Democratic and Popular Republic of Algeria

Low Income Housing Project

Resettlement Documentation

April 1998
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POLICY FRAMEWORK PAPER
ON RESETTLEMENT
under the
Low-Income Housing Project
(RHP)

DEMOCRATIC AND POPULAR REPUBLIC OF ALGERIA
MINISTRY OF HOUSING
Directorate of Architecture and Urban Development
April 1998
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# Acronyms

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<th>Full Form</th>
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<tr>
<td>AADL</td>
<td><em>Agence pour l'Amélioration et le Développement du Logement</em> (Housing Improvement and Development Agency)</td>
</tr>
<tr>
<td>AFL</td>
<td><em>Agence Foncière Locale</em> (Local Land Agency)</td>
</tr>
<tr>
<td>AFIW</td>
<td><em>Agence Foncière Intercommunale de Wilaya</em> (Intercommunal Wilaya Land Agency)</td>
</tr>
<tr>
<td>APC</td>
<td><em>Assemblée Populaire Communale</em> (Communal People's Assembly)</td>
</tr>
<tr>
<td>APW</td>
<td><em>Assemblée Populaire de Wilaya</em> (People's Assembly)</td>
</tr>
<tr>
<td>BET</td>
<td><em>Bureau d'Etudes Techniques</em> (Technical Consultancy Firms)</td>
</tr>
<tr>
<td>CNL</td>
<td><em>Caisse Nationale du Logement</em> (National Housing Fund)</td>
</tr>
<tr>
<td>EIA</td>
<td>Environmental Impact Assessment (<em>Etudes d'impact sur l'environnement</em>)</td>
</tr>
<tr>
<td>FONAL</td>
<td><em>Fonds National d'Aide au Logement</em> (National Housing Assistance Fund)</td>
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<tr>
<td>GoA</td>
<td>Government of Algeria</td>
</tr>
<tr>
<td>LDU</td>
<td><em>Direction de l'Urbanisme</em> (Local Directorate of Urban Development)</td>
</tr>
<tr>
<td>LP</td>
<td><em>Lotissement Préventif</em> (Sites and services subproject)</td>
</tr>
<tr>
<td>MoH</td>
<td>Ministry of Housing</td>
</tr>
<tr>
<td>MdO</td>
<td><em>Maitre d'Oeuvre</em> (Master of Works)</td>
</tr>
<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
</tr>
<tr>
<td>PDAU</td>
<td><em>Plan Directeur d'Aménagement et d'Urbanisme</em> (Planning and Urban Development Master Plan)</td>
</tr>
<tr>
<td>POS</td>
<td><em>Plan d'Occupation des Sols</em> (Land Occupancy Plan)</td>
</tr>
<tr>
<td>RES</td>
<td>Restructuring</td>
</tr>
<tr>
<td>RHP</td>
<td><em>Résorption de l'Habitat Précaire</em> (Slum redevelopment)</td>
</tr>
<tr>
<td>SNMG</td>
<td><em>Salaire National Minimum Garanti</em> (National Guaranteed Minimum Wage)</td>
</tr>
<tr>
<td>TOL</td>
<td><em>Taux d'Occupation par Logement</em> (Occupancy Rate per Housing Unit)</td>
</tr>
<tr>
<td>TOP</td>
<td><em>Taux d'Occupation par Pièce</em> (Occupancy Rate per Room)</td>
</tr>
</tbody>
</table>
1. Principles and objectives

1.1. The Algerian Government (GoA) proposes, within the framework of a loan granted by the World Bank, to implement a project to redevelop unsanitary slum neighborhoods (hereinafter called "the Project") and thereby bring about a substantial improvement in the living conditions of the low-income residents of those areas.

1.2. This project is consistent with the provisions of the Government's new housing policy, which aims, inter alia, to apply the following major principles:

(a) to address the issue of slum redevelopment within a overall framework, at the urban, regional, or communal level, abandoning the previous policy of treating each instance separately;

(b) to introduce precise identification criteria for targeted low-income groups in order to channel more efficiently direct or indirect assistance from Government;

(c) to introduce and apply principles and means whereby the residents concerned can participate in the implementation of projects to improve their housing situation, either financially (cost-sharing and cost-recovery) or by taking direct responsibility for building certain parts of their dwellings (directly, or through neighborhood associations and committees).

1.3. To that end, the program's development objectives are to improve living conditions and the environment for low-income households located in urban neighborhoods that are characterized by a high density of slums or unserviced settlements, through provision of serviced lots and housing units. The project will directly benefit the following categories:

(a) slum dwellers, through construction of subsidized housing units and provision of a land title ensuring tenure and rights of transfer;

(b) low-income households in unserviced areas, through provision of roads, water, sewerage, and electricity;

(c) that portion of the population able to benefit effectively from provision of affordable serviced lots and land tenure under conditions appropriate to low income households.
1.4. This program will finance operations totaling US $200 million, distributed among several subprojects spread across the country's various regions and falling under one of the three following categories:

(a) Slum redevelopment (relogement, REL) subprojects for households living in slum areas (bidonvilles), with provision for re-housing families in core housing units (one room, kitchen, and bathroom) that would replace the slum dwellings, together with land tenure regularization;

(b) Settlement servicing (restructuration, RES) subprojects for non-serviced neighborhoods, comprising a program to improve of basic infrastructure and regularize land tenure;

(c) Sites and services (prévention, LP) subprojects, supplying serviced lots destined for low-income families.

1.5. This policy framework document has been developed in the context of the preparatory phase (referred to hereafter as RHP1) comprising a certain number of subprojects representative of the above three categories and selected in five wilayas, namely Annaba, Constantine, Blida, Tipazas and Oran. The document could be revised after the implementation phase of these subprojects.

1.6. A Procedures Manual will be prepared at the end of the preparatory phase to finetune the methodology of preparation and implementation of resettlement operations. It will be based on the two resettlement plans already completed. It will give the guidelines for the preparation of resettlement plans and socioeconomic surveys according to Bank requirements.

1.7. Subproject appraisal for each slum redevelopment project (REL) will be based on a specific resettlement plan and a socioeconomic study approved by the Bank. However, subprojects with resettlement of less than 200 people will only require a simplified resettlement plan, without the requirement of a socioeconomic study.

1.8. The population affected by the totality of sub projects in the involved in RHP 1 subprojects (including REL, RES, and LP) is estimated at 40,000 households, or around 70,000 people, distributed as follows:

- REL (Slum redevelopment) subprojects,
- RES (Settlement servicing) subprojects,
- LP (Site and Service) subprojects.

1.9. Resettlement forecasts vary according to sites and will be detailed in the resettlement plans to be completed for each subproject.

1.10. In subprojects which involve either temporary resettlement (settlement servicing) or permanent resettlement (rehousing in subsidized units), or displacement of residents either within or outside the slum area concerned (slum redevelopment)), according to the definition of terms approved by the two parties, the following policy principles shall be observed:
(a) displacement or relocation of the residents concerned will as far as possible be avoided or at least minimized;

(b) when displacement of some of the residents targeted by a given subproject is required, care must be taken to ensure that they are given the opportunity to maintain or upgrade their living standards;

(c) various types of compensation (direct or indirect social assistance) will be provided as needed within the framework of procedures set forth in national legislation;

(d) budgetary resources, local infrastructure and social services will be made available in timely fashion to the affected population.

1.10. The final Project outcome expected by the authorities is three-pronged:

1st. a substantial upgrading of the living and housing conditions of people living in awful conditions of overcrowding, lack of sanitation and lack of privacy, through the free supply of core housing units constructed in accordance with established construction norms;

2nd. provision to people who live in an insecure legal status (lacking legal property titles) the opportunity to own the plot on which their house is built, by subsidizing most of its purchase price;

3rd. the enabling of relocated households to develop a good-quality residential project at minimum cost starting from a basic core unit, thus allowing them to meet their living requirements according the changing requirements of family size and structure.

1.11. The benefits attained by the concerned population—of improved housing and living conditions and regularized legal status consequent upon resettlement operations into permanent housing, as well as the provision of services and the creation of preventive sites—greatly exceed the disadvantages deriving from a displacement that might take them a few meters away from their former home sites, or the loss of their original slum dwellings.

2. Legal and institutional framework

2.1. Algeria's current legislation provides the legal framework for the entire Project and its related subprojects. The legislative instruments governing the actions of the public operators are listed in annex 2. They have undergone substantial changes since 1990, when the Land Law was enacted.

2.2. In the first place, new legislation was enacted in 1980 to mitigate urbanization impacts on the environment. Taking account of the significant urban expansion stemming from implementation of an important housing and associated infrastructure program, the Environment Act (law dated February 5, 1983) and regulatory texts (decree 90-78 of February 27, 1990 on
environmental impact assessments, EIA) set up new procedures for the authorization of housing programs and industrial plants. The EIAs were therefore requested before any authorization, in order to reduce environmental impacts, the generation of wastes and harmful emissions.

2.3. **The land law reforms of 1989-90.** Subsequently, a new economic environment created the need for legal and regulatory reforms on land management, city planning and land development. The regulations promoting urban land management by municipalities in force since 1974, intended to facilitate and speed up land availability for mostly public developments, were abrogated under provisions of the new 1989 constitution.

2.4. The new constitution guaranteed private land tenure of land, prescribing rigorous controls against expropriation, which henceforth became subject to just, equitable and prior compensation (provision defined by the law 91-11 of August 27, 1991 relating to expropriation for reasons of public interest).

2.5. The implication of these provisions required the passing of a new law on urban land tenure (Law 90-25 of November 18, 1990) This instrument revised legislation relating to communal land ownership, restoring the rights to use the land to their legal owners in the context of the application of the provisions of urban development legislation.

2.6. Henceforth, since the transformation of land use was affected by this law, it was necessary to avoid abusive conversion of agricultural land on the outskirts of urban areas. Thus it was necessary to promulgate another law on Urban Development and Land Management (90-69 of 1 December 1990) which reformed the urban planning and land management instruments designed to manage urban growth. These new instruments comprised:

- the Planning and Urban Development Master Plan (PDAU) which determined the urban sectors and overall land use in relation to communal lands; and
- the Land Occupancy Plans (POS) which defined the rights of construction on plots.

These instruments, open to challenge by third parties, were widely adopted, with 1233 of the country’s 1541 communes having prepared PDAUs.

2.7. Since that time, therefore, the availability of land for urban programs was subject to these new management rules by the legal owners, applying practices provided for in the urban and land management instruments.

2.8. **Legal status of land.** Land use is defined by its juridical status, as follows:

(a) **Private land.** The use of private land depends on the ability of the owner to undertake operations within the land use defined in the PDAU. If the owner’s resources are insufficient, bank credit based on mortgage and/or cession to a third party is possible. Expropriation in the public interest is only possible in the context of an urban land management plan which defines land use. In the absence of this instrument, no expropriation can take place.
(b) **State land.** State land cannot be ceded to another party, but is reserved as appropriate for projects in the public interest. In respect of lands in the private domain of the Government, their attribution under urban master plans is undertaken by a cumbersome process of placing them on the open market. However, these lands may also be destined for public facilities and housing operations of a social character, with subsidies on the purchase price.

(c) **Municipal lands within the Municipal Reserve.** These latter are transferred into the management control of the local land agencies with the dual objective of (i) regularizing the administrative situation in respect of their definitive incorporation into the municipal land reserves, since this procedure had already started before this provision of the law was abrogated; and (ii) continuing the allocation and management of plots that are still available. The regulation of lands acquired under the heading of municipal land reserves has also been updated through registration and the publication of administrative acts passed at the time of their attribution.

In addition, and in particular in respect of subprojects selected for the Bank loan financing, the following regulatory procedures on urban matters will apply: (i) development authorizations will be submitted to a review and approbation by all technical agencies to allow land use regularization; and (ii) tenure title delivery to concerned households. The land titles provided against payment will finalize this onerous process of land title transfer, and will allow beneficiaries to get building permits and mortgage.

2.9. **Local Associations and community participation.** In summary, the 1989 constitution led to the reform of law 87-15 dated July 21, 1987, on not-for-profit organizations. Law 90-31 of December 4, 1990 provides a much more flexible environment for the creation and operation of associations dealing with professional, social, scientific, educational, cultural, religious and sporting matters. No longer does their formation require administrative permission, but instead derives from their representativity, and from the extent to which they conform to their stated objectives. Thus, all local associations existing in RHP1 subproject sites were created under the principle of free association, which is emphasized in article 6 of the same law.

2.10. Following the same thread, the texts relating to urban development contain various procedures for ensuring, in the preparation of urban planning documents, consultation with and the participation of the elected representatives of local populations (*Assemblées Populaires Communautes*: or Peoples’ Municipal Assemblies), land owners, chambers of commerce and industry etc.

2.11. **Delivery of land title.** Finally, it should be noted that in the slum redevelopment projects there are no constraints related to the legal status of the land, since each sub-project is situated on public land. The delivery of individual land titles to the beneficiaries will follow a well established procedure of the Algerian government, which has had to deal with similar cases in the last few years. An authentic title of land ownership, i.e. one that is properly recorded and published, will serve, once the households have settled their obligations to the Local Land Agencies owning the sites, to replace the order of assignment [*arrêté d’affectation*] issued by the public operators at the start of the resettlement process.
2.12. However, in the event that any particular constraint should arise, particularly in the slum upgrading subprojects, the Algerian Civil Code and the Law on Expropriation for State-approved Purposes contain special procedures for judicial compensation.

2.13. Finally, the existence of an ultimate appeals procedure available to the populations affected by resettlement: the appeal to the local representatives of the ombudsman (Médiature de la République) which have been established in every region of the republic.

3. Eligibility for Project benefits

Eligibility criteria

3.1. The criteria for identifying residents eligible for government assistance under the Project vary according to the category in which the subproject is classified.

(a) For category (i) (slum upgrading), eligibility for the benefit of resettlement extends to all households living on the site who are identified in a survey by the local authorities as meeting the government aid eligibility conditions at the threshold defined by the interministerial order of December 1997. This order establishes that all households with incomes below the threshold of four times the national minimum guaranteed salary (4 SNMG) are eligible for this assistance for home construction. This level, a maximum of DA 350,000, is weighted at four times the revenue of eligible households. The assistance ranges from 200,000 to 350,000 according to the case.

