



A Brief History of Urban Development and Upgrading in Swaziland



January 2007

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**GOVERNMENT OF SWAZILAND
MINISTRY OF HOUSING AND URBAN DEVELOPMENT**



MUNICIPAL COUNCIL OF MBABANE

Cities Alliance

Cities Without Slums

**A BRIEF HISTORY OF URBAN
DEVELOPMENT AND UPGRADING
IN SWAZILAND**

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JANUARY 2007

FOREWORD

I am very pleased to give my support to the publication of this report, since I believe that it fulfils a most important function - setting out in a clear and readable manner, the background and context within which the development of the country's urban areas have taken place, and in particular the upgrading of informally settled areas within Mbabane and Manzini. The report also assesses the impact of the interventions undertaken to date, and the lessons to be drawn in preparing for development and upgrading programmes scheduled for the medium and long term future.

I was fortunate to be closely involved with the early planning, the preparation stages and finally the implementation of the Swaziland Urban Development Project, which has gone a long way towards transforming the country's two cities. As a result of this involvement I have been made acutely aware of the magnitude of the task in overcoming the numerous obstacles that lay in our path. I was also pleased to participate at the start of the Mbabane Upgrading & Financing Project with its goal of developing a 'city without slums', and take this opportunity to thank the Cities Alliance for its generous assistance in this process.

The country has now reached a defining moment in its history, with the introduction earlier this year of the new Constitution. The vision of that document, for a unified local government regime to be in place within five years, will set substantial new challenges for those now involved in the urban sector. However, I believe this instrument provides the Government and its partners with a singular opportunity to achieve the reforms that will enable the residents of our cities, town and peri-urban areas to have affordable sustainable and secure access to land.



Mbuso Dlamini, January 2007

Principal Secretary

Ministry of Economic Planning & Development

Government of Swaziland

(Principal Secretary, Ministry of Housing & Urban Development, 1994 - 2005)

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EXECUTIVE SUMMARY

1. Introduction

This history illustrates a number of themes encountered in Swaziland that face developing countries and their external partners in Africa and beyond.

- Firstly, the history relates the experience of a small and comparatively insular country in addressing complex challenges deriving from rapid urbanisation and, as a result, the growing need to adapt governance systems and structures.
- A second key issue is the challenge that small nations like Swaziland face in attracting assistance. In the absence of significant lending programs, institutions like IBRD have limited resources available for advisory services, particularly given the ineligibility of middle income countries for most trust funds available in Africa.
- The third theme that emerges is the centrality of land. Access to land in Swaziland is a cross-cutting issue that influences outcomes in many sectors.
- A fourth important theme relates to the “generational shift” which is a necessary concomitant of any serious decentralisation process.
- Finally, the history demonstrates that despite all the challenges faced, Swaziland is persisting with its interdependent governance and urbanisation reform agendas.

Although Swaziland’s long-term governance and urban development strategy was not formally defined in a donor approved format, all the elements of a sound intergovernmental reform / decentralisation process can be seen, retrospectively, to be in place. This long-term strategy, which is similar to those being implemented by a growing number of governments in the sub-Saharan region, should guide partner support for the required generational shifts.

2. Origins and Rise of Urban Challenges in Swaziland

The origins of the issues over access to land can be traced back throughout the nation’s history; from the arrival in the area of the Swazis themselves, the land concessions granted to the white settlers in the mid 18th century, the removal of substantial territory coupled with ‘protectorate’ administration in the late 1900s, initially by the Boer Republic, then following the Anglo-Boer War, the start of sixty years of British colonial rule from the early 20th century.

An early but defining piece of colonial legislation was the partition of all concession land into three parts (Swazi Nation Land, Crown Land and Title Deed Land) leaving the Swazis with only 40% of their own country and denying them right of title or residence over the remainder. The British also introduced a dual system of administration – one for the (mainly urban) white settlers and a separate system for the essentially rural Swazis.

Although the later stages of the colonial period brought investment and growth of large-scale agriculture and industry, the period before and after independence did not see sufficient emphasis on providing housing for workers attracted to the urban areas, leading to the start of informal settlements on the edges of Mbabane and Manzini.

3. Defining Swaziland's Urban Agenda

In the first decade after independence in 1968, the country's urban administration remained fragmented, and only in the mid-1980s did government start to address the growing problems of land, servicing and housing in the urban areas. A flurry of activity around this time resulted in the creation of the SNHB and HSA, a raft of sector policies and legislation, studies and workshops, and start of the cooperation with international agencies. In 1992 MHUD was created, which finally gave a resourced and unified focus to government’s efforts to improve the environment -for its urban residents.

The twin issues of lack of available land for low-cost development within the urban areas, and insecure (unbankable) land tenure on SNL beyond the urban boundaries were seen to be the major challenges that had to be overcome in order to provide adequate land for the growing urban populations.

4. *Creating Formal Tenure in a Traditional System*

Chapter 4 describes the traditional form of local administration on SNL by chiefs, through *tindvuna* and *emabandla*. The system generally works very well in a rural setting, but in peri-urban areas the pressures placed on the system can easily overwhelm it as the administration cannot keep pace with the demand for land and shelter. This results in unplanned and largely uncontrolled densification with increasingly unsanitary conditions as only minimal services are provided.

The need to bring peri-urban areas on SNL under a more formal, planned and secure form of administration is seen as a serious challenge, since any change may compromise the traditional administrative role of the chief, but the recent introduction of a 99-year lease is seen as a mechanism for reform, as are moves towards gender equality and a unified local government regime in the new constitution.

5. *The Swaziland Urban Development Project*

The UDP started in 1992 with the following objectives:

- raising environmental health standards in urban low income communities;
- mobilising community resources participation
- promoting investment in urban employment opportunities;
- improving the efficiency and equity of urban management.

Project preparation was completed in 18 months and was followed by successful negotiations for a US\$29 million loan with the World Bank (GoS funded the balance of \$34 million). The project, whose keyword was 'integration', had four distinct components:

- Expansion and rehabilitation of citywide (primary) infrastructure
- Residential upgrading
- Policy and legislative reform
- Institutional strengthening and capacity building

Physical project implementation, particularly residential upgrading, got off to a slow start, and took a decade to complete, with some upgrading components still continuing.

6. *Review of UDP Upgrading and the Lessons Learned*

At Project Completion in March 2005 the UDP had delivered 2,500 existing and new serviced plots in informally settled areas of Mbabane, and by mid-2006 a further 1,700 will have been added. This significant achievement provides a solid basis for review, and for learning lessons in how best to design, prepare and implement low-cost residential upgrading projects in Swaziland, and perhaps more widely in the region.

Summary Of Lessons Learned

1. **Physical Planning:** resolve community expectation / external standards conflict through flexible planning regime.
2. **Engineering Design:** beneficiaries need clear understanding of scope, standard and cost of individual services to enable them to decide menu.
3. **Community participation:** time, sustained input and facing up to difficult issues are needed to obtain buy-in from community.
4. **Allocations:** sensitive process needs to be fully transparent and should be simplified.
5. **Plot cost & sales:** needs commitment and resources from developer (or outsourcing) to be a success.
6. **Affordability:** plot costs should be tailored to closely match affordability levels, with prior agreement with community on dealing with vulnerable groups.
7. **Compensation:** tighter rules and more flexible layouts to reduce claim opportunities.
8. **Mortgage Finance:** the low income sector is not yet confident with this option.
9. **Developer:** Councils are more appropriate developers of upgrading than SNHB.
10. **Change of Developer:** MoU needs to be signed to minimise cost and disruption.
11. **Upgrading model:** full cost recovery is untenable, so funding needs to be agreed.

7. Vision of an African Capital City without Slums

Mbabane City Council is currently nearing completion of its Mbabane Upgrading and Financing Project (MUFP), preparing a comprehensive upgrading plan for the remaining nine informal settlements in Mbabane, with a fully costed budget together with detailed data on incomes and expenditure, employment, upgrading priorities, affordability and willingness to pay for services, an agreed institutional analysis and implementation plan. The MUFP draws heavily on experience (positive and negative) gained on the UDP, and takes on board the lessons learned.

For a number of reasons Manzini has been slower to get to grips with the upgrading of its informal settlement. Only in 2006 is it finally starting the phased implementation of its sole UDP upgrading component, Moneni.

The increasing challenge, however, lies in the peri-urban areas. In the Mbabane / Manzini corridor these are currently estimated to support a population in the order of 75,000 but this could well have risen to 100,000 by 2015. A World Bank funded **Study on Upgrading in the Peri-urban Areas of Swaziland** was completed in 2004 to recommend a framework for physical, financial and administrative development of the peri-urban areas in general. The proposed **Swaziland Local Government Project** is planned to include a peri-urban component, with the aim of identifying the most appropriate options for delivering sustainable local service and infrastructure in informal settlements within peri-urban areas.

8. The End of the Dual Local Government System

The system of separate 'western' urban and 'traditional' rural land administration that has existed for well over a century in Swaziland can be identified as the root cause of many of the country's land access and tenure challenges persisting today. In the instances when and where the two systems do meet – exemplified in the peri-urban setting – the result has been a breakdown in the rural, traditional model coupled with inability to access the formal urban framework.

This duality, however, is about to end. The new 2006 constitution enshrines the introduction of a single countrywide system of local government within a defined period of five years, integrated across the urban / rural divide – administrative areas might be urban, rural or partly both. The constitution aims to ensure that decentralisation is comprehensively achieved through the development of democratic structures with sufficient resources and controls to deliver services effectively.

The government has also published its 'Draft Local Government Reform and Decentralisation Policy Document', setting out mechanisms whereby the constitutional changes will be introduced and the framework within which the new system will operate.

One initiative being undertaken to address and support GoS's objectives is the proposed **Swaziland Local Government Project (SLGP)**, with three components:

- Rapidly Growing Settlement (RGS) grants;
- Sustainable Local Governments Conditional (SLGC) Grants;
- Municipal Finance for Mbabane and Manzini.

Using the experience and expertise of the World Bank and other co-funders, the SLGP could provide the catalyst needed to introduce the sustained and harmonised countrywide system of local government envisaged under the new constitution. What is needed now is the sustained commitment from all stakeholders to maintain the momentum by taking the next critical steps in the process without delay.

LIST OF ACRONYMS

AMICAALL	The Alliance of Mayors Initiative for Community Action on AIDS at the Local Level
CA	Cities Alliance
CAS/CPS	Country Assistance Strategy / Country Program Strategy (World Bank)
CDS	City Development Strategy (Cities Alliance)
DEVCO	Irish development consulting company
DFID	Department for International Development (UK)
DPM	Deputy Prime Minister
DUG	Director of Urban Government (MHUD)
GDP	Gross Domestic Product
GNP	Gross National Product
GoE	Government of Ethiopia
GoS	Government Of Swaziland
GRZ	Government of the Republic of Zambia
HIV/AIDS	Human Immuno-Deficiency Virus/Acquired Immuno-Deficiency Syndrome
HSA	Human Settlement Authority
IBRD	International Bank for Reconstruction & Development (World Bank)
ICMA	International City Manager's Association
IDA	International Development Association (World Bank)
IDF	International Development Fund (World Bank)
IGFT	Inter-governmental Fiscal Transfer
IHC	Industrial Housing Company
KfW	Kreditanstalt für Wiederaufbau (German State Development Bank)
MbCC	Mbabane City Council
MDG	Millennium Development Goals
MEPD	Ministry of Economic Planning and Development
MHTD	Ministry of Housing & Township Development (later MHUD)
MHUD	Ministry of Housing and Urban Development
MoF	Ministry of Finance
MoU	Memorandum of Understanding
MUFP	Mbabane Upgrading & Financing Project
NGO	Non-governmental Organization
NHIP	National Housing Implementation Plan
NHP	National Housing Policy
NDPCD	National Decentralisation Programme Coordination Directorate
ODA	Overseas Development Administration (UK – later DFID)
PASDEP	Program for Accelerated and Shared Development & Eradication of Poverty (Ethiopia)
PCU	Project Coordination Unit
PSC	Project Steering Committee

RGS	Rapidly Growing Settlements
SA	(Republic of) South Africa
SBS	Swaziland Building Society
SLGC	Sustainable Local governments Conditional (grants under SLGP)
SLGP	proposed Swaziland Local Government Project
SNC	Swaziland National Council
SNHB	Swaziland National Housing Board
SMME	Small, Micro and Medium Enterprises
SNL	Swazi Nation Land
SUDP/UDP	Swaziland Urban Development Project
SWSB	Swaziland Water & Sewerage Board (later SWSC)
SWSC	Swaziland Water Services Corporation
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNDP	United Nations Development Programme
USAID	United States Agency for International Development
VIP	Ventilated Improved Pit Latrines
WHO	World Health Organisation

CHAPTER 1: INTRODUCTION

This history documents a long and informative process of reform and implementation in Swaziland, including a number of themes facing developing countries and their external partners in Africa and beyond.

First, the history relates the experience of a small, comparatively insular country in addressing complex challenges deriving both from rapid urbanisation and, as a result, the growing need to adapt governance systems and structures. This history records the complex interaction of a wide ranging governance reform agenda within the traditional Swazi system, and to varying degrees this same interaction is of relevance in many countries in the region.

Beginning in the late '80s, the Government of Swaziland (GoS) realized that it needed to address urban growth issues, many of which dated from the quasi-apartheid nature of the colonial era which ended in 1969. In the '80s Swaziland was a "front line state"¹, and was therefore awash with - and not always effectively in control of - donor resources and personnel. While external resources funded many good activities, the proliferation of those resources and the multifarious agendas of the external agencies contributed to donor-driven environment in which GoS was frequently reactive rather than proactive. The end of apartheid in South Africa in '94 was followed by a rapid exodus of donors and their resources from the front line states, and this exodus was most pronounced in the Kingdom.

The abrupt disappearance of the abundant "free" donor resources and personnel, which Swaziland had enjoyed in the '80s and early '90s, posed a major challenge for GoS. As a result (box 1), GoS's interaction with the Bank - one of the few development partners still active in the country - has been limited.

Hence, a second key issue illustrated by this history is the challenge that small, insular (and in this case, middle income) nations like Swaziland face in attracting assistance. In the absence of significant lending programs, institutions like IBRD have limited resources available for advisory services, particularly given the ineligibility of middle income countries for most trust funds available in Africa. While GoS and the Bank have been somewhat successful in mobilizing resources for specific activities - for instance, Cities Alliance and IDF grants - the basis for a sustained, strategic partnership has not been available. This is an issue that the Bank is examining in many smaller countries, and the challenges faced in Swaziland may contribute to this discussion.

The third theme that emerges in this history is the centrality of land. As in many similar countries where traditional authorities exert varying degrees of control over land allocation, access to land in Swaziland is a cross-cutting issue that influences outcomes in many sectors. This history documents significant progress in addressing tenure issues on traditionally managed land in local government jurisdictions, but the vast majority of Swazi Nation Land (SNL) lies outside of these jurisdictions. The progress on urban SNL took years to achieve within the context of the SUDP; no similar, externally supported process is underway with regard to SNL in the rest of the nation. The 2005 Constitution brings this issue to the fore in several ways, including through the mandated establishment of local government jurisdictions covering the entire nation. The key point here is that, as in many other countries in Africa and beyond, the cross-cutting issue of access to land, secure tenure, and asset creation is most often addressed sectorally (e.g. urban versus rural) instead of as a fundamental factor that is integral to both poverty reduction and governance.

1. Middle Income Country

With GNP per capita estimated at \$2,159 in 2004, the World Bank categorises Swaziland as a "middle income country" so it is not eligible for concessional financing from, for instance, the International Development Association (IDA). From the mid-90s onward, GoS (specifically the Ministry of Finance) limited borrowing from IBRD to a single loan for the Swaziland Urban Development Project (SUDP, completed in 2005) since:

- a) IBRD lending was perceived as "expensive" and*
- b) the value of the lilangeni is pegged to the SA rand, effectively denying GoS any control on exchange rates and, therefore, the cost of loans denominated in dollars.*

¹ Along with Botswana, Lesotho, Namibia, and to a lesser extent Zimbabwe and Mozambique.

	Average (1998-00)	Average (2001-03)	Est. (2004)
Population (million):	1.0	1.1	1.1
Population Growth	2.9%	1.9%	1.3%
GNP (US\$ billion):	\$1.4	\$1.5	\$2.4
GNP per capita (US\$):	\$1,368	\$1,365	\$2,159
GDP Growth:	2.9%	2.3%	2.1%
Fiscal Balance (% of GDP):	-5.9%	-4.5%	-4.1%
Inflation (%):	8.8%	8.4%	3.5%
Export Growth (%)	16.5%	8.3%	30.7%

Table 1.1: Swaziland Economic Indicators

have been amended, institutions have been created and replaced, new systems have been established and implemented, and consensus has been built around many basic issues. And yet, after almost two decades of work, much remains to be done to fully establish accountable, sustainable governance systems.

The time and effort invested in this fundamental reform process by GoS, the Bank and other donors has been very substantial and is **unavoidable**, and one of the key lessons demonstrated by this history is that both governments and development partners must recognise and plan for long term engagements for reforms to succeed. Examples of these long term trajectories abound in the region (box 2).

% Living Below \$1/day:	69%
Adult Literacy Rate:	81%
Gross Primary Enrollment:	98%
Female Primary Enrollment:	94%
Infant Mortality Rate:	105 per 1000
Life Expectancy at Birth (years):	43
Child Malnutrition:	10%
Prevalence of HIV/AIDS:	39%

Table 1.2: Social Indicators

2. Taking the Long View

- a) *Preparation of SUDP in Swaziland began in 1989, the project became effective in 1996 and it closed in 2005. The follow on support operation, the Swaziland Local Government Project (SLGP), will commence in 2007 and the Constitution mandates that the country wide local government system will be in place by 2010.*
- b) *In Zambia, work on decentralisation has been underway since the early '90s. In the 2007 Budget, GRZ may finally include intergovernmental fiscal mechanisms that provide transparent, predictable support to local governments, and the full devolution process in that country is expected to continue until at least 2010.*
- c) *In Namibia (another "middle income country" with a highly skewed income distribution and reluctance to borrow on IBRD terms) work on decentralisation and devolution has also been underway since the early '90s, with limited incremental achievements to date.*
- d) *In Ethiopia, since 1994 GoE has gradually heightened its focus on decentralisation and local governance issues. In the 2005 Program for Accelerated and Shared Development and Eradication of Poverty (PASDEP), GoE has for the first time included a clear focus on urban development and local governance, including creation of the Ministry of Works and Urban Development.*
- e) *In South Africa, more than a decade since the end of apartheid, improving the capacity of the constitutionally mandated local government "sphere" is clearly recognized as a work still very much in progress.*

Similar long-term reform processes have been underway in Uganda and Tanzania for more than a decade. In short, establishing sustainable, accountable local governance systems takes time. While key actors in governments are frequently engaged with these processes for many years, development partner personnel and support come and go frequently, and institutional memory tends to be fragmented. Development partners often struggle to engage successfully with these long term processes, particularly in small nations that do not borrow much and are not "focus" countries. Experience in Swaziland (and elsewhere) suggests that development partners should examine ways in which low resource, high impact long term engagements can be more successfully entered into.

Finally, this history demonstrates that despite all the challenges faced, Swaziland is “staying the course” in addressing its interdependent governance and urbanisation reform agendas. Full implementation of these reforms will, by 2010, have spanned an entire generation (1989-2010), and that is the amount of time that development partner support strategies need to take as given. However, especially for small, low lending countries, development partners do not have any such long term strategies. CAS/CPSs are inherently short term and usually simply sectoral investment plans under the typical growth-oriented rubrics.

3. City Development Strategy

A useful model for such long-term strategies is readily available in the Cities Alliance supported City Development Strategy (CDS) approach². CDSs are often mistakenly regarded as purely “urban” strategic instruments. While the most successful application of CDSs to date has been with more than 100 cities worldwide, the strategic elements of CDS are equally applicable to non-urban scenarios.

Swaziland's long-term governance and urban development reform process offers an instructive example of the kind of strategic framework that, given development partner buy-in, could maximise the impact of limited partner resources in small countries over time. Good long-term partnership strategies should be simple and direct (box 3), and should be explicitly passed along as development partner personnel shifts.

Although Swaziland's long-term governance and urban development strategy was not formally defined in a donor approved format (other than the project-focused SUDP documentation), all the elements of a sound intergovernmental reform / decentralisation process can be seen, retrospectively, to be in place. The basic policy and institutional reforms of the early 90s were followed by fiscal and financial reforms, leading to creditworthy institutions that will, with support from the new SLGP, enter the market to secure financing in a transparent and accountable manner. It is precisely this type of long-term strategy - variations of which are being implemented by a growing number of governments in the sub-Saharan region - which should guide development partner support for the required generational shifts.

² See especially “Guide to City Development Strategies”, Cities Alliance, 2006; available at www.citiesalliance.org.

CHAPTER 2: THE KINGDOM AND THE CITIES - THE ORIGINS AND RISE OF URBAN CHALLENGES IN SWAZILAND

The struggle for land and access to it has been a dominant theme throughout the history of the Swazi nation. It could be said to form the backdrop to the challenges faced by the country since independence in securing equitable land access and tenure for urban populations. Swaziland's current land tenure issues have their roots in its pre-colonial past, so it is appropriate that this document should begin by providing a sketch of that history and the land issues involved.

2.1 Early History - The Origins of Swaziland

The area of south east Africa that is now Swaziland (Fig 2.1) is believed to have been populated for many millennia, although the Swazis arrived only relatively recently. Less than 250 years ago they moved in to the south of the country, absorbing or displacing the remnants of nomadic San / Bushmen and other tribes as they moved north.

