions for reported disputes etc.
- vi Provide better facilities, opportunities, safety and social security to women and children.

3. ACTIVITIES

3.1 A five-year (1996 to 2000) programme of activities and the appropriate roles for key actors are discussed in this section. These activities are in accordance with the present Public Investment Programme (1995-99) of the government and they relate to the sub-sectors under the human settlements sector, namely, housing, water supply and sanitation, construction industry, urban development and regional development.

3.2 Housing

- 3.2.1 Provision of loan funds at market rates of interest to prospective house builders with special focus on low middle income categories. This programme will be monitored by the National Housing Development Authority.
- 3.2.2 Enabling the regular supply of building materials at reasonable price and the development of the distribution network. The private sector will be enabled to actively get involved in the production and supply of building materials and where necessary the government will get intervened to protect consumers against artificially created shortages and unjustifiably increased prices.
- 3.2.3 Encouraging private developers to invest in house construction for the benefit of middle and low income earners. The target is to deliver at least 2000 housing units per year and thereby to add 10,000 units to the housing stock by the year 2000, mainly in and around Colombo and the rest in and around other urban centres.
- 3.2.4 Undertaking direct construction of houses by the government for the benefit of low income families and other target groups including slum and shanty dwellers and families to be resettled, in Colombo and its environs. It is expected to build 5000 housing units in the coming five years. The needs of other major urban centres will be separately dealt with.

- 3.2.5 Mobilisation of funds for housing and the development of housing finance mechanisms. 'Savings for housing' will be encouraged. A National Housing Bank will be established. Community-based housing finance mechanisms will be facilitated and promoted. This will help reduce the dependency on government agencies for housing finance.
- 3.2.6 The slum and shanty upgrading programme will be continued with greater emphasis. Around 30,000 slum and shanty units in Colombo and shanties and slums in other district capitals and major urban centres will also be upgraded. The total number of slums and shanties in all urban centres has been roughly estimated as 150,000 units and it is expected to upgrade 30000 units by the year 2000 and the balance to be covered by 2015. Housing loans at affordable rates of interest will be provided to owner-home builder families through the Urban Housing Programme of the NHDA.
- 3.2.7 In respect of Rural Housing Programme (RHP) of the NHDA, the rural low income families who are mainly receivers of non-regular incomes will be motivated to meet their housing needs by obtaining small loans and building houses on an incremental basis to suit their income level. The low income families will be supported through the provision of housing loans at an affordable rates of interest. It is expected to help 50,000 families annually during the coming five years through upgrading options and new construction both.
- 3.2.8 The Plantation Housing Programme (PHP) will be implemented in collaboration with the Plantation Housing and Social Welfare Trust. The programme will be administered through the plantation co-operative societies. Plantation workers will be assisted to upgrade their housing units and also to construct new houses on land identified for this purpose.
- 3.2.9 Application of low cost building technologies and appropriate building materials to suit different climatic conditions, affordability levels and socio-economic needs of the people. These will be handled by the ICTAD and the NBRO.
- 3.2.10 The sites and services programme named as Janaudana being implemented by the NHDA in each electorate will be continued as a measure of land alienation, providing loans, extending technical assistance and the provision of settlement infrastructure to houseless families.
- 3.2.11 A Disaster Housing Programme for the upgrading and rehabilitation of damaged houses and related infrastructure in disaster prone areas will be implemented, specially in the North and the East provinces and the hill country land slides affected areas. Attention will be paid to identify houses and settlements that are affected due to seasonal flooding and intermittent cyclones and to devise appropriate solutions for such problems.

- 3.2.12 A community development programme for the promotion of participatory planning, decision making and implementation of low-income human settlements will be implemented with the support of NGOs & CBOs. In this respect, the Community Action Planning (CAP) methodology developed with UNCHS assistance will be adapted as the basis. The target is to expand this methodology to all ULAS (51) and all PSs (292) by the year 2000.
- 3.2.13 A land and property title registration programme with World Bank assistance will be implemented to promote access to housing finance which will expand the house construction industry. At least 50% of the existing title registration requirements will be completed by the year 2000.
- 3.2.14 A sustainable and affordable housing complexes/schemes maintenance and management system, specially for urban and sub-urban areas, will be developed with peoples participation. This system will be linked to the relevant ULAs and PSs and the crucial areas will be covered by the year 2000.
- 3.2.15 The lead agency for the housing sub-sector is the National Housing Development Authority of the Ministry of Housing Construction and Public Utilities. (MHC & PU).

3.3 Water supply and Sanitation

- 3.3.1 Increasing the coverage of safe drinking water supply through the Community Water Supply and Sanitation Project (CWSSP) which was launched in 1992 on pilot basis in four districts, namely, Ratnapura, Badulla, Matara and Monaragala. This will be continued and expanded into a national scale programme and all the districts will be covered by the year 2000.
- 3.3.2 Increasing the number of small and medium towns under pipe-borne water supply projects. There are about 300 such towns and at least 50 additional towns will be provided with pipe-borne water by the year 2000 and the balance to be covered by 2015.
- 3.3.3 Action will be taken to improve the service efficiency of water supply through the minimisation of system losses and water unaccounted for by investing more on rehabilitation and improvement of the existing system. This activity will be completed in the next five years.
- 3.3.4 The lead agency for water supply and sanitation is the National Water Supply and Drainage Board of the MHC & PU and this agency works in collaboration with the relevant local authorities.