Households with incomes above that threshold wishing to build a dwelling other than that proposed by the Government will be offered serviced plots created within the same site or in the promotional sites and services subprojects closest to their original place of residence.

Households with incomes below one SNMG will be taken care of by the housing commissions established at the level of the responsibility of the elected local authorities (APC) who will offer them either social assistance housing or municipal assistance toward their contribution.

(b) For category (ii) (settlement servicing), eligibility for government assistance is extended to households residing in the designated area, with income levels meeting the requirements of the interministerial order. However, households which for various reasons do not wish to be resettled in their original neighborhood upon completion of the servicing project, will, once their agreement has been properly determined, be offered construction plots in the sites and services projects closest to their original neighborhood.

(c) For category (iii) (sites and services subprojects), eligibility for plot-related benefits (i.e. the right to purchase plots at discounted or otherwise subsidized prices) is extended to low-income households whose living conditions merit government assistance. The
elected local authorities (APCs) will draw up lists of beneficiaries of the sites and services subprojects by reference to the current national social laws and local priorities.

**Beneficiary identification**

3.2. At the beginning of every site study, all the occupants of the project perimeters will be identified through comprehensive surveys carried out by the local authorities (APC) and the operators, lists which will be verified by the socio-economic study. Both these authorities will be in possession of official nominative lists at the time of each beneficiary assessment. In this respect, occupants of slum dwellings or other shelter who have settled within the site after the completion of the survey will be treated in a different way that will enable a determination of their eligibility in relation to the carrying capacity of the site and the available financial resources.

3.3. Moreover, prior knowledge of the beneficiary lists by the targeted population themselves, and by their representatives in the neighborhood associations, guarantees proper allocation of plots and reduce the risk of slippage [glissement].

3.4. The policy framework document provides a statement of the principles, objectives and general content of the policy of resettlement. It constitutes the reference document for each specific resettlement plan and for the studies which will be prepared for each sub-project. These resettlement plans will be developed based on the methodology of approach, inquiry, and statistical data analysis to be developed in the Manual or Procedural Guide.

3.5. The socio economic study constitutes the principal aspect of the resettlement plan. Its objectives are: to verify the reliability and correctness of the enumeration, to indicate various changes that may have taken place in the population concerned, to identify eligible and non-eligible households, to indicate their socio-economic status, to identify and evaluate the nature of economic activities, to estimate the expected losses and benefits, to describe the degree of involvement of the associations and local organizations in the process of resettlement, to determine the measures to take to minimize losses of incomes or assets, to identify the nature of assistance to be applied to vulnerable individuals, etc.

3.6. To this end, the resettlement plans connected with each subproject will integrate the results of the socio-economic analysis in specific measures that should be taken to guarantee the success of the resettlement sub-project.

4. **Entitlements**

4.1. The Project as a whole, with its three components of slum redevelopment or upgrading (REL), settlement servicing (RES), and sites and services (LP), fully reflects the Algerian Government's commitment to bring about substantial improvements in the living and housing conditions of the communities concerned. The benefits, both physical (core units supplied free of charge and plots largely financed by the Government) and non-physical (land titling) to be
derived by the households far outweigh the minor inconveniences incurred during subproject implementation (displacement by a few meters from their original home site in some cases, or rare instances of temporary or permanent relocation within the settlement servicing subprojects).

4.2. Households targeted by the slum upgrading subprojects will be awarded full ownership (with land title) of all (or part) of the plot of land on which they had illegally put up their slum dwellings (i.e. without authenticated land ownership documents). On completion of the technical studies, the public developers in charge of the subprojects will start servicing the sites and connecting them to public utilities, with 70% government financing, and will then construct individual core unit housing houses on part of the allocated plots (between 80 \( \text{m}^2 \) and 120 \( \text{m}^2 \), depending on the site), the core unit being completely financed by the Government. Once construction is completed, full ownership of the houses will be turned over to the relocated households, which will be responsible for finishing, for paying the transfer price of the plot, and for any possible extensions to the core unit.

4.3. The possible financial gain to be realized by the households in the event of sale of their houses and respective plots at true market value will be on the order of 5-10 times the amount of the initial investment.

4.4. The land titles delivered will be properly authenticated and recorded at the land registration offices. The titles can thus be assigned, inherited, or used as security for certain types of mortgage financing. This aspect to a large extent explains the undeniable attractiveness of this formula to the populations concerned, their willingness to be mobilized, and the active participation by resident associations in the different phases of project implementation.

4.5. In order to avoid and minimize loss of incomes resulting from the direct effects of resettlement in a residential environment, the public developers and local authorities, after consulting with the local associations, will make provision in the various sub-projects for sheds and other livestock enclosures to be constructed near the homes of the residents concerned that will enable them to maintain their activities, provided these are not incompatible with urban norms.

4.6. Certain other benefits expected from the slum upgrading operations are not immediately quantifiable, such as improved levels of sanitation, lower infant mortality rates, increase in school enrollment, etc. These are the direct by-products of improved living and infrastructure conditions throughout the area of impact of the subprojects. Moreover, since the subprojects come under the Planning and Urban Development Master Plan (PDAU) and the Land Occupancy Plans (POS) in accordance with Algerian urban regulations, they will benefit from the provisions of those plans (infrastructure investments, and from the direct and indirect outcomes of new facilities such as schools, medical dispensaries, etc.).

4.7. In respect of socially and economically vulnerable households, certain communes where slum upgrading subprojects are in progress currently have new institutional arrangements for dealing with social matters (cellules de proximité, local offices of the Ministry of Social Solidarity). These institutions could provide additional support to rehousing in the limited sense
of the term, while also helping inject greater efficiency into community self-help. Households in this category, that cannot afford the costs of resettlement on the site on the terms described above would, if they so desired, be offered permanent relocation in public subsidized housing, which they could not leave except at risk of losing their right to public assistance.

4.8. In the event that the project developers are confronted with a situation of temporary resettlement, they will take every measure necessary to avoid it or to minimize its effects. Such possible resettlement will not take place in the winter months, its duration will not exceed three months, and all costs and losses suffered by the populations will be entirely reimbursable by the developers.

4.9. Lastly, existing sociological analyses of the Algerian context very clearly demonstrate that the risk of indebtedness for slum residents is minimal. They show that possession of a land title generally opens the way to strategies for mobilizing the various material and non-physical resources owned by the households in their region of origin: sales of agricultural goods and of various land rights, reactivation of kinship networks to finance construction, the setting up of informal mechanisms to share costs of permanent relocation among the various members of extended family groups, etc. The chief obstacle within the Algerian context is not a total lack of financial resources, but the absence of a land title enabling a household to record once and for all its place within urban groups.

4.10. However, to the extent that the difficult economic situation during the last five years (devaluation of the national currency, double-digit inflation, unemployment etc.) has contributed to the erosion of households savings in money and goods, the ability of such households to finance their own development should not be overestimated. A more accurately targeted strategy of social assistance should be envisioned for the most vulnerable households. The municipalities have a key role to play in relation to the social safety net, and in the context of the specific budget allocated by the Ministry of National Solidarity and Family Affairs.

4.11. **Entitlement Matrix**

The populations affected by slum redevelopment (REL) and restructuring (RES) operations are entitled to benefits or compensation according to the entitlement matrix below. The resettlement plans prepared for each subproject will calculate specific values for these compensations according to local conditions.
<table>
<thead>
<tr>
<th>Case</th>
<th>Summary of losses</th>
<th>Eligible person</th>
<th>Rights</th>
<th>Not Eligible for State Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Loss of land</td>
<td>Household Head</td>
<td>Access to serviced plot at subsidized price according to legal provisions</td>
<td>Access to serviced plot at a price below market value, and of an area greater than that of the standard plot.</td>
</tr>
<tr>
<td>1.2</td>
<td>Legal Occupation</td>
<td>Land owner</td>
<td>a) Not affected by resettlement</td>
<td>a) not affected by resettlement</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>b) Where the area of the plot owned is less than that of the standard plot, it will be enlarged and granted at a price that includes subsidies, so that the owner may envisage construction of a viable structure.</td>
<td>b) In the event of resettlement for reasons of public interest, a plot equivalent to that owned will be granted.</td>
</tr>
<tr>
<td>3.1</td>
<td>Loss of Housing</td>
<td>Household Head</td>
<td>a) Social housing for vulnerable families (below the threshold for state assistance for housing construction); b) Assisted construction up to a value of DA 350,000, weighted according to the level of household income [in favor of lower income households].</td>
<td>Occupants of slum dwellings who are owners of the plots on which they have built can access a credit for house construction.</td>
</tr>
<tr>
<td>3.2</td>
<td>Permanent, substandard housing</td>
<td>Household Head</td>
<td>Assistance of construction up to DA 350,000, with the possibility of recovery of construction materials for future extension.</td>
<td>Recovery of construction materials, and possibility of compensation under 1.1 above.</td>
</tr>
<tr>
<td>3.3</td>
<td>Permanent, standard housing</td>
<td>Household Head</td>
<td>a) regularization of land title and regularization of construction permit in the case of illicit construction, expansion of right to construct (two or three storied building); b) Where demolition is required in the public interest, application of the provisions of the law on expropriation, plus benefits under the heading of compensation for land loss c) Where part of the construction is affected, compensation prorated according to the extent of destruction. However: Where the partially affected structure is illegal, the owner will be treated in the same manner as people eligible for State assistance; Where the owner is also a land owner, the household head will be granted a land area equivalent in value to the damages suffered.</td>
<td>a) retains land of which he/she is the owner</td>
</tr>
<tr>
<td>Case</td>
<td>Summary of losses</td>
<td>Eligible person</td>
<td>Rights</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
| 4    | Economic activities taking place on site | Entrepreneur | 1). LEGAL AND COMPATIBLE ACTIVITY  
Maintained on site |
|      |                   |                 | 2). LEGAL BUT INCOMPATIBLE ACTIVITY  
Removed to an appropriate local site, at the expense of the administration and local authority |
|      |                   |                 | 3). ILLEGAL AND INCOMPATIBLE ACTIVITY  
No compensation: activity is prohibited. |
| 5    | (Vulnerable persons) | Individuals | Benefit from complementary social safety net support and direct assistance through national solidarity. |
| 6    | (Supplementary support) | Individuals | Assistance through solidarity provided by neighborhood associations, the traditional social fabric, and various forms of mutual societal assistance. |
| 7    | Reduction of land area | Household head | a) compensation by expanded construction rights (horizontal and vertical extension)  
b) benefit from positive impact of urbanization of the site (servicing, regulation of land titles, etc.) |
5. Project implementation

5.1. Implementation on the project rests on three basic principles:

(a) Make every effort to avoid displacements of residents, even within the site, and, when this is impossible for technical reasons, minimize such displacements, keeping them preferably within the subproject area, so as to avoid disrupting the links between the households concerned and their immediate social and economic environment.

(b) Adopt gradual resettlement plans designed first to rehouse residents living in the immediate neighborhood of the first completed construction blocks, continuing the process as the subsequent blocks are completed, until all of the beneficiary population has been resettled. It is understood that the first blocks to be developed will be located in the unbuildt areas existing within the subproject site, so as to minimize destruction of shacks and avoid temporary displacements.

(c) Ensure that information concerning resettlement planning reaches the target residents in time to allow them to get involved directly in the resettlement process, through their representative associations, in exercise of the rights to which they are entitled under Algerian law.

Application of these principles will make it possible to reduce the potential for disputes and other causes of friction arising at any point between the start and the end of the resettlement process.

5.2. Should any complaints or claims be recorded by the operators, particularly in the settlement servicing subprojects, which are more complex to implement because of the diversity of legal situations (tenancy, individual ownership, joint ownership, etc.), or where the quality of constructions justifies the procedure, the parties concerned, within the context of Algerian legislative provisions and judicial institutions (Civil Code, Law on Expropriation, the courts) are entitled to seek legal remedy, but only after all other procedures have been exhausted for amicable settlement within the associative and consultative framework provided in the urban development regulations.

5.3. In order to ensure the success of operations, the populations affected by slum redevelopment and restructuring sub-projects will be informed and mobilized through their elected representatives of the neighborhood associations. The APC (Communal People's Assembly) and the technical and administrative units set up on each resettlement site will endeavor to settle all disputes and solve all technical administrative and social problems pertaining to resettlement. These units, which are composed of representatives of the regional administration (directorates of urban development), the project operators, representatives of the APC and most importantly the members of the local neighborhood associations, will strive to settle amicably all disputes relating to the resettlement process.
6. Organizational responsibilities

6.1. The RBP I project will be managed primarily by the MoH, which will provide coordination at the central level through a standing project implementation unit within the Directorate of Architecture and Urban Development. This unit, with appropriate staff and resources, will be in charge of coordinating and supervising the activities of the different agencies responsible for local implementation.

6.2. The National Housing Fund (CNL) will be responsible for managing the financial side of the operation at the central level through its Comite des Aides (Assistance committee), which will supervise the allocation of support to the various local implementing agencies.

6.3. These implementing agencies are of two main kinds:

(a) The subproject managers [maîtres de l'ouvrage], i.e. the Wilaya Urban Development Directorates, which are entrusted with management of the different aspects (studies, financing, program concept, etc.) related to feasibility of the subprojects located on their territory;

(b) the "operators," whose task is to implement the programs put together by the project managers.

6.4. Local operators are generally the communal or intercommunal Land Agencies, or the regional agencies or branches of the Housing Improvement and Development Agency (AADL), which generally operate as delegates of the subproject managers. They are directly in charge of carrying out slum upgrading, settlement servicing, and site and services subprojects. These agencies are in charge of the census of project sites, purchase of the land for the site, and of physical and human management of the resettlement plan, in particular its financial and legal aspects (cost recovery, land title delivery, etc.).

6.5. In addition, there is a third level of implementation comprising site supervisors, and contractors (consulting firms, public works or building contractors, local micro-enterprises) who are employed for specific contractual tasks: studies, site servicing, housing construction.