The Swazis are of Nguni descent, originating from the eastern Congo area of central Africa, and migrated south in the late 15th century to what is now the Maputo area of southern Mozambique.

Some 200 years later, following a series of conflicts, the Swazis moved further south and west, settling in about 1750 in northern Zululand, along the Pongola River. Increasing pressure on land led to battles with the growing Zulu nation, forcing the Swazis to move gradually northward in the early 1800s to avoid attack and establish themselves in the area of present-day Swaziland (Fig 2.2).

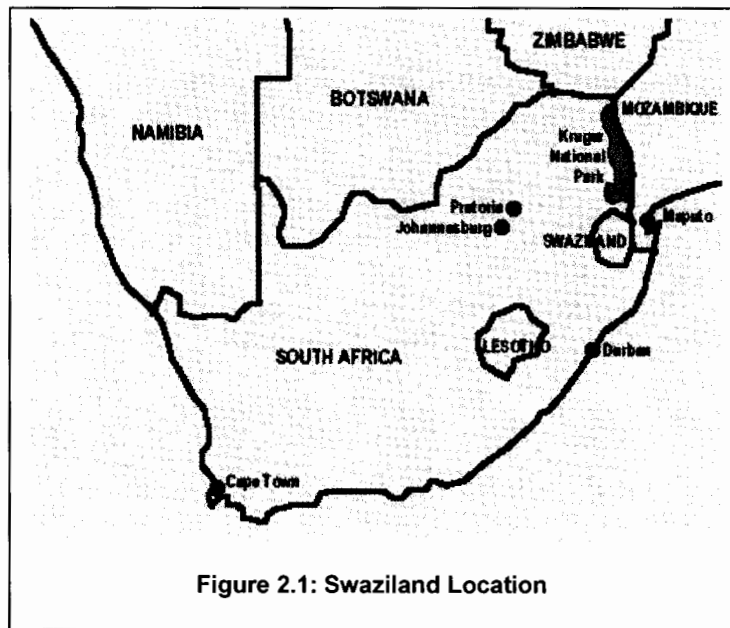


Figure 2.1: Swaziland Location

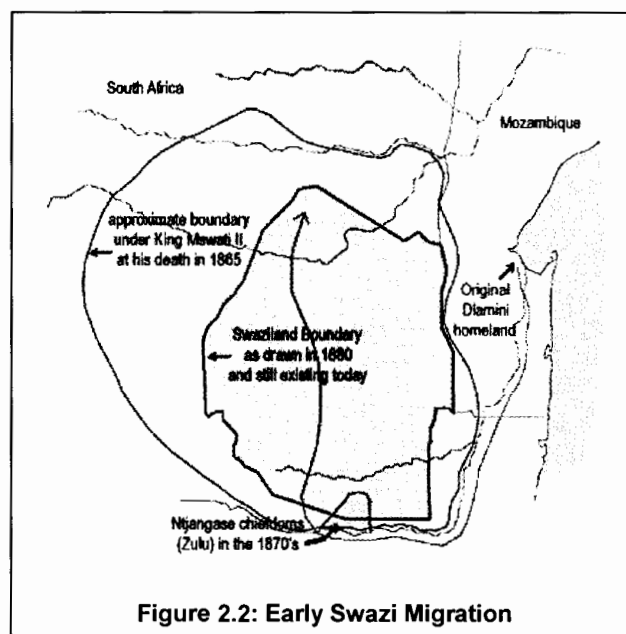


Figure 2.2: Early Swazi Migration

2.2 Development of a Nation – Royal, Rural, Traditional & Peaceful

The name ‘Swaziland’ derives from King Mswati II, who reigned from 1845 – 1865, expanding the Swazi nation northwards and westwards, unifying the different clans and stabilising the southern border with the Zulus. His predecessor King Sobhuza I is considered as the ‘Father of the Nation’ since he first established an enlarged kingdom, but the Nkosi-Dlamini royal lineage is claimed to date back many centuries.

4. Sobhuza’s Dream

King Sobhuza I is said to have had a prophetic dream, which warned him to avoid conflict with the whites, at the risk of losing his nation. He and his successors took the warning to heart, in contrast to the Zulu kings, whose refusal to allow white settlers to access their land was seen as the cause of the downfall of their monarchy.

The Swazis represent an essentially homogeneous population, who share language and culture, and value peaceful co-existence. Once established in and around the area of the present country, they generally avoided conflict with both black and white neighbours (box 4).

Contact with both the British and Boer authorities in South Africa started early in the 19th century, and by the 1860s white farmers, hunters, traders and prospectors started to arrive in search of land concessions; large areas which were readily given for a few head of cattle and a nominal rent. However, misunderstanding (or wilful and in some cases fraudulent misinterpretation) of the status and degree of land ownership to which this entitled the concessionaire was the source of later conflict between the Swazi authorities and the settlers, and which even now has not been entirely resolved. The Swazis believed they were issuing temporary leasehold rights to the use of the land for grazing or other purpose, but the documents they signed effectively transferred freehold title to the concessionaire.

The country’s boundaries as internationally recognised today were drawn up over an extended period, starting in the 1860s but only defined, surveyed, agreed and formalised between 20 and 50 years later. The demarcation process was carried out almost exclusively between the neighbouring governments (box 5), with little or no involvement by the Swazis themselves, who ultimately saw more than half of their traditional territory excised. This perceived loss remains a contentious issue to the present day.

5. Squeezed by Neighbours

Modern-day Swaziland has two international boundaries; with Mozambique in the east and South Africa to the north, south and west. In the late 19th century, however, the nation had three neighbours – Transvaal (Boers), Natal (British) and Portuguese East Africa. Fixing all these boundaries was a convoluted, argumentative and often fraudulent process. The area finally demarcated as Swaziland was a mere shadow of the territory, particularly in the north and west, previously recognised as being under Swazi occupation and rule.

2.3 Colonial Rule – Life under the British

The Convention of Pretoria in 1881, which formalised the Swaziland / Transvaal boundary, also guaranteed the country’s independence (box 6). However, this autonomy was to be short-lived, since in 1894, under an agreement between the British and South African governments, and despite vigorous protests from the Swazis, Swaziland became a protectorate of the South African (Boer) Republic.

6. Location, location.....:

It has been argued that the reason for Swaziland’s survival in the 19th century as a separate political entity is down to its geographical position. Located at the territorial intersection of three mutually distrustful powers, it escaped absorption because none would allow either of the others to gain influence over the country.

It was in this era that the two settlements of Manzini (1885 - as Bremersdorp) and Mbabane (1888) had their origins, both set up and initially inhabited by settlers. The two towns both started life as a trading store with a hotel, and both locations proved

successful because of their reliable river water supplies and their situation on wagon routes.

Immediately following the end of the Anglo-Boer war in 1902, Britain took over the administration of the country and in 1907 Swaziland formally became a British protectorate, governed by a High Commissioner in Pretoria and administered by a resident commission staff in Mbabane (thereby determining the future administrative capital - box 7).

7. The Seat of Government

Mbabane was apparently chosen in preference to Manzini /Bremersdorp (which is at the geographical centre of the country, close to the Swazi royal capital of the time, and where the SAR administration had its office), for its proximity to the South African Border and because its altitude (at 1,200m) offered a more temperate climate for the British.

The new colonial power wasted no time in setting up its own 'land grab' - partitioning the country by legalising dubiously obtained concessions and effectively expropriating land. The principle imposed was that each area of concession land would be divided into three, with:

- one-third set aside for the Swazi nation (SNL);
- one-third set aside for the (British) Crown;
- one-third retained by the concessionaire under a freehold title deed, to be known as a 'farm'.

After the partition, SNL constituted just 40% of the total land area. Swazis had no rights of residence on Crown land or title deed farms and had to move off within five years of the partition. Thus in a stroke they were deprived of land that they had traditionally lived on for centuries.

8. Land Settlement Schemes

The schemes' goal was to promote smallholder agriculture by means of controlled land use for grazing, cropping & homesteads, and they were administered and managed by the colonial authority. However, this was completely alien to the traditional Swazi farming methods, and the schemes were abandoned.

The partition led to great hardship as the area of land apportioned for Swazi tenure was insufficient for the ever-growing population. In 1940 the British government started to purchase back land for Swazis, although the initial managed framework was not successful (box 8) and subsequently the purchased land was handed over directly to the Swazi authorities for allocation in the

traditional manner. By independence the portion of SNL had increased to 56%, and is now estimated to be nearer 60%.

Except for some limited mining activity, there was very little economic development in the country before World War II (in fact Swaziland as a unit was never economically viable during the first half of the 20th century). The country was essentially rural, given over to sheep grazing, cattle ranching and some large-scale cropping by concessionaires and settlers, and subsistence farming by the Swazi population.

The end of the war in 1945, however, brought about a change of government in Britain and an apparent change of heart towards investment in the colonies. The post-war period saw a dramatic acceleration of economic activity as a result of a concerted investment programme, mainly through the Colonial Development Company (subsequently the Commonwealth Development Corporation) in conjunction with major British industries, in mining, forestry, commercial agriculture and agro-industries (box 9), as well as the start of a road building programme.

9. Major Investments during the Colonial Period

- *Havelock (asbestos mine)*
- *Usuthu (forestry & pulp mill)*
- *Piggs Peak (forestry & sawmill)*
- *Mhlume (sugar & mill)*
- *Big Bend (sugar & mill)*
- *Ngwenya (iron ore & railway)*
- *Mpaka (coal mine)*
- *Tshaneni (citrus)*
- *Malkerns (pineapple & canning)*

The administration of the country during its sixty years as a British protectorate was effectively carried out on a two-tier basis (the influence of which persists in today's dual administration). The British governed the country through the financial, judicial, military and civil colonial administration, but generally accepted the right of the traditional Swazi authorities to administer their own 'native affairs', unless there was a conflict between the two systems. Thus the two cultures existed uncomfortably but generally peacefully alongside each other.

However, due to land partition, and social and educational restrictions (box 10), at a local level the two communities, Swazis and whites, lived separately. This was particularly evident in the growing towns, all of which were situated on title deed and/or Crown land, and where Swazis had no right of permanent residence. The only way Swazis could live in towns such as Mbabane or Manzini was through annually renewed Temporary Residence Permits, which allowed them to erect temporary shelters in designated areas, with no services provided. After time, of course, these shelters became their permanent homes, and led to the development of informal settlements such as Msunduzi in Mbabane.

10. Separate Schooling

All formal education, from the outset in the mission schools of the late 19th century until independence, was segregated for black, 'coloured' (mixed race) and white children.

2.4 Independence and Growth – The Development of Industry and Urban Centres

After protracted negotiations with the British government and a stuttering legal and constitutional process, the country finally gained its independence on 6 September 1968.

As well as the radical political changes that independence introduced, there was a dramatic socio-economic change. Industrial and commercial development expanded in the Mbabane / Manzini corridor, due to the relatively well-developed transport links (road, rail, air) and the presence of cheap water and power.

11. Matsapha Industrial Estate

By 1971 the following industries had been established, most of which have expanded, and are still operating:

- Brewery
- Cement factory
- Abattoir / meat packing
- Packaging factory
- Cotton ginnery
- Transport & fuel depots
- Sweet factory

The Matsapha Industrial Estate was created to the west of Manzini, and within a few years was already home to some major industries (box 11). Meanwhile an influx of shops and businesses transformed the previously sleepy towns of Mbabane and Manzini into bustling centres, as retailers and service providers tapped the purchasing power of the expanding number of Swazi civil servants, office and industrial workers.

A contributing factor to the rapid growth was the fact that the first decades of Swazi independence happened to coincide with the ever-tightening trade and economic sanctions against South Africa, with the result that both SA- and foreign-based companies were quick to see the benefits of setting up manufacturing or trading operations in the country (since it also shared currency parity and a common customs union with South Africa), to import or export goods and services into or out of SA.

2.5 Here to Stay – Development of Informal Settlements

The rapid development of Matsapha and the Mbabane / Manzini corridor following independence, along with the expansion of government services, brought with it a demand for labour, which was readily met by able-bodied rural dwellers moving to the urban areas (Table 2.1). When

Population	1968	1991	2001 (est)
Mbabane	13,100	48,840	71,000
Manzini Town	6,800	23,160	40,000
Swaziland	385,000	795,500	1,100,000
% Of Total	5.2%	9.0%	11.0%

Table 2.1: Mbabane / Manzini Urban Population (1968 / 2001)

they arrived, however, they found there was little or no formal housing, and they had to fend for themselves. Inevitably they were drawn to the areas where Swazis had already settled; in the peri-urban, informal settlements.

12. Competing Authorities

In the same year (1964) that the Town Councils were born, the Crown Lands (Temporary Occupation) Act empowered the Regional Administrator to control settlement of unsurveyed urban land by means of temporary residence permits (TRP), valid for one year. This brought the 'dual system' of government right into the towns, since there were now effectively two authorities in each urban area, with predictable tension over conflicting priorities for years to come.

In terms of land allocation these areas, even those within the two declared urban areas, were administered using traditional structures (box 12), but the ever-increasing demand for land placed too great a pressure on those structures, so that the councils were unable to cope as a consequence, and uncontrolled development of the areas took

place. It is estimated that at the time of the earliest UDP studies in the late 1980s, approximately 60% of the combined populations of Mbabane and Manzini were living in informal settlements.

At first the structures erected in the informal settlements were temporary shacks or traditionally built mud-and-stick houses, but as peoples' residency stretched into decades, old structures began to be replaced with houses constructed using modern methods. In an effort to control this practice, the Town Councils introduced a ban in these areas preventing the building of permanent structures. The ban was, not surprisingly, unpopular with the residents³.

This state of affairs was unacceptable from many standpoints. The land where the settlements were located tended to be steep and inaccessible, which is why the areas had been disregarded for development by the formal sector. There were no services provided, so as the population density increased, so the environmental health indicators decreased. Crime and prostitution flourished, as did infectious diseases.

The problem was exacerbated by the fact that, particularly in Manzini, it was not possible to extend the declared urban area without encroaching on neighbouring SNL. So in an urban, post-independence setting, the flip-side of partition was being demonstrated; now it was SNL that was the barrier to both urban expansion and the local authorities' ability to make sufficient serviced land available to accommodate the incoming Swazi population. The situation was clearly unsustainable; the time had come to tackle the problem.

It is apparent that the origins of the crisis affecting post-independence Swaziland, resulting from lack of access for its citizens to serviced land, can be traced through a sequence of events in the country's chequered history:

- *Concessions granted to foreigners;*
- *Formalising those concessions by the colonial power;*
- *Partition into Crown Land, Title Deed Land and Swazi Nation Land;*
- *Development of towns on Title Deed and Crown Land;*
- *Exclusion of Swazis from formal residence in the towns;*
- *Tenure in towns restricted to renewable Temporary Residence Permits;*
- *Allocation of steep, unsuitable and unserviced land for urban Swazi residents;*
- *Introduction of the building ban to prevent further uncontrolled development.*

³ Despite its unpopularity, the ban continues in informally settled areas to this day – its supporters claim that it provides the only effective means of preventing further unplanned development and degradation, pending upgrading.

CHAPTER 3: UNEXPLORED TERRITORY - DEFINING SWAZILAND'S URBAN AGENDA

3.1 Recognising the Problem – GoS Early Responses, 1970s and Early 1980s

13. Fragmented Management

In the 1970s, urban administration was divided between four ministries:

- *Ministry of Local Administration: (Town Councils, Regional Administration, Township Eng.);*
- *Ministry of the Interior: (IHC, Low-cost Housing Unit)*
- *Ministry of Natural Resources: (Physical Planning Branch, Land Valuation, Survey Branch)*
- *Ministry of Public Works: (Roads Branch, Water & Sewerage Branch)*

In the years following independence, the new government had a lot to contend with; a largely untrained civil service coming to terms with running a country and achieving a speedy transition by combining what was effectively two separate (ethnic Swazi and white expatriate) populations into a unified nation.

This was made particularly difficult in the urban setting where local government structures had only recently (1964) been put in place, and where the annual growth rate of 6 - 7% meant the population was doubling every decade. Urban administration was fragmented, with institutions having authority

in urban areas being divided between at least four ministries (box 13).

The government's early responses to the problem resulted in the setting up of two organisations:

- *Low-cost Housing Unit (1974 – became the Housing Branch in 1979): this was aimed at facilitating upgrading through self-help housing collectives in Mbabane (box 14), but due to inefficiencies, and limited resources and technical capability, was unable to keep pace with demand for formal low-cost housing.*
- *Industrial Housing Company (1972): was set up as a government-owned development company that built and let apartment-type housing units aimed at industrial workers. However, it was also inefficient and dependent on government loans to survive (box 15).*

14. Low-cost Housing

The Housing Branch set up a programme called 'Vukuzenzele' to promote self-help house building collectives, using appropriate materials, with limited success in three informal settlements of Mbabane. In retrospect, this was ahead of its time, given that it predated the UN habitat conference by 2 years!

15. Industrial Housing

After 15 years of operation the IHC had built 1,200 units, which were mainly rented by middle-income groups at below market rentals. A study at the time calculated that more than this were needed EACH YEAR to keep pace with demand. It never made a profit and by 1987 it owed the government and other institutions over E10 million.

Neither of these initiatives proved successful in the long term. The informal areas in both towns were growing at an alarming rate, and the government was alarmed by a cholera outbreak in 1983 which resulted in deaths at Msunduzi. Emergency measures were taken to provide treated water to communal standpipes, but it was clear that a more sustainable solution to the provision of accommodation and services, to what by now was already the majority of the populations of Mbabane and greater Manzini, was required.

3.2 Looking for Help – Seeking External Assistance and Support – Late 1980s

After the cholera outbreak (and Cyclone Demoina in 1984, which ravaged the country's infrastructure), the Swaziland government turned to the international community for help, and in 1986 the World Bank, USAID, UNDP, KfW and ODA all contributed in a joint effort to assess and address the problems. The first outcome of this effort was a raft of linked fundamental policy and legislative reforms in 1987 and 1988 that together set the future institutional and policy framework for the development of housing in urban areas:

- A draft National Housing Policy (NHP), which committed the government to restructuring and resourcing housing institutions, setting the Mbabane / Manzini corridor as the first priority for action and promoting a 'sites & services' approach to low-income housing delivery (box 16)⁴;
- A National Housing Implementation Plan (NHIP) was prepared to give effect to the policy, and which set out a five-year development programme;
- An Institutional Framework for the NHP, which introduced a rationalised institutional structure for delivering the policy objectives;
- The Human Settlement Authority Act, which set up the HSA to oversee housing development and set policy; and
- The National Housing Board Act that set up SNHB as a parastatal implementing agency, under the purview of the HSA (though notably, both Acts necessarily excluded activities on SNL, and despite the two organisations' close connection, they were initially placed under different ministries!).

16. Draft National Housing Policy (1987)

The draft NHP embodied the following ten principles:

1. *Recognise housing as a major priority;*
2. *Reorganise and identify roles of institutions coordinated by HSA;*
3. *Encourage home ownership but also provide rental housing;*
4. *Mobilise financial resources but avoid government subsidy;*
5. *Encourage self-help and appropriate technology;*
6. *Encourage developers to meet the needs of all income groups;*
7. *Efficient use of scarce land resource, + access to services;*
8. *Implement the NHIP;*
9. *Assure an adequate supply of land for human settlement;*
10. *Improve living conditions for rural homesteads.*

17. Hangovers

The SNHB inherited many problems from the IHC – housing estates (named "Mobenis" after the original) that were badly in need of maintenance but where the rentals were below market value and uneconomic. Similarly it took over unfinished upgrading projects and sites and services schemes from the Housing Branch (Sidwashini in Mbabane and Two-Sticks in Manzini).

The SNHB absorbed both the IHC and the Housing Branch (and inherited their schemes and debts – box 17), becoming the government's primary housing developer (although civil service housing was excluded), for both sites and services and rental developments. From the start, however, it struggled to meet its two conflicting objectives of delivering

affordable housing to lower income groups, whilst having to make an economic return on investments. The high cost of infrastructure provision in the steep and rocky terrain of Mbabane unavoidably pushed up development costs, so in the absence of any subsidy (although generally the Crown land was donated) achieving the required financial return meant that serviced plot costs were set beyond the affordability of low-income groups.

⁴ The draft policy was revised and updated but never adopted, and was essentially re-written before being approved in 1993. A new policy covering urban and rural housing was prepared and approved in 2000.

Another crucial foundation for the UDP was put in place at this time with the commissioning of a study on low-income housing in Swaziland in 1988 (box 18). This field survey of the nature and extent of informal housing within the Mbabane / Matsapha / Manzini corridor was to provide the baseline data for all the UDP-related studies and strategic planning to come.

18. Hoek-Smit Study Findings

Based on a survey of 500+ household heads, findings were as follows:

- 80% were born in rural areas;
- 35% intended to return one day; 60% had a spouse in a rural area;
- 86% were in full-time employment;
- 85% of renters aspired to home ownership;
- Title status was a mix of owned, leased, ownership, rented, khonta and TRP.

3.3 Moving Forward on all Fronts – 1990, The Birth of the UDP & MHUD

With the basic policy, legislation and institutions - as well as baseline demographic data - now in place, the government and donors were able to move ahead with the first formal stage of the 'Integrated Urban Development Project' - the feasibility study - in January 1989. The extent of the study (box 19) included the Mbabane / Matsapha / Manzini corridor

(although Matsapha Industrial Estate was subsequently developed under a separately funded project).

19. Scope of UDP Feasibility Study

The study focused on four areas:

1. Preparation of an urban development strategy & land use for Mbabane & Manzini,;
2. Current condition assessment of infrastructure systems, expansion requirements & investment costs
3. Identification and design of specific sites for upgrading & new settlements with investment costs;
4. Review of institutional capacity and proposals for strengthening.