3.4 Construction Industry

- 3.4.1 Development of manpower and construction skills in the country for the expansion and promotion of the industry, and for the generation of employment. Particularly, the skilled, semi-skilled and managerial personnel required by the construction industry will be trained. The ICTAD and Vocational Training Institutes will fulfil the deficiencies and shortages by the year 2000 and attend to the annual requirements thereafter.
- 3.4.2 Increased production, supply and the availability of building materials will be ensured. The use of locally available materials will be promoted and emphasised.
- 3.4.3 Development of appropriate and innovative as well as cost affective construction technologies through research will be undertaken.
- 3.4.4 A programme will be launched to improve the qualitative aspects of the construction industry through mechanical testing and by ensuring standards.
- 3.4.5 Enhancement of contractor - capabilities and efficiency, procedural and regulatory methods for contracting will also be undertaken for the expansion of the construction industry by the ICTAD.
- 3.4.6 The World Bank assisted Institute for Construction Training and Development (ICTAD) of the MHC & PU is the lead agency for the construction industry sub-sector. The National Building Research Organisation of the MHC & PU also is a supporting agency in this area of work.

3.5 Urban Development

- 3.5.1 Secondary city development as regional growth centres will be a priority programme. This will help attract foreign and local investment. Limited resources of the government will be allocated for the development of urban infrastructure and services which are most crucial for the economic growth and social well-being of the communities. The ADB assisted Urban Development Sector Project (UDSP) covering 17 towns will be continued and be expand to cover at least 25 additional urban centres in the next five years.
- 3.5.2 The Colombo Master plan Project prepared in 1978 will be updated to identify potential development areas and sectors taking into account the recent changes in demand and development priorities. This will be completed by the end of 1996 allowing a sizable development to take place in the next five years.
- 3.5.3 A Local Authority Performance Improvement and Capacity Building Programme to enable the local authorities to provide an efficient service delivery system will be

implemented through the Urban Management Project of the UDA in ULAS and in Pradeshiya Sabha areas; the rural divisions. The project provides necessary technical expertise to local authorities to improve their management efficiency. The target is to complete the first round of activities by the year 2000 and on a long term basis it will be continued up to the year 2015.

- 3.5.4 A Solid Waste Management Project as a component of the MEIP is under way for the Colombo Metropolitan Area to improve the solid waste management through the involvement of the private sector in the process of waste management. The project will finance the development of a sanitary land fill site, purchase of vehicles and equipment and the provision of an incinerator for the safe disposal of medical and hazardous waste. The project will be completed by the year 2000.
- 3.5.5 Development of public-private partnerships for urban and housing development, has also been undertaken by the UDA in view of the enhanced private participation and sustainability..
- 3.5.6 The Urban Development Authority and the Department of Town and Country planning act as the main agencies for this sub-sector.

3.6 Regional Development

- 3.6.1 The existing Integrated Regional Development Projects will be continued and the possibility of expanding the programme into the balance regions is being explored. Already 13 districts have come under the programme and the government is exploring the possibility of covering the balance 12 districts during the next five years.
- 3.6.2 The supportive and co-ordinating role to create necessary infrastructure for the efficient implementation of sectoral development programmes with a focus on addressing urgent issues such as unemployment, poverty and incomes will be continued.
- 3.6.3 Preparation of development plans for regions and sub-regions within a regional policy framework and the integration of sectoral development programmes will be paid due attention to avoid duplications and waste etc. All the 25 district plans and the 292 Pradeshiya Sabha plans will be attended to by the year 2000.
- 3.6.4 Investment for the promotion of rural infrastructure, specially related to agriculture delivery systems and road network will also be continued. Most of such requirements will be attended to during the next five years as they are pre-requisites for devolved governance and development.

3.6.5 The Regional Development Division of the Ministry of Policy Planning acts as the promoter and coordinator of regional development with other Ministries and line agencies.

3.7 Other Areas

3.7.1 The Clean Settlement Project which is now being implemented on pilot basis in Colombo, Kalutara and Gampaha districts will be expanded as a national scale programme. This model delivers a wholistic development package for low income settlements with a high level of community participation. At least 10 more districts will be covered under this programme by the year 2000.

3.7.2 It is proposed to undertake a programme for the promotion of NGOs and CBOs for the benefit of the human settlements sector development. Supporting, strengthening, co-ordinating and the assessment of the inputs by NGOs/CBOs will be the activities under this programme. The MHC&PU has already commenced this programme under preparatory activities for Habitat II and a national level programme will be in place by the year 2000.

3.7.3 A manpower development programme involving higher education, vocational education and skills development for the human settlements sector will be undertaken with international support.

3.7.4 As discussed before under the general policies and strategies, the relevant lead agencies and the Ministries will emphasise on the participation of the private sector, the NGOs and CBOs, the communities and the relevant international agencies in the implementation of these activities.