Below is the organogram for the RHP program:
Organogram for the RHP Program
(as per PADCO report)

World Bank

Loan

GoA/Ministry of finance

Onlending

Ministry of Housing (FONAL and RHP/DUA Unit)

Allocation to FONAL

NATIONAL HOUSING FUND (CNL) (FONAL and Comité des Aides RHP)

Beneficiaries

Local authorities and others

MO/AFL

Self-Help

Sub-Project

MO/AADL

Self-Help

Sub-Project

MO/Private

Self-Help

Sub-Project

Individual assistance for self-help construction

Financial participation by beneficiaries and others
7. Methods of estimation

Resettlement and restructuring operations will bring considerable material and non-physical benefits to affected households. Non-physical benefits either cannot be directly measured, or may be seen only after several years have passed—for example, the ownership of property title, allowing access to credit and cession to descendants through inheritance; or the improvement of indicators of domestic well-being, or of the level of scholastic achievement. However physical and economic benefits can be estimated using a simple and rapid method. The table in annex III shows the benefits derived from the works, with the core unit expanded to 70 m².

7.1. The material replacement value of assets lost is many times covered by the value of the assets at the end of the resettlement process: an illicitly constructed slum dwelling made of scavenged materials, of little market value is exchanged for a well built house, held in full, alienable and transferable right of property. Thus on completion of the resettlement process, households find themselves owning a material asset worth from 5 to 15 times their average annual income.

7.2. However, to the extent possible, i.e. when the quality of the materials used to build the slum dwellings so permits, the developers of the resettlement subprojects will seek to save those materials from destruction. This will enable them to be resold or reused by their owners in the core-unit housing project. Such assets (doors, windows, railings, locks, metal sheeting, other reusable construction materials) can thus be recovered and be reused directly or indirectly by the beneficiaries in the construction of their new homes.

7.3. Special administrative procedures may also be introduced beforehand or reactivated, in the case of the settlement servicing subprojects. These will be detailed in the resettlement plans drawn up for each subproject concerned.

8. Monitoring and evaluation

8.1. The following performance indicators will be adopted to evaluate the resettlement activities:

(a) Inputs:
   - teams set up to implement each phase of the resettlement process (human and material resources);
   - surveys and inventories prepared by local developers upon completion of each phase of the resettlement process.

(b) Outputs:
   - housing units built and handed over (number, quality, area, extent of finishing, etc.) per phase and for the entire subproject;
   - homes or businesses compensated or displaced during each phase of implementation.
(c) Processes
- Methods of construction used
- Methods of project management
- etc.

(d) Outcomes
- maintaining or improving the levels of certain easily measurable standards of living indicators: occupancy rate per housing unit (TOP) and comparison of those rates with the rates measured in the pre-resettlement socioeconomic surveys before the resettlement process, increase or decrease in ownership of household appliances, etc.;
- net costs (within a suitable range) paid by households during the resettlement (connection to utilities, household appliances, etc.), proportion of the new fixed charges (electricity, water, etc.) in household budgets, etc.
- Dropout rates for households unable or unwilling to accept the new conditions, and procedures for handling those households.

8.2. The following agencies have been appointed to monitor the resettlement process under each subproject:
- the Direction de l'Urbanisme de la Wilaya, which will supervise all technical aspects of resettlement;
- the Assemblée Populaire Communale, which will supervise the human and social aspects of the operation in consultation with the beneficiary associations;
- specialized consulting firms or local developers, selected for their specific expertise and charged with verifying and checking of specific aspects of the operations (socioeconomic studies, site inspections, etc.).

8.3. The Ministry of Housing will send the Bank monitoring reports using a format agreed by the two parties (World Bank and MoH) [Not annexed].

8.4. The methods of evaluation will be taken from the Manual of Procedures now in preparation, which, based on the cumulative experience acquired during implementation of the Project, will provide a complete methodology for approaching, studying, and implementing slum upgrading, settlement servicing and site and services subprojects. This manual will provide practitioners at any level of the development process with the means of producing a final evaluation of their work.
### ANNEX I - List of RHP1 subprojects

<table>
<thead>
<tr>
<th>Name of subproject</th>
<th>Commune and Wilaya</th>
<th>Type of action</th>
<th>Project owners</th>
<th>Operators</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Sidi Harb IV</td>
<td>Annaba/Annaba</td>
<td>Slum Upgrading</td>
<td>DU/MoH</td>
<td>AFIWA</td>
</tr>
<tr>
<td>2. Sidi Salem I</td>
<td>El Boui/Annaba</td>
<td>Slum Upgrading</td>
<td>DU/MoH</td>
<td>AFIWA</td>
</tr>
<tr>
<td>3. Merzoug Amar I</td>
<td>Sidi Amar/Annaba</td>
<td>Slum Upgrading</td>
<td>DU/MoH</td>
<td>AADL</td>
</tr>
<tr>
<td>4. Essaroual</td>
<td>El Boui/Annaba</td>
<td>Slum Upgrading</td>
<td>DU/MoH</td>
<td>AFIWA</td>
</tr>
<tr>
<td>5. Draibina I</td>
<td>Ain Abid/Constantine</td>
<td>Settlement Servicing</td>
<td>DU/MoH</td>
<td>AADL</td>
</tr>
<tr>
<td>6. Haldebel</td>
<td>Constantine/Constantine</td>
<td>Settlement Servicing</td>
<td>DU/MoH</td>
<td>AADL</td>
</tr>
<tr>
<td>7. Massinissa</td>
<td>El Khroub/Constantine</td>
<td>Slum Upgrading</td>
<td>DU/MoH</td>
<td>AADL</td>
</tr>
<tr>
<td>8. El Bordj</td>
<td>Damous/Tipasa</td>
<td>Settlement Servicing</td>
<td>DU/MoH</td>
<td>AFIC Zeralda</td>
</tr>
<tr>
<td>9. Douar Messaoud</td>
<td>Oued El Alleug/Blida</td>
<td>Settlement Servicing</td>
<td>DU/MoH</td>
<td>AF Blida</td>
</tr>
<tr>
<td>10. Haf Bouamama II</td>
<td>Oran/Oran</td>
<td>Settlement Servicing</td>
<td>DU and APC</td>
<td>AADL</td>
</tr>
<tr>
<td>11. Maramane</td>
<td>Blida/Blida</td>
<td>Slum Upgrading</td>
<td>DU/MoH</td>
<td>AF Blida</td>
</tr>
<tr>
<td>12. Ali Amar</td>
<td>Fouka/Tipasa</td>
<td>Settlement Servicing</td>
<td>DU/MoH</td>
<td>AFIC Tipasa</td>
</tr>
<tr>
<td>13. Dinar El Bahri</td>
<td>Beni Mered/Blida</td>
<td>Sites and sv.s.</td>
<td>DU/MoH</td>
<td>AF Blida</td>
</tr>
<tr>
<td>14. Hai Hammam</td>
<td>Gdyel/Oran</td>
<td>Settlement Servicing</td>
<td>DU/MoH</td>
<td>AF Gdyel</td>
</tr>
<tr>
<td>15. Addache I and II</td>
<td>Birtoua/Blida</td>
<td>Site &amp; Service</td>
<td>DU/MoH</td>
<td>AF Blida</td>
</tr>
<tr>
<td>16. Sidi Youssif I*</td>
<td>Beni Messous/Algiers</td>
<td>Site &amp; Service</td>
<td>DUCH/MoH</td>
<td>AGERFA</td>
</tr>
<tr>
<td>17. Sidi Youssif II</td>
<td>Beni Messous/Algiers</td>
<td>Site &amp; Service</td>
<td>DUCH/MoH</td>
<td>AGERFA</td>
</tr>
<tr>
<td>18. Ain Melha I***</td>
<td>Gué de Constantine/Algiers</td>
<td>Site &amp; Service</td>
<td>DUCH/MoH</td>
<td>AGERFA</td>
</tr>
<tr>
<td>19. Ain Melha II****</td>
<td>Gué de Constantine/Algiers</td>
<td>Slum Upgrading</td>
<td>DUCH/MoH</td>
<td>AGERFA</td>
</tr>
</tbody>
</table>

* ** ** *** ****: The list of selected sites within the Algiers Governorate is under revision, and a list of the new selected sites will be issued at a later date.
ANNEX II - List of Laws relevant to resettlement

(1) The Civil Code (Ordinance of September 26, 1975 and its successive revisions.

(2) The Environmental Code (Law of February 5, 1983) and its implementing regulations (including Decree 90-78 of February 27, 1990 concerning environmental impact assessments);


(4) The Law on Planning and Urban Development [Loi Relative à l'Aménagement et à l'Urbanisme] (Law 90-29 of December 1, 1990) and its implementing regulations:
   (i) Decree 91-177 of May 28, 1991 defining the rules for planning, urban development, and construction;
   (ii) Decree 91-177 of May 28, 1991 laying down the procedures for preparation and approval of Planning and Urban Development Master Plans (PDAU) and related documents;
   (iii) Decree 91-178 of May 28, 1991 containing the procedures for preparation and implementation of Land Occupancy Plans (POS) and related documents.


(6) Enactments concerning land title preparation and recording.

(7) Law 90-31 of December 4, 1990 concerning Associations.


(9) Legislative Decree 93-03 of March 1, 1993 concerning real estate activity; its Article 7 sets out the eligibility criteria for government assistance for low-cost housing promotional activities.
PLAN FOR RESETTLEMENT OF THE SHANTYTOWN OF:

AMAR MERZOUG I

Sidi Amar Commune, Annaba Wilaya
RESETTLEMENT PLAN FOR THE SHANTYTOWN OF

AMAR MERZOUG I

(Commune of Sidi Amar, Annaba Wilaya)

1.1. The Overall Project and the General Policy Framework

1.2. Description of the Subproject

The Amar Merzoug I subproject consists of an operation to provide new housing for 441 households currently inhabiting the central, most densely populated part of the shantytown of the same name and covering an area of 12 hectares. The work to be performed involves site development of the first 12 hectare segment recovered on the actual site of the shantytown and construction of 500 core housing units covering an area of 45 m² on lots measuring 80 m², and the development of 250 additional serviced lots for low-income families, in an effort to prevent slum expansion.

The second part of the operation, known as Amar Merzoug II, will benefit the rest of the population of the site. This project is part of the slum clearance strategy put in place by the Urban Affairs Department [Direction d'Urbanisme] of the Wilaya of Annaba, and so it is also part of the intercommunal Urban Development and Land Use Plan [Plan d'Amenagement Urbain et d'Urbanisme] for Sidi Amar.

1.2.1. The Site: Identification

1.2.1.1. The general geographical and institutional setting

Merzoug Amar is a squatter settlement which has developed in a rural area, at a place called "Douar El Gantra," located 8 km from the main town of Sidi Amar commune, which is about 20 kilometers from the town of Annaba. It grew up along the wilaya road No. 108, which joins National Highway No. 44 from Annaba to Constantine, at a former troop regrouping site established by the French Army in 1958. Like most of the shantytowns in Annaba Wilaya, its development was spurred by the El Hadjar steel complex, which was formerly the SNS, and is now managed by ENSIDER (SIDER National Enterprise). The complex is only some 10 km east of the shantytown.

Between the 1966 and 1977 census, and even more so between the 1977 and 1987 census, all the hinterland of Annaba experienced rapid development of housing compounds. Some of these compounds were built according to usual construction practices, but most of them were temporary, flimsy settlements which grew up after the establishment of this steel complex. The complex currently employs 12,000 persons, not counting all the related business it has brought in, including construction and public works, service and transportation companies, and the like.
As an example, the commune of Sidi Amar, which had 16,400 inhabitants in 1977, 5,342 of whom (32.5%) lived in built-up areas, saw its population swell to 44,697 by 1987, 99% of whom were living in built-up areas, and to 54,463 in 1996. This represents an "urban" growth rate of 7.3% a year, well above the natural growth rate of 3.2% a year recorded for the same period of time.

This considerable influx of migrant people in search of jobs has caused the slums to spread over an area extending 40 km around the steel complex. In 1987, 14,000 shacks were counted in the wilaya of Annaba, providing shelter for nearly 90,000 inhabitants in some forty shantytowns of varying sizes. Amar Merzoug, with its 2,322 inhabitants occupying 450 shacks, is an average-sized settlement in this respect, in comparison with other shantytowns such as Sidi Salem, with around 1,000 shacks, which has arisen in the neighboring commune of El Bouni.

The Amar Merzoug subproject, which focuses on the most densely populated sector of the shantytown of the same name, the part that developed around the original site of the former camp established by the French Army in 1958, better known as the SAS, is not just a single, isolated operation. It is part of a broader based strategy for dealing with the problem of squatter settlements initiated by the wilaya authorities in 1993. Under this strategy, 3,200 shacks were cleared in different parts of the wilaya, some of which were located in the main town of Sidi Amar commune itself. A total of 1,263 lots were serviced. Core housing units were built on 730 of them, and the remainder were set aside for the purpose of preventing expansion of the slums or for real estate development.

This strategy is based on four guiding principles:

- Incorporation of slum clearance operations into the Urban Development and Land Use Plans [Plans d'Aménagement et d'Urbanisme] of the communes in question;
• Providing an opportunity to the local people to choose between new housing on site in the form of an expandable core unit financed by the national government or building their own housing, with assistance, on serviced lots set aside for this purpose;
• Direct participation by the local people in solving their housing problems, through the neighborhood associations;
• Development of a preventive, rather than just a remedial, approach to the problem of slum housing.

It is in this context that the operation known as "Amar Merzoug Property Development" was initiated by the Urban Affairs Department in the wilaya of Annaba. A local public property developer, the Housing Improvement and Development Agency [Agence pour l'Amélioration et le Développement du Logement] (AADL) in Annaba was put in charge of the project.

It involves a shantytown called "Amar Merzoug," formerly known as "Douar El Gantra," covering 20,960 hectares bordered as follows:

• To the North, by private land
• To the South, by a primary school
• To the West, by a railway
• To the South [sic], by buildings and the feeder road to National Highway No. 16.