The following year the feasibility consultants reported, and two seminal workshops took place in Piggs Peak; the first to review the study and its recommendations, and the

second entitled "Urbanisation in Swaziland – Challenges of the 90s", which brought together over 100 representatives of government, international agencies and the private sector for three days of intensive debate, exchange of views and information. The process identified the main constraints to development, and recommended solutions to improve management of the urbanisation process. It was an historic event since it paved the way for the formation of MHUD and the UDP.

Despite the reforms undertaken in the late 80s, in 1990 urban and land management remained seriously fragmented (box 20). While the Ministry of Natural Resources had collected a number of the functions of urban management, this was not its first priority and the other activities were still divided between the Ministry of the Interior (SNHB) and the Prime Minister's Office (Town Councils & Regional Administrators). External donors, numerous studies and workshops had all highlighted the problem and the government decided to take action.

So it was that in October 1991 the Cabinet created a new ministry to manage urban affairs, appointed a minister and in December gazetted its portfolio. It was originally called the Ministry of Township Development, but quickly became the Ministry of Urban Development (MHUD), and finally brought together under one roof all the institutions

20. "An Urban Planner's Nightmare"

The words of Senator Arthur Khoza, chairman of the Natural Resources Board, describing the numerous bodies overseeing land use in Swaziland in 1990:

1. Land Speculation Control Board,
 2. Human Settlements Authority,
 3. National Trust Commission,
 4. National Housing Board,
 5. Private Townships Board,
 6. Local Authorities,
 7. Central Rural Development Board (For SNL).
 8. Natural Resources Board
- (He could have added the Regional Administrators - see box 9 above)

and instruments involved in urban government and administration (box 21) including SNHB and SWSB.

Two studies in the first year of the ministry's life served to focus its direction and efforts:

- *Review of Township Administration & Town Councils* (popularly known as 'DEVCO 1') made more than 200 recommendations on strengthening the local authorities in Mbabane / Manzini corridor (including city status for Mbabane and Manzini and twinning as a means of strengthening), most of which were adopted;
- *Organisational Planning Assistance for MHTD* (referred to as 'The Brockman Report') set out the ministry's overall goal, objectives and organisational structure.

21. New Kid on the Block

MHUD was assigned seven responsibilities by the Cabinet:

1. *Housing & Human Settlements;*
2. *Physical & Town Planning;*
3. *Water & Sewerage;*
4. *Rents;*
5. *Land for residential purposes*;*
6. *Urban Government;*
7. *Fire & Emergency Services.*

**Subsequently defined as land within declared urban areas.*

3.4 The Heart of the Matter – Land Tenure

In all the studies, workshops and reports of the time, as well as the draft NHP itself (box 22),

22. Policy on Land Tenure

The draft NHP 5-point approach to land tenure crystallises the issue:

1. *A balanced and efficient use of land and other resources for human settlements.*
2. *GoS, HSA & Councils to unite to provide an adequate supply of land for housing.*
3. *GoS & HSA with Swazi National Council [traditional authority] to develop facility to allow access to SNL for low-income urban settlement.*
4. *GOS, HSA & SNC to provide security of tenure on SNL through bankable leasehold.*
5. *GOS, SNHB & Councils to provide security of tenure through recognisable leasehold to residents of informal settlements on Crown Land.*

the same three related issues are highlighted repeatedly;

- the insufficient supply of Crown Land within the municipal boundaries to meet the long term housing demand generated by the rapidly growing urban population;
- the need to provide some form of bankable / transferable tenure on SNL in peri-urban areas to facilitate housing development; and
- the need to introduce planning controls and effective administration in those same peri-urban areas.

The message was clear – a framework was needed to bring SNL into the urban (or at least peri-urban) arena if rational urban growth was to be sustainable in the long term. In principle the solution was straightforward - to acquire a form of leasehold that would effectively bring areas of SNL under municipal control.

The crucial question was (and still remains – see Chapter 8):

How could this framework be achieved without alienating the traditional authorities who derive their power from allocating that land?

To understand just how and why this problem had developed, it is helpful to have some grasp of the system under which land is traditionally administered in Swaziland. The following chapter sets out the structures and framework of SNL administration and its impact on urban and peri-urban tenure.

CHAPTER 4: COMMUNITIES, CHIEFS & SERVICES - CREATING FORMAL TENURE IN A TRADITIONAL SYSTEM

4.1 The Traditional Way - Administration of SNL

The country's history of colonial land alienation has resulted in a mix of tenure systems and controls on settlement that have in the past denied access to land and adequate shelter to the majority of urban dwellers.

The situation differs in rural areas, where under customary law every adult male Swazi is entitled to land granted by his chief through completion of *kukhonta* (box 23). The majority of Swazis, some 75%, continue to live predominantly rural and traditional lives on Swazi Nation Land (SNL).

23. *Khonta* / Allegiance to a Chief

Male heads of homesteads (banumzane) acquire customary use of right through kukhonta to the chief. Kukhonta is the act of paying homage to a particular chief in return for which a male head of homestead acquires the right to settle on (but not own) a particular parcel of land within the chiefdom. A tribute fee accompanies kukhonta, and can be as high as one beast or its equivalent in cash.

The King as Ngwenyama (see Fig 4.1) holds SNL in Trust for the Swazi people and the land is registered in the Deeds Registry under this title. Close to 75% of the land in Swaziland is now held by the Ngwenyama in Trust and an estimated 350 chiefs⁵ derive their authority over the land from the King to administer an estimated 51% of all land in the country under customary law. Thus, the chiefs (acting on the King's authority) control land allocation within their individual chiefdoms.

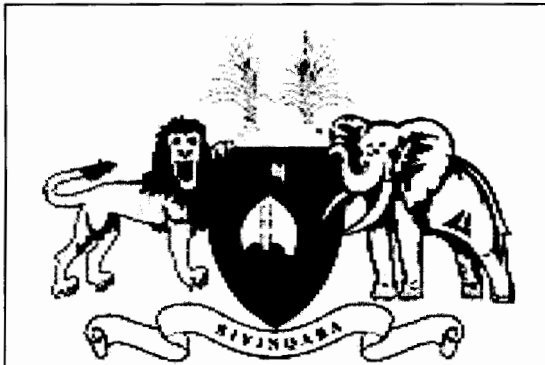


Figure 4.1: Swaziland Coat of Arms

Representing the King as the lion (Ngwenyama) and the Queen Mother as 'great she-elephant' (Ndlovukazi). The King is head of state, but traditionally reigns with his mother. He is viewed as the administrative ruler; she the spiritual and cultural head of the nation.

Women can only acquire customary use of right through a male relative or heir.

Traditional land rights are maintained through annual tribute labour to the chief, known as *kuhlehla*. This generally takes the form of cultivating and/or harvesting the chief's field, although it can now be substituted with more "modern" forms of tribute, such as provision of transport, etc.

Chiefdoms are managed traditionally through the chief, his *tindvuna*, *emabandla* and *imisumpe*. The *libandla* is the chief's inner council in which all communal matters are debated, discussed and resolved by consensus. *Tindvuna* are head men, generally responsible for overseeing one community within a chiefdom, *imisumpe* are community elders who hold information about land issues and allocations. Communities on SNL will meet when called by their chief to discuss local issues, such as development projects, etc. (box 24), and agreement is always achieved by consensus. These systems are important, and are often replicated through proxy authorities operating within the urban areas.

24. Traditional Planning

It is not commonly recognised that on SNL the chiefs (through these structures) engage to a greater or lesser extent in rudimentary physical planning as they allocate land to homesteads, fields and commercial enterprises. Many chiefdoms, for example, will now have an area set aside for business and commercial purposes.

⁵ Chiefdoms are not mapped, and the number is not precisely known. Various sources provide differing figures, but that used here is derived from strategic planning documents of MEPPD.

While there is no official SNL inside the urban areas there are, however, a number of areas within all urban boundaries that are regarded and operate as SNL. Introducing further complexity is the fact that many informal communities are organised similarly to traditional ones, while many residents, particularly in areas more recently brought into the urban boundaries, continue to consult both urban and traditional authorities on issues concerning land. There is thus the potential for a conflict of power that can result in confused roles and responsibilities.

4.2 Tradition versus Modern - SNL in or near an Urban Setting

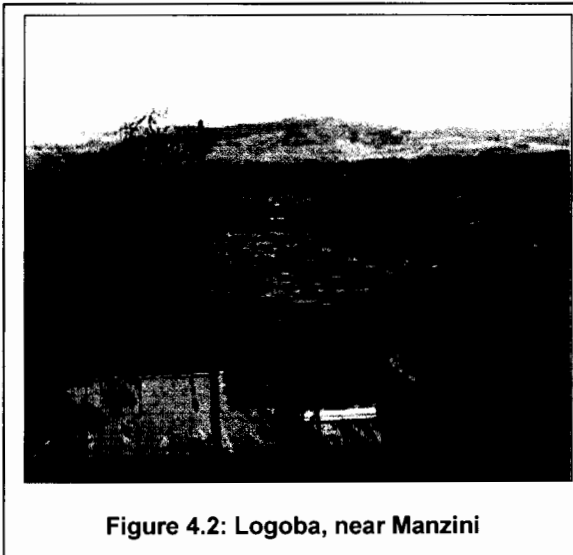


Figure 4.2: Logoba, near Manzini

Urban areas are typically surrounded by Swazi Nation Land and the nature of control and settlement on this land presents problems for managing urban growth. There is considerable demand for land driven by the prospect of employment opportunities and urban services, and as a result informal settlements on this peri-urban SNL land immediately outside urban boundaries are growing rapidly (Figure 4.2)

The reasons for the visible growth and densification in the peri urban areas are varied. For some residents, settling in these areas is the first step in their transition from urban to rural areas, for others, the peri urban areas offer the opportunity to maintain some aspects of

rural life such as the cultivation of food crops, and yet others are moving away from urban settlements in order to escape both the perceived costs (rates) and controls exercised by the urban authorities.

Peri-urban densification presents a range of planning, health and safety problems. Firstly, planning and building guidelines and regulations, the Rating Act, and other regulations governing urban living cannot be enforced in these areas since they fall outside the jurisdiction of the local authorities. Secondly, land use, planning and control systems traditionally enforced by the chiefs are no longer applied, having become overwhelmed by the rapid pace of growth and competing factions. The result is sprawling informal development making future upgrading and planning difficult, and affecting a burgeoning population (box 25).

25. Peri-urban Growth

Although no current demographic statistics are available, it is estimated that the peri-urban areas situated on SNL in the Mbabane / Manzini corridor could contain a population of 75,000 or approximately seven percent of the national population.

26. Housing Market on SNL?

There is overwhelming anecdotal evidence that an informal market operates on SNL close to towns and cities, with new occupants making payments to either the original occupant or other "gatekeepers", without any written, clearly defined, enforceable and transferable property rights.

A further result of this situation is a breakdown in the traditional administration, as the chief no longer always grants land, although it is SNL (box 26). Thus, tenure in these areas may not be as secure as that on rural SNL, with obvious difficulties for future upgrading. However, the traditional authority does retain some power as any

land transactions in these areas still require the formal approval of the chief, and some form of additional payment as *kukhonta* fee.

4.3 Problems up Ahead - Constraints on Development

Both Manzini and Mbabane have SNL on their boundaries, and many of these areas exhibit signs of urbanisation with the growth not only of housing but of small businesses, and the expansion of service provision, primarily roads and electricity. Most residents are employed in the adjacent area and benefit from their proximity to urban services without paying for these.

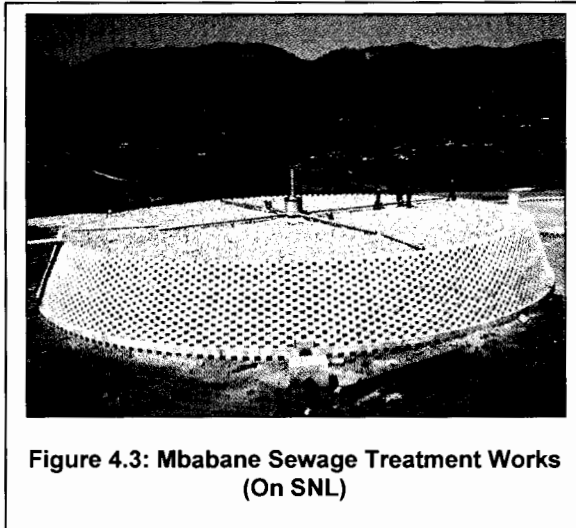


Figure 4.3: Mbabane Sewage Treatment Works (On SNL)

Simultaneously, there is a shortage of land within the urban boundaries of Mbabane and Manzini for housing and the development of infrastructure, such as sewage treatment plants, solid waste disposal, etc., requiring these to be sited outside the urban boundaries, on SNL (Fig 4.3).

The need to incorporate these areas within the urban boundaries to ensure appropriate planning and allow for upgrading and development is becoming more urgent. This will need to be sensitively handled, avoiding the alienation of Nation Land.

4.4 The Search for a Solution - The 99-Year Lease

Leasehold over any SNL requires the signed consent of the King, and although it is uncommon there are several precedents. In the past leasehold has been granted for large agro-industrial investments (e.g., the sugar and timber estates).

The UDP has pioneered the introduction of a 99-year lease on urban land as the primary vehicle for providing individual security of tenure that can be used as collateral for housing improvement loans. This leasehold instrument has already been applied in the following instances:

- peri-urban SNL incorporated into the project for residential purposes (Mhobodleni – box 27):
- peri-urban SNL incorporated into the project for siting sewage treatment works (Ezulwini & Nhlambeni), and
- Crown (Government-owned) Land used for residential upgrading.

When applied to SNL, this form of tenure is not widely viewed as alienating the land from the Nation, although in practice it halts the allocation and use rights administered by chiefs. Sensitively applied, the leasehold system offers one solution to balancing the needs of both traditional controls and the needs for access to land and services for infrastructure development and growth in the urban and peri-urban areas.

27. Mhobodleni

Mhobodleni, situated outside Manzini on SNL, with an estimated 1,000 households, is proving a test case for evolving the development and administration of peri-urban areas. It was signed over to Government by the King (who happens also to be the Chief of the area) for development in 1995. The problem of how any investments in services would be administered, paid for and maintained has stalled the project for years, but procurement of a participatory planning study is expected to test a workable solution for developing an administrative framework.

4.5 Gender Needs - Female Headed Households

According to the 1997 census, women head 35.2% of the country's households. The figure is higher in rural areas at 39.7% (due to the absence of men as migrant workers) and lower

in urban areas at 26.9%, although in the UDP informal settlement areas the figure was 31% in 1992.

The incidence of female-headed households is significant due to legal barriers to women gaining rights to SNL land and to title to land and housing in urban areas.

A woman has no right to *kukhonta* on SNL. If she wants residential rights on SNL, she must *khonta* through her husband or another male relative, even her (minor) son.

With regard to land and title in urban areas, the Marriage Act assigns married women minority status under which the husband owns and can dispose of property without the consent of the wife. Further, the Deeds Registry Act provides that if a single woman (owning property) marries she must declare the fact to the Registrar. If she is married in community of property, which is the normal arrangement, her Title Deed is re-registered in her husband's name to reflect the rights of her husband over the property. Legally only the rights of women married out of community of property under civil rites and with a recorded ante-nuptial agreement are protected.

However, an important legal precedent has been established in terms of women married under customary law owning title deed land. Endorsed by the high court, this interpretation permits these women to register land in their own name, placing them in a better position than those married under civil rites.

28. Constitutional Rights

Swaziland's new Constitution became effective in February 2006 and contains a Bill of Rights offering protection and equality to all. It declares 3 specific rights for women:

- *Equal treatment and opportunities for women in political, economic and social activities.*
- *Government to provide facilities and opportunities to enhance women's welfare and enable the realisation of their full potential and advancement.*
- *Women shall not be compelled to undergo or uphold customs against her conscience.*

Following the recent adoption of the country's new constitution (box 28) it is expected that there will be a strong move to introduce a rapid programme of reform to bring existing legislation into line with the constitution's requirements, and to end the entrenched discrimination against women in land tenure and other areas.

Within the confines of the UDP, ground-breaking reform has already been achieved with respect to gender equity in property rights. For the first time in Swaziland, eligibility to benefit from the project was not dependent on an individuals' sex or marital status, as the 99-year leasehold title provided equal access to plots that were generated from Crown Land (box 29).

29. Legislative Sleight of Hand

Registration of deeds acquired under the UDP on Crown Land is done in special registers, which are provided for in Section 7 of the Crown Lands Disposal Act of 1911. This effectively removes the title from the jurisdiction of the Deeds Act and all the restrictions that apply to it, thereby enabling women to own the land without constraint.

4.6 Attempting to Break the Mould – The Start of the UDP

Going back to the start of the UDP in the early 1990s, it was clear that to achieve the goal of the government and its partners - sustainable improvement in living conditions through secure tenure for the informal urban and peri-urban settlers – two fundamental issues that represented the vested interests and entrenched values of the traditional establishment were going to have to be tackled and overcome:

- Traditional (and quazi-traditional) administration of land in an urban setting, and
- Discrimination against women in their right to own and retain land.

CHAPTER 5: FROM AGENDA TO ACTION - THE SWAZILAND URBAN DEVELOPMENT PROJECT

5.1 Covering All Angles – Development of Project Scope & Objectives – Early 1990s

The creation of the UDP followed from the studies, reforms and initiatives that took place in the two decades after independence. From the project's outset, the keyword for the UDP was 'integration' - the challenge was achieving it on the ground.

The essential prerequisite for a successful project outcome is to assess and address the critical factors that will either enable or obstruct its physical progress, so as to create a trouble-free environment for the physical project implementation. A project such as the UDP that involves the large-scale development and transfer of land is naturally sensitive to the forces that govern and control land-related activities, and in this case the following issues were deemed to be the most critical (see Table 5.1 for details):

- **Political support:** Where land is involved, politics is never far away;
- **Land-related legislation:** legislation covering land issues is clearly critical since it defines the legal space within which the project will operate. Restrictive laws governing land tenure can block new or innovative proposals for implementation.
- **Land-related Policies:** any project relies on clearly stated policies to provide the framework within which the project is to operate. Crucial areas of activity not covered, and/or ambiguous or inappropriate policies can present serious obstacles to progress;
- **Institutional Capacity:** without the skills and capacity to meet project demands on top of their normal responsibilities, the institutions tasked with implementing a project (and thereafter supporting it through administration or maintenance) are themselves a serious obstacle to achieving the project goals;
- **Financing Structures:** two key but potentially conflicting goals set the project financing agenda – affordability for the beneficiary and cost recovery for the developer;
- **Primary Infrastructure:** the capacity of primary infrastructure within the urban area to be developed has to be sufficient to allow expansion into upgraded and new settlement areas.

**Table 5.1
Factors Impacting On Physical Upgrading – Mbabane & Manzini Pre-UDP**

Political Support	<ul style="list-style-type: none"> o Acceptance by the cabinet of input and assistance from the World Bank, UNDP, USAID, ODA and KfW on the urban agenda; o The cabinet decision to create MHUD reflected both a recognition of the problem and a serious intent to address it; o The local authorities (Town Councils and Regional Administrators) were brought into the Prime Minister's portfolio, so he was aware of the problems first hand; o The recognition by politicians of all persuasions with urban constituencies (community committees, town councillors, RAs, MPs, ministers) that the uncontrolled growth of the urban population was problematic; o The new King (Mswati III was crowned in April 1986) had started to take an active interest in urban affairs.
Land-Related Legislation	<ul style="list-style-type: none"> o Most of the legislation had been drawn up in colonial times, based on (apartheid) South African statutes, and did not reflect the country's current urban needs; o Recent legislation (HSA Act & NHB Act) needed revision and had significant conflicts with existing statutes; o The situation regarding the status and authority of involved institutions to execute their land-related duties was confused; o The situation regarding formal access to and tenure of SNL was restrictive.
Land-Related Policies	<ul style="list-style-type: none"> o The draft NHP had not been adopted, although it was generally seen as a useful guide for urban development; o The newly formed MHUD had inherited some land-related policies from MNRE but there was a gaping hole regarding appropriate sectoral policies to facilitate upgrading (land tenure, community participation, allocation, resettlement & compensation, dealing with vulnerable groups etc)
Institutional Capacity	<ul style="list-style-type: none"> o MHUD, the government's primary urban actor, had only just come into existence, was short of staff, was still crystallising its vision and objectives, and was developing its relationship with its agencies; o SNHB, the government's housing development agency, was still a relatively new institution and was struggling to meet its conflicting goals; o SWSB was in a legislative, directorial and managerial limbo, neither department nor board and critically short of resources for operations and maintenance; o The two Town Councils were chronically under-resourced in terms of revenue, staffing, and equipment and lacked the power to improve their position.
Finance Structures	<ul style="list-style-type: none"> o SNHB self-help schemes (inherited from the Housing Branch) were nominally based on cost recovery but were effectively subsidised; o The private sector has shown a general reluctance to become involved in broad housing or infrastructure development; o Local authorities were reliant on inadequate rates revenue, the sale of Crown Lands and annual subventions from central government to remain solvent, and had no capacity or mandate to seek alternative means of financing development.
Primary Infrastructure	<ul style="list-style-type: none"> o Arterial and collector roads within the Councils' jurisdiction were historically poorly maintained, and were in urgent need of rehabilitation or upgrading to meet the demands of the increasing traffic volumes; o The water treatment and storage capacity had not kept pace with increasing demand, and the distribution network was old and leaking; o The sewage treatment ponds in both towns were seriously overloaded, causing health hazards to rivers users downstream; o The towns' solid waste disposal was onto unsanitary landfills, causing pollution from leachate, smells, litter etc.;

The need to address these factors in an integrated approach was instrumental in defining the project scope and objectives. As well as the physical upgrading, the UDP encompassed three other separate but linked components; legislative and policy reform, institutional strengthening, and the expansion of citywide infrastructure. The project's scope was geographically limited to the two main cities, Mbabane and Manzini, without limiting its impact, as the two cities together account for over 50 percent of Swaziland's urban population.