4. MONITORING AND EVALUATION

4.1 PROGRESS MONITORING

4.1.1 The responsibility of progress monitoring will be vested with the National Permanent Steering Committee (NPSC). The components of a multi-sectoral and integrated plan implemented by different agencies and key actors can be effectively monitored only by those actors themselves. The NPSC will have the authority to direct this type of progress monitoring by virtue of its composition having representatives from all relevant sectors, allied public agencies and NGOs.

4.1.2 Progress monitoring will be conducted at 04 levels:

- i At the community / settlements level by NGOs, using community monitoring modules/mechanisms. At village level (Grama Niladhari division) a committee including officers, NGOs and CBOs will be formed for this purpose.

- ii At local authority level by Housing and Urban Development Councils (HUDCs). Housing and Community Development Councils (HCDCs) at MCs and UCs, and the Housing Sub Committees at PSs will be reorganised as HUDCs.
- iii At regional level by Provincial Council Habitat Steering Committees (PCHSCs). Action is being taken to appoint PCHSCs.
- iv At national level by the National Permanent Steering Committee (NPSC) to be established. Action has already been initiated to establish this Committee.

4.2 EVALUATION

- 4.2.1 The proposed computer-aided housing and urban data banks at local, regional and national levels would be geared to collect, collate, synthesize and update data and information which will facilitate periodic and systematic evaluation at community / settlement and local authority levels. This will enable the periodic updation of data and the aggregation at settlements, local, regional and national levels. Data will be aggregated on the basis of geographic entities as well as vulnerable groups.
- 4.2.2 The proposed National Housing and Urban Data Bank will also maintain national level comprehensive data bases useful for:
- i Inter Local Authority Level and sub-national level comparison, evaluation and decision making
 - ii Regional and international level comparison, evaluation and decision making
 - iii Formulation of urban and housing indicators for all local authority geographic entities; (MCs + UCs + PSs), regions and the country.
- 4.2.3 The indicators programme supported by the UNCHS includes altogether 46 qualitative and quantitative indicators that would be useful for the effective policy formulation, programme direction and evaluation of the urban and shelter sector development. They include:
- i a set of general background indicators
 - ii a set of urban indicators
 - iii a set of housing indicators
- 4.2.4 The government has accepted as a policy, the usefulness of these indicators and therefore action will be taken to collect and update data for the formulation of indicators for all local authority areas as a continuing process rather than a product. At present data are not available at local authority levels in the manner required to prepare most of the indicators. A set of indicators has now been prepared and

documented only for the Colombo Urban Area which can be used as a model for collection of data for replication in other local authority areas. As most of the data are reported to be not available, the method of data collection will have to be determined by the National Permanent Steering Committee. The NPSC will consider the need for the formulation of additional nation-specific urban and housing indicators as well.

5. COMMITMENTS

5.1 The key actors that plan, implement, monitor the progress and evaluate the settlements and shelter development programmes, as accepted by the national policy, include the relevant government Ministries and Implementing Agencies, the Private Sector, the NGOs and the communities and their CBOs which receive support of the international community for the purpose. The government has already taken steps to create a favourable institutional, legal and regulatory framework within which those key actors and all other stakeholders could access to resources and opportunities towards the achievement of the goals and pursue the principles that are clearly set out in the draft Global Plan of Action which will be adopted at the Habitat II Conference by the Member States of the United Nations.

5.2 The government accepts the following goals, principals and commitments:

5.2.1 Goals:

- i Adequate shelter for all
- ii Sustainable human settlements, development in an urbanizing world

5.2.2 Principles:

- i *Equality (para 14)* : This means the fairness and justice in sustainable social and economic development.
- ii *Eradication of poverty (para 15)* : This principle is based on the objective of meeting the basic needs of low income groups.
- iii *Sustainable development (para 16)* : Sustainable human settlements ensure economic development, employment opportunities and social progress with the least possible detrimental impact on the environment.
- iv *Livability (para 17)* : Physical conditions and spatial characteristics of villages, towns and cities should be sensitive enough to public health, safety and social integration etc.

- v -----omitted-----
- vi *Civic engagement and government responsibility (para 19):* All people should have equal opportunity to participate in decision making and development.
- vii *Partnerships (para 20):* Partnerships between and among all actors from public, private and community organisations and individuals are essential to the development of sustainable human settlements and the provision of adequate shelter and basic services.
- viii *Solidarity (para 21) :* This means the international and national solidarity among states, local authorities and NGOs etc in achieving development challenges.
- ix *International Cooperation and coordination (para 22):* It refers to increased flow of new and additional financial resources to developing countries to accelerate sustainable development.

5.3 Sri Lanka, in accordance with her adoption of the said goals and the subscription to the principles outlined above, decides to implement the Habitat Agenda through her National Plan of Action and other policies and programmes with all key actors with the assistance of the International Community. To this end, Sri Lanka, as a Member State of the United Nations, makes the following commitments in keeping with the achievement of goals and objectives of the Global Plan of Action.

5.3.1 Adequate Shelter for all

We commit ourselves to the goal of improving living and working conditions on an equitable and sustainable basis, so that everyone will have adequate shelter, including basic services, facilities and amenities which are healthy, safe, secure, accessible and affordable.

We further commit ourselves to the objectives outlined for the achievement of this goal.