The purpose of this project is to service 1,417 lots measuring 80 m² each, broken down as follows:

a) 947 public housing lots [lots sociaux];
b) 470 serviced lots, to prevent slum expansion [lots de prévention];
c) 82 commercial lots, including 51 for public housing and 31 to prevent slum expansion.

In addition, community facilities, such as those described in Table 2 below, will also be provided, as well as green areas, playgrounds, public squares, and other public facilities on 6.38 hectares of public land.

1.2.1.2. The resettlement site

The site is located in the central, most densely populated part of the shantytown, covering 12 hectares on which 450 shacks provide shelter for 441 households. According to a survey taken by the AADL, the developer, and the APC in September 1997, 2,322 persons live in this area. The remaining households located on the periphery of this core, which live in 550 units scattered over an area measuring 8.69 hectares, will be the focus of the second, subsequent stage of this project. (See the plan for the Amar Merzoug subdivision.)

The sizes of the plots occupied vary from 40 to 100 m² each, or an average of 50 m². The size of some plots located on the outskirts must be revised upward, as they include large enclosed fields of up 400 m² where livestock is raised. The physical features of the site,
including its size, the fact that it is not suited to crops because of its location alongside major roads, the fact that it is relatively flat (with slopes from 0.5% to 1%), and its legal status, as government-owned land, have encouraged a scattering of shacks and a relatively extensive residential occupation.

<table>
<thead>
<tr>
<th>Table No. 1. Housing Conditions and Current Population</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Number of plots with housing</strong>: 450</td>
</tr>
<tr>
<td><strong>Type of construction (as a %)</strong></td>
</tr>
<tr>
<td>Permanent construction: 17%</td>
</tr>
<tr>
<td>Shacks and similar units: 83%</td>
</tr>
<tr>
<td>Others: %</td>
</tr>
<tr>
<td><strong>Area of the plot with housing</strong></td>
</tr>
<tr>
<td>Minimum: 40 m²</td>
</tr>
<tr>
<td>Maximum: 100 m²</td>
</tr>
<tr>
<td>Average: 50 m²</td>
</tr>
<tr>
<td><strong>Number of housing units</strong>: 450</td>
</tr>
<tr>
<td><strong>Number of vacant units</strong>: 9</td>
</tr>
<tr>
<td><strong>Number of households</strong>: 441</td>
</tr>
<tr>
<td><strong>Number of inhabitants</strong>: 2,322</td>
</tr>
<tr>
<td><strong>Number of working inhabitants</strong>: 230</td>
</tr>
</tbody>
</table>

1.2.2. Nature and Objectives of the Project

The underlying principle is to rehouse the families occupying the existing shacks in core housing units built under this project. The objective of the project is to clear the slum housing located in Amar Merzoug while offering the households residing on the site serviced lots including core housing units.

The work to be done consists in servicing the first segment of 12 hectares recovered on the site of the shantytown, in building 500 45-m² core housing units for the same number of households living at the site and in servicing 250 additional lots to prevent slum expansion.
Table 2 provides a detailed description of the project.

<table>
<thead>
<tr>
<th>TYPE OF LAND USE</th>
<th>Area of unit (m²)</th>
<th>Number of plots</th>
<th>Total Area in m²</th>
<th>Total area as a %</th>
<th>No. of housing units</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Settlement servicing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Serviced plots with housing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Serviced, unbuilt plots</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Land development</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Lots with core housing, for resettlement</td>
<td>80</td>
<td>500</td>
<td>40000</td>
<td>33,33</td>
<td></td>
</tr>
<tr>
<td>- Serviced lots, to prevent slum expansion</td>
<td>80</td>
<td>250</td>
<td>20000</td>
<td>16,66</td>
<td></td>
</tr>
<tr>
<td>- Individual lots</td>
<td>120</td>
<td>60</td>
<td>7200</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>- Shared lots</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Core housing units</td>
<td>45</td>
<td>500</td>
<td>22500</td>
<td></td>
<td>500</td>
</tr>
<tr>
<td>- Finished individual housing units</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Rental housing in apartment buildings (OPGI)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Total Housing</td>
<td></td>
<td></td>
<td>500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Community facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Businesses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- General administration</td>
<td>1903,54</td>
<td>1</td>
<td>1903,54</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Schools</td>
<td>4229,60</td>
<td>1</td>
<td>4229,60</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Health care facilities</td>
<td>2755,03</td>
<td>1</td>
<td>2755,03</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Sports and others</td>
<td>7082,99</td>
<td>1</td>
<td>7082,99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total community facilities</td>
<td>15998,16</td>
<td></td>
<td></td>
<td>13,33</td>
<td></td>
</tr>
<tr>
<td>Roads, public easements, and free space</td>
<td>36801,84</td>
<td></td>
<td></td>
<td>30,66</td>
<td></td>
</tr>
<tr>
<td>Total gross project area</td>
<td>120000</td>
<td></td>
<td></td>
<td>100</td>
<td></td>
</tr>
</tbody>
</table>

* Number of housing units after the plots with existing housing are upgraded or number of units built under the program

The resettlement of the targeted population in Merzoug Amar is justified by the deplorable condition of living and housing standards of the local people, namely, the complete absence of any basic infrastructure, including sanitation, roads, safe water supply, and electricity.

Waste waters are evacuated in open gutters or ditches which wend their way among the shacks. In view of the fact that the land is relatively flat, the waters are frequently stagnant, with all the health implications that entails.
Roads are nonexistent, pirated electricity is brought into the shacks by cables placed along the ground, involving the risk of electrocution for children, drinking water is drawn from a few rare standpipes, and household garbage is deposited in the open at a few collection sites designated by the communes.

To improve these conditions, the following infrastructure will be built on site:
Figure No. 1. MAP SHOWING THE VARIOUS RHP1 PROJECTS IN ANNABA WILAYA
Figure No. 2. GEOGRAPHICAL LOCATION OF THE AMAR MERZOUG 1 SUBPROJECT
a) Sanitation:
Construction of a single sanitation system in which waste waters and rainwater are channeled in the same drainage canal located downstream from the development.

b) Roads:
The road system will be made up of the main trunk roads and the pedestrian walkways located within the housing division. This road network will be linked up to RN16 (National Highway 16).

c) Water supply:
A grid system will be used for the water supply. The water will be piped in from the existing 200 diameter pipe, and the water resource department will be in charge of the delivery system.

d) Electricity:
Electricity will be supplied to the housing development by two transformer stations built under the project. SONELGAZ will be responsible for the connection with the public lighting system and for putting it into operation.

As for the actual housing, the project developer, namely, the AADL, has put the GART Consulting Firm in charge of designing a core housing unit that can be extended horizontally and vertically on the basis of a model that has already been tested at in other rehousing projects: 45 m² of floor space, on a 80 m² lot, including a 15.6 m² room, a 7.88 m² kitchen, a bathroom measuring 6.12 m², and a toilet. This should considerably improve the inhabitants’ living conditions. The principle adopted is to provide technical assistance and to supervise the home expansion operations of the beneficiaries on the basis of their needs and available financing.

1.2.3. The local people

According to the detailed census of the inhabitants of the site conducted by the GART Consulting Firm, in cooperation with the El Gantra neighborhood association and the local authorities, 450 shacks were counted on the site of the subproject and 550 shacks in the area surrounding the site. The resettlement will therefore affect exactly 2,322 persons.

The other households scattered in the surrounding area, namely 550, will be the focus of the second segment of the operation. For this purpose, the local authorities and the operator, or the AADL, have detailed lists of all the residents at the site, who have been duly identified and listed, and it does not appear that any new shacks have been built since the census was taken in September 1997.

The Amar Merzoug neighborhood association, known as the "El Amel Association of the El Gantra Shantytown," authorized on February 14, 1995, pursuant to Law 31-90 on Associations, by the wali of Annaba (see authorization receipt in the Attachments), aware of the stakes involved in the operation, appears to be in control of the situation, especially since the number of people moving into the shantytown appears to have gone down in the past few years.
According to the data from the socio-economic study conducted by the GART Consulting Firm (Annaba Wilaya Consulting Firm), Amar Merzoug seems in fact to have shown a very clear decline in new shacks built since the early 1990s, when the regional economy centered around the El Hadjar steel complex began to decline. The site was relatively unattractive from the start, as over half of its current population had been moved by the wilaya authorities of the main town in the commune, Sidi Amar, in 1986. At the present time, it appears that the site only provides shelter for those households that cannot go elsewhere, to places closer to sources of employment.
Figure No. 3
FAÇADE AND FLOOR PLAN OF A CORE HOUSING UNIT
AMAR MERZOUG SITE
(core unit built by the government)
Figure No. 4
FAÇADE AND FLOOR PLAN OF A CORE HOUSING UNIT
AMAR MERZOUG SITE

FACADE ECH 1/100
1.2.4. Status of land, acquisition, and transfer

All of the land on which the slum upgrading project is based is government-owned property. Acquisition procedures were initiated by the operator, the AADL, on May 31, 1997, when it contacted the Government Property Department in Annaba. A 36-month payment schedule was worked out, effective as of January 1, 1998. (A copy of the payment schedule is attached.)

1.2.5. Compensation

The Amar Merzoug resettlement project is strictly residential in purpose. The people concerned draw their income from work performed away from the site. During the survey, there were no obvious businesses or handicraft or cottage industries identified in the shantytown that would entitle the residents to receive compensation or indemnities due to their displacement or suspension of their business.

The only income-producing activities identified on the site involved a traditional practice of raising sheep and cattle on the side, but this operation amounted to only some ten head of sheep and no more than three cows per household. The pastureland around the site was also used for livestock, with the labor provided by family members of both sexes, and with makeshift pens or sheds to keep or shelter the animals.

These enclosures, like the shacks, were salvaged illegally on the government-owned land where the shantytown is situated. The largest ones do not cover more than 500 m2, and they were made of a variety of used materials, such as wooden posts, wire, and other pieces of sheet metal or metal debris, and of the thorny hedges of the opuntia (Barbary figs).
Table No. 3. The Compensation Matrix

A. FAMILIES

<table>
<thead>
<tr>
<th>Summary of Losses</th>
<th>Definition of Beneficiary</th>
<th>Summary of Rights</th>
<th>Responsible Organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of slum housing</td>
<td>Head of household</td>
<td>Core housing unit valued at D 350,000</td>
<td>AADL, Annaba Urban Affairs Dept. (DU)</td>
</tr>
<tr>
<td>Loss of land/plot (illegal occupation)</td>
<td>Head of household</td>
<td>80 m² lot, assigned at a price of D500/m² (market value=D1500/m²)</td>
<td>AADL, Annaba Urban Affairs Dept.</td>
</tr>
<tr>
<td>Loss of area (illegal occupation)</td>
<td>Head of household</td>
<td>Equivalent or larger area for livestock (rented from the commune or owned)</td>
<td>APC</td>
</tr>
<tr>
<td>Loss of permanent house (legal occup.)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Loss of lot (legal occupation)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>Loss of land (legal occupation)</td>
<td>NA</td>
<td>NA</td>
<td>NA</td>
</tr>
</tbody>
</table>

B. INDIVIDUALS

| Loss of harvest | NA | NA | NA |
| Loss of pastureland | NA | NA | NA |
| Loss of shed or pen (illegal occupation) | Owner | Plot of land in ZAC to build a shed or pen | APC |
| Loss of official business | NA | NA | NA |
| Loss of informal business | NA | NA | NA |
| Resettlement process | Site resident | Rehousing | AADI, DU |
| Resettlement expenses | Farmer | Plot of land | APC |
| Loss of earnings | NA | NA | NA |

C. NEW OBLIGATIONS

<table>
<thead>
<tr>
<th>Title transfer costs (notary)</th>
<th>Owner</th>
<th>3% of Purchase Price of Lot</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electricity cost</td>
<td>Head of household</td>
<td>D1,500 installation of meter by SONELGAZ, quarterly invoice for prorata use</td>
</tr>
<tr>
<td>Cost of piped-in drinking water</td>
<td>Head of household</td>
<td>D4,000 meter installation, bimonthly invoice</td>
</tr>
<tr>
<td>Land tax</td>
<td>Head of household</td>
<td>Exemption</td>
</tr>
<tr>
<td>Sanitation fee</td>
<td>Head of household</td>
<td>16.5% of water invoice amount</td>
</tr>
</tbody>
</table>
1.2.5. Displacement reduction procedures

As pointed out earlier, the primary purpose of the project is the resettlement of the people on the site in core housing units. This is the first part of a program which will eventually lead to resettlement of all the inhabitants of the shantytown listed in the census on the Amar Merzoug site.

The entire program is part of the slum clearance project adopted by the authorities of Annaba wilaya since 1993. It consists of the following:

- Servicing and equipping the unsanitary housing sites which were under-equipped or totally lacking in facilities;
- Offering the people living on these sites decent urban living standards by providing them:
  i) Legal tenure of their land by issuing an authentic transferable title of ownership, which can be transmitted by inheritance and is eligible for mortgage loans;
  ii) A core housing unit built and financed by the national government, which provides minimal residential comforts, but especially social and administrative recognition and status enabling access to the benefits of urban citizenship;
- Avoidance as far as possible of the inconveniences of being moved away from the site, which could cause social, economic, and psychological disturbances.
2. PREPARATION OF THE RESETTLEMENT PLAN

2.1. SOCIO-ECONOMIC SURVEY AND CENSUS

2.1.1. Conducting the census

A detailed census of the population living at the site was taken in September 1997 by the GART Consulting Firm, in cooperation with the El Gantra neighborhood association and the local authorities (APC). The interviewers employed by the Consulting Firm, along with one or more members of the "El Amel d'El Gantra" association, filled out a questionnaire for the inhabitants occupying each of the 450 shacks that had been counted. These questionnaires were subsequently used to prepare household cards, one per nuclear family, and a list of the names of the heads of household surveyed was given to the APC and the neighborhood association, to check it for accuracy.

This list of the names of heads of household included information on the following variables: 1) Number of persons in each shack; 2) Number of shacks; 3) Year the household moved in; 4) Place of residence prior to moving onto the site; 5) Income of the head of household; 6) Number of working persons in the household; and 7) Employer or type of work.