5.2 What, Where, How and When? – UDP Project Preparation – 1992/1994

Urban development has always been seen as a long-term process, rather than a single intervention. The 1990 feasibility study had outlined the proposed scope, strategy and phasing for development. Subsequently the urbanisation workshops, a number of institutional studies and the updated study of informal housing had sharpened the focus of the areas where intervention was most urgently needed. In 1992 the UDP objectives were defined as:

- raising environmental health standards among urban low income communities;
- mobilising community resources and encouraging participation in development;
- promoting investment in urban employment opportunities;
- improving the efficiency and equity of urban management.

The project preparation study was completed in the space of eighteen months and was divided into three stages:

- **Stage 1 - Strategic Planning:** initial data gathering, previous projects review, consultation and analysis to define and prioritise the interventions to generate the greatest benefit. The 3-point strategy adopted was:
 - to provide the citywide⁶ infrastructure base to support the long term upgrading of existing, and the provision of new settlements;
 - to upgrade the most adversely affected informal settlements in Mbabane;
 - to restrict upgrading efforts in Manzini to a limited area, primarily as a pilot to test the upgrading process (box 30)
- **Stage 2 – Preliminary Design:** generating a comprehensive output that set out the basic framework for detailed design and project implementation in terms of scope, programme, investment costs, project benefits and impacts, for physical, policy and institutional components.
- **Stage 3 – Detailed Design:** converting the preliminary concepts into full working designs, drawings and bid documents for some twenty five construction contract packages as well as contracts for goods and equipment.

30. Exit of Peri-Urban Areas

The upgrading of two peri-urban settlements in greater Manzini, both located on SNL, was excluded from the initial project phase during the 1993 Strategic Planning Review, since one community (Masundwini / Nhlambeni) opted out, and the other (Logoba / Kwaluseni) was riven with leadership disputes, precluding any meaningful community participation.

Completion of the final stage was delayed by problems over access to SNL for survey purposes for certain citywide components - sewage treatment and solid waste disposal - that needed to be located beyond the urban boundaries due to insufficient space within. The lengthy and delicate negotiations involving MHUD and the PCU, the King, local chiefs and their communities over eventual acquisition were a symptom of the difficulties faced in attempting to bring SNL into the urban arena.

Project preparation was participatory on all counts. A series of working groups within MHUD or PSC sub-committees developed critical policies and processes, appropriate planning and engineering regulations and standards for upgrading. Other groups worked closely with the elected leaders of, and focus groups within, affected communities to ensure that the plans

⁶ Mbabane and Manzini were both granted city status by the Minister of Housing in 1992

developed for each area were responsive to the needs and concerns of residents. Mass meetings were held regularly to disseminate information and exchange views with the communities at large (Fig 5.1). The effectiveness of this participation was ultimately limited by time constraints and the difficulty in reaching consensus with community representatives on critical policy issues, such as allocation criteria, resettlement and compensation, land costs, dealing with vulnerable groups etc.



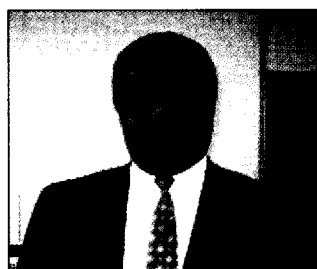
Figure 5.1: Mass Meeting at Nkwalini

In structuring the project financially and economically, cost recovery was the order of the day:

- Each project component was shown to be economically, if not financially, feasible;
- Part of institutional strengthening was geared to restructuring the implementing agencies' revenue & expenditure streams to enable them to markedly improve liquidity while funding project components;
- The initial upgrading would be funded through seed capital as a loan, which would be replenished through sales of upgraded plots to fund the next site;
- Only technical assistance and compensation costs were considered to be unrecoverable.

5.3 Agreeing the Terms - Project Appraisal & Loan Negotiations – 1993/1994

31. UDP Project Coordinator



Napoleon Ntezinde has been Project Coordinator of the UDP since 1993, and has carefully steered the project through preparation, loan negotiations and a decade of implementation.

With the completion of preliminary designs and cost estimates, preparation was sufficiently advanced for project appraisal to start in mid-1993. At that stage the estimated costs of the first phase (1994/5 – 1997/8) were approximately E120 million (US\$ 38 million⁷) for physical implementation and another E12 million (US\$ 4 million) for institutional support. The project would be funded jointly by the World Bank and GoS, with co-financing of technical assistance from ODA (subsequently DFID) and UNDP. Housing finance, estimated at E55 million (US\$ 17 million), would be generated through the private banking sector in Swaziland.

Negotiations for a US\$ 29 million World Bank loan to GoS, and subsidiary loans to the implementing agencies, were successfully concluded in April 1994 and the Bank's Staff Appraisal Report was published later that year.

5.4 Small-Scale Success – UDP Pilot Projects – 1994/1995

The long delay between completion of the detailed design of the residential upgrading component and the start of project implementation led to the decision to proceed with a pilot works project in each of the upgrading areas, with the aim of:

- testing the form of contract for small works reserved for labour-only contractors (fencing, footpaths, pit latrines);

⁷ US\$ equivalent at the time. In 1993 the US\$/SDL exchange rate was approx 3.2, but would jump to more than 10 in 2000 before settling into the current 6 – 7 range. This caused considerable problems in contracts denominated in both currencies, and in reconciling accounts in both currencies.

- testing the option of construction materials storage and distribution by SNHB;
- providing some training and small-scale employment for residents;
- providing a temporary borehole water supply for two informal settlements;
- testing innovative methods of selling water;
- demonstrating the three different types of on-site sanitation;
- providing some visible evidence that the UDP was progressing.

Brief details and illustrations of the pilot project are included in Annex A.

5.5 Fulfilling the Promises - Project Implementation – 1995/2005

Project implementation was undertaken as four components, details of which are set out in Annex A, but are summarised below:

- **Expansion and Rehabilitation of Citywide Infrastructure (Table A1):** involved a total of fourteen contract packages at a cost of E322 million (US\$ 48 million) covering roads rehabilitation and upgrading, water treatment, storage and distribution, sewage treatment and reticulation, solid waste collection and disposal.
- **Residential Upgrading (Table A2):** covered four informal settlements in Mbabane and one in Manzini. The physical work on each site was undertaken through a main contract with small works reserved for local entrepreneurs and residents.
- **Policy and Legislative Reform (Table A3):** involved review, drafting and (where possible) the enactment of enabling legislation and legal instruments, and adoption of critical policies to facilitate the UDP operating framework.
- **Institutional Strengthening and Capacity Building (Table A4):** included a wide range of short-term training, longer term technical assistance and twinning programmes, operations and human resources studies and workshops.

UDP implementation was unfortunately beset with delays right from the outset. There was an initial delay while critical conditions⁸ of the World Bank loan were met, with the result that although the project was officially launched in 1995 the loan only became effective in 1996, already two years later than scheduled.

The citywide component, or at least that part of it that was unaffected by land issues, was able to start immediately and got underway with only a few minor delays⁹, as did the purchase of equipment for solid waste collection and disposal. The institutional strengthening also began in earnest with a host of training programmes and workshops, and twinning arrangements for SWSC and the city councils (box 32).

32. Twinning programmes

- ODA funded a two-phase twinning programme between SWSC and two UK water authorities (Severn Trent & Northumbria)
- ICMA funded twinning programmes for both city councils with US cities (Durham & Raleigh, NC)

The major stumbling block was the upgrading (referred to as 'site specific') component, which was delayed due to a variety of causes, but primarily the difficulty over setting a plot price and achieving the required buy-in from beneficiaries. The first upgrading works contract commenced in Msunduzi in 1999, five years behind schedule and was only completed in 2002. Furthermore, limited plot sales generated insufficient revenue to enable the funding of subsequent upgrading packages. This is discussed in more detail in Chapter 6.

The largest physical implementation component was the two sewage treatment works, which together accounted for more than half of the World Bank loan, and were also seriously delayed, initially by the acquisition of their sites on SNL and then by a decision to redesign

⁸Conditions of Board presentation (SWSC vesting & tariff increase) & loan effectiveness (6 conditions).

⁹ Unfamiliarity with the World Bank procurement process led to errors in its application causing delays

the treatment process, and subsequent procurement and construction problems. The works contracts finally proceeded in 2003 and were completed in 2005.

5.6 Final Reckoning – Project Costs and Funding at Loan Completion - 2005

The approximate final project costs and funding (excluding co-financing) are shown in Table 5.2. The total amount of the World Bank loan was not increased over the life of the project, although some re-allocation between the components was done. The Swaziland Government absorbed all cost overruns. This is particularly evident in the water and sewerage component where various factors (long delays before implementing, change of design, currency fluctuations and construction cost overruns) resulted in the final cost of the two sewage treatment works more than doubling in cost. Similarly, significant resettlement and compensation costs resulting from the residential upgrading had to be borne by GoS.

Table 5.2
Final UDP Costs & Funding By Component (in US\$)

Component	Approximate Government Funding	IBRD Loan Disbursements	Approximate Total Project Costs
Policy and Institutional Reform	0.05	3.85	3.90
Rehab and Expansion of City Roads and Services	5.30	3.60	8.90
Rehab and Expansion of Water and Sewerage Services	20.40	18.90	39.30
Residential Housing Sites and On-site Infrastructure	7.93	0.87	9.80
Project Implementation Assistance	-0.26	1.76	1.50
Totals	34.40	29.00	63.40

CHAPTER 6: MSUNDUZA, NKWALINI, MONENI & BEYOND: REVIEW OF UDP UPGRADING AND THE LESSONS LEARNED

At Project Completion in March 2005 the UDP had delivered 2,500 existing and new serviced plots in informally settled areas of Mbabane, and by mid-2006 a further 1,700 will have been added. This significant achievement provides a solid basis for review, and for learning lessons in how best to design, prepare and implement low-cost residential upgrading projects in Swaziland, and perhaps more widely in the region.

6.1 Learning the Lessons – To be Better Equipped for the Future

What lessons have been learned from the implementation of the upgrading component of the UDP? What were the successes and where were the failures? This chapter sets out the principles and processes involved and analyses whether or not the outcome of each could be reasonably considered to have succeeded or failed in achieving the project objectives. The lessons are summarised for each aspect of the UDP upgrading.

It is critical that these lessons **are** learned, and the principles and process adapted as necessary, before proceeding further with similar upgrading schemes. In this context it is reassuring, therefore, that the UDP financiers (GoS and IBRD) have ensured that both the Bank's Implementation Completion Report (ICR) and preparatory studies for the two projects which follow on from the UDP (box 33) have particularly incorporated appraisals of the lessons learned from Msunduzza, Nkwalini and Moneni specifically, and the UDP in general. The outcome has clearly informed decisions made by the MUFPP team in determining its approach to community participation and planning aspects of the project.

33. Following the UDP

- *The World Bank-funded 'Study on Upgrading in the Peri-urban Areas of Swaziland', completed in 2003 can be considered a precursor to the proposed 'Swaziland Local Government Project'*
- *Cities Alliance-funded 'Mbabane Upgrading & Financing Project' is complete in May 2006.*

Both projects are discussed in detail in Chapter 7.

6.2 Plots and Access - UDP Planning Principles & Process

The four guiding **principles** that would be applied to the physical planning of upgrading areas were established through consultation and negotiation during the strategic planning stage of project preparation, and within the framework of agreed planning parameters (densities, range of plot sizes etc.).

A	Plan around existing homesteads and plots to minimise demolition and resettlement – use existing roads, tracks and paths for circulation and access.
B	Achieve densification by 'subdividing' existing informal plots for the benefit of other eligible family members.
C	Ensure that plans developed are responsive to the needs and concerns of affected residents.
D	Incorporate the protection of physically and culturally sensitive environmental areas into the planning process

These **principles** informed the physical planning **process**, which was undertaken using a multi-step approach (for details of the process, see Annex B – Table B1):

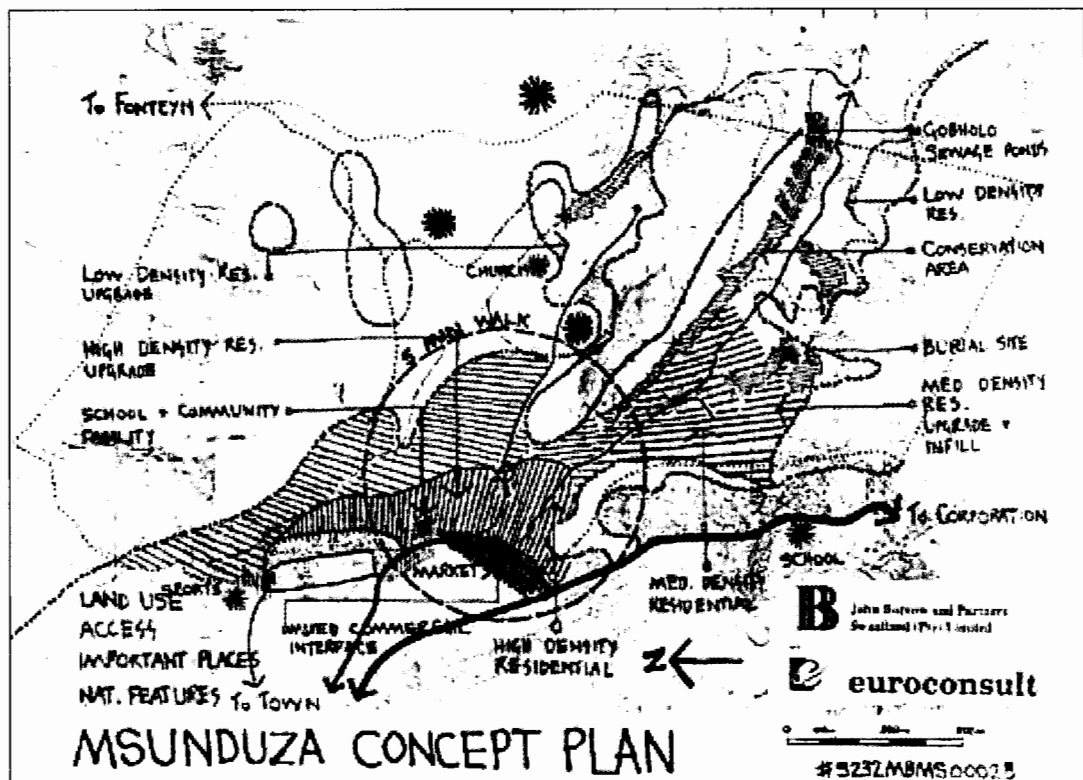
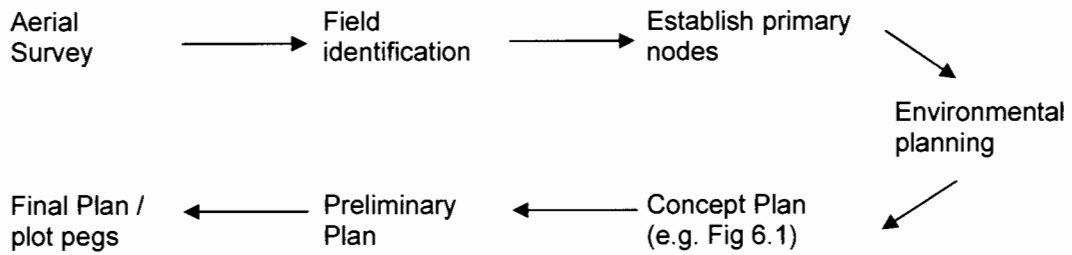


Figure 6.1: Msunduzi Concept Plan

The final plan demarcated new individual plot boundaries, and while the new plots accommodated existing structures, the plan took little or no account of existing plot sizes or boundaries, or of the individual residents' ability to pay (service cost related to plot size). The primary driver for this methodology was the need to meet pre-set plot densities, which were in turn intended to densify the settlements. But as subdivided plots were allocated to existing residents, this 'densification' was only achieved on paper, not on the ground. It contributed to a general unwillingness to pay and to high compensation costs.

Physical Planning - Lesson Learned

The conflict between community needs and expectations on the one hand, and externally imposed standards on the other, can only be resolved through a more flexible and participatory planning regime than that employed in the UDP.

6.3 Roads and Services - Engineering Standards & Design Process

There were two primary engineering-related issues to be agreed between all the stakeholders during the strategic planning stage, which would subsequently inform the engineering design process.

A	The scope and minimum level of infrastructure services to be provided to each plot. This was based on communities' stated priorities, given indicative costs of each component.
B	The set of appropriate design standards for roads and other services, and the degree of flexibility in providing different service levels.

Whilst the first set of issues was settled relatively easily, the second required lengthy negotiations to balance the conflicting needs and expectations of different parties involved (see Annex B – Table B2).

Table 6.1 below shows the standards as originally agreed and designed, and finally implemented by SNHB at Msunduzi in 1999. The table also shows the modified, improved standards adopted for areas subsequently upgraded by the city councils from 2004 (Nkwalini and Moneni), following complaints about standards from the councils and communities.

Insufficient attention to explaining engineering concepts to, and dialogue with the community at large and individuals, exacerbated by the long delay between design and implementation, resulted in community dissatisfaction with the scope and service level of the finished product.

**Table 6.1
Levels Of Service Provided**

SERVICE	ORIGINAL STANDARD	MODIFIED STANDARD
Collector Roads (Designated Bus & Taxi Routes)	5.5 m surfaced width, gravel base & subbase	6.0 m surfaced width, crushed stone base & gravel subbase
Access Roads (Plot Access)	2.5 m or 3.0 m surfaced width	4.5 m surfaced width, concrete on steep grades
Footpaths (Minimum Plot Access Standard)	2.0 m wide. Gravel, but concrete on steep grades.	
Storm Water Drainage	Using above-ground side drains & footpaths wherever possible	
Water Supply	Full reticulation, with communal standpipe as minimum	Full reticulation with pre-paid metered standpipe as minimum
Sanitation	VIP pit latrine as minimum. Option for pour-flush toilet or septic tank (depending on water supply option). Sewers where on-site sanitation inappropriate.	
Security Lighting	Conventional pole-mounted street lights	High-mast lights.
Communal Refuse	Hard standing for tractor drawn (closed) skips.	Hard standing for truck-mounted (open) skips

Engineering - Lessons Learned

For beneficiaries, there is an essential need (a) to gain a real understanding of the repayment cost for each service and (b) armed with that knowledge, the freedom to choose the scope and extent of desired services within affordable limits.

6.4 Working as a Team - Community Involvement in the Process

In 1990, participatory developments were virtually unknown in Swaziland, and so the UDP had to break new ground in developing a *modus operandi* for working with the affected communities. Firstly it was necessary to establish a dedicated, representative and responsive group in each area to act as the primary communications channel between their community at large and MHUD, the agencies and the design consultants. This was achieved by persuading the Zone Leaders and Committees to allow the community to elect a steering committee for their area. With the steering committees in place, the project could proceed.

Tables B3 and B4 in Annex B set out the details of community liaison and participation during project preparation and implementation respectively.

During the UDP **project preparation** there was intensive interaction with the communities to maximise awareness, participation and community buy-in. During UDP **implementation**, there was a change of emphasis in community participation. The primary need was seen for the implementing agencies, and particularly SNHB as the developer, to communicate information and schedules to the affected communities. Unfortunately in the delay between design and implementation, dialogue with the community lost momentum, and commitment was lost with it

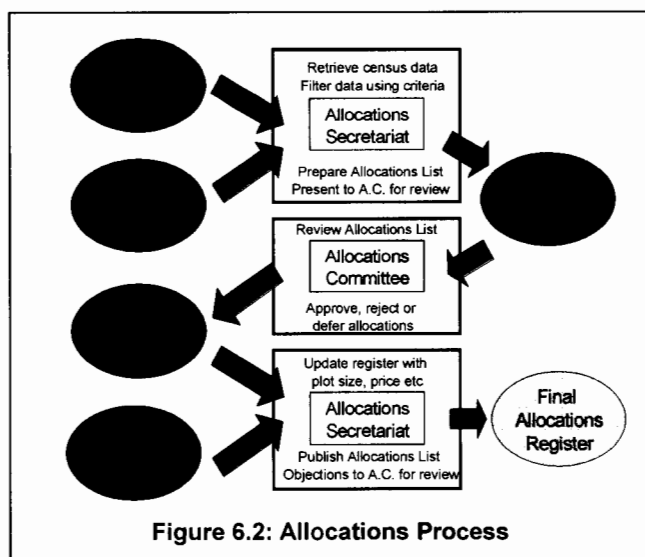
Community Participation - Lessons Learned

- Sufficient time and input are needed to educate the community at large about all aspects of upgrading and how it will affect individuals,
- Difficult issues (payment of rates, vulnerable groups) must be addressed 'up front';
- The scope, extent and cost of the project has to have genuine community buy-in before implementation starts;
- It is essential to maintain the impetus through regular and meaningful communication throughout all stages of the project, even at times of little visible project activity;
- There is no typical community – each group's needs and expectations are different.

6.5 Who Qualifies? - Allocations Principles and Process

During the project preparation stage, the **MHUD Allocations Policy** was drawn up through a consultative process to define the **principles and process** of allocating individual plots in informal settlements to be upgraded.