(Para 24 & 25 of GPA)

5.3.2 Sustainable Human Settlements

We commit ourselves to the goal of sustainable human settlements in an urbanizing world by developing economies that will make efficient use of resources within the carrying capacity of ecosystems and by providing all people with equal opportunities for a healthy, safe and productive life in harmony with nature and cultural heritage and spiritual and cultural values, ensuring social progress.

We further commit ourselves to the objectives outlined for the achievement of this goal.

(Para 26 & 27 of GPA)

5.3.3 Enablement

We commit ourselves to the strategy of enabling all key actors, in the public, private and community sectors to play an effective role at national, state/provincial, metropolitan and local levels in human settlements and shelter development.

We further commit ourselves to the objectives outlined for the achievement of this goal.

(Para 28 & 29 of GPA)

5.3.4 Financing Shelter and Human Settlements

We commit ourselves to strengthening existing financial mechanisms and where appropriate, developing new mechanisms for financing the implementation of the Habitat Agenda, which will mobilize increased sources of finance - public, private, multilateral and bilateral - at international, regional, national and local levels; and will promote the efficient, effective and accountable resource allocation and management.

We further commit ourselves to the objectives outlined for the achievement of this goal.

(Para 30 & 31 of GPA)

5.3.5 International Cooperation

We commit ourselves in the interests of international peace, security, justice and stability to enhancing international cooperation and partnerships which will assist in the implementation of the national and the global plans of action and the attainment of the goals of the Habitat Agenda, by contributing to and participating in multilateral, regional and bilateral cooperation programmes and institutional arrangements and technical and financial assistance programmes; by the exchange of appropriate technology; by the collection, analysis and dissemination of information about shelter and human settlements, and by international networking.

We further commit ourselves to the objectives outlined for the achievement of this goal.

(Para 32 & 33 of GPA)

5.3.6 Assessing Progress

We commit ourselves to monitor and evaluate, within our own countries, efforts to implement national plans of action, striving to ensure efficiency and effectiveness in meeting the goals of adequate shelter for all and sustainable human settlements development.

We further commit ourselves to the objectives of enhancing the role and strengthening the institutional capacity of UNCHS (Habitat) as an agency of coordination and cooperation assisting the member States of the United Nations to monitor and evaluate the implementation of the Habitat Agenda, using shelter and urban indicators and best practices as a basis for assessing global conditions and trends in shelter and human settlements development.

(Para 34 & 35 of GPA)

PART D: INTERNATIONAL COOPERATION AND ASSISTANCE

1. PRIORITIES

1.1 It is obvious that all the sectors and disciplines, directly or indirectly, bear relevance to the human settlements sector. Hence, the priorities under all such sectors and disciplines become necessities for the smooth and desirable growth and the management of the human settlements and the shelter sectors. However, to be specific in identifying priority programmes and projects for international cooperation and assistance during the next two decades, only the priorities of the sub-sectors within the human settlements sector have been considered in this case - namely, housing, water supply and sanitation, construction industry, urban development and regional development sub-sectors.

1.2 All most all the programmes and projects under ACTIVITIES (in part C: The National Plan of Action) include components that require international cooperation and assistance but only the programmes and projects with highest priority and crucial areas are included in this section.

1.3 The issue of financial and resource constraints faced by the government for investment in the relevant sectors is the most significant priority at present. In order to achieve the objectives and targets specified in the National Plan of Action, the government expects an increased and continuous flow of funds and technical services from the developed countries. These resources are expected from the following sources:

- i Directly from government to government.
- ii Bilateral and multilateral agencies.
- iii Private sector finance market.
- iv Private sector investments by way of BOO / BOT projects etc.

1.4 Special assistance from governments, bilateral and multilateral agencies are sought to raise the living conditions of vulnerable groups of high proportions in the country who are not having the capacity to bear/repay the cost of their basic requirements. Specially, cash and building material grants to upgrade their houses, ancillary facilities and settlement infrastructure are felt needs. Assistance in kinds and cash are specially expected from the global community to meet the colossal resource requirements for the rehabilitation of civil war affected areas in the North and the East.

1.5 Technology transfer from the developed countries is another important area of international assistance envisaged. Technical assistance in new and innovative strategies for capacity building of the country and thereby achieving the development targets is required to make a break through from the present situation. For instance, new and cost effective technology for house construction and infrastructure development in urban settlements have become an urgent priority for bridging the gaps and shortages in urbanising areas of the island.

1.6 Infrastructure development in urban, rural and plantation sectors as a pre-requisite for economic growth as well as to enhance the living environments is an immediate priority. Beneficiaries are not in a position to bear/repay the full cost and as a result the local authorities and specialised agencies find it difficult to invest in physical infrastructure such as water supply, sanitation, drainage, roads and social infrastructure.

2. CAPACITY BUILDING

2.1 In view of the country's priority issues, objectives, policies and strategies outlined before, and the programmes and activities for the coming two decades, the government is of the opinion that capacity building should take place in a substantial manner in the following programme areas for desirable human settlements and shelter development.

2.1.1 Capacity building of Local Authorities in terms of service delivery efficiency, revenue collection, financial management, shelter development, urban/rural development planning, enforcement of laws and regulations, broad-basing of the area of responsibility and general management for the efficient and systematic development and management of human settlements under a system of devolved governance. This programme should cater to all ULAs (MCs and UCs) and Pradeshiya Sabhas (PSs) which are rural local authorities.