On the basis of this detailed list, the GART consulting firm then proceeded to take a sampling of 50 households, for the purpose of conducting an additional, more detailed survey that consisted of a battery of 19 additional questions on the following subjects:

- Identification variables, such as type of construction, level of construction, method for evacuating liquid waste, use of the construction, its legal status, existing facilities, such as water, electricity, sanitation, toilet, or bathroom, the type of family, and the like;
- Attitude and behavior variables, such as intention to build something else on the plot, financing method planned for the new construction, opinion regarding displacement from their original homes, opinion on cost recovery, and the like.

The data collected were then processed by computer. On the basis of this information, some ten tables were prepared for a single input, making it possible to describe the distribution of replies to each question. No further multivariate analysis was performed. The results of the simple analysis of the data from the sampling were put into a report entitled "Processing and Analysis of the Results of the Socio-Economic Survey."

These data were then given to a sociologist for more detailed analysis and processing.
2.1.2. Results of the socio-economic survey and census

2.1.2.1. Results of the census

The small number of variables used in the census, which was, however, offset by the comprehensive nature of the survey, gives a relatively accurate idea of the housing conditions of the families, of their geographical origin, the date they moved in, the distribution of the income of heads of household, and their employers.

The following conclusions can be drawn in general:

Housing conditions observed:

Overall, they are very poor. All the buildings surveyed on the site, without exception, were "shacks or similar constructions." In other words, they were single-story homes with one room (78%) or a maximum of two rooms (22%), made out of various light-weight materials, and mainly of sheets of tin. They obviously had neither a "bathroom" nor a "kitchen," but areas equipped to a greater or lesser degree for preparation of meals and a toilet in an outside or inside courtyard.

The settlement process and residential areas

An analysis of the people living in the Amar Merzoug shantytown brings out various facts and situations. In the first place, it appears that most of the present population, i.e., 52%, comes from the group of households that were evicted from the main town of the commune in 1986 by the local authorities.

Prior to that time, the settlement rate was relatively low, that is, less than ten new households a year, and there was no significant rise in new shacks observed in subsequent years. The only trend that stands out after 1986 is a slight diversification with regard to the geographical origin of households. It seems that people started to come from other wilayas further away, such as Tebessa, Souk Ahras, and El Tarf, whereas the population had been more or less confined to the local area ever since the shantytown was established in the 1960s.

However, an analysis of the residential areas of all the households shows quite clearly a gradual change in the residential and social function of the shantytown. If the group of households which was rehoused on the site against their will is excluded, it is found that while prior to 1986 most of the households were original occupants, they were replaced by a second or even a third family after that date.

This means that Amar Merzoug has probably become a place where migrants in search of jobs or housing make a temporary home, because shantytowns closer to the city of Annaba are saturated. An examination of the employment of the heads of household confirms this finding. It is apparent that jobs in industry, including unskilled and skilled workers, or foremen, masons,
and painters, were partially replaced by more distant "service" jobs, such as guards, agents, supervisors, taxi drivers, and the like, or by unemployment after 1986.

**Income:**

An analysis of income by the census takers shows that the average income of employed heads of household on the date of the survey was around D8,360 a month. However, if all households are considered, regardless of their status—unemployed, employed, or undeclared, the figure comes to about D5,100 a month. In this regard, it appears that levels of household income are relatively similar, despite the fact that sharp contrasts were found between some households with disposable incomes of no more than D2,000 a month, and others which exceeded D18,000 per month.

It should also be noted that these figures do not include additional or make-up income from secondary economic activities (which are principal activities in some cases), such as informal businesses, but mainly sheep raising.

The GART Consulting Firm's socio-economic study does not provide any information on the subject, but the phenomenon is apparent. At the site one can see several fenced-in areas adjoining peripheral shelters with between 4 and 30 sheep in each. This provides a comfortable income and an important source of funds for the households involved in this activity. The local authorities, fully aware of its existence, have, however, taken care to allow for it by providing an area next to the developed site so that these activities can be maintained. We do not, however, have even an approximate assessment of the income from them.

Along these lines, we should mention that the fact that this shantytown is located at some distance from the closest urban population centers, and that occupation of the site is so extensive, has led to the development of makeshift farming activities, which reinforce its rural character. At the same time, it should also be noted that it is difficult from a methodological standpoint to assess the true level of the population's economic resources.

2.1.2.2. The results of the socio-economic study

Because of the reduced size of the sampling, based on a finite population, it is impossible to make statistical inferences or to make detailed use of the information, by preparing two- or three-input tables. However, the classifications obtained and certain significant overlaps make it possible to provide a more complete description of the attitudes and behavior of residents and their relationships with the social actors in the social structure. We will begin by examining simple distributions of the first type.
Opinions and attitudes:

The following opinions and attitudes generally prevail:

*Explicit housing needs*

Of the 50 heads of household questioned, 100% view demolition of the shacks and reconstruction as a prime necessity. Forty percent of them believe that piped-in water is the second most urgent need, 56% put electricity in the homes in third place, and 52% of them believe that legalization of their land tenure is the fourth priority.

*Financing and cost recovery*

Of the 50 heads of household questioned, 56% responded that they could defray the costs of their upgraded housing and, of that group, 64% felt that they were in a position to make a monthly payment equal to or greater than D1,000 a month for cost recovery, while 16% of them could make an initial payment of D3,000, and then make monthly payments of D100 a month.

*Sources of financing:*

Of the heads of household questioned, 52% intend to borrow the money, 34% intend to use their savings, and the rest are divided between undecided (7%) and no opinion (7%).

*Rehousing*

Finally, as regards the opinions expressed on the actual resettlement in upgraded housing, 42% are in favor of rehousing on the site *[opération-tiroir]*, 24% are in favor of receiving a plot outside the site, and finally the minority (20%) would prefer not to be moved from the plot they were occupying at the time of the survey.

If, however, we look at the relationship between disposable or readily available income in each household, or in other words the income level and whether or not there are monetary savings, and the date on which the family occupied the premises, a certain facts emerge.

In the first place, it appears that opinions regarding the nature of residential projects, i.e., whether to remain or leave, are much more closely related to how long the people have been living there than to income. For a given income bracket, households that moved in during 1985 and 1986, which for the most part were the families that had been displaced in Sidi Amar, seemed more inclined to remain where they were than did the households which had moved in more recently. In the second place, it appears that the declared disposable income, primarily in the form of wages, was not the determining factor behind the tendency to want to "take a plot of land elsewhere after the shacks are torn down." This attitude was most prevalent (82.4%) among households which, no matter what their level of declared income, were willing to "use what they had saved," or in other words households which believe they have enough savings to build their own housing.
These results, and other not described in this analysis, seem to imply the following:

1) There is a general tendency to put down roots on the site, which is seen primarily in households which, regardless of their income, have been there for over ten years. Time seems to have had its effect, and households plan to devote an important part of their financial efforts to becoming a lasting part of the on-site resettlement project.

2) It would appear, and this is not in the least paradoxical, that it is the households that moved to the site more recently who believe "their savings" would enable them to participate in an alternative residential project, despite the fact that their income is the same as or even less than that of the longer-term households referred to earlier.

All things considered, this leads one to conclude that it is the few households that do not have such strong ties to the site and believe that they have "savings" in one form or another (monetary savings, but also probably livestock) feel capable of developing a residence away from the site, according to a procedure other than the one proposed under the program.

Caution, however, is called for since this attitude could in the final analysis be attributed to an overestimation of their financial capacity, which after all is relatively limited, and to a failure to comprehend precisely what the project is about.

2.1.3. The impact

It is impossible to talk in terms of real negative effects with regard to residential conditions. Resettlement of all households in core housing units not only means that these families have access to property they can hand down to their heirs, something that was not available before, but also that they have access to social recognition. In fact, to have housing recognized by the government and society at large means above all access to a dignity and a social existence whose benefits are easily recognized: a street address which permanently elevates the residents to the category of city-dwellers; an actual "home" where they do not have to be ashamed to invite friends and relatives; relinquishment of the status of "dead" because they are living on the fringes of the city; and other considerations of this sort.

The interviews with the persons affected confirm the positive effects in terms of reducing the costs of maintaining their families, despite the appearance of false payment constraints related to the new fixed costs of the housing.

According to the inhabitants, the considerable reduction in the costs of health care, transportation (taxis did not want to come into the shantytown, or if they did, they would charge exorbitant fares, and public carriers had no lines going past the site, etc.), and the constant, expensive maintenance of the fragile shacks, vulnerable to bad weather and quick to deteriorate, and so forth, more than offset the increase, if any, in new expenses as a result of the upgraded housing.
The parties concerned also seem to have a very clear idea of the monetary value of their housing once it is regularized and completed. The profits they could realize if they should sell the minimal core housing unit offered free of charge by the State are nearly ten times greater than the initial capital outlay.

In fact, a quick estimate shows that the serviced lots with housing acquired for D20,000, or the cost of buying two sheep, could be immediately resold at the price in effect on the local market of more than D500,000, taking into account only the price per serviced square meter on the market, plus D350,000, the amount paid by the State as aid to low-income residents.

2.1.4. Consultation regarding the results of the census

There were no consultations with the people in the context of the census. The opinions expressed on the subject of the resettlement project were gathered by means of a socio-economic survey. The majority was in favor of the resettlement project.

The few reservations voiced on the "opération-tiroir" [upgraded housing on the same site] came mostly from those households which had moved to the neighborhood, most recently i.e. the most mobile group, who have just begun their migratory process. For this group, the location of the site is not a clear advantage in their search for employment or additional sources of income, in view of the economic stagnation prevalent throughout the region at this time. What was important to them from the start was not to put down roots at a place that had no benefits in terms of job opportunities, but rather the possibility of residential mobility offered by the slum dwelling.

It is worth noting that these hesitations disappeared when more complete and detailed information on the advantages of the rehousing operation was provided, in the form of formal consultation procedures (the associations) and informal procedures (individual talks).

In the final analysis, all the people affected by the project accepted resettlement at the site, according to the arrangements and conditions explained by the local authorities and operators. This unanimous support for the project was largely facilitated by the "pedagogical" nature of the core unit housing operation conducted in Sidi Amar, the main town of the commune, which gave the inhabitants an opportunity to see for themselves exactly what the residential project consisted of. The actual-size models of core housing units built at other sites were visited by most of the heads of household. This made up for the fact that most of them were not familiar with the standard plan.

Moreover, the inhabitants consulted indicated their acceptance of the 80 m² lots, even when that figure represented a reduction of more than two-thirds of the area they were currently occupying. The advantages to be drawn from the operation seemed as a whole to outweigh the disadvantages of having a smaller lot.
2.1.5. Additional censuses and surveys required

In view of the reliability and accuracy of the basic information collected for the purpose of identifying and processing the beneficiary households, there is no need to repeat the census. It would, however, be useful to look into the possibility of conducting a survey to evaluate the impact of the resettlement several years after it is completed.

2.2. THE RESETTLEMENT SITE

2.2.1. The choice of the site

The site of Amar Merzoug was selected because it meets the following four requirements:

i) The existing housing conditions at the site meet the national government's aid eligibility criteria;
ii) The resettlement can be accomplished there with a minimum displacement of the local people;
iii) The land available there is large enough to cover the entire program, without entailing any major problems of acquisition and transfer;
iv) Undeveloped land is available adjacent to the site of the shantytown for construction of infrastructure and plot servicing facilities for the first housing blocks, without necessitating the displacement of the local people.

2.2.2. The site capacity

The physical features of the land, including its topography (relatively flat with a 0.5% to 1% grade), and the nature of the soil (slightly clayey sand), the size of the area (20.69 hectares), and its legal status (government-owned land), all make the site of Amar Merzoug eligible for the large-scale rehousing program comprising not only the program to resettle all the households occupying the site, but also the serviced lots developed to prevent slum expansion and lots developed for commercial purposes, community facilities, and other urban space (see Table No. 2).

2.2.3. Acceptability of the site

The people affected by the project know the site, since they live there, and in some cases have been living there for over 30 years. Over 75% of them have approved the option not to move or the "opération-tiroir" option set out in the socio-economic survey.

2.2.4. Replacement housing

As we explained earlier when analyzing the results of the socio-economic survey, the target population has accepted the proposed housing strategy of the project, consisting of ownership of the lot, assignment of a government-financed core housing unit at no cost to them, cost recovery, size of the lots, and so forth.
The lack of information on the content of the architectural design of the core housing unit caused some problems in the beginning. The scale model was not shown and presented directly to the local residents, but to the members of the neighborhood association instead, and they had a hard time describing it to their people. These problems, however, were quickly solved by giving the residents an opportunity to see first hand a similar model built in Sidi Amar, the capital of the commune.

2.2.5. Farming activities

The project includes an arrangement to transfer the three sheep pens surveyed by the neighborhood association and the APC to an agricultural area adjacent to the site, located less than 300 meters from their current location. This voluntary transfer of the livestock operation will not entail any financial losses for the persons concerned.

This land is located in the ZAC (Commercial Activity Zone) set aside under the POS for Sidi Amar. It will be appropriated for the purpose of raising livestock. The land will either be leased to the commune, owner of the ZAC, at very low rates (the price for leasing agricultural land), or else ownership will be transferred to the livestock farmers in question at the selling price for pastureland, or under D20 per m².

2.2.6. The site development arrangements

The same arrangements and procedures for acquisition, subdivision, and rehousing used for the first segment of the Amar Merzouq program, the Amar Merzouq I subproject, will apply to the second segment of the program.

2.2.7. The development stages

The only arrangements planned involve incorporating commercial lots on the site so that small retail businesses can be installed in the vicinity, to supply the people's needs for essential goods, as well as to introduce a certain economic and social vitality in the neighborhood.

3. ENVIRONMENTAL ASPECTS

3.1. The Environmental Situation

The studies conducted by the environmental inspectors of Annaba Wilaya and the analysis contained in the CREDES report clearly show that there are no air pollution risks involved.