- The **principles** were embodied in the **Allocations Criteria**, which set out a nineteen-category priority list for allocation, starting with heads of household and working through levels of offspring, siblings, wives and finally tenants. It was seen as critically important by all concerned that the *bona fide* long-term residents (i.e. those with Temporary Residence Permits and their families) of each area should be the primary beneficiaries, rather than tenants, who were perceived as short-term occupants.
- The allocations **process** involved two bodies; an **Allocations Committee** for each area comprising MHUD, city council, community representatives and SNHB, who considered and approved the allocation of each plot, and the **Allocations Secretariat**, provided by SNHB, which prepared and published the draft and final lists and register (Fig 6.2). The starting point of the process was a census of all the households in each area, using the preliminary planning layouts described above. From this an initial allocations list was prepared and reviewed, leading to an allocations register for each area to be used for plot sales purposes. The allocations policy required that the process should be as transparent as possible - hence all allocations lists were published in the national press for possible objections before the final register was issued.



Allocations - Lessons Learned

- Plot allocation is a highly sensitive process since it effectively determines entitlement to urban land - a highly valued asset;
- The process needs to be fully transparent – even then its complexity and time-consuming nature will inevitably draw criticism from some quarters.
- The categories should be simplified – only 5 out of 19 were ever used in the UDP.
- The issue of absentee landlords and long-term tenants needs to be addressed.

6.6 Paying for Services (1) – Plot Cost and Sales, Principles & Process

As mentioned earlier, the guiding financial principle of the UDP was full cost recovery. In the context of upgrading, this required the development costs to be recovered through sales of serviced plots, using a revolving fund mechanism:

- An initial loan was provided to SNHB to cover the capital costs of installing infrastructure services at the first area (Msunduzi in Mbabane) to be upgraded.
- Thereafter, revenue from plot sales would be sufficient to service the loan and provide new funding for the subsequent project upgrading areas.

Early consultations and discussions established three basic **principles** relating to the costs charged to beneficiaries for upgrading.

A	There would be no charge for residential land, even where informal settlements were situated on Crown Land (<i>i.e. – confusingly – government-owned land in urban areas, as opposed to SNL – land held in trust for the nation by the King</i>), which is normally sold at market rates. A land cost could be applied to commercial plots.
B	The plot price would be based on the direct cost of the development + agreed developer's overheads and finance charges, divided by the total number of saleable plots in proportion to their size.
C	Only on-site costs would be included in the base cost. The cost of any off-site infrastructure would be borne by government. The definition of 'off-site' came to include some works physically located on the site but serving a wider population than the residents (e.g. bus routes, roads serving schools).

Drawing on these principles and embodying the aims of equitability, transparency and simplicity, the **MHUD Plot Pricing Policy** set out the mechanism for calculating plot costs and formed the basis of the **plot sales process**.

In theory the plot sales process was a relatively simple three-stage operation:

Commitment fee **→** **Deposit** **→** **Payment of balance**

- The **commitment fee** was seen as a fundamental 'litmus test' of the individual allocatees' commitment to the project, and was set at E400, a nominal five percent of the average plot cost. The proposal was that construction would only proceed once the threshold of payment of commitment fees on 80% of all occupied plots was reached.
- The **deposit** of 20% of the purchase price (less the commitment fee) set the sales process in motion. Required documentation was submitted, a deed of lease between the developer (with power of attorney from GoS) was prepared and signed, which the allocatee could use to seek mortgage finance.
- The **balance of the purchase price** was required to be paid over a maximum of three years. Once the full purchase price was paid, the conveyancing process could be undertaken to issue and register the formal 99-year lease.

In reality, the logistics of the operation proved to be more complex than envisaged, involving submission and inspection of several documents, which often required multiple appointments for allocates, itself a logistical problem.

Plot Cost And Sales Process - Lessons Learned

- The developer needs to commit publicly to a plot price as early as possible in the process;
- The developer needs either to assign sufficient resources to the sales process or to outsource it;
- Plot sales is essentially a commercial marketing activity – it requires robust and active selling techniques to be utilised by a motivated sales team.

6.7 Paying for Services (2) – Affordability Issues

To achieve full cost recovery through plot sales required the plot cost to be affordable to the majority of residents. To establish realistic affordability levels among beneficiaries in the areas (and thus the feasible plot costs and levels of service) two detailed studies¹⁰ were carried out that provided baseline data on household income and expenditure for affordability analysis. To determine acceptable plot costs and service levels, assumptions were made in deriving the relationship between affordability and plot cost, as shown in the schedule below:

Commitment fee & deposit as cash	20% of purchase price
Balance as loan	80% of purchase price
Loan term	25 years
Interest rate	14% per annum
Repayment (10 th percentile)	10% of household income
Repayment (20 th percentile & above)	15% of household income
Affordability threshold goal	10th percentile

The affordability levels so determined set the agenda for finalising levels of service and standards of infrastructure to be provided.

While the plots were therefore statistically affordable to 90% of existing households, by definition at least 10% were unlikely to be able to raise sufficient funds to purchase their plot. A number of initiatives were proposed by MHUD to enhance the affordability of these destitute and vulnerable groups, with varying degrees of success (see Table 6.2). However, under the adopted physical planning regime, plot sizes (and hence costs) were not related in any way to the occupants' ability to pay, so the proportion of those initially unable to afford to purchase their plot was far higher than the forecast 10%. The inability to pay was exacerbated by the long delay in implementation (see 6.10 below).

Table 6.2
Initiatives to Enhance Affordability

Initiative	Description (& reason for not being utilised)	Utilised
Plot Exchange	Because the plot price was based on land area, a poor household on a larger plot could exchange their plot for a smaller one that it could afford	YES
Joint Purchase	Offspring or relatives could jointly purchase a plot with the allocate	YES
External Assistance	Employers or NGOs could assist the household under whatever terms could be mutually agreed	YES
Premium On 'Spare' Plots	A premium placed on unallocated plots to subsidise those who could not afford. <i>(Only plots deemed unsaleable – too rocky or swampy – remained unallocated)</i>	NO
Community Trust	A fund raised by contributions from the community. <i>(Met several objections, e.g. identification of destitute persons).</i>	NO

¹⁰ Update of 1988 study on low income housing: M.Hoek-Smit for MHUD/World Bank, 2002 & Land & Housing Market Study: John Burrow / Euroconsult for MHUD, 2003

Affordability – Lessons Learned

- The cost of benefits has to match the community's and, more particularly, the individual beneficiaries' affordability as closely as possible;
- The government, developer and community need to have agreed measures in place for funding the cost of, or otherwise dealing with those who genuinely cannot afford the benefits.

6.8 Staying Put - Resettlement & Compensation on the UDP

During project preparation the **MHUD resettlement and compensation policy** was developed through a consultative process and given ministerial approval. The policy is based on two fundamental principles, which are themselves in accordance with the World Bank's operational guidelines:

A	Involuntary resettlement should be kept to an absolute minimum
B	Nobody should be worse off as a result of the project

The policy sets out the circumstances under which involuntary resettlement can take place, the process to be followed for resettlement and compensation, and the framework for and timing of compensation payments.

In accordance with the World Bank's loan conditions, a detailed resettlement plan for each area to be upgraded was prepared and approved before construction of services commenced. The plans identified all the structures, trees and crops that would be affected by infrastructure as well as those affected by subdivision of existing informal plots.

In the event, because the routing of roads was carefully and specifically planned to avoid existing structures, the number of households who had to physically relocate was minimal, although a significant number had to move a structure within their plot, or demolish and rebuild part of a structure.

34. Split Responsibility

The compensation process was not managed tightly enough. SNHB was responsible for dealing directly with claimants; receiving and adjudicating claims and issuing compensation payments, while the PCU was responsible for arranging valuations, and controlled the requisition and disbursement of funds. There was no central system for recording claims and payments against plot numbers, so that duplicated claims could not easily be detected.

The compensation situations, however, were far greater than anticipated, with the result that at Msunduzi, the cost of compensation has been more than double the direct development cost. This is partly due to poor management (box 34) but also to the policy requirement to compensate residents for loss of the use of structures, trees and crops resulting from boundary adjustments and 'subdivisions':

- In the case where a family plot had two or more homesteads and the plot was subdivided with a homestead on each, and each plot was allocated to the respective head of household, the primary householder was compensated for the 'lost' facilities of the second homestead, even though no actual resettlement had taken place and ownership of the 'alienated' portion of the plot remained in the family;

- Existing informal plots were generally reduced in size to achieve the density targets, and so households were compensated for any structures, fruit trees and crops falling outside the new formal plot boundary, even though they were not destroyed, but became the property of the neighbouring plot owner, who could not be charged for them. Effectively, therefore, the government has simply paid for these items to be transferred from one owner to another;

A third major compensation issue related to alleged damage to structures caused by road works. Because of the building ban, all homes in informal areas are by definition temporary structures, mostly stick-and-mud construction, and so are vulnerable to damage caused by road compaction with vibratory rollers. A flood of compensation claims were submitted on this basis, and without a comprehensive photographic record of all structures before works commenced it was difficult to make an objective distinction between real and imaginary damage.

35. Changing the Compensation Rules

Changes have been introduced into the MHUD compensation framework to make the system more workable and improve the management:

- MHUD policy has been modified to a 'tree-for-tree' principle for trees that are lost to one plot owner and gained by another. For every fruit tree lost, the owner is provided with five young trees to plant;
- A claims management system has been introduced for administering the process, with a database to record details of all claims and payments, and a cross-check adjudicate claims more thoroughly;
- Plot boundaries have been adjusted to avoid alienating specific structures and trees from their original plots where possible;
- A comprehensive photographic and descriptive record of every structure near future roads is made to provide baseline data for assessing future damage claims.

Resettlement & Compensation - Lessons Learned

- For future projects, a combination of tighter compensation rules and more flexible plot layouts will be needed to avoid the very large compensation costs at Msunduzi.
- The developer needs to take ownership of the compensation process to assess and reject spurious claims at an early stage.

6.9 From Theory to Practice (1) - Mortgage Finance

One of the aims of the UDP was to bring the local banking sector into the low income land and housing market; an area where they had previously been noticeably absent. It was envisaged that financial institutions, in particular the Swaziland Building Society, would be prepared to offer loans for plot purchases and house improvements on the security of the 99-year lease (box 36).

After protracted negotiations resulted in a government guarantee to cover a portion of possible repayment defaults, SBS duly introduced a special low-value loan scheme for low-income plot lessees that had less onerous requirements for the borrower's income. The expected rush for formal financing never materialised, however, and by January 2006 only fifteen formal bank loans had been granted¹¹. There are several reasons for this:

- The retail banks continued to regard the low income sector as high risk for low returns;

36. Great Expectations

The World Bank's Staff Appraisal Report in 1994 states that "Financing of about E43 million ... would be provided by the private sector for plot purchase, home improvements and construction of new housing in low-income settlements. SBS will provide both traditional mortgage financing ... as well as smaller non-conventional loans for existing households ... who would not normally qualify under traditional banking standards due mainly to the informal nature of their income."

¹¹ SBS 9; Swazibank 5; Central Bank 1 – Source: SNHB Sales Office

- By the time the plot sales process got underway in 1999 / 2000, the country had suffered an economic downturn, and HIV/AIDS had begun to take a serious toll of the heads of households in the project areas, who were generally the breadwinners;
- There is a strong reluctance in Swazi society, particularly among lower income groups where security of long-term employment is not high, to commit to a formal loan requiring regular repayment instalments and using the property as collateral, since the prospect of default and ultimately the consequential forfeiture of the property are perceived as very real risks;
- Insufficient targeted marketing of available loan finance products was undertaken by the banks and building society.

Mortgage Finance – Lessons Learned

It will take a significant change of attitude by both the low income groups and the formal banking sector before an active mortgage market is likely to develop in this sector. Both perceive the other as a high risk option, with some justification on both sides, even when government guarantees are in place as in the case of the UDP.

6.10 From Theory to Practice (2) - SNHB and Plot Sales 1995 - 2002

SNHB was initially chosen as the implementing agency for the UDP residential upgrading component. Using a revolving fund framework; SNHB would use loan funds to develop the first upgrading area, then use plot sales revenue to repay the loan and fund the next development. However, long delays occurred due to a number of critical issues:

- **Risk Aversion:** the cost recovery / revolving fund framework involved a potential financial risk if construction costs exceeded the estimate used to fix the plot price. SNHB was reluctant to commit to a plot price before a construction contract had been signed.
- **Plot Pricing Mechanism:** a conflict existed between SNHB's need for a return on investment, and the UDP plot pricing mechanism limiting the developer's overheads. SNHB was keen to include a project management fee over and above its direct overheads and financing costs, but MHUD wanted to keep plot prices to affordable limits;
- **Commitment Fees:** as stated, a risk control measure was for the developer to collect commitment fees from 80% of the primary householders before embarking on the procurement of construction works. However, the commitment fee payment process was dependent on allocations, and the allocations process was slow and cumbersome;
- **Sales Process Management:** the strategy called for SNHB to open a sales office in each area, to administer the sales process. However, SNHB was unable to mobilise or sustain the additional resources, and the process was managed from SNHB HQ by existing staff.

These issues, and the protracted negotiations that were required to resolve them, all resulted in delays to implementation of the provision of services and the plot sales process, which either directly or indirectly led to further problems:

- **Economic Woes:** the country's economy suffered a significant downturn during the latter half of the 1990's decade, which affected the low-income groups the hardest through unemployment and/or stagnating wages, and therefore impacted negatively the affordability levels;

- **Reduced Commitment:** partly due to the delays in progress with implementation but also because of the worsening economic conditions, community satisfaction & commitment levels and their willingness to pay ebbed away;
- **Increased Development Costs:** partly because of the delay but also due to very difficult construction conditions, the final cost of service construction was approximately double the original estimate, with a resultant doubling of plot costs.
- **Impact of HIV/AIDS:** the rise of HIV/AIDS in Swaziland through the 1990s decade was dramatic; HIV/AIDS incidence among pregnant women rose from less than ten percent in 1992 to more than 30% in 2000 (and continues to rise - see Fig 6.3 below¹² – in 2006 Swaziland reputedly has the highest incidence of HIV/AIDS in the world) and the low-income urban communities have been the hardest hit. It has been estimated that up to one quarter of all households in peri-urban areas may currently be headed by children, who are essentially destitute;

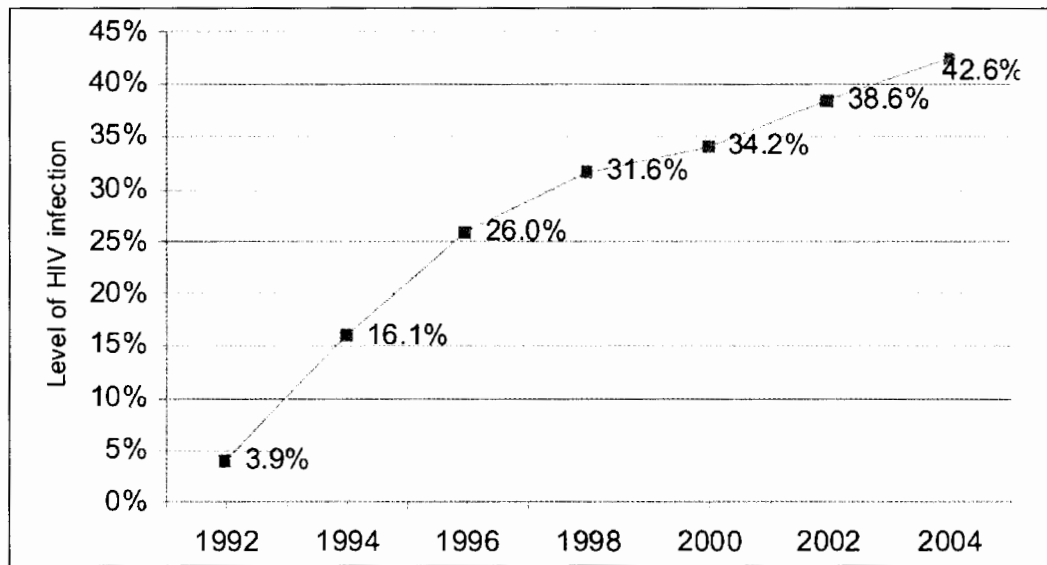


Figure 6.3: Rise of HIV Infection Levels in Swaziland

- **Raised Expectations:** the level of service provided at Msunduzi as implemented in 2002 was virtually unchanged from that as agreed with the community in 1992, but the intervening decade had seen many changes in the lifestyles and expectations of the resident population, and the community memory of what had been agreed ten years previously had faded. There was a general level of dissatisfaction with the standards and levels for service provision.

The net result of these problems was that:

- there was extensive resistance to paying for plots - in 2006, more than three years after service provision was completed, full payment has been made on less than a third of all allocated plots,
- SNHB has withheld the principal repayments on its subsidiary project loan, and
- insufficient funds were available for subsequent upgrading components.

By mutual agreement it was decided after Msunduzi to transfer responsibility for future informal settlement upgrading from SNHB to the city councils, and government agreed to provide further loan funds to the councils for this purpose.

¹² HIV Prevalence in Antenatal Serosurveillance Studies, 1992-2004, Swaziland (Ministry of Health and Social Welfare, 2004).

SNHB and Plot Sales – Lessons Learned

- SNHB, as a profit-making entity, was not the most appropriate agency to implement upgrading of informal settlements;
- More appropriate for Councils to do implementation, as they have more flexibility to cross-subsidise costs.

6.11 A Fresh Look - City Councils take over the Reins (2002)

There are some clear benefits in the city councils acting as developer in preference to SNHB:

- **Financial Flexibility:** the councils have greater ability to minimise plot costs, since they are not profit-driven, and have the opportunity to recover a front-end subsidy over a longer period of time;
- **Community Liaison:** the councils had enjoyed a long-standing relationship with the informal communities – they were (and continue to be) the official administrative body for the areas and have regular liaison with the Zone leadership, manage leadership elections, operate the building ban etc., so are likely to be most sensitive and responsive to the communities' needs and concerns;
- **Long-term Responsibility:** the councils are responsible for operating and maintaining most of the services provided – roads, paths, drainage, lighting, solid waste – and as such have to be satisfied with construction standards before taking over the completed works. This proved to be a serious problem at Msunduzi, so there is a strong case to be made for councils being responsible for installing the services in the first place;
- **Vested Interest in Success:** the elected councillors and the council executive both have vested interests in seeing upgrading succeed, since it raises the quality of life for a significant section of the urban population (and voters in local elections), expands the rate base and generates economic activity in the cities.

There was also a real cost to the project of this change, however:

- **Higher Standards, Higher Cost:** the councils were unhappy with the engineering standards of roads and drainage as installed at Msunduzi and for subsequent areas, the standards were improved with wider roads, stronger pavements, better drainage. While this will mean lower maintenance costs, the immediate effect is an increased cost of development that would more than double the plot cost if the same financial model were used;
- **Plot Cost Dilemma:** this has led to a dilemma for the councils and government. Clearly a doubling of the plot cost would be unacceptable (and unaffordable) to the community, so either the councils or government will have to make up the shortfall. Until agreement is reached on this issue, a state of limbo persists with no plot price announced and so no sales proceeding, even though service provision at the first area (Nkwalini Zone 4) has been completed;
- **Lost Expertise:** undertaking the development and sales process at Msunduzi, however flawed the outcome, has provided SNHB and its staff that were involved with invaluable experience in the upgrading of informal areas, and although a series of 'sales process workshops' was held in an effort to pass on from SNHB to councils the skills and lessons learned, a significant amount of that experience and expertise may have been lost to the project in the transfer;

Change of Developer – Lessons Learned

- There are unavoidable costs involved in changing developers midway through a project;
- At very least, a Memorandum of Understanding needs to be signed between Government and developer before starting work, clearly setting out the process, as well as the rights and responsibilities of the parties.

6.12 'Nothing for Mahala' – The Harsh Reality of Urban Living

There is a cost to life in the formal urban sector, and that harsh reality is not an entirely pleasant prospect for UDP beneficiaries. When questioned on the benefits of upgrading, residents of the project areas display an understandable degree of ambivalence. Yes, they are very happy with the new services where there was little or none before, and yes, they are pleased that they will have a plot they can call their own and could sell (although most have no intention of doing so). What they are not happy about are the costs and perceived risks that accompany those benefits:

- **Capital Costs:** the cost of the plot represents a very substantial sum to most householders, and if they borrow money in the formal sector to fund that cost but then default on repayments, or fail to find the purchase price through other means, they stand to lose the very home and land that they may have been living in and on for a number of years virtually free of charge;
- **Payment of Council Rates:** this is a major issue - as soon as the plot is paid for and the leasehold title registered, council rates become payable, which is a new and generally unwelcome concept for those urban residents who had previously been enjoying albeit extremely limited urban services for free ('mahala' in SiSwati). Again the threat of having their home and land taken away in case of default is a legal possibility and a very real perceived risk;
- **Payment for Water & Sewerage:** although not as sensitive an issue as rates, this also is a cause for concern among UDP beneficiaries. Historically in these areas water was obtained free of charge from springs (or in Msunduzi, following the cholera outbreak, treated water from communal standpipes paid for by government) and basic latrines were the only form of sanitation. Now there is treated water available and in some places waterborne sewerage, but at a cost to the consumer.

The residents' affordability of both initial and ongoing costs associated with upgrading has clearly become a serious issue. For the reasons described earlier, in the decade since the project was designed, real costs and expectations on all sides have increased, while household incomes have dramatically declined, so there is now a widening gap between the goal of full cost recovery and the ability and willingness of residents to pay.

Urban Upgrading Model – Lessons Learned

- Full development cost recovery is not a realistic option for upgrading in the current economic climate, and is not likely to become so in the near future;
- Central and local governments will have to agree on a means and formula for subsidising or otherwise sharing a portion of the development cost;
- Unless upgrading projects are demand-driven, the developer has to suffer the consequences of community rejection.