2.1.2 Promotion of community participation in planning, decision making, implementation, monitoring and maintenance of development functions. This should be an enabling strategy which involves the participation of beneficiaries, community based organisations (CBOs), Non-Governmental Organisations (NGOs) together with public and private agencies as partners of a participatory development process towards the achievement of envisaged shelter and human settlements development goals and objectives. For instance the Community Action Planning (CAP) methodology jointly promoted by the UNCHS and the National Housing Development Authority in Sri Lanka is an innovative model that can be nurtured.

2.1.3 Development and implementation of methods and measures of effective monitoring and evaluation of the urbanisation process and the shelter sector development is an area that needs capacity building in terms of information technology. In this regard the following are high priority items:

- i Development and application of urban indicators at local authority level.
- ii Development and application of housing indicators at local authority level.
- iii Establishment of Geographic Information Systems (GIS) and Management Information Systems (MIS) at each local authority level.

- iv Establishment of a National Housing and Urban Data Bank for which preliminaries have already been attended to.

The housing indicators, and urban indicators together with other data-bases at local authority levels would be essential ingredients for planning, monitoring, evaluation, decision making and directing the human settlements and shelter sector development programmes.

2.1.4 Manpower development and capacity building of all public agencies that are allied to human settlement and shelter development, specially the ones that fall within the sub-sectors of housing, water supply and sanitation, construction industry, urban development and regional development. This programme should be designed in such a way to equip the agencies with effective sectoral and multi-disciplinary integration and coordination capabilities.

2.1.5 Strengthening of NGOs and CBOs involved in the human settlements sector is another programme area in need of cooperation and assistance. Capacity building, partnership development with public agencies, networking among NGOs/CBOs, strengthening in terms of working procedures, provision of equipments and office buildings etc would be salient features under this programme.

2.2 In term of international cooperation and assistance that can be extended from Sri Lanka to the regional and the global community, mainly include the following:

2.2.1 Sri Lanka with its locational advantages and institutional capabilities, is in a position to support the achievement of objectives of the Habitat II Global Plan of Action by establishing a Regional Center for the SAARC countries in the South Asian Region.

2.2.2 In addition, Sri Lanka is capable of conducting training and varied man-power development programmes for the Sector at University and Technical and College levels to cater to the regional and international requirements.

2.2.3 Sri Lanka also wishes to organize exchange programmes on shelter and urban development through regional and international networking with international support.

THE PROCESS: ACTIVITIES INITIATED BY THE NATIONAL HABITAT STEERING COMMITTEE IN NATIONAL PREPARATION FOR THE HABITAT II CONFERENCE

1. The forum on An Urban Policy for Sri Lanka organised by the Institute of Town Planners, Sri Lanka with sponsorship from the Ministry of Housing, construction and Public Utilities in March 1995.
2. Preparatory work in 1995 by the Centre for Housing Planning and Building (CHPB) for the establishment of a National Housing Data Bank in Sri Lanka.
3. Housing Quality and the Needs Assessment Survey in the plantation sector workers settlements conducted by the Plantation Housing and Social Welfare Trust in 1995.
4. The special issue of the Economic Review (a magazine) on Housing in Sri Lanka published by the People's Bank in June 1995 with assistance from the Department of Town and Country Planning, University of Moratuwa, Sri Lanka.
5. Seminar on Affordable Housing Technology jointly organised by the Institute for Construction Training and Development (ICTAD), Centre for Housing, Planning and Building (CHPB) and the Ministry of Housing, Construction and Public Utilities in June 1995.
6. Seminar on Housing Finance jointly organised by the Centre for Housing, Planning & Building (CHPB) and the Ministry of Housing, Construction and Public Utilities in June 1995.
7. The series of specialised workshops and dialogues on the development of participatory working modules/instruments for human settlement development in 1995/1996 being conducted by the Community Action Planning Resource Persons Organisation (CAPRES) in Colombo.
8. Expeditious implementation and expansion of the Community Water Supply and Sanitation Project with a higher focus on participatory approaches by the Ministry of Housing, Construction & Public Utilities in 1995.
9. Updating and amendment of the Colombo Urban Area Plan by the Urban Development Authority in 1995.