The Derradji Redjem environmental observation post located two kilometers from Amar Merzouq has recorded the concentration of dust at 364 mg/m³ of air, or in other words above the WHO standard of 80 mg/m³. According to the Annaba environmental inspector, this does not, however, constitute excessive air pollution.
This pollution comes from the El Hadjar steel complex, located some 10 km further to the east of the site, is not constant, since the dominant winds blow along a north-south corridor, and so generally bypass the impact zone.

3.2. Pollution abatement measures

A series of measures to abate the air pollution in the area surrounding the El Hadjar steel complex, the primary source of the contaminants, has been implemented since 1996. They include the following:

- Studies financed by the World Bank for the purpose of identifying the pollution and defining treatment procedures and strategies;
- The effective implementation of abatement operations guided by the World Bank for the ENSIDER and ASMIDAL (fertilizer) complexes;
- A program for treating dust from the PMA unit located inside the steel complex, which will begin in March 1998. This treatment will consist in replacing the filters, according to a projected program designed by World Bank experts.

The other abatement measure involves protecting the site from flooding. It is described in the following table.

<table>
<thead>
<tr>
<th>No</th>
<th>Abatement Measure</th>
<th>Action</th>
<th>Cost</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>01</td>
<td>Protection of the site against flooding</td>
<td>The soil is made up of quartzose dune sands which separate Fetzara Lake from the old Annaba lagoons. These sands, which are 3-4 m thick in the area of this settlement, lie on top of an alluvial series referred to as lagoon-marine sands and clays. The land in question is located above the drainage canal, which is downstream from the project and serves as an outlet for the natural reservoir (lake). (Natural drainage system)</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

4. ASSETS

The principal economic assets surveyed consist of 3 sheep pens and stables built of scrap materials. The pens are not covered, and include a small shelter made of tin that provides cover for the animals during storms. The livestock totals around 40 sheep and 10 cows.
The measures adopted consisted in transferring these pens and stables to the commercial activity zone (ZAC) adjacent to the site, provision for which is included in the POS for the commune.

5. INCOME

5.1. Impact Assessment

The resettlement operation will not have a direct negative impact on household income. On the contrary, the site improvement work, involving servicing the sites, but mainly construction of the core housing units, will directly inject additional income by employing local labor at the construction sites. This labor will be hired primarily from a pool of unemployed workers and young people without jobs living on the site.

The talks held with the inhabitants and members of the neighborhood association show very clearly how this possibility of additional income as a result of the construction and infrastructure projects is incorporated into the households' economic strategies. A quick evaluation shows in fact that 100 work days paid at the level of the SMIG [minimum wage] or a little more (piece-work) would enable the households to pay off in full the price of purchasing their lot.

We have estimated that in 24 months, the project would create jobs for about 100 persons, at the rate of 120 work days each, for a total of 12,000 work days paid at the rate of D400 a day, for total earnings of D4,800,000, which would be directly injected into the families residing on the site.

Moreover, the transfer of the livestock operations to the adjoining ZAC will not entail a substantial loss of income. Since it is a secondary source of income, moving the operation will not have a direct impact on the principal income of households.

5.2. Income recovery strategies

The relocation of the animal pens to the ZAC will not only allow the households concerned (three households) to recover their secondary income, but will also enable them to make this activity a primary, profitable business, to the extent that it opens the way to eligibility for agricultural investment aid.

5.3. Consultation on income recovery strategies

The Sidi Amar APC consulted with the heads of household affected by the resettlement of the animal pens. Despite the illegal and informal nature of these activities, it offered to cover all the costs involved in moving the livestock operation, by making available to the parties concerned the means to transport the animals and by providing various types of assistance in building the new shelters.
5.4 and 5.5. Compensation and the Risk of Income Loss

The rehousing will not have a direct impact on the households' income, since the overwhelming majority of their income is derived from activities pursued away from the site. The authorities and operators in charge of the project believe that economic compensation is not required, except in the case of the households with secondary income from livestock operations, and the risk of loss of income is nil in the short and medium run. On the contrary, the project will make it possible to inject considerable resources into the site, and these resources could be used by the rehoused families to pay for their lots and finish the work on their homes, or to create small businesses within the village itself.

6. PARTICIPATION AND CONSULTATION

6.1. The consultation process

Even before the association known as "El Amel of the El Gantra Shantytown" was established on February 14, 1995, the inhabitants of the site had approached their municipality, through the Sidi Amar Communal People's Assembly, and the representatives of the Urban Affairs Department of the wilaya of Annaba to let them know that they were interested in a resettlement operation along the lines of the one initiated in the communal capital.

The creation of a neighborhood association gave them a structure for consultations and local participation. Various meetings were subsequently held with the local people for information and consultation purposes, and the proceedings were recorded in minutes drawn up pursuant to law. However, the delays experienced in starting up the project penalized the officers of the association, who were accused of being lax.

6.2. The reactions of the people

They were positive, and the local inhabitants expressed their interest in the rehousing operation even before it was initiated by the local authorities.

This interest was demonstrated both in writing, in the minutes of the meetings of the neighborhood association, and verbally, in discussions with the operator (AADL) the Urban Affairs Department, or the APC.

6.3. The parties involved in the operation

They consist in the following, listed in order of importance:

1. The Urban Affairs Department (implementing agency)
2. The Sidi Amar Communal People's Assembly (public authority)
3. The Housing Improvement and Development Agency—AADL (the operator) (See presentation card in the attachment)

6.4. Dissemination of information

The information is transmitted verbally, in the case of meetings for information, coordination, and consultation with the local people and members of the neighborhood association. Decisions are transmitted by mail to the headquarters of the association, local No. 346 located at Amar Merzoug.

7. IMPLEMENTATION OF THE SUBPROJECT

7.1. The Institutions

7.1.1. Identification of the institutions

a) The institutions in charge of carrying out the resettlement plan and their operations and responsibilities are as follows:

<table>
<thead>
<tr>
<th>PARTICIPANTS</th>
<th>OPERATIONS AND RESPONSIBILITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Urban Affairs Dept.</td>
<td>1. Implementing agency</td>
</tr>
<tr>
<td>2. AADL</td>
<td>2. Developer: project manager</td>
</tr>
<tr>
<td>3. Commune of Sidi Amar</td>
<td>3. Manager of construction subsidies</td>
</tr>
<tr>
<td>4. CNL</td>
<td>4. Accountant</td>
</tr>
<tr>
<td>5. GART Consulting Firm</td>
<td>5. Prime contractor, in charge of studies</td>
</tr>
</tbody>
</table>

b) The institution in charge of setting up the income compensation program is the Sidi Amar Communal People's Assembly.

7.1.2. Resettlement responsibility

The responsibility for resettlement will be assumed by the "Technical and Administrative Assistance Unit" [Cellule d'Assistance Technique et Administrative], which will be set up at the site for a period of five years once the project is started up. It will be made up of representatives from the following entities:

1. The implementing agency (Urban Affairs Department of Annaba)
2. The operator or developer (AADL)
3. The neighborhood association (El Amel of the El Gantra Shantytown Association)
4. The municipality (Sidi Amar APC).
This unit will be in charge of managing the resettlement process, in coordination with the housing assignment committee for the commune in question. These two institutions will share the following responsibilities:

**The communal housing assignment committee:** It will establish assignment lists and post them after it has checked rehousing entitlements and considered any appeals and after the approval of the municipal council. The mayor will post the final lists approved by the committee and the municipal council, at the headquarters of the APC. These lists will then be forwarded to the operator, the AADL, which will be in charge of finalizing the purchase of lots and housing, receiving the total payment or establishing a payment schedule, and finally directing the beneficiaries to a notary to draw up their property titles.

**The technical and administrative assistance unit:** It comes into play once the assignee has acquired the lot. It guides the beneficiary, provides the housing, and assists as the work is being done, such as helping to obtain construction permits, technical advice, and the like. This unit may provide other services and assistance free of charge.

7.1.3. Coordination

To the extent that the APC is the only entity with jurisdiction, coordination will be handled within the technical and administrative assistance unit. There will have to be a delegation of power to enable the unit to perform the tasks for which it will be responsible. Specific resources should be provided to ensure it obtains the materials and equipment it needs, such as office equipment, transportation, communication equipment, and the like.

7.1.4. Capacities

The operator in charge of the project has the following capacity in terms of human and material resources (in the four national agencies):
Table No. 6. Human and Material Resources of the AADL
(Available for the 4 national agencies)

<table>
<thead>
<tr>
<th>HIGH LEVEL STAFF</th>
<th>SKILLED STAFF</th>
<th>IMPLEMENTATION STAFF</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>40</td>
<td>13</td>
<td>29</td>
<td>82</td>
</tr>
</tbody>
</table>

Material resources

a. Computer equipment

<table>
<thead>
<tr>
<th>Microcomputers, with printers and accessories</th>
<th>Digitalization tables</th>
<th>Observation</th>
</tr>
</thead>
<tbody>
<tr>
<td>26</td>
<td>3</td>
<td></td>
</tr>
</tbody>
</table>

b. Vehicles

<table>
<thead>
<tr>
<th>V.L. Automobiles</th>
<th>Average age</th>
</tr>
</thead>
<tbody>
<tr>
<td>20</td>
<td>3 years</td>
</tr>
</tbody>
</table>

Financial references (turnover)

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>94 Fiscal Year</td>
</tr>
<tr>
<td>Initial endowment</td>
<td>15000</td>
</tr>
<tr>
<td>FONAL grant</td>
<td>18000</td>
</tr>
<tr>
<td>MH Grant</td>
<td>7700</td>
</tr>
<tr>
<td>Turnover (revenue)</td>
<td>61200</td>
</tr>
</tbody>
</table>

7.1.5. Training and institutional development

No plan for the systematic training of the staff of the Urban Affairs Department and of operators was developed. A few separate training sessions were, however, organized for some professional staff in the housing sector in 1996.

It is important to build the technical capacity of these institutions by appropriate short- and medium-term training programs, to make them familiar with the working methods of the World Bank, among other things. The area of urban project management could be given priority in this regard.
7.2. THE IMPLEMENTATION TIMETABLE

7.2.1. Schedule

The different stages of project implementation are shown in the following table:

Implementation Timetable: 30 Months

<table>
<thead>
<tr>
<th></th>
<th>Week 1</th>
<th>Week 2</th>
<th>Week 3</th>
<th>Week 4</th>
<th>Week 5</th>
<th>Week 6</th>
<th>Week 7 &amp; +</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition of land</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Studies completed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sanitation work</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads and walkways</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water supply</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resettlement of inhabitants</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

7.2.2. Timetable of operations

In addition to planning the production scheduling and time periods indicated above, and the schedule for expenditures and resource mobilization (see financial sheet in the Attachments), a monthly monitoring schedule will be drawn up. It must be rigorously followed. It will be used to identify any failures to keep to the general schedule, so that they can be dealt with immediately.

7.2.3. Relationship with the ancillary work

The schedule for resettlement of the people in their new housing will depend to a great extent on the work implementation schedule, since the inhabitants cannot be resettled until their housing is completed.

8. BUDGET AND COSTS

8.1. Authority

Financial responsibility for the operation is shared as follows:

- The CNL (National Housing Fund), which manages allocation of housing subsidies at national level, is responsible for 70% of the project cost;
- The developer, i.e., the AADL, acting as project manager, is responsible for 30% of the project cost. This developer, acting under the control and authority of the Urban Affairs
Department for Annaba Wilaya, is responsible for collecting this share from the beneficiaries, so that it can be reinjected to cover the costs of servicing the lots.

8.2. The sources of financing

There are two sources of financing:

1) The National Housing Assistance Fund (FONAL), part of the National Housing Fund (CNL), which provides 70% of the project financing;
2) The beneficiaries, which provide the remaining 30%.

Another secondary source outside the project can be requested. That is the Communal People's Assembly, which can provide services free of charge, financed from its own capital, to assist the residents concerned, as part of its obligations and prerogatives as a public authority. This assistance can take the form of trucks and other means of transportation to move the furniture and personal effects of the inhabitants, bulldozers to demolish the shacks after the new housing is built, and so forth.

The financial circuit can be described as follows:

1) Once the work is done by the co-contractor, a document called a "counter statement" ["attachement contradictoire"] is drawn up every month and approved by the contracting parties, i.e., the Urban Affairs Department, as the implementing agency, the AADL as the operator/developer or the project manager, the Consulting Firm as the main contractor, and the contractor, either a company or a jobber.

2) On the basis of this statement, the contractor will draw up a "statement of work" ["situation de travaux"], which is approved in the same way;

3) The operator draws up a payment order, to which the "work statement" is attached; these are forwarded to the CNL for payment;

4) The CNL makes out the check to the co-contractor.