Summary of Lessons Learned

1. **Physical Planning:** resolve community expectation / external standards conflict through flexible planning regime.
2. **Engineering Design:** beneficiaries need clear understanding of scope, standard and cost of individual services to enable them to decide menu.
3. **Community participation:** time, sustained input and facing up to difficult issues are needed to obtain buy-in from community.
4. **Allocations:** sensitive process needs to be fully transparent and should be simplified.
5. **Plot cost & sales:** needs commitment and resources from developer (or outsourcing) to be asuccess.
6. **Affordability:** plot costs should be tailored to closely match affordability levels, with prior agreement with community on dealing with vulnerable groups.
7. **Compensation:** tighter rules and more flexible layouts to reduce claim opportunities.
8. **Mortgage Finance:** the low income sector is not yet confident with this option.
9. **Developer:** Councils are more appropriate developers of upgrading than SNHB.
10. **Change of Developer:** MoU needs to be signed to minimise cost and disruption.
11. **Upgrading model:** full cost recovery is untenable, so funding needs to be agreed.

CHAPTER 7: EXCEEDING THE MDGS: VISION OF AN AFRICAN CAPITAL CITY WITHOUT SLUMS

7.1 2005 – MDG Assessment & Life after the UDP

The UDP has made a significant contribution, both directly and indirectly, to the Swaziland Government's efforts to reach the eight **UN Millennium Development Goals (MDGs)**, and the specific targets within those goals (box 37, and see Impact Matrix - Annex C1), by 2015. The UDP, however, was a means to an end, and was justifiably seen as the first phase of a long-term urban development process. With its completion in 2005, there followed a strong imperative on both central and local governments (and not only Mbabane and Manzini) to maintain or even increase the momentum of eradicating the poor living conditions experienced by residents of informal settlements in urban and peri-urban areas, by continuing the upgrading process through provision of services and the opportunity for secure formal tenure.

37. The UDP and the MDGs

A report prepared by MHUD for the UN Heads of Government meeting on MDGs in September 2005 calculated that the UDP, within the context of the combined populations of Mbabane and Manzini, had gone some way to achieving MDG Target 10: 'reduce by half the proportion of people without sustainable access to safe drinking water', having reduced that proportion in the two cities from an estimated 37% in 2000 to 21% in 2005.

7.2 A Capital Plan - The Mbabane Upgrading & Financing Project (MUFP) 2005 / 06

In 2003 Mbabane City Council, anticipating the end of the UDP, took careful stock of what had been achieved to date, and how far it still had to go to eradicate slums within the city, and sought assistance from the Cities Alliance for grant funds to undertake surveys and planning of the remaining nine informal settlements within the city limits. Funding of US\$ 0.5 million was granted and March 2005 saw the launch of the **Mbabane Upgrading & Financing Project (MUFP)**, whose primary objective is to provide an upgrading plan that will enable Mbabane to become, in the medium term, a 'city without slums'. The project is co-financed by the government and its agencies, as well as the World Bank and USAID, and is aimed at an estimated 7,500 households in the remaining informally settled areas of the city. It is estimated that this initiative will ultimately benefit a population of approximately 27,000.

Figure 7.1 shows the nine areas targeted by the MUFP

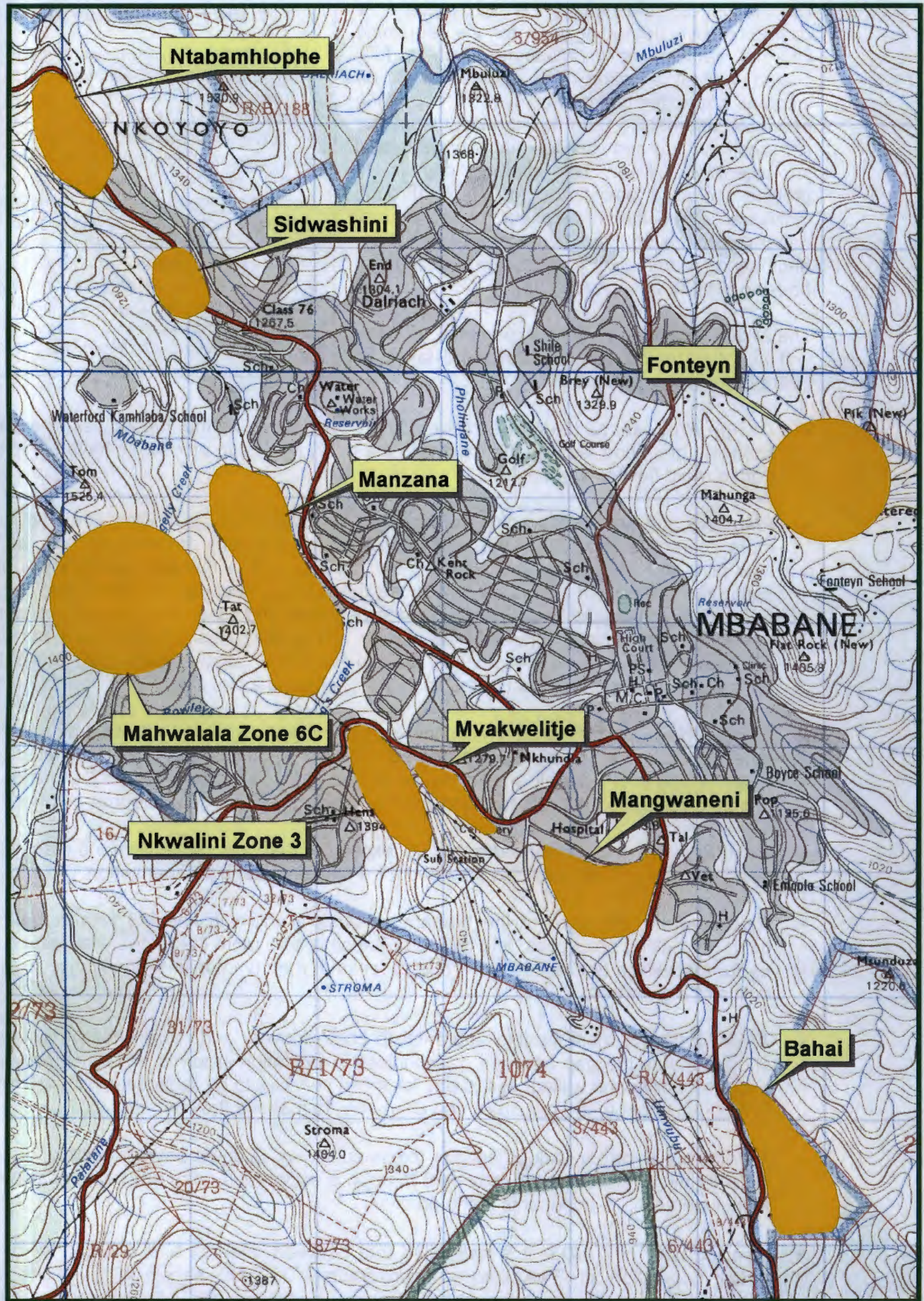


Figure 7.1: MUFPP Target Settlements, Mbabane

The focus of the MUFP is to prepare a comprehensive upgrading plan for the remaining informal settlements in Mbabane, with a fully costed budget together with detailed data on incomes and expenditure, employment, upgrading priorities, affordability and willingness to pay for services, an agreed institutional analysis and implementation plan. The methodology is to provide technical assistance to MbCC through individual consultants working with council departmental staff in five areas; planning, engineering, community participation, training and housing /SMME finance (box 38).

The MUFP draws heavily on experience (positive and negative) gained on the UDP, and takes on board the lessons learned, viz:

- **Design Process:** as the MUFP has not been constrained by the imperatives of a Bank financing operation, as was the case with the UDP, its design processes have benefited from a more flexible approach;
- **Planning:** the approach to physical planning and specifically plot sizes and layouts is more interactive and flexible than the UDP; alternative options are being considered for how plots will be divided and paid for, but the intention is that the planners will only define the zoning and blocks – within those definitions and under an agreed plot pricing framework, the residents will be expected to negotiate and agree among themselves the positions of their plot boundaries, as well as any subdivisions for offspring – but only after an intensive outreach process to help individual householders understand the consequences (servicing cost, rates liability etc) of fixing a plot size;
- **Engineering:** in each area preliminary engineering designs for roads, drainage and other services are completed to a degree sufficient to allow costs to be estimated and thus the unit cost per unit area of saleable land in that specific area, so that residents can be given accurate costs for each service to help them decide and agree on priorities;
- **Resettlement & Compensation:** it is expected that the more demand-responsive design framework will minimise the need for resettlement and compensation.
- **Participation:** the pace of the preparation work is more in keeping with community decision-making processes, and the participation is also more interactive – all issues are up for discussion and debate, which is essential if the communities' confidence is to be built and maintained;
- **Affordability:** a more flexible approach to cost recovery and more effective outreach should enable the gap between communities' expectation in terms of service provision and their ability and willingness to pay for those services to be reduced, which will result in a commitment to the principles and ultimately, to meeting the cost.
- **Vulnerable Groups:** various options (cross-subsidies, delayed payment combined with skills training, rates write-off, payment through a social fund, etc.) are being considered to include destitute occupants in the process;
- **Dealing with HIV/AIDS:** it is estimated that between one-fifth and one-quarter of the entire population of Swaziland – approximately 220,000 people - are living with HIV/AIDS¹³, and the proportion in urban areas, particularly the informal settlements of urban areas, is even higher. The obvious impacts of the disease (declining health, inability to work and premature demise of adults, high percentage of women-, child- and

38. MUFP Mid-Term Review

In Feb 2006, approx. midway through the programme, the task teams had achieved significant progress. High quality, digital maps derived from aerial surveys were used to undertake planning and engineering design and socio-economic survey fieldwork. Reports already submitted included the detailed socio-economic study, from sample surveys in all 9 areas, and household interviews carried out in 5 areas. The findings of these two reports will inform the planning, engineering, employment generation and financing components of the project.

¹³ UNAIDS/WHO Epidemiological Fact Sheet – 2004 update

grandparent-headed households) cannot be ignored since it affects virtually every household to a greater or lesser extent. The MUFPP has set out from the start to 'mainstream HIV/AIDS' by incorporating measures for assessing and dealing with those impacts at all stages of the project, complementing the efforts of AMICAALL and other established NGOs working in the field.

7.3 Following Suit – Manzini’s Plans for the Future

For a number of reasons Manzini has been slower to get to grips with the upgrading of its informal settlement (box 39). Only in 2006 is it finally starting the phased implementation of its sole UDP upgrading component, Moneni.

However, in a similar vein to Mbabane, Manzini City Council is at present being encouraged to prepare an application to Cities Alliance for grant funding to undertake an equivalent programme for its other informal areas, although as yet there is no indication of the specific areas or population numbers to be targeted.

39. Manzini & Informal Areas

Due to historical land tenure patterns, Manzini has very few informal settlements within its urban area - the main thrust has taken place on SNL beyond its western boundary. Moneni, the main informal area within city limits, has historical royal connections, which has resulted in resistance to efforts to bring the area into the formal urban framework.

7.4 Beyond the City Limits – Upgrading in Peri-Urban Areas

As described above, Mbabane has already taken on the challenge to improve all unserved and poor quality housing in the city by 2015 through wholesale upgrading of 'slums' or 'informal settlements', and Manzini is keen to follow suit. The increasing challenge, however, lies outside the boundaries of those two cities; it is in the peri-urban areas situated on Swazi Nation Land (see Fig 7.2), that lack not only the services they so desperately need but also the administrative framework and structures that would enable them to move ahead into an ordered and planned environment.

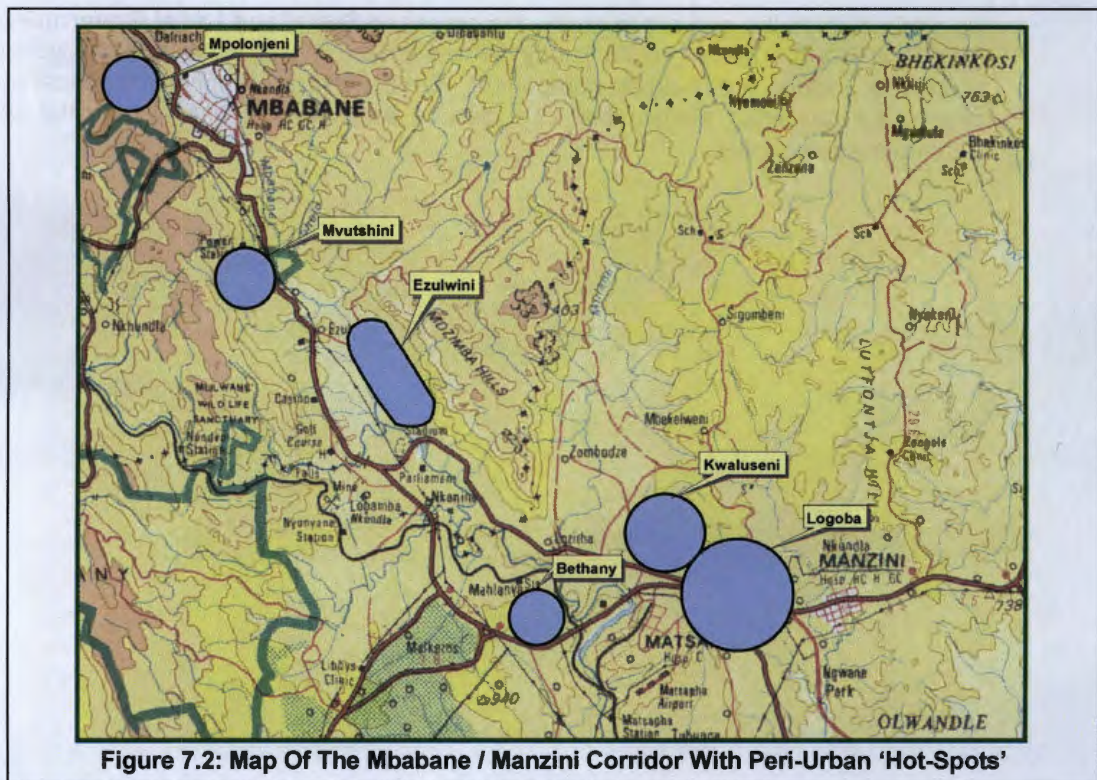


Figure 7.2: Map Of The Mbabane / Manzini Corridor With Peri-Urban 'Hot-Spots'

Meeting the peri-urban challenge will require vision and leadership, for it is in the SNL-based peri-urban areas where the consequences of the dual administration that has characterised local government in Swaziland are most evident. It is here that the traditional administration of land allocation meets the reality of urban developmental pressures. Although it is currently estimated to support a population in the order of 75,000 this could well have risen to 100,000 by 2015 – a fourfold increase in twenty five years.

The UDP has assisted by establishing the policy framework and some of the systems and processes required, such as the 99-year lease, plot pricing, allocations, gender reform etc. But in some respects that has only scratched the surface to reveal the turbulence below. SNL areas were specifically excluded from the UDP during the preparation stage for the very reason that now needs to be tackled – the obvious conflict between the introduction of marketable land tenure and municipal services, and the continued authority of the traditional leadership structures - how can the land be alienated without alienating those who derive their power from allocating it?

In an attempt to address this challenge, the World Bank funded **Study on Upgrading in the Peri-urban Areas of Swaziland** was completed in 2004 to recommend a framework for physical, financial and administrative development of the peri-urban areas in general. The study identified a total of 42 peri-urban areas in six categories, both within and outside the declared urban areas, where informal settlements are rapidly increasing, and proposed an initial pilot development project covering five areas spread around the country.

The study recommends a very small-scale, incremental process concept for developing physical infrastructure in the peri-urban areas in preference to a conventional project approach, on the basis that it will be affordable and manageable by the local population themselves, rather than relying on heavy and costly technical inputs. The study has also proposed a methodology for setting up a development process within the SNL administrative framework, through a programme of training and capacity building to strengthen existing community structures to the extent that they will be able to plan and manage small-scale infrastructure developments in their area.

As a follow up to the peri-urban study, the proposed **Swaziland Local Government Project (SLGP** – see 8.4 below) to be jointly funded by the World Bank and the government is planned to include a peri-urban component, with the aim of identifying the most appropriate options for delivering sustainable local service and infrastructure in informal settlements within peri-urban areas.

CHAPTER 8: CONSTITUTIONAL CONVERGENCE: THE END OF THE DUAL LOCAL GOVERNMENT SYSTEM

8.1 Parallel Lives – The Historic Urban / Rural Divide

For well over a century - in fact for a period spanning 12 decades across 3 centuries - since the advent of the Boer protectorate, through more than sixty years of British colonial rule and approaching another forty as an independent nation, the administration of rural and urban communities in Swaziland has run along parallel but separate tracks, with 'traditional' values and systems in the rural SNL lands and 'western' administrations in the urban title deed areas. As discussed earlier, this duality is the root cause of many of the country's land access and tenure challenges persisting today.

In some respects the separation has worked well historically, by enabling the very different needs of the two sections of the population to be met through their respective local government structures. In theory at least, both systems have been more closely attuned to, and more representative of their constituents. For most of the time there was very little crossover or interface between the two. In recent years, however, the parallel systems have also symbolised the ever-increasing imbalance between the two societies, and the consequent impact on their ability to develop socially and economically. As already mentioned, in the instances when and where the two systems do meet – exemplified in the peri-urban setting – the result has been a breakdown in the rural, traditional model coupled with inability to access the formal urban framework.

8.2 Changing Times – 2006 and the New Constitution

But just as parallel lines appear to converge in the far distance, so the two separate administrations are finally due to become united, thanks to the country's new constitution, brought into force early in 2006¹⁴. This seminal legislative instrument, which evolved through a decade of consultation and debate, devotes one of its twenty chapters to local government (see Annex C2), which is set to transform the face of local administration on a scale never attempted before, and within a relatively rapid timeframe.

The constitution enshrines the introduction of a single countrywide system of local government within a defined period of five years, integrated across the urban / rural divide – administrative areas might be urban, rural or partly both. To describe this development as radical is a severe understatement – if it succeeds (and there is no reason to believe it will not, since it has the backing of senior government figures and, it would seem, King Mswati III – box 40) it will bring the whole country, both geographically and demographically, under a unified system of representative and relatively autonomous local administration.

The new constitution also sets out to avoid the pitfalls which occurred the last time such a change was introduced; after independence when town councils were established with extensive mandates but were not provided with the resources to execute them, leading to dissatisfaction on all sides. The new constitution aims to ensure that:

- decentralisation is comprehensively achieved through the development of democratic structures with sufficient resources and controls to deliver services effectively, and that

40. King's Speech 2006

His Majesty King Mswati III In his Opening of Parliament speech in February 2006:
"I am delighted to note that government, in consultation with local and international cooperating partners and other stakeholders, finalised the decentralisation policy and implementation strategy [which] will be of great assistance in the execution of some aspects of the constitution as well as in our efforts to empower our people for the attainment of the MDGs. In order to accelerate the programme the sum of E10 million has been allocated to this project."

¹⁴ The Constitution of Swaziland Act, 2005, became effective on 8 February 2006

- “the people at sub-national or local community level progressively take control of their own affairs and govern themselves.”¹⁵

Bringing about this transformation will not be a simple task. Vested interests on both sides of the current divide will need to be overcome at all levels, from central government (merging of government ministries and departments) to local level (combining *tinkhundla* with municipalities). The 5-year clock is already ticking and the change will require the most fundamental restructuring of government since independence, as well as new legislation and policies, institutional strengthening, training and capacity building on a massive scale. The impact on the administrative *status quo* is likely to be considerable, and will be similar to any other merger – corporate or institutional - individuals from both schools will have to learn to adapt to the new regime and work together, and there will be those who will succeed and others who are unable to change, and fall by the wayside.

8.3 Actions to Match the Words – New Policy Framework, 2005

The constitutional exercise, of course, has not taken place in a vacuum. It represents the consolidation of years of inputs from all sections of Swaziland society; both public and private and at all levels; central, regional and local. It is no coincidence that six months

41. Decentralisation Framework

*The policy document proposes that the main driver of the decentralisation programme should be a National Decentralisation Programme Coordination Directorate (NDPCD) located in the DPM's Office and reporting to a high-level coordinating committee under the chair of the Principal Secretary in the DPM's Office*¹⁶.

before the constitution was promulgated, the government published its ‘Draft Local Government Reform and Decentralisation Policy Document’. The document clearly anticipated the constitutional reforms, since it sets out in some detail the mechanisms whereby the changes will be introduced and

the framework within which the new system will operate (box 41). Specifically the document incorporates an 11-point Implementation Strategy for achieving the transition within the required timeframe (see Annex D).

The philosophy behind the policy document (and the constitution) is clear – equitable distribution of resources between central and local government, and among the local administrations, coupled with real participatory decision-making processes at local level, are essential foundations in achieving effective service delivery that meets the needs and aspirations of the community. If the process is managed well, there will be no losers – administrators and their constituents should both gain from better governance leading to increased efficiency, improved service delivery and greater accountability.

8.4 Next Stage in the Process - The Swaziland Local Government Project (SLGP)

There is now a clear and urgent need and commitment for GoS to extend the target area of the local government reform initiatives introduced through the UDP beyond the two cities, not only to the other municipalities and peri-urban areas but ultimately to the rural regions as well.

The Ministry of Finance (MoF) and MHUD, through its Director of Urban Government (DUG) have specific objectives in this regard (box 42).

¹⁵ *ibid* – Chapter 13, Clause 218(2)

¹⁶ In March 2006 the Prime Minister announced the formation of a new Ministry of Regional Development and Youth, which will be responsible for implementing the decentralisation process. The DPM will continue to be responsible for the sector policy development.

Their intention is to steadily develop the nascent intergovernmental fiscal transfer (IGFT) system over the coming 5-year period to provide eligible local governments¹⁷ at all levels with transparent and predictable finance to facilitate sustainable development.