10. Special arrangements by the Department of Town & Country Planning and the Urban Development Authority to prepare regional development plans for the systematic development of human settlements in selected regions.
11. The workshop on Community Based Methodologies in Urban Low Income Housing Development Activities and Enhanced NGO participation in Shelter Activities organised by the Community Water Supply and Sanitation Project (CWSSP) in August 1995.
12. The workshop on Development of Housing Indicators and Issues in Shelter Sector organised by the National Housing Development Authority in August 1995.
13. The workshop on Development of Partnerships Between the Public Sector and the NGO Sector in Human Settlement Development organised by the Ministry of Housing, Construction and Public Utilities in August 1995.
14. Special arrangements by the Ministry of Housing, Construction & Public Utilities for expanded piloting of the Clean Settlement Project (which is a wholistic settlement development model) in 1996.
15. The workshop on National Urbanisation Policy and Urban Indicators conducted by the Urban Development Authority in September 1995.
16. The workshop on Solid Waste Disposal System for low income settlements organised by the Colombo Environmental Improvement Project (CEIP) in September 1995.
17. The workshop on Partnerships Between the Public and the NGO Sectors in Human Settlement Development organised by the Habitat NGO Federation in October 1995.
18. The "Best Practices" in Human Settlement Development and Shelter Sector Exhibition organised by the Ministry of Housing, Construction & Public Utilities and the CHPB in October 1995 in accordance with a Habitat II requirement.
19. The workshop on Human Settlement Policies organised by the Ministry of Housing, Construction and Public Utilities in October 1995.
20. Establishment of a Post Graduate Diploma Course in Housing Development by the University of Moratuwa with sponsorship from the Ministry of Housing, Construction and Public Utilities in October 1995.
21. The study project exercise on National Human Settlement Strategy carried out by the M.Sc. (Town and Country Planning) students of the Department of Town and Country Planning, University of Moratuwa, Sri Lanka in December 1995.

22. The workshop on Future Strategies for Housing Development organised by the Ministry of Housing, Construction and Public Utilities held in December 1995.
23. The public lecture series on themes related to Habitat II organised by the Institute of Town Planners, Sri Lanka from December 1995 to May 1996.
24. The Workshop on Real Estate Industry to be Made More Responsive to the Needs of the People organised by the Urban Development Authority in January 1996.
25. The Workshop on Development of Innovative Financing Mechanisms for Housing organised by the National Housing Development Authority in January 1996.
26. The special issue of the Economic Review on Urban Development in Sri Lanka to be published in May 1996 by the People's Bank with assistance from the Institute of Town Planners, Sri Lanka.
27. The colloquium on Human Settlements Development of Sri Lanka jointly organised by the Ministry of Housing, Construction and Public Utilities and the Institute of Town Planners, Sri Lanka in March 1996 to further enrich and rationalise the NHAP.
28. The workshop on Review of Human Settlements Policies in the Last 20 Years and Policies and Strategies for the Future organised by the Ministry of Housing, Construction and Public Utilities held in April 1996 with assistance from the UNDP.

THE PARTICIPANTS: NATIONAL HABITAT STEERING COMMITTEE MEMBERS

- (a) Secretary/Ministry of Housing, Construction & Public Utilities (as Chairman)
- (b) Secretary/Ministry of Transport , Environment and Women's Affairs or his representative.
- (c) Secretary/Ministry of Public Administration, Home Affairs, Plantation Industries and Parliamentary Affairs or his representative.
- (d) Additional Secretary I, Ministry of Housing, Construction & Public Utilities.
- (e) Additional Secretary II, Ministry of Housing, Construction & Public Utilities.
- (f) Director - General/Ministry of Policy Planning & Implementation.
- (g) Chairman/National Housing Development Authority.
- (h) Chairman /Urban Development Authority.
- (i) Chairman / Sri Lanka Land Reclamation & Development Corporation.
- (j) Chairman/National water Supply & Drainage Board.
- (k) Chairman/Central Environmental Authority of Sri Lanka
- (l) Secretary-General/Mahaweli Authority of Sri Lanka
- (m) Director/Clean Settlement Programme Unit
- (n) National Coordinator/Metropolitan Environment Improvement Project.
- (o) Chairman/Community Empowerment Network
- (p) Chairman/Sevanatha
- (q) Chairman/Sri Lanka Environmental Journalists Forum
- (r) Chairman/Kotte Joint Community Development Society
- (s) Chairman/Trincomalee District Development Association

THE PARTICIPANTS : OTHER ALLIED AGENCIES

- (a) Centre for Housing, Planning and Building (CHPB)
- (b) Institute for Construction Training and Development (ICTAD)
- (c) Community Water Supply and Sanitation project (CWS & SP)
- (d) Urban Development Authority (UDA)
- (e) Dept. of Town and Country Planning (DTCP)
- (f) National Housing Development Authority (NHDA)
- (g) United Nations Development programme (UNDP) Sri Lanka office
- (h) Colombo Environment Improvement Project (CEIP)
- (i) Habitat NGO Federation
- (j) Community Action Planning Resource Persons Organisation (CAPRES)
- (k) Town and Country Planning Department of the University of Moratuwa
- (l) Peoples Bank
- (m) Plantation Housing & Social Welfare Trust (PHSWT)
- (n) Institute of Town Planners, Sri Lanka

SELECTED STATISTICS AND INDICATORS ON HOUSING AND URBAN CONDITIONS

I. Sectoral Distribution of the occupied housing stock (1981):

Sector	Number	%
Urban	509400	18.11
Rural	2084400	74.14
Estate	217600	7.73
Total	2811400	100.00

II. Average Household size (AHS) (1981) :

1981	1991	2001
5.35	5.00*	4.70*

*Estimated figures

III. Source of Water Supply of the occupied housing units (1981) :

Source	%
Pipe Borne	17.7
Dug Wells	72.8
Streams / Rivers / Tanks	7.0
Unspecified	2.5
Total	100.0