8.3. Identification of rehousing costs

All the rehousing costs are covered by the budget allotted for the project. The financial sheet provides a breakdown of these costs.
Table No. 6. Investment Expenditures (in MD)

<table>
<thead>
<tr>
<th>Expenditures</th>
<th>Settlement servicing</th>
<th>Site Development*</th>
<th>Construction</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost/ha</td>
<td>Amt.</td>
<td>Cost/ha</td>
<td>Amt.</td>
</tr>
<tr>
<td>A. Land</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of the land</td>
<td>0.46</td>
<td>5.6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B. On-site works and infrastructure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Studies and controls</td>
<td>0.11</td>
<td>1.28</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads</td>
<td>2.45</td>
<td>29.40</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sanitation</td>
<td>1.9</td>
<td>22.80</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Potable water</td>
<td>1.4</td>
<td>16.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public lighting</td>
<td>1.5</td>
<td>18</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity</td>
<td>0.35</td>
<td>4.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other infrastructure (contingencies)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C. Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Studies and controls</td>
<td>0.00</td>
<td>3.72</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Main structural work</td>
<td>0.007</td>
<td>150</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secondary and other work</td>
<td>0.003</td>
<td>65</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D. Off-site work</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Studies and controls</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sanitation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Potable water</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other infrastructure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E. Management costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of operator</td>
<td>0.31</td>
<td>3.77</td>
<td>0.34</td>
<td>4.08</td>
</tr>
<tr>
<td>Taxes (VAT=14%)</td>
<td>0.04</td>
<td>0.55</td>
<td>0.05</td>
<td>0.58</td>
</tr>
<tr>
<td>Other expenses</td>
<td>0.008</td>
<td>0.10</td>
<td>0.008</td>
<td>0.10</td>
</tr>
<tr>
<td>GRAND TOTAL</td>
<td>8.53</td>
<td>120.74</td>
<td>0.41</td>
<td>223.48</td>
</tr>
</tbody>
</table>

* Site development includes slum clearance ("Opération tiroir")

** Includes related costs.
ALGERIAN PEOPLE'S DEMOCRATIC REPUBLIC

MINISTRY OF HOUSING

DIRECTORATE OF URBAN DEVELOPMENT

OF THE WILAYA OF ANNABA

OPERATION TO UPGRADE AND DEVELOP SLUM SETTLEMENTS

PROJECT : SIDI HARBI IV

RESETTLEMENT PLAN

APRIL 1998

SOCIAL HOUSING PROJECT (RHP)
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4. DANGERS FOR THE CHILDREN OF SIDI HARB (FIGS 12-14)
5. VISION FOR THE FUTURE (FIGS 15-17)
1. PROJECT IDENTIFICATION

1.1 Overall Project and Policy Framework

Project description. The project aims to improve urban housing conditions for low income residents in towns in five districts of Algeria, through a series of sub-projects in three components: (i) the upgrading of slum settlements and rehousing the residents in new core units on site (about 2,000 households) with full title; (ii) the provision of basic municipal services (roads, drainage, sewerage, electrification, water and lighting) to unserviced low-income areas (about 6,700 households) and (iii) provision of serviced lots for new individual housing construction, with a subsidized credit scheme targeted to low income and vulnerable households (about 2,900 households).

The role of resettlement in the Project. Resettlement will occur in the case of the first two components. In the first case, slum upgrading, it will affect all residents on site except those whose houses conform to minimum construction standards. In the second component, servicing, it will affect only those residents whose houses have to be moved in order to create easements or rights of way for services to the community. In the first case, resettlement is the component objective, the means by which benefits are delivered to beneficiaries, and the objective is to maximize the benefits and beneficiaries, while minimizing disturbance and inconvenience. In the second case, resettlement is a by-product of the development objective, and resettlement will be minimized. In both cases, the process of resettlement through providing standard, serviced housing and titled lots conforms to the strongest desires of the beneficiaries themselves.

Resettlement policy framework. A resettlement policy framework document has been prepared and revised in accordance with comments made by the World Bank. It lays out the principles and objectives of resettlement, and creates the framework for individual resettlement plans, defining eligibility for project benefits, the rights of the affected population, the table of compensations, the operational and managerial arrangements of the project, and arrangements for monitoring and evaluation. Given the different circumstances of different cities and towns, each Urban directorate evolves its own program, plans and approaches within the context of the policy framework. Although the project builds on already established successful practice, it is recognized that there is still much to learn, and a manual of procedure is being developed to encourage good practice. The Sidi Harb IV resettlement plan was prepared concurrently with the Policy Framework, but prior to its finalization.

Project affected persons. In this sub-project, Project Affected Persons PAP refers to all those persons resident within the sites in which the developments financed by the Project will be undertaken. This includes those who would be rehoused, those whose houses would be left, and those whose occupation or use of the land would be affected. However, since those to be
resetted are entirely beneficiaries for whose benefit the project has been designed, and since they see themselves in this way, the term “beneficiary” is used unless the context demands otherwise.

**Entitlement policies.** Those being resettled will be compensated many times over for any losses in kind, and will enjoy a far higher standard of living than previously. Monetary compensation is neither necessary nor desirable. All residents will be entitled to a fully serviced lot of 90 m² and a core three-room house on site (or on an immediately adjacent site for a minority, of 45 m² of a replacement value of approximately 350,000 DA (around US $6,000). All residents (family heads), who have no legal rights to the land and whose present constructions are illegal, will have access to full land and property title, and the right to obtain construction permits to extend their dwellings horizontally and vertically (1 additional story). It has been determined that the entire population to be resettled are entitled to State assistance.

All residents were enumerated, and there have been no additional settlements since that time, the local community association having ensured that no newcomers have constructed dwellings, and there being in any case no vacant land on which this could take place. In the case of polynuclear families, each nuclear family unit will be entitled to project benefits.

Those families who prefer not to remain on site, but to apply for assignment of a “lot de prévention” will be enabled to do so and will be eligible for state assistance in housing construction according to the available schedules.

It is not the policy of the project that beneficiaries should get all benefits entirely free, but rather that they should be required to make a modest contribution, which is well within their means and accepted by them. They will pay 20% of the land title (DA 30,000), a portion of the costs of servicing for connections to their house (DA 25,000 or about 16% of the costs): to put this in proportion, that is the equivalent of about 5 sheep, or about 5 months of the average resident household income. The purpose of this cost-sharing is to enable the benefits to be more widely spread, and to stimulate the beneficiaries towards an attitude of self-help and away from the expectation that government should provide everything free.

Special arrangements will be made for vulnerable people either by financial assistance in order to allow them to participate in the project or, as appropriate and for a very small number, allocation of rented social accommodation (apartment in town).

The 38 families living in the adjacent forest, who are being resettled for reasons of environmental protection, will be treated as full project beneficiaries.

**Valuation.** The site in question is Annaba municipal land, presently used entirely for residential purposes in housing constructed illegally by the inhabitants of the site over the last thirty years. The inhabitants are unanimous and vocal in their position that, in comparison with the future value of the housing and lots which they will acquire, any value that might be attributed to the present structures is so trivial as not to merit the process of valuation. They would willingly participate in the destruction of their present housing. In their view, that any process of valuation of any aspect of the present site would be a complete waste of time, and an unwelcome delay in
the process of rehousing which they have been expecting for many years. Their demand, presented orally and in writing, is for the most urgent implementation of the project.

The replacement value of a slum dwelling is not more than DA 25,000 DA, including labor, and in most cases considerably less.

1.2 Description of the project component

Project site. Sidi Harb IV, in the town of Annaba, is the largest of four sectors of the huge slum area of Sidi Harb. It is 2.5 km west of the city center, at the bottom of foothills of Jebel Eddough (see map 1).

General situation. Annaba is the fourth largest city in Algeria, with a population of around 400,000 whose settlement dates at least from Roman times (known as Hippone, famous as the birthplace of St. Augustine, then as Bone under the French occupation). It became the site of two major industrial complexes, the major SIDER steelworks of El Hadjar, 15 km to the south, which employs 7,000 workers; and the fertilizer complex of ASMIDAL, next to the harbor, 2 km south-east of the city center, which employs around 3,000 workers.

Growth of slum areas in Annaba. Small slum areas (bidonvilles) existed before Independence, but their major growth came with the construction of SIDER and its operation. During the 1970s, Annaba's population grew at an annual rate of around 10%. Many of the slums were concentrated around the steel mill, but slum areas in the city also grew rapidly, particularly Sidi Salem and Sidi Harb. There were at least 24,000 slum dwellings counted in 1987, housing approximately 170,000 persons. A site specific program of rehousing slum-dwellers in social housing (apartments) was not adequate to deal with the problem. In 1992 a new approach was developed, based on development in situ of core housing units financed by the government, which reduced the cost per unit to one third of that of an apartment unit. From 1993 to the present, this program constructed 3,200 units, benefiting some 22,000 people. It was in this context that a program for Sidi Harb was prepared in 1995.

Three sectors of Sidi Harb, now known as Sidi Harb I, II and III, have already been substantially developed, with servicing, housing construction and slum clearance. Inhabitants in the other three areas have already been rehoused in situ in core housing units of 45 m² area, on 90m² lots. A small number of families from other parts of the city have also been resettled in this area. Sidi Harb IV, the largest and densest of the sectors (11.76 ha) was designated the priority area and proposed for World Bank financing. Its development has yet to start, and is now a matter of the greatest urgency, its inhabitants considering themselves to have been penalized in comparison with their neighbors.

Project population. The site (Map 2) contains 468 households comprising 3,830 persons. Health, sanitation and living conditions are extremely poor. The site is characterized by steep slopes of 2% to 40%, and is cut by a flood drainage canal lined with cement but in need of repair. The drainage canal also serves as a sewerage outlet and a depository of domestic waste. The constructions on the site are primarily cement block housing without foundations or
MAP 1: WILAYA (DISTRICT) OF ANNABA:
LOCATION OF SIDI HARB IV AND THREE OTHER SLUM REDEVELOPMENT PROJECTS

Approximate scale (Km)

Algeria: Low income Housing Project
Sidi Harb IV Resettlement Plan
reinforcement, roofed with asbestos cement sheets. All but 39 houses are poorly constructed, in extremely poor condition, flimsy and in need of constant repair, with cracked walls and leaking roofs. There are no social amenities. The children go to school in the neighboring neighborhood. Fuller details are provided below.

**Project objectives.** The project objectives are (i) to meet the urgent and priority housing needs of the population on site by the construction of 500 new core housing units; (ii) to provide servicing (streets, drainage and sewerage, street lighting, electricity and domestic water supply, sidewalks, roads); and (iii) to integrate the site and its populations into the framework of urban planning (urban master plan {PDAU} and land occupancy plan {POS}) and thus render it eligible for future investment by the appropriate agencies in public amenities (space has been identified and reserved for a school and community social center has been included in the site plan, and a health post is planned immediately adjacent to the site: see map 2).

**Land status, acquisition and transfer.** The land was state land until 20 August 1989, on which date its ownership was transferred to the Municipality of Annaba by authority of a decision made by the Governor of the District of Annaba¹, and the subsequent act of cession by the Director of Lands of Annaba District² dated 14 July 1993 and published by the Land Commission³ on the 4th of October 1994. The Municipal Land Agency⁴ (AFL) is authorized to subdivide and sell the parcels to private citizens for residential and commercial purposes.

Under the project, the site will be divided into 500 lots for social housing units designated for the population of the site, 6 commercial lots, and 34 lots designated for low income families. Thirty nine lots on which residents have built housing of sufficiently high standard will be retained and demarcated.

Once the project is under way, every family head will be provided by the AFL with a certificate of lot assignment⁵ which entitles the holder to full proprietorship of a single designated lot after payment of a nominal price has been made. The family head takes the receipted certificate to a lawyer, who, on payment of a modest fee, draws up an act of ownership for the new landowner, and who registers the title in the owner's name with the appropriate authority.

Even before transfer of title, the owner has security of tenure on the basis of the certificate of assignment and may occupy the house.

---

¹ Le Wali de Annaba.
² Le Directeur du Domaine de la wilaya de Annaba.
³ Le service de la Conservation fonciere.
⁴ L'Agence Fonciere Locale (AFL).
⁵ Attestation de decision d'affectation du lot.
Procedures to minimize displacement. Displacement is minimized by the resettling of people on the site they presently occupy. Resettlement in order to improve the standard of living is the object of the sub-project, through the conversion of illegal, haphazard and unsafe settlements into an integrated, legal settlement in which all heads of household have titles to their lots, and in which a marginalized population is enabled to have access to the full benefits of urban life which they strongly desire. Minimization of involuntary displacement in the context of this project therefore means minimizing disturbance, which is done through five mechanisms:

(a) Any whose houses are considered of sufficient standard will retain their housing and lots. In the case of 39 households, the houses have been accepted, and the boundaries of the lots will be drawn to conform to site norms.

(b) All families will remain on the site, except for (i) the first group of 32 families, who will be resettled immediately adjacent on the site of Sidi Harb III (a distance of some 100 meters) in order to free up the first block of the site for housing construction; (ii) the 38 families who will be moved from the forest; and (iii) those few vulnerable families eligible for rented social accommodation.

(c) The disruption caused by displacement is also ensured by the method of “opération tiroir”. By this method, described in more detail below, the site is divided into blocks, and each block is successively moved to housing constructed on one or more adjacent blocks. Thus affiliations of neighborhood (often linked to family relationships) can be preserved.

(d) Those families who wish voluntarily to move to another site (suitable for those with greater means and ambitions to construct a larger house) may apply for assignment of a “lot de prévention”.

(e) Preservation of the main characteristics of site layout in the development plan (arrangement of houses and pathways).

Entitlements and benefits

The Municipal Council is responsible for designating beneficiaries. All those who were enumerated as resident on the site during the site census conducted by the council and the local elected committee are eligible for project benefits, together with those whose subsequent appeals for inclusion have been accepted by the council. The benefits, summarized in the table below, are to housing ready for occupation constructed in advance on the site, with full and transferable title to fully serviced lots of 90m², sewage connection to the municipal networks, drainage, roads and sidewalks.

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6 Assemblée Populaire Communale: APC. See below (xx) for description of the composition, responsibilities and functions of this organism.
The value of the constructed house is 350,000 DA (about $6,000), and the resale value of a
serviced lot plus core unit is not less than 6,400 DA per m², or 575,000 DA ($9,900). Against
this the beneficiary has to pay, in order to become an owner, the sum of 45,000 (500/m²) for the
lot, plus other charges. Against a total 65,000 DA ($1,120) may be paid in installments over a
period of at least a year, and a maximum estimated loss of housing worth at most 25,000 DA
($430).

These economic benefits are at least six times the cost to the beneficiary. To this must be added
the intangible value of a legal and secure status, and all the benefits of living in a safe and
healthy environment. The immense importance which the beneficiaries attach to this is
documented in the socio-economic information provided below.

Table 1: Summary of losses and entitlements

<table>
<thead>
<tr>
<th>Type of loss</th>
<th>PAP</th>
<th>Entitlement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of land use (residential, illegal occupation)</td>
<td>Family head, eligible for state assistance, not indigent</td>
<td>Right of ownership to serviced lot of 90m² on the site on payment of 45,000 DA ($750)</td>
</tr>
<tr>
<td>Loss of land (legal occupation)</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Loss of housing (illegal construction) of maximum value DA 25,000 ($430)</td>
<td>Family head (male or female)</td>
<td>Free core unit, fit for occupation, of 38m², costing $6,000</td>
</tr>
<tr>
<td>Loss of housing (conforming to housing standards)</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Loss of land and housing</td>
<td>Indigent PAP (proposed by local committee and accepted by Municipal Council)</td>
<td>Either (i) assistance from Municipal Council, local community, and other social safety net resources sufficient to meet ownership requirements or (ii) social housing at a monthly rent of (4,000 DA: $69) with the possibility of social safety net assistance</td>
</tr>
<tr>
<td>Loss of agricultural or pasture land, trees, gardens, crops</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Loss of income</td>
<td>None</td>
<td>None</td>
</tr>
</tbody>
</table>
2. **PREPARATION OF RESETTLEMENT ACTION PLAN**

2.1 **Conduct of census and socio-economic surveys**

*Conduct of census.* A complete census was conducted on all slum dwellings. The 39 houses which were of acceptable quality were not included, since the families were not eligible for rehousing. The enumeration was done by the municipal regulatory agency of lands and real estate (La Foncière),\(^7\) in association with the community committee ("El Ansar of Sidi Harb" (The Victorious of Sidi Harb) in April 1997. Agency staff and the members of the association physically painted an individual number on each slum dwelling, and completed an investigation form for each family according to a household questionnaire form proposed by the World Bank. A “household” was defined as a nuclear family. Thus a single slum dwelling might contain two or more “households”. Thus the number of “households” enumerated was greater than the number of slum dwellings.

Information was also obtained on number of persons in each household, type of construction, sanitation facilities, use of construction, juridical statues, number of rooms, electricity, water, kitchen, sanitary facilities, bathroom, family type, whether house was bought, constructed or inherited, priority of needs, willingness to pay for future lot and amenities, and whether payment would be made by lump sum or in installments, whether people would prefer to remain or move to an alternative location.

The household questionnaire, in French, was translated verbally into Arabic by the investigators. There was no trained sociologist on team, and no qualitative information was obtained at the time. An analysis was conducted on a sample of 50 households. Subsequent evaluation of this exercise led to the conclusion that while the census results appeared to be reliable (or at least could be recalculated with qualification, the socio-economic evaluation results were not. The negative evaluation of the socio-economic evaluation was based on the grounds that (a) the sample was too small to yield statistically significant results and (b) the meaning of many questions, and the way the questions and answers were interpreted, was in many cases unclear. This qualification applies particularly to those questions on future intentions, willingness to pay or ability to pay, and willingness to move.

A subsequent socio-economic evaluation was undertaken in January 1998 by a consultant professional urban sociologist who reanalyzed the results of the sample of 50. The consultant also visited the site and interviewed local inhabitants, both the committee and ordinary citizens, and qualitative information was added during a subsequent World Bank mission in March 1998, which included site visits, interviews and the making of a videotape.

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\(^7\) *L’agence communale de régulation foncière et immobilière.*
This reanalysis resulted in a definitive number of 468 eligible families, and no non-eligible families. Copies of the census results are retained at the Annaba Municipal Council (APC) and at the Annaba Municipal Land Agency (AFL). A copy of the socio-economic reports have been transmitted to the World Bank.

2.2 Findings of the socioeconomic study

The overwhelming conclusion from the subsequent evaluations, which did not come out clearly in the first questionnaire survey (See Annex 1, section 6), is the strong and apparently unanimous desire of the population to be resettled in the proposed project.

**Housing.** 16 percent of the houses are three-roomed, 22 percent are one-roomed, with the great majority being of two rooms. Only 2 percent have four rooms. Housing occupation ranges from 1 to 6 persons per room, with a mean of 2.7, and an average household size of 5.5.

Structurally, all but 39 of the slum dwellings in Sidi Harb are in an unsatisfactory state. They are constructed either of iron sheets, or of concrete blocks, roofed with asbestos cement sheeting, often cracked, broken or partial sheets, improperly secured. Structures thus require constant maintenance. Most have no proper foundations, and are damaged by flash floods or storms. Many of the strikers are unsafe (the area is in Seismic Zone II. (moderate risk. Inhabitants place little value on their present structures, have little wish to salvage materials, and consider them an embarrassment. Several stated that, if they could get a new house under the project, they would willingly destroy their own houses without waiting for the municipality to come and do it.

**Possessions.** The level of household possessions varies considerably among residents. Some houses are almost bare, except for some bedding and basic cooking equipment. Others have refrigerators, televisions and satellite dishes (the latter two often being acquired by group purchase). Possession of consumer durables is inhibited by the fact that most slum dwellings cannot be securely locked.

**Sanitation** is rudimentary. Many houses have their own septic tanks, but some discharge directly into the canal. Untreated sewerage is a hazard, particularly for children. However, no convincing evidence was found to indicate that morbidity or infant or child mortality rates were higher in Sidi Harb in other non-slum parts of the city.

**Roads.** The site has no proper roads, and is only partially accessible by motor vehicle. roads.

** Electricity.** The majority of houses are connected by illicit connections ("piratage") either directly to the supply line, or indirectly to a legal user, or to another illegal user. At least half of the houses seem to be so connected—in many cases in such a way that kinship affiliations may be traced through the informal electricity network. Almost all of the connections are extremely unsafe, and may be easily detached. In 1997 a child was electrocuted. Most people have to pay another user for electricity, at rates apparently considerably above those applying to legal connections.
Schooling. Home conditions provide a strong disincentive to home study: absence of lighting, and crowded conditions.

Dignity and shame. Inhabitants of Sidi Harb feel a deep sense of shame, resentment and embarrassment on account of their habitat. Many and vivid accounts were given of what it means to live in an illegal slum. Without a street address, one is virtually "without fixed abode". Daughters find marriage difficult as her parents could not invite prospective in-laws to visit. The difficulty of washing properly is a matter of great shame, great importance being attached to having a house with a proper bathroom, toilet and shower. Husbands and wives lack privacy, and reportedly may spend years without enjoying normal marital relations. The attraction of a proper house, a street address, served by a road usable by motor vehicles, contrasts so sharply with present conditions that people wish to make a radical break with it. This explains the lack of interest in valuation of present property. It also explains the relative indifference to moving or remaining on site. Some said they would move a hundred kilometers if the end result were ownership of a proper house.

Social organization. The population is characterized by its relative homogeneity, its integration into the urban economy, and its entrepreneurial character, all positive signs for project success. Settlement was largely by people who already had jobs in the city, and were looking for a place to live. The majority (88 %) moved from Annaba town, only 12% having come directly from other neighboring wilayas. A first layer of settlement began in the 1960s, a post-independence urban influx comprising mainly artisanal job-seekers (electricians, welders, cooks, builders) for whom shanty town dwelling was the only affordable solution to their residential needs. 14 % of the inhabitants came before 1988. This group is well integrated into urban life, and their children and grandchildren have been able to get education and, for those of working age, often good, even professional, positions in employment.

From 1988 to 1990 there was rapid influx, accounting for 70 percent of the inhabitants; by which time the site had become crowded, and new arrivals found it increasingly more difficult to obtain a place. This second group of people is rather younger, less educated, less qualified, and less well employed.

Incomes. The survey indicated family incomes ranging from DA 5,000 to over 8,000, with a mean of around DA 8,500. However, this figure should be taken as the declared income of the household head from one employment. It appears likely, from informal inquiries, that average family incomes are perhaps 50% more than this. Therefore, this type of urban resettlement program is attractive to them. On a sample of 50 (too small to be statistically significant) declared household head incomes were as shown on the following page:
Sidi Harb: Income distribution (sample of 50 households)

<table>
<thead>
<tr>
<th>Income (DA) (household heads)</th>
<th>Number</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt; 5,000</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>5,000-8,000</td>
<td>23</td>
<td>46</td>
</tr>
<tr>
<td>Over 8,000</td>
<td>6</td>
<td>12</td>
</tr>
<tr>
<td>Undetermined</td>
<td>15</td>
<td>30</td>
</tr>
</tbody>
</table>

Vulnerable people. The site contains some widows and single women who had come to town for similar reasons, for example for domestic service, and were able to secure a place for themselves. Most of these would apparently be able to participate in the project (i.e. manage the cost sharing).

Local institutions. The only local institution is the El Ansar Association, the residents' "comité du quartier" of Sidi Harb which is registered under the law of non-profit organizations. It has 15 elected members, and represents different interests of the site population. The committee was actively involved in the census of households eligible for rehousing, and in the socio economic survey undertaken by the Annaba local land agency (AFLA) which, however, was primarily concerned with investigating income levels. The association's support among the residents is based on the effectiveness and persuasion with which it presents the demand for the implementation of the housing project to various authorities.

Delays encountered by this project, which the site residents have now been awaiting with eager anticipation for three years, had weakened support for the committee. The inhabitants are only too well aware of the success of the project in the neighboring sites of Sidi Harb I and II. The implementation of the project would greatly strengthen community interest in and support for local organization.

Needs and priorities. The need for and priority of housing was overwhelmingly demonstrated in many different ways during the later stages of the social assessment, most notably by the association taking minutes, presenting a petition (Annex 2), and participating in the making of a videotape.

Impacts. The impacts of the project are expected to be overwhelmingly positive and of many types. The most immediate socio-economic impacts will be a major increase in assets, detailed in Section 4 and Table 2 below, together with a propensity, expressed clearly in the socio-economic study and evident in similar neighboring projects, to invest substantially in further home improvement. However, four other direct benefits bear on net family incomes (reduction in costs, and increased revenues):
(a) Clean domestic water supply and effective sanitation and waste disposal is expected to bring an immediate and sustainable improvement in public health, not only to the community, but to adjacent areas, and to reduce greatly the risks of water-borne diseases downstream, a significant point since Sidi Harb is upstream of a large urban population.

(b) The provision of permanent housing with electrification will improve the quality of daily life and in particular the ability of children to learn at home, as well as eliminating the mortal dangers of unsafe wiring or of collapsing walls.

(c) The provision of roads, sidewalks and drainage will make the site accessible to public and private transport.

(d) In the longer term, there is expected to be a measurable improvement in net incomes, detailed below in Section 5.

To these net improvements in income stream may be added other benefits:

(e) There will be a short-term improvement in incomes, as many residents will take advantage of local part-time or full-time employment in housing construction. This is discussed below in Section 5.

(f) There is expected to be a positive impact on the educational achievement of children.

(g) There will be improved indices of residential overcrowding (measured by occupation per residence and occupation per room).

(h) The most important change in the view of the great majority of the population—more than incomes—is the enhanced sense of dignity and self worth. This is conferred primarily through the status of being a full and legal urban resident, and property owner (thus in a position to leave something of value to be inherited by children).

(i) The major environmental impact will be the removal of a major source of pollution, the slum itself.

Negative impacts: No negative impacts are anticipated by the population concerned. They consider the project to be entirely beneficial from every point of view and, in the words of the association, to be a development that will enable them to "resolve 90% of our problems". Their only concern is the length of time they have had to wait.

Consultation on census results. The local community were involved in the census, and are aware of its results.
**Review and revision of census.** An additional enumeration will be undertaken of the 38 families living in the forest, who have been added to the project at the request of the World Bank. They had been omitted from the initial census as living outside Municipal boundaries.

**Further census and socioeconomic work required.** Additional socio-economic work may be undertaken after the project has begun. Any attempt to undertake additional work before physical works begin would risk a negative reaction from the population. It would be appropriate to have, either just before or just after resettlement, a simple but accurate participatory baseline survey that would measure key indicators of living conditions and incomes. Such a survey should be repeated after two to three years, and perhaps again after 5 or 6 years, to capture long-term benefits. Later studies could also include retrospective indications as to whether the sense of individual self-worth and level of community organization has changed significantly, as well as identifying any possible negative effects such as sections of the population who have been unable to derive significant advantage from resettlement.

### 2.2 Resettlement Sites

**Site Selection.** The site chosen is the site selected by the residents themselves. It lies within on the western municipal boundary, on rising land overlooking the city and adjacent to a hospital. Were it not for the presence of the slum, it would be a choice development site. The alternative would be to scatter and displace the population to other rehousing sites elsewhere in the city. The inhabitants prefer this site because of the relatively easy access to the city center (2.5 km) and to their places of work. Ninety two percent of heads of households work in the city.

Individual families can elect to move to "promotional sites" where the lots are larger and a higher class of housing can be constructed. No evidence was found of any demand for this option. The ambiguous results on this question obtained by the first socio-economic investigation were a result of the lack of clarity in the way the question was presented.

**Site capacity.** The plan for the redeveloped site, to house the existing residents, is shown on Map 3. The site capacity is for 500 housing lots, plus a few commercial lots, promotional lots and a socio-cultural facility (community hall). 468 families inhabit the site, plus 38 on the adjacent forest land, making a total of 506 families to be resettled. Of these 506, 32 families (the first batch) will be resettled in houses already constructed in neighboring Sidi Harb III, leaving a balance of 474 to be resettled in Sidi Harb IV. Thus, there is an excess housing capacity of at least 26, which will increase to the extent that some families may be allocated rented social accommodation (apartments) and some others may elect for promotional or commercial lots.

**Site acceptability.** The beneficiaries are in full agreement as to the acceptability of the present site, which has been their home for many years.
Replacement housing. The beneficiaries are in full agreement as to the strategy for housing replacement. They are aware both of the type of housing, and of the procedure for resettlement, on the basis of completed projects in Sidi Harb I, II and III. The basic core unit has been designed by local architects, and the design is well accepted by the new owners, providing opportunity for horizontal and vertical extension. The 90 m² lot is acceptable to the residents as adequate to their needs. The attraction of legal ownership is so great, that it is of little interest whether the plot is 90 m² or 110 m². As one resident explained during the survey: "if an illiterate person is offered a university degree, he is not going to start arguing about whether it will be a first class or a second class degree." The configuration of the developed site follows the general layout of informal plots and pathways already established by the residents.

Agricultural land use. The site in question is entirely residential, and does not comprise any land used for agricultural, commercial or other purposes.

Site development mechanisms. The mechanisms for procuring the site have been described above (section 1.2, Land acquisition and transfer). The site will be developed under the general direction of the Directorate of Urban Development, who contracts the works to the Land Agency of the Wilaya of Annaba. The land agency subcontracts the works to various contractors, including much of the housing works in small contracts to local contractors. Sites are allotted by