One initiative being undertaken to address and support these needs is the proposed **Swaziland Local Government Project (SLGP)**. The project scope includes the following three components:

42. Local Government Reform Objectives

- a) to strengthen the capacity and resource mobilisation functions of Swaziland's local governance system,
- b) to deliver and sustain basic service provision for all residents irrespective of local jurisdiction and
- c) in particular, to benefit the poorer sections of the population.

- **Component 1: Rapidly Growing Settlement (RGS) Grants:** The RGS grants will make financial resources available to eligible communities in rapidly growing human settlements, be they peri-urban areas or so-called 'growth points', in order to provide critical services and infrastructure and to create incentives to communities to improve their capacity to plan, implement and manage development projects. Consistent with the recently adopted provisions of Chapter 13 of the Constitution, this component will be designed to be demand-responsive as new local jurisdictions are organised, and will be highly consultative in nature.
- **Component 2: Sustainable Local Governments Conditional (SLGC) Grants:** The grants will create incentives for a range of performance improvements including financial and expenditure management, budgeting and accounting, accountability and public participation, rating and revenue generation, strategic planning, restructuring, human resource development, and administrative service delivery. The SLGC grants will not finance capital investments. As the towns build their capacities and own revenue sources, and so become increasingly creditworthy, they will be able to finance, operate and maintain capital investments in a sustainable manner.
- **Component 3: Municipal Finance:** This component will provide technical assistance to the two cities (Mbabane and Manzini) and the Swaziland Water Services Corporation (SWSC) in the preparation of bond issues, and possibly a matching investment fund to encourage private sector participation. Assistance would also be provided to MoF in:
 - a) finalising the intergovernmental fiscal transfer system; and
 - b) defining and implementing appropriate systems for monitoring sub-sovereign debt.

The timing is auspicious; in late 2006 the SLGP progressed from concept to pre-appraisal stage, following a formal request from GoS and Board approval by the Bank. The prospect of future IBRD loan financing in SA Rands – effectively local currency – has no doubt been a positive factor in GoS's decision to proceed. At the same time the DPM's Office has started implementing the first steps of the decentralisation policy, where there is clearly considerable scope for short-term and longer-term technical assistance, urgently required to support the programme management and coordination at all levels. It is hoped that close liaison between the two initiatives leading to an integrated approach to developing the new framework will enable the transformation to be achieved within the projected timeframe.

Using the experience and expertise of the World Bank and other co-funders, the SLGP could provide the catalyst needed to bring about the fitting climax to the nation's long and troubled history of access to land, by introducing the sustained and harmonised countrywide system of local government.

8.5 What Have We Learned? – The Way Forward

Viewed in the context of the nation's history, the present time may be seen as the birth of the third generation of formal national and local governments, and specifically urban

¹⁷ IGFT Guidelines and Regulations set out the financial and technical criteria for accessing funds, and the rules by which applicants are evaluated and monitored.

government; the first having been colonial rule and the second, 35 years of independence without a constitution. The country is now looking forward to the prospect of a new and reformed, decentralised form of government that will be more democratic, accountable and responsive to its citizens' needs.

With reference to urban and peri-urban development, the primary lesson learned in reviewing the efforts to date, is that it cannot be defined or described as a project, or even a series of projects, but a process. Each project undertaken and completed is another step in the process, not an end in itself. It is an open-ended process, since it is most unlikely that a perfect urban or peri-urban utopia can ever be achieved. There will always be demands from deserving quarters for better and more secure access to land and services.

The other side of the coin, however, is that the problem is manageable. Swaziland is a small country and its problems are smaller than others'. The UDP has demonstrated that with a concerted effort many seemingly insurmountable obstacles can be tackled and overcome. What is needed now is the sustained commitment from all stakeholders to maintain the momentum by taking the next critical steps in the process without delay.

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Annexure A

(Data Relating to Chapter 5)

Table A1:	Expansion & Rehabilitation of Citywide Infrastructure
Table A2:	Residential Upgrading
Table A3:	Policy & Legislative Reform
Table A4:	Institutional Strengthening & Support

*UDP Pilot Projects:
Pre- and Post-Implementation*



Table A1
Expansion and Rehabilitation of Citywide Infrastructure

Package	Works / Goods / Consultancies	Impl. Agency	Completed	Final cost (E)
1	Mbabane Roads: Upgrading of Mahwalala Road	MbCC	1998	5 810 000
2	Mbabane Roads: Upgrading of Corporation Road	MbCC	2000	2 300 000
3	Manzini Roads: D98 (Sidvokodvo Rad) & Ngwane Park Road	MzCC	2000	6 530 000
4	Mbabane Roads: Upgrading of OK/Mall & Mantsholo Roads	MbCC	2000	8 180 000
5	Manzini Roads: City Centre rehabilitation & maintenance	MzCC	2000	4 400 000
6	Mbabane Water: Umbuluzi Intake and Rising main	SWSC	2002	4 980 000
7	Mbabane Water: Checkers Rising Main & Mahwalala reservoir	SWSC	1998	7 030 000
8	Manzini Water: Ngwane Park reservoir	SWSC		1 300 000
9	Manzini Sewers: Woodmasters, Western Relief	SWSC	Not done	
10	Mbabane / Manzini Sewers: Hilltop/Manzana & Helemisi	SWSC	2001	3 060 000
11	Mbabane Solid Waste: Mpolonjeni Landfill Site	MbCC	2001	11 960 000

12	Manzini Solid Waste: Nhlambeni Landfill Site	MzCC	Not done	
18	Mbabane & Manzini Sewers: Ezulwini & Nhlambeni Sewage Treatment Works	SWSC	2005	231 000 000
19	Mbabane & Manzini Solid Waste Collection & Disposal: Equipment	MbCC/MzCC	2003	10 490 000
20	Mbabane Water: Woodlands Water Treatment Works	SWSC	2001	15 760 000
26	Mbabane & Manzini Water: Leak Detection Programme	SWSC	2003	8 900 000
Total Citywide Infrastructure Cost (Emalangeni)				321 700 000
Total Citywide Infrastructure Cost (Approx Us\$ Equivalent)				48 200 000

Table A2
Residential Upgrading

Package	Works & Consultancies	No. of plots	Impl. Agency	Completed	Final cost (E)
13	Mbabane Residential Upgrading: Msunduzi Infrastructure	1800	SNHB	2002	13 100 000
14	Mbabane Residential Upgrading: Nkwalini Zone 4 Infrastructure	800	MbCC	2005	18 600 000
15	Mbabane Residential Upgrading: Nkwalini Zone 2 & Mahwalala Zone 6	1700	MbCC	2006*	28 800 000*
16	Manzini Residential Upgrading: Moneni Infrastructure	600	MzCC	2006**	
21	Mbabane Residential Upgrading: Msunduzi Small Works	-	SNHB	2006*	4 400 000*
22	Mbabane Residential Upgrading: Nkwalini & Mahwalala Small Works	-	MbCC	2006**	
23	Manzini residential Upgrading: Moneni Small Works	-	MzCC	2006**	
25	Manzini residential Upgrading: Mhobodleni Infrastructure	300	SNHB	2007**	
Total No. of Plots		5200			

* Estimated - Works started but not yet complete

** Works not yet started

Table A3
Policy and Legislative Reform

Policy / Legislation / Study	Application	Process	Adopted
Plot Pricing Policy	UDP	MHUD working group developed a set of rules.	1994
Resettlement & Compensation Policy	UDP / MHUD	MHUD working group developed rules and criteria.	1994
Allocation Policy	UDP	MHUD working group developed rules and criteria.	1994
Peri-urban Growth Policy	NATIONAL	Inter-ministerial working group developed draft policy	Not yet?
The Urban Government Policy	MHUD	MHUD working group developed criteria.	1995
99-year Lease	UDP	Inter-ministerial committee developed head lease (Ngwenyama to GoS) and subsidiary lease (GoS to individuals)	1995
National Housing Policy review	NATIONAL	Review of 1987 draft policy in 1993 and again in 2001	2001
National Land Policy Study	NATIONAL	MHUD / MNRE consultant prepared detailed policy statement	Not yet
Physical Planning & Development Control review	NATIONAL	MHUD study, led to Physical Planning Policy ¹ , and Physical Planning & Development Control Act ² , and National Development Code ²	1999 ¹ Not yet ²
Grade II Building Regulations	NATIONAL	Reviewed and updated as part of UDP project preparation	1994
The Water Services Corporation Act	SWSC	MNRE consultant drafted legislation to enable the creation of SWSC	1992

The Rating Act	NATIONAL	MHUD working group developed amendments, led to new Act.	1995
The Marriages Act	NATIONAL	MHUD working with Gender Unit in Ministry of Home Affairs proposed amendments to this legislation. (See 'Gender' below)	Not yet
The Deeds Registry Act	NATIONAL		Not yet
Land related legislation study	NATIONAL	Reviewed 40 reports and 80 statutes, drafted a new Land Act and amendments to Land Survey Act & Regulations	Not yet
Inter-governmental Fiscal transfer Study	NATIONAL	Set up rolling annual transfers from GoS to municipalities.	2005
Study on Upgrading Peri-urban Areas	NATIONAL	Proposed system of administration and initial pilot project	Not yet
Gender & Land Issues Study	UDP/MHUD	Identified and reviewed existing legislation & policies that obstruct women's full rights to land ownership. Proposed amendments to Marriages, Deeds Registry, Estates & Succession Acts	(2003) Not yet
Housing Finance for Low Income Households	MHUD	Study to assess potential of cooperative finance. Findings negative.	(1996)

Table A4
Institutional Strengthening and Support

Initiative / INST.	Description	Funded By	Provided By	Date
SWSC				
Twinning Programme	Long term technical assistance in planning, technical operations, financial and personnel management to assist the SWSB achieve vesting as a commercial entity.	DfID (ODA)	Seven Trent Water International	1998
Intermittent Specialists Input	Specialist inputs to assist the Corporation during transition from being a Government department to a commercial entity.	DfID	Wessex Water International	2000/1?
Overseas Secondments	Short term attachment of key staff to commercial water corporation to enhance operational and managerial skills.	DfID	Wessex Water International	2000/1?
SNHB				
Technical Advisory Support	Technical support to the engineering department to enhance property development capability.	UNDP		
Inst. Strengthening Support Programme	Technical assistance programme aimed at improving overall operational efficiency.	UNDP		
Fin. Management Support	Intermittent specialist inputs to strengthen financial management function.	IBRD/GoS		2002/03
MbCC & MzCC				
Human Resources Review	Assessment study undertaken for reviewing the human resources policies and other aspects of the human resources function.	GoS	H. R. Dupuis	1996

Twining Agreement	Short term attachment of key staff to sister cities; short term visits by complementary staff to enhance operational & managerial skills.	USAID	Durham and Winston-Salem	2000
Study Tour on Municipal Policing	Short term visit to two cities in region to gain knowledge on municipal policing led to introduction of municipal police in both cities.	MbCC	Harare; Durban	2000
Deeds Registry Office				
Imaging and Indexing of Deeds Records	Docu-banking, back filing & imaging of all records from 1910 to present, commencing digital imaging and indexing of all UDP lease records.	IBRD/GoS	Computronics	2003
Office Equipment	Purchase of 10 computers to facilitate imaging and indexing process.	IBRD/GoS	Computronics	2001
Purchase of Office Equipment	Purchase of server to ensure data security and accessibility following the imaging and indexing process.	IBRD/GoS	PC 2000	2005
Surveyor General's Office				
Degree Training	Assistance to provide international degree training for one surveyor	DfID		1998
Acquisition of survey equipment	Purchase of survey equipment to assist in reviewing and modifying the GPs for all the residential upgrading areas.	IBRD/GoS	Various	2005
Swaziland Environment Authority				
Environmental Management Advisor	Provide assistance to the SEA a regulatory and policy framework for effective environmental management.	DfID		1999

Ministry of Housing & Urban Development				
Degree training for 3 Physical Planners	Long term training to enhance physical planning skills within the Dept. of Housing & Human Settlements.	AusAID USAID, DfID		1996
Technical Support Unit	Provision of long term technical support to the PCU to complement skills required for project management and oversight.	IBRD/GoS	Burrow Binnie	2001
Technical Support Services	Provision of technical assistance to the PCU and Implementing Agencies to complement skills required for project management and oversight.	IBRD/GoS	GHK	Ongoing
Financial Assistance to PCU	Provision of financial management expertise to assist the PCU in proper management of project funds.	IBRD/GoS	PriceWaterhouse Coopers	2002
Credit Rating & Diagnostic Study for the SWSC, MbCC & MzCC	Undertaking of a credit rating and diagnostic study for the 3 sub-nationals to assess their potential capability of sourcing finance from the private capital market.	IBRD/GoS	Global Credit Rating	2003
Regional Roundtable on Upgrading Workshop	Presentation of the implementation experience under the UDP at an upgrading workshop held in Johannesburg.	GoS		2000
Procurement training	Training for several project related staff on the various aspects of World Bank international procurement for goods, equipment and works.	IBRD/GoS	GIMPA; ESAMI; World Bank	2003
Risk and Liability	Training on the key aspects of contract administration to focusing on limiting risk and liability.	GoS	Binnington Copeland	2000
Construction Law	Training on contract administration focusing on the relationship between the client, contractor and sub-contractor.	GoS	Binnington Copeland	2001
Involuntary Resettlement Workshop	Training for the project staff on the main issues involved in involuntary resettlement.	EDI		1997
Project Management Training	Training for the project staff on the various aspects of project management (tools and techniques; facilitation; public sector projects; public-private partnerships; computer-based project management tools).	GoS	Various local suppliers	2004

Environmental Management Training	Provision of environmental related training such as environmental assessment, solid waste management, and compliance to local environmental regulations for key project staff.	GoS	SEA; UCT Environmental Unit	2004
Finance for Non Finance Managers	Provision of basic financial management training for the key staff of the project to ease understanding of financial issues.	IBRD/GoS	TSU	1997
Disbursement Training	For PCU Project Accountant on World Bank disbursement procedures.	GoS	ASCI	2003
Community Liaison Training	Training of key project staff on community liaison and public relations management functions.	GoS	Various local suppliers	1999
Community Liaison Training	Training of community volunteers (Project Outreach Facilitators) on undertaking community liaison function.	GoS	PERCON	1997
Basic Computer Skills	Computer use training for the various project staff focusing on word processing, spreadsheets, database management.	IBRD/GoS	Various local suppliers	1999

UDP Pilot Projects – Pre-implementation

The long delay between completion of the detailed design of the residential upgrading component and the start of project implementation led to the decision to proceed with a pilot works project in each of the upgrading areas, with the aim of:

- testing the form of contract for small works reserved for labour-only contractors (fencing, footpaths, shelters, pit latrines – see Fig A1);
- testing the option of construction materials storage and distribution by SNHB;
- providing some training and small-scale employment for residents;
- providing a temporary borehole water supply for two informal settlements;
- testing innovative methods of selling water;
- demonstrating the three different types of on-site sanitation;
- providing some visible evidence that the UDP was progressing.

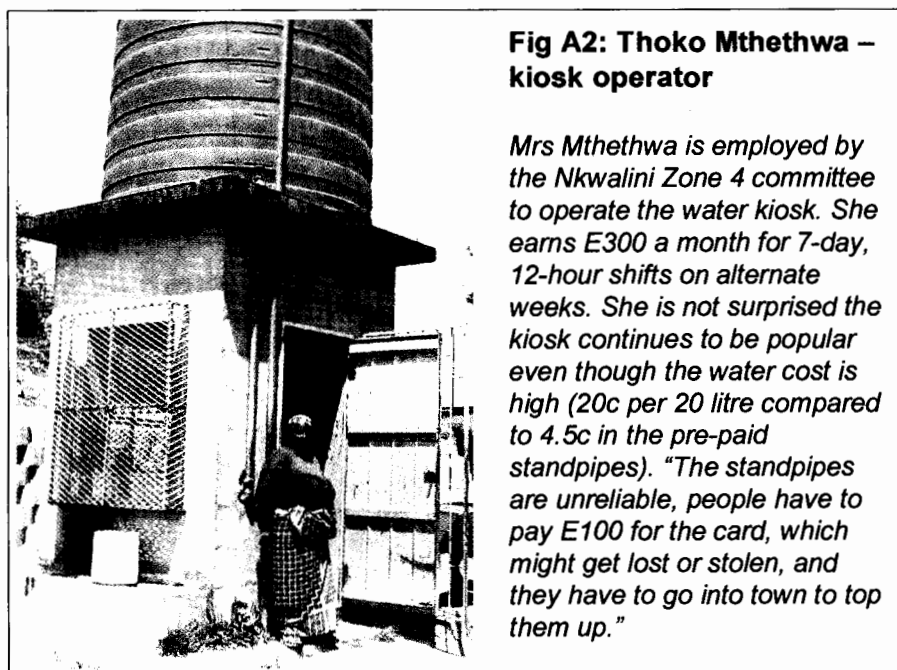
GoS provided a small amount of funding for the works, and potential contractors were invited by various means for training on bidding and contract management, before bid documents were issued. The works were supervised and monitored, and were generally very successful (where an individual contractor failed, the works were completed by others).



A separate, conventional works contract was bid and let for a borehole water supply to two schemes in adjoining project areas:

- *Nkwalini Zone 4*: a kiosk was erected with six metered taps and wash troughs, for selling water. The scheme was run by the community committee who purchased water from WSB, employed a kiosk manager and sold water at a higher rate to the residents. As it was the only source of clean water the

residents were more than happy to pay a premium for cooking and washing. The project has proved so successful that it is still operating after more than a decade, despite the fact that since completion of upgrading, residents now have the option of yard taps or communal prepaid metered standpipes (see Fig A2).

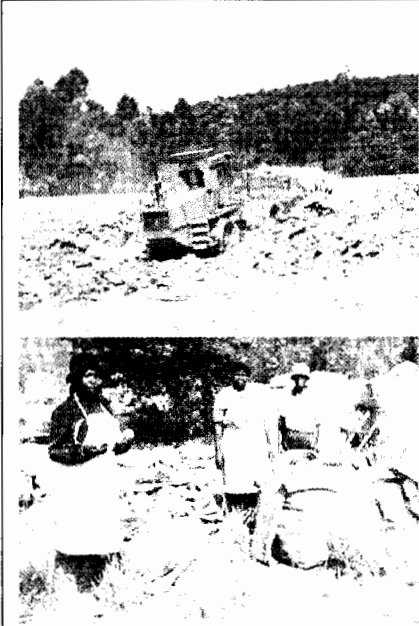


- *Nkwalini Zone 2*: here a lockable communal standpipe was provided, and a number of homesteads were provided with a key for a monthly flat rate. Once again the community committee acted as WSB customer and was responsible for collecting the monthly contributions, but this scheme was less successful due to vandalism and defaulting on contributions.

UDP Pilot Projects – Post-implementation

Since the completion of UDP implementation, further pilot projects have been undertaken, two examples of which are described below:

1. Sanctioned Informal recycling scheme at new Mbabane landfill site



'Umtamo wabomake'
('Earning for the women')

A group of 20 local women have organised themselves into an association, and through an arrangement with the Mbabane City Council, pick recyclable items – tin cans, scrap metal and glass - from the new solid waste site at Mpolonjeni, under strictly controlled conditions. They then arrange for transport and sell the collected items to local dealers, the proceeds from which are divided among them to provide a modest income.

2. Construction of VIPs at Msunduzi

As a result of the difficulties encountered during the construction contract at Msunduzi it was decided to omit the construction of pit latrines. However, as this forms a fundamental part of the UDP provisions, there remained some 900 VIPs to construct. The SNHB and PCU have coordinated a programme employing locally based individuals and firms to construct the units to ground level, with a considerable degree of success.

Working to the original simplified contract form, a price was set for each of the 3 types of latrine, and local residents were invited to undergo some basic training and a selection process. 7 out of a total of 10 candidates were selected for a pilot project. An initial total of 50 units were divided among the contractors and constructed under close supervision. Cash payment was made on successful completion of each unit. SNHB assisted cash flow where required by purchasing initial materials. Of the seven contractors originally engaged, five were successful in completing their quota, and three more firms joined the scheme. By December 2006, a total of 500 units had been completed, with the remaining 400 awaiting release of funds.

Annexure B

(Data Relating to Chapter 6)

Table B1:	UDP Physical Planning Process
Table B2:	UDP Roads & Services - Conflicting Interests in Developing UDP Service Standards
Table B3:	UDP Community Participation – Project Preparation
Table B4:	UDP Community Liaison – Project Implementation



UDP Physical Planning

Table B1

UDP Physical Planning Process

1. **Aerial survey to provide baseline data:** large scale (1:1,000) orthophotos of all upgrading areas formed the design foundation, since they clearly showed position and extent of every structure and the route of every track and path on the ground;
2. **Fieldwork to identify existing homesteads and their plots:** armed with the orthophotos, teams of planners visited each homestead to identify the extent and location of its informal boundaries and to translate that area from the ground to the plan;
3. **Work with the affected communities to establish primary nodes:** planners worked with elected community leaders to identify main routes for circulation, sites for community facilities and areas of special sensitivity, before presenting draft plans and receiving comments;
4. **Environmental Planning Matrix to highlight sensitive areas:** based on fieldwork and desk research, an environmental constraints plan was prepared for each upgrading area, for use as an underlay for the concept plan, to enable the planners to avoid development on sensitive areas;
5. **Concept plan giving overview of development:** from this fieldwork, the planners were able to prepare a concept plan showing the overall development strategy (circulation, residential areas of high, medium and low densities, commercial & light industrial, community facilities etc – see NKwalini concept plan below)
6. **Preliminary plan showing plot layout:** incorporating feedback on the concept plans from client and communities, the preliminary plans showing approximate plot layouts were prepared and presented – plot sizes ranged from 200m² to 750m² to accommodate different settlement patterns, varying terrain and to maximise affordability opportunities through provision of some smaller plots;
7. **Final plan for approval, public scrutiny and cadastral survey:** the final plan was again presented to client and communities in draft before submitted for public inspection and formal approval by City Council and HSA. This plan formed the template for cadastral survey (plot pegging) and preparation of the registered General Plan.