IV. Sanitation options as a % to the occupied housing stock (1981)

Type	%
Flushed Toilets	4.82
Water Seal	22.08
Bucket Type	1.93
Pit Type	37.69
None	30.26
Unspecified	3.22
Total	100.0

V. *Type of lighting of the occupied housing stock (1981) :*

Type	%
Electricity	14.9
Kerosene	82.5
Other	00.4
None	00.3
Unspecified	01.9
Total	100.0

VI. *Type of principal cooking fuel of the occupied housing stock (1981) :*

Type	%
Firewood	94.1
Kerosene	2.4
Electricity	0.8
Gas	0.4
Other	0.2
Not Stated	2.1
Total	100.0

VII. *Occupied housing stock by materials used for construction (1981):*

Material	Wall	Roof	Floor
Concrete, Bricks, Stone			
Cement or Cabook }	47.7	-	49.5
Mud /Earth	43.8	-	49.7
Cadjan or palmyrah	5.1	40.2	-
Tiles	-	37.6	-
Asbestos	-	6.9	-
Tin or other metal	-	13.6	-
Wood	2.8	-	0.3
Other	0.6	-	0.5
Total	100.0	100.0	100.0

VIII. Number of rooms per house of the occupied housing stock (1981):

Rooms	%
1	30.8
2	32.3
3	17.8
4	9.9
5 or more	9.2
Total	100.0
National Average	2.5

IX. Status of housing structures of the occupied housing stock (1981):

Status	%
Permanent	41.88
Semi-Permanent	51.65
Improvised	6.47
Total	100.00

HUNDRED THOUSAND HOUSES PROGRAMME (1978 - 1983)
Physical Progress

Sub Programme and Achievement	Total No. Achieved	Target	% Achieved
1. Direct Construction a. Houses / Flats (12,761) b. Public Servants Quarters (430)	13,191	16,000	88
2. Rural Housing: a. Aided Self-Help (10,650) b. Model Villages (17,381) c. Fisheries Houses (1,788) d. Electoral Houses (10,720) e. Direct Construction Under (a) + (b) 782	41,321	50,000	82
3. Home Building Loans by National Housing Dept.	31,705	14,000	226
4. Slum & Shanty Upgrading (No of Families Reached)	15,000	20,000	75
Total	101,217	100,000	-

Source : National Housing Development Authority

MILLION HOUSES PROGRAMME : 1984 - 1989
Physical Progress

No	Housing Sub Programme	Implementing Agency	Target	No. Of families Reached	% Achieved
1	Rural housing Sub Programme	NHDA	300,000	287,266	95
2	Urban Housing Sub Programme	NHDA	100,000	87,494	87
3	Mahaweli and other Irrigation Schemes housing Sub Programme	Mahaweli Ministry	100,000	75,273	75
4	Plantation Housing Sub Programme	Plantation Ministry	50,000	23,422	46
5	Private Sector (Formal) Housing Sub Programme	Banks and Finance Institutions	325,000	313,162	96
6	Private sector (informal) Housing Sub Programme	Individuals	125,000	110,151	88
Total			1,000,000	896,768	89.6

Source: National Housing Development Authority

HOUSING PROGRAMME - WISE PERFORMANCE OF THE
1.5 Million Houses Programme (1990 - 1994)

Sub Programme	Target	Families Reached	% Achieved
a. Rural Housing Programme	300,000	149,574	49.9
b. Urban Housing Programme	50,000	28,976	58.0
c. Urban Special 5000 Housing Programme	5,000	1,185	23.7
d. Disaster Housing Programme	150,000	83,543	55.7
e. Provincial Councils Housing Programme	175,000	81,578	46.6
f. Mahaweli Housing Programme	50,000	18,708	37.4
g. Plantation Housing Programme	100,000	38,072	38.1
h. Cooperative Housing Programme	275,000	176,065	64.0
I. Employees Housing Programme	15,000	9,505	51.5
j. Individual Housing Programme	375,000	271,246	72.3
k. Private Developers Housing Programme	5,000	543	10.9
Total	1,500,000	858,995	57.26

Source: National Housing Development Authority

HUMAN SETTLEMENTS AND SHELTER SECTOR DEVELOPMENT IN SRI LANKA**(A) SITUATION AND CURRENT TRENDS OF HUMAN SETTLEMENTS:**

Sri Lanka's human settlements are categorised into three main sectors - namely the Rural Settlements, the Urban Settlements and the Plantation Settlements. In terms of the share of population, the rural sector constituted 70.5% (2084500 houses), the Urban Sector accounted for 21.5% (509400 houses) and the Plantation Sector had 8.0% (217600 houses) out of the total population of 14.85 M at the last census in 1981. The estimated present population is 18 M and the projection for 2001 is 20 M. The total land extent of the island is 65,610 Sq.Km. The gross national product in 1993 was Rs. 493730 M.

The largest urban agglomeration of the country is the Greater Colombo Region in the Western Province. Colombo, the largest city had a population of 0.635 M in 1994. Altogether, according to official urban status, the island has 12 Municipal Councils, 39 Urban Councils and about 300 growing Small Towns in rural divisions. However, the present urban population has been estimated at 27-28% and it would reach 30% by 2001 and around 45% by 2015.