UPD Roads and Services

Table B2

Conflicting Interests in Developing UDP Service Standards

- **The Operating Agencies (SWSC & City Councils):** were keen to minimise their future operations and maintenance costs by adopting higher levels of service and standards initially;
- **The developers (GoS & SNHB):** having established the principles of full cost recovery and plot prices based on infrastructure costs wanted reduced standards to ensure that plot prices were affordable to as many residents as possible.
- **The Affected Communities:** while wanting to see minimal plot costs, also wanted options for increased levels of service for those who could afford them, and generally higher standards.

The conflicting interests are exemplified in the level of water supply to be provided. The simplest and least cost solution is a set of communal standpipes strategically placed throughout each area so that every homestead is within a certain walking distance of water. It offers an improved level of service (since there was none previously), involves a limited capital cost and is easily maintained, and so was advocated by MHUD and its consultants. However, the proposal raised strong objections from several quarters:

- **SWSC:** would not accept unmetered communal standpipes, and required an individual or organisation to act as its customer, responsible for paying the monthly bill, which was not a practical option in this case;
- **SWSC & the Communities:** also wanted a full reticulation so that those who could afford yard taps or house connections could have them, if not immediately then at some time in the future;
- **The Fire & Emergency Services:** required fire hydrants at strategic points, requiring larger pipe sizes to meet the regulations governing fire flows;
- **The City Councils:** also wanted a full reticulation installed initially, to avoid roads and paths being dug up later to extend the pipework.

And so a full reticulation was installed, with a resultant water supply cost that was several times more expensive than it could have been.

UDP Community Participation

Table B3
Community participation - project preparation

Activity	Community Involvement	Community Representation
Introducing the project	Meetings with consultants to explain the UDP objectives, process and outcomes	Steering committee, community at large, focus groups
Existing plot definition survey	Confirmation to planners of informal plot boundaries	All households
Levels of type of service provision	Discussion on service priorities and willingness to pay for services	Steering committee, focus groups
Concept planning (1)	Agreement on circulation routes, location of community facilities, sensitive sites etc	Steering committee
Concept planning (2)	Feedback on plan, demonstration plots etc	Steering committee, community at large
Preliminary & final planning	Presentation by planners of draft plans. Feedback and comment.	Steering committee, community at large
Affordability (1)	Participation in income & expenditure surveys	Random sample of households
Affordability (2)	Feedback on proposed affordability assumptions and levels	Steering committee, focus groups
Affordability (3)	Discussion of, and agreement on methods to enhance affordability	Steering committee, focus groups
Household census	Participation in process - enumeration, identification and registration of residents	All households
Policy development	Representation on working groups for plot pricing, allocation, resettlement & compensation	Nominated SC members
Allocations criteria	Representation on working group to develop allocations criteria	Nominated SC members
Pilot projects	Entrepreneurs were invited to undergo training before carrying out small works	Responsive community members

Table B4
Community liaison – Project Implementation

Community Liaison Initiative	Details
Project Outreach Facilitators (POFs)	The primary communication channel during implementation. POFs were elected to represent 'blocks' of 50 – 100 plots within each area. They were given training on the UDP in general and on communication methods, and were employed to educate, disseminate and collect information from their community.
Fact Sheets	A series of five fact sheets on different aspects of the UDP were prepared in Q&A form in English and SiSwati to help residents understand how the project would impact on their lives.
Radio Broadcasts	SNHB and city councils used the radio to inform communities at large to support work by the POFs. The city council had its own weekly programme.
Allocations Committee	Two elected community representatives were members of the allocations committee for each area
Resettlement & Compensation	Community leadership committee representatives were closely involved in all cases of resettlement and/or compensation.
MHUD/PCU CLO	Chaired allocations committees & coordinated GoS and agencies' liaison efforts
SNHB CLO	Worked through the POFs to keep residents informed about the sales process, to call allocatees for interview etc.
City Councils' CLO	Worked through MHUD and the community leadership to liaise with residents on lifting the building ban, payment of rates etc.
SWSC CLO	SWSC worked through MHUD and the community leadership to explain the principles of pre-paid water cards.
Consultant's CLO	During the construction process the supervision consultant employed a local to liaise with residents affected in any way by the works, to receive and pass on complaints etc.
Construction Employment	<ul style="list-style-type: none"> • Small works (footpaths, pit latrines, fencing, community facilities etc) were reserved for local entrepreneurs; • The main contractor was required to give first refusal to residents when hiring unskilled or semi-skilled labour.

Annexure C

(Data Relating to Chapters 7 & 8)

Table C1:	Impact Matrix of the UDP on the UN Millennium Development Goals (MDG)
Table C2:	Chapter XIII - Constitution of Swaziland Act, 2005
Table C3:	Decentralisation Implementation Strategy

Table C1

Matrix of Impacts of the Urban Development Project on the UN Millennium Development Goals

MD GOALS	TARGETS	UDP IMPACTS	
		ON GOALS	ON TARGETS
1. Eradicate extreme hunger and poverty	<ol style="list-style-type: none"> 1. Reduce by half the proportion of people living on less than a dollar a day. 2. Reduce by half the proportion of people who suffer from hunger. 	By providing formal tenure of plots, the UDP has created tangible assets for residents of upgraded low income areas, which can be used to secure finance.	The UDP physical implementation reserved construction work opportunities for low income urban residents.
2. Achieve universal primary education	<ol style="list-style-type: none"> 3. Ensure that all boys and girls complete a full course of primary schooling. 	The UDP helped to facilitate this goal – upgrading provides land and services for primary schools.	
3. Promote gender equality and empower women	<ol style="list-style-type: none"> 4. Eliminate gender disparity in primary and secondary education preferably by 2005 and at all levels by 2015. 	The UDP has provided ground-breaking gender equality reform by enabling women to own leasehold title to land.	
4. Reduce child mortality	<ol style="list-style-type: none"> 5. Reduce by two thirds the mortality rate among children under five. 	Provision of access to treated water, improved sanitation, communal refuse collection facilities, roads and drainage, provision of land for clinics, have all contributed directly or indirectly to a reduction in infant and maternal mortality in upgraded low income areas.	
5. Improve maternal health	<ol style="list-style-type: none"> 6. Reduce by three quarters the maternal mortality ratio. 		
6. Combat HIV/AIDS, malaria and other diseases	<ol style="list-style-type: none"> 7. Halt and begin to reverse the spread of HIV/AIDS. 8. Halt and begin to reverse the incidence of malaria and other major diseases. 	“Local Government Responses to HIV/AIDS” workshop for town and city councils introduced the ‘LGRHA toolkit’ and led to Action Plans for developing municipal responses to the impact of HIV/AIDS on their constituent communities. Improved water supply, sanitation and drainage leads to reduction in incidence of transmittable diseases.	
7. Ensure environmental sustainability	<ol style="list-style-type: none"> 9. Integrate the principles of sustainable development into country policies and programmes, reverse loss of environmental resources. 10. Reduce by half the proportion of people without sustainable access to safe drinking water. 11. Achieve significant improvement in the lives of 100 million slum dwellers, by 2020. 	Every component of the UDP has directly or indirectly contributed to urban environmental sustainability. Physically, the bulk infrastructure and residential upgrading have both improved the natural, built and human urban environments, while the institutional and policy reform component has resulted in improved local governance.	<ul style="list-style-type: none"> • The UDP has enshrined environmental sustainability in all its wide-ranging activities and components; • In Mbabane and Manzini the proportion has fallen from ± 37% in 2000 to 21% in 2005; • Between 2000 & 2007, the UDP will have completed upgrading for 40,000 people.

MD GOALS	TARGETS	UDP IMPACTS	
		ON GOALS	ON TARGETS
8. Develop a global partnership for development	<p>12. Develop further an open trading and financial system that is predictable and non-discriminatory, includes a commitment to good governance, development and poverty reduction – nationally and internationally.</p> <p>13. Address the least developed countries special needs. This includes tariff- and quota-free access for their exports; enhanced debt relief for heavily indebted poor countries; cancellation of official bilateral debt; and more generous official development assistance for countries committed to poverty reduction.</p> <p>14. Address the special needs of landlocked and small island developing states.</p> <p>15. Deal comprehensively with developing countries' debt problems through national and international measures to make debt more sustainable in the long term.</p> <p>16. In co-operation with the developing countries, develop decent and productive work for youth.</p> <p>17. In co-operation with pharmaceutical companies, provide access to affordable essential drugs in developing countries.</p> <p>18. In co-operation with the private sector, make available the benefits of new technologies – especially information and communications technologies.</p>	By providing an efficient and transparent framework for developing urban areas and with its focus on poverty reduction, the UDP has acted as a catalyst for attracting development assistance through multilateral and bilateral agencies, and will continue to do so.	The UDP's primary aim is improving the efficiency and delivery of urban management services. Specifically, it has resulted in the reform of annual national-to-local government transfers.



TABLE C2

CONSTITUTION OF THE KINGDOM OF SWAZILAND ACT, 2005

CHAPTER XIII LOCAL GOVERNMENT

Local government

218 (1) Parliament shall within five years of the commencement of this Constitution provide for the establishment of a single country-wide system of local government which is based on the *tinkhundla* system of government, hierarchically organised according to the volume or complexity of service rendered and integrated so as to avoid the urban / rural dichotomy.

(2) The primary objective of the *tinkhundla* - based system of government is to bring government closer to the people so that the people at sub-national or local community level progressively take control of their own affairs and govern themselves.

(3) Local government shall be organised and administered, as far as practicable, through democratically established regional and sub-regional councils or committees.

Local government areas

219. (1) Parliament shall provide for the division of Swaziland into as many local government areas as the Elections and Boundaries Commission may from time to time recommend.

(2) In defining local government areas the Commission shall

- (a) take into account existing chiefdom areas;
- (b) redraw *tinkhundla* boundaries as may be necessary;
- (c) integrate urban and rural areas where necessary;
- (d) take into consideration

- (i) the population, the physical size, the geographical features, the economic resources, the existing or planned infrastructure of each area;
- (ii) the possibilities of facilitating the most rational management and use of the resources and infrastructure of the area,

with a view to ensuring that a local government area is, or has the potential for becoming, economically sustainable.

- (3) The boundaries of chiefdom areas may be changed subject to section 115.
- (4) A town or city may be divided into two or more areas of local government.
- (5) Local government areas may be rural or urban or partly rural and partly urban.
- (6) Subject to the recommendations of the Commission, Parliament may abolish a local government or alter the boundaries of a local government area.

Administration of local government areas

- 220. (1) A local government area shall be administered by an elected or appointed, or partly elected and partly appointed councilor committee as Parliament may prescribe.
- (2) Subject to re-election or re-appointment, the term of office of a councilor committee shall be similar to that for members of Parliament.

Duties of a local government authority

- 221. (1) The primary duty of a local government authority is to ensure, in accordance with the law, the efficient management and development of the area under its jurisdiction in consultation with local traditional authority where applicable.
- (2) A local government authority may maintain and protect life, public property, improve working and living conditions, promote the social and cultural life of the people, raise the level of civic consciousness, preserve law and order within its area and generally preserve the rights of the people in that area.
- (3) Depending on its level of development, a local government authority shall determine, plan, initiate and execute policies, taking into account national policy or development plan.

(4) A local government authority shall organise and promote popular participation and cooperation in respect of political, economic, cultural and social life of the area under its control.

(5) A local government authority may oversee the performance of persons employed by the Government services or implementation of Government projects in the area of that local government authority.

Power to raise revenue. etc.

222. Subject to any other law a local government has power
- (a) to levy and collect taxes, rates, duties and fees as may be specified for the execution of its programmes and policies;
 - (b) to formulate and execute plans, programmes and strategies for the effective mobilisation of the resources necessary for the overall benefit and welfare of the people within its area.

Subvention of local governments

223. The Government shall where necessary allocate funds and necessary expertise for the assistance of local governments.

Integration of development programmers

224. The development programmers of a local government shall where appropriate be integrated into the national development plan to be mainly funded by the Government.

Management of locale government affairs

225. (1) There shall be designated a ministry to be responsible for the management of local government affairs.
- (2) For effective management, the affairs of the ministry shall be divided along the four Regions headed by regional administrators in terms of this Constitution.
- (3) Each Region shall be divided into various local government areas as provided under sections 80 and 219.
- (4) For purposes of this chapter, chiefs shall be under the general oversight of the ministry for local government.

Constitution of local government authorities

226. Subject to the provisions of this Constitution, Parliament shall make provision for the constitution, powers, election, membership, vacation, qualification and regulations, accountability, auditing, control and supervision of local government authorities.

CHAPTER XIV
TRADITIONAL INSTITUTIONS

Traditional institutions

227. (1) The Swazi traditional government is administered according to Swazi law and custom and the traditional institutions that are pillars of the monarchy as set out in subsection (2).

(2) The following Swazi traditional institutions are hereby guaranteed and protected

- (a) *iNgwenyama*;
- (b) *iNdlovukazi*;
- (c) *Ligunqa (Princes of the Realm)*;
- (d) *Liqoqo*
- (e) *Sibaya*;
- (f) (*Tikhulu*) Chiefs;
- (g) *Umntfivanenkhosi Lomkhulu* (Senior Prince);
- (h) *Tindvuna* (Royal Governors).

iNgwenyama

228. (1) *INgwenyama* is the traditional head of the Swazi State and is chosen by virtue of the rank and character of his mother in accordance with Swazi law and custom.

(2) *INgwenyama* enjoys the same legal protection and immunity from legal suit or process as the King.

(3) Subject to an elaborate system of advisory councils, the functions of *iNgwenyama* under this chapter shall be regulated by Swazi law and custom.

The *Ndlovukazi*

229. (1) The *Ndlovukazi* (Queen Mother) is traditionally the mother of the *iNgwenyama* and the symbolic Grandmother of the Nation.

(2) The *Ndlovukazi* is selected and appointed in accordance with Swazi law and custom.

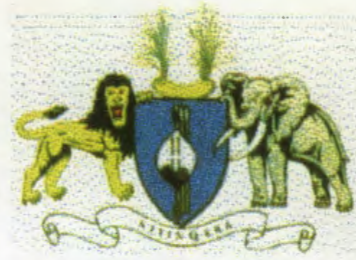
**Table C3
DECENTRALISATION IMPLEMENTATION STRATEGY (Annexure 1)**

Strategic Objective(s)	Activities	Time-frame (FY)	Responsible Institution	Inputs (Costings)	Outputs (Costings)	Objectively Verifiable Indicators (OVIs)	Means of Verification (MVs)
1. To promote stakeholder participation	<ol style="list-style-type: none"> 1. Establish consultative forums at all levels 2. Translate document into SiSwati 	1 st Quarter of 2005	Office of the Deputy Prime Minister	<ol style="list-style-type: none"> 1. Transport 2. ICT 3. IEC 4. material 	<ol style="list-style-type: none"> 1. Informed citizens 2. Ownership of process 3. Translated draft policy document 	<ol style="list-style-type: none"> 1. Minutes of meetings 2. Participatory appraisal reports 	<ol style="list-style-type: none"> 1. Availability of Cabinet Paper 2. Availability of Policy Document
2. To solicit Cabinet concurrence and approval of the Policy	<ol style="list-style-type: none"> 1. Get the support of relevant Ministries before Final Policy Document is presented to Cabinet for consideration and approval 2. Prepare a Cabinet Paper 3. Present Cabinet Paper and Policy Document 	1 st Quarter of 2005	Office of the Deputy Prime Minister	<ol style="list-style-type: none"> 1. Staff time 2. Stationery 	<ol style="list-style-type: none"> 1. Cabinet Paper ready 2. Policy Document ready 	<ol style="list-style-type: none"> 1. Cabinet Paper 2. Policy Document 	<ol style="list-style-type: none"> 1. Availability of Cabinet Paper 2. Availability of Policy Document
3. To establish, inaugurate, operationalise and maintain the National Decentralisation Programme Coordination Committee	<ol style="list-style-type: none"> 1. Identify relevant institutions 2. Write to formally inform them 3. Agree on a date, time and venue for inauguration of the Committee 4. Inaugurate Committee 5. Adopt ToRs for Committee 6. Resource and begin working 	2 nd Quarter of 2005	Office of the Deputy Prime Minister	<ol style="list-style-type: none"> 1. Staff time 2. Sitting allowances 3. Stationery 4. Inauguration budget 	<ol style="list-style-type: none"> 1. Afunctional and effective Committee 	<ol style="list-style-type: none"> 1. Minutes of Meetings 	<ol style="list-style-type: none"> 1. Looking at adopted Minutes

<p>4. To establish, staff, equip, operationalise and maintain the National Decentralisation Directorate</p>	<ol style="list-style-type: none"> 1. Source office space, equipment, telephones, vehicles, desks, chairs etc 2. Advertise positions 3. Short-list candidates 4. Interview candidates 5. Select and appoint staff 6. Request UNDP to file TA 	<p>2nd Quarter of 2005</p>	<p>Office of the Deputy Prime Minister</p>	<ol style="list-style-type: none"> 1. Staff time 2. Money 3. Stationery 	<ol style="list-style-type: none"> 1. A functional ND/PMU 	<ol style="list-style-type: none"> 1. Minutes of meetings 2. Filed Reports 3. Work Plans and budgets 	<ol style="list-style-type: none"> 1. Cross-check appointment letters
<p>5. To draft and finalise Local Government Bill, 2005 and Local Government Planning, Finance and Audit bill, 2005</p>	<ol style="list-style-type: none"> 1. Recruitment and appointment of Legal Consultants – who is a draughtsman 2. Short-list applicants 3. Appoint Consultants 4. Consultants begin assignments 5. Consultants file first drafts 6. Drafts discussed at national stakeholders workshops 7. Consultants incorporate comments 8. Stakeholders Validation Workshop 9. Drafts finalised and filed 	<p>3rd and 4th Quarters 2005 (attached should be a CERTIFICATE OF URGENCY)</p>	<p>Office of the Deputy Prime Minister</p>	<ol style="list-style-type: none"> 1. Staff time 2. Budget 3. Stationery 4. Equipment 	<ol style="list-style-type: none"> 1. Consultant in place 2. Drafts filed, discussed and finalised 3. Final Drafts filed 	<ol style="list-style-type: none"> 1. Availability of draft bills 	<ol style="list-style-type: none"> 1. Cross-checking of final draft bills

<p>6. To submit and solicit Cabinet's concurrence and approval of Draft Bills</p>	<ol style="list-style-type: none"> 1. Bills must first be sent to AG for final editing 2. Cabinet approves (with amendments) 3. Bills sent back to AG for finalisation 4. Bills sent to Parliament 	<p>1st Quarter 2006</p>	<p>Office of the Deputy Prime Minister</p>	<ol style="list-style-type: none"> 1. Staff time 2. Stationery 	<ol style="list-style-type: none"> 1. Draft Bills submitted to Cabinet 2. Cabinet Sub-committee discuss and recommend Bills for Cabinet's endorsement and approval 3. Cabinet approves Bills 	<ol style="list-style-type: none"> 1. Approved Bills 	<ol style="list-style-type: none"> 1. Cross-checking of approved Bills
<p>7. To legislate Bills</p>	<ol style="list-style-type: none"> 1. Bills laid before parliament 2. Parliament debate Bills 3. Parliament legislate Bills 4. Acts assented to 5. Acts gazetted 6. Acts operative 	<p>2nd and 3rd Quarters 2006</p>	<p>Office of the Deputy Prime Minister</p>	<ol style="list-style-type: none"> 1. Staff time 2. Stationery 	<ol style="list-style-type: none"> 1. Local Government Act, 2006 2. Local Government Finance and Audit Act, 2006 	<ol style="list-style-type: none"> 1. Copies of Acts 2. Gazette Serial Numbers 	<ol style="list-style-type: none"> 1. Cross-checking on Acts

8. To operationalise Local Government Act, 2006	<ol style="list-style-type: none"> 1. Identify competencies to be devolved 2. Agree on competencies to be devolved 3. Devolution of competencies on an incremental basis 4. Devolution of corresponding human and physical resources 5. Capacity building and strengthening 	Ongoing (by 2015)	ND/PMU	Staff time	1. Competencies devolved	1. Devolved competencies	1. Verification of devolved competencies and corresponding human and physical resources
9. To operationalise the Local Government Planning, Finance and Audit Act	<ol style="list-style-type: none"> 1. Institutionalise provisions on an incremental basis 	Ongoing	ND/PMU	Staff time	Institutionalised provision	Institutionalised provision	Verification from Books
10. To sensitise and build capacities at institutional and community levels	<ol style="list-style-type: none"> 1. Development and finalisation of an IEC Package 2. Dissemination of information 3. Capacity building 	Ongoing	ND/PMU	Staff time Stationery Vehicles Fuel	IEC Package	1. IEC Package	1. Cross checking on reports filed
11. Monitoring and evaluation	<ol style="list-style-type: none"> 1. Formulate a core unit – a wing of Government – that will monitor and evaluate the implementation of the policy. 	Yearly	DPM's Office	1. Need a budget prepared	1. Monitoring and evaluation report		1. Check against Policy and Acts



GOVERNMENT OF SWAZILAND



Municipal Council of Mbabane

Cities Alliance
Cities Without Slums

*Affordable, Sustainable and Secure Access to
Land and Services*