(B) PAST AND PRESENT POLICIES:

During the period of colonial rule, adequate attention was not paid to rural development, and, the traditional agricultural base such as highland food crops and lowland paddy cultivation, were given scant attention. Plantation Sector which produced Tea, Rubber, Coconut and other types of export crops was given high priority and, consequently, this sector was better planned, organised and financed. After the National Independence in 1948, the policies of the successive national governments were geared for rural development with a view to enhancing national food production for self reliance and employment generation, which made rural settlements reasonably attractive. At present, the country is facing serious problems in unemployment which amounts to 14% at national level, consequent to the saturation of rural sector primary employment in agriculture. Therefore, high priority has been placed on urbanisation and industrialisation to create more secondary and tertiary employment. Resultantly, it is envisaged that rapid urbanisation will take place in the coming two decades, transforming the whole economy and the settlement patterns into a changed scenario.

(C) NATIONAL PLAN OF ACTION

1.0 ADEQUATE SHELTER FOR ALL:

1.1 *National shelter policies and shelter delivery systems* : Traditionally, owner-home building by people, has been the mainstream of shelter delivery in Sri Lanka. The formal private sector involvement was minimal except for some intervention in the provision of rental houses and built houses for sale in and around the city of Colombo. The Government intervention from the 1930s included the provision of housing loans and houses, regulatory control, and facilitating and enabling the sector. During the past decade, Commercial Banks too have entered the housing finance market with a substantial contribution. Therefore the National Plan of Action (NPA) envisages to consolidate, streamline and strengthen these processes, recognising them as the country's shelter delivery systems for urban, rural and plantation sectors. The government will play a facilitating and enabling role.

- a. *Enabling Markets to Work* : Efforts and initiatives of owner-home builders, the private sector, public sector, public housing delivery agencies and the financial institutions including Commercial Banks will be supported and enabled by the government by recognising those initiatives, creating a favourable legal framework and environment, acting as a mediator and a guarantor, mobilizing funds, promoting the production and distribution of building materials, facilitating training and research, and fulfilling planning requirements.
- b. *Ensuring Access to Land and to Basic Infrastructure and Services* : Urban and sub-urban land supply for settlement development will be given high priority considering the urbanising trends in the country. Due to urban expansion, several urban concentrations will emerge and the growth of the 51 ULAs and around 300 small towns will be steady in the coming two decades. Planning and land development for settlements in those urban centres and growth points, land alienation to families and regularisation of tenurial rights are salient components in the NPA.
- c. *Mobilizing Sources of Finance* : Two major issues are involved in this area. One is the low affordability level of low income categories which form 70% of the national population who earn incomes up to about Rs. 3,000/- (approx. 60 US\$) per month. Further about 30% of them earn incomes up to Rs. 1,500/- (approx. 30 US\$) who are recognised as the absolute poor, below subsistence level. Low middle and middle income strata also have got problems such as lack of collateral for housing loans, and liquidity issues for investment. The second problem is the inadequacy of public funds for investments in housing. Over the years, the public sector investment in housing (PSIH) has dropped. In 1993 it was only 0.07% of the GNP. To overcome this dilemma, the NPA expects to adopt a three fold strategy. One,

is to introduce, relatively low rates of interest, a flexible collateral system and community based financial mechanisms for low income categories. Second, is the deferment of rate of interest for a specified period in respect of middle income categories, under government guarantee. Third, is to mobilise funds from Commercial Banks, Insurance Companies, Employees Provident Funds and foreign sources.

- d. ***Improving Construction, Maintenance and Rehabilitation*** : Enhancement of skills training in the building industry, improvement of contractor efficiency, scientific improvements to traditional building technology, research and innovation in the sector will be major concerns in the NPA. Research, improvements, large scale production and distribution of indigenous building materials will be encouraged through the private sector and NGOs. The concept of Management Corporations will be promoted for the management and maintenance of housing complexes in urban and sub-urban localities. Community maintenance systems will be introduced and facilitated for the maintenance of housing and related infrastructure, mainly in low income settlements. Rehabilitation of settlements damaged due to the natural and man-made disasters such as landslides affected settlements in the hill country, and the destroyed settlements in the North and the East provinces are considered two priority programmes.

1.2 *Vulnerable Groups* : Sri Lanka being a developing country, the issues of vulnerable groups in terms of housing and poverty alleviation have to be given very high priority, as that category, forms about one third of the population. Systems will be developed to look after shelter needs of street children, street families and other destitutes. The emerging shelter needs for the aged and the disabled would be paid adequate attention. The growing phenomena of women-headed households (20.3% of the total households) need special shelter interventions. The absolute poor of about 30% of the total population also falls into the category in need of intervention by government, NGOs and international agencies.

2.0 SUSTAINABLE HUMAN SETTLEMENTS DEVELOPMENT IN AN URBANISING WORLD

2.1 *Sustainable Land-Use* : Special zoning and regulatory measures will be taken to allocate sufficient land for human settlements in the urban centres and small towns. Induced densification, vertical housing development, encouragement of the involvement of private sector developers, and land development are recognised as major tasks. The felt need in the rural and plantation areas for cluster settlements for reasons such as preserving the productive agricultural land, and prevention of land fragmentation that creates uneconomic units, will be taken into account in land alienation.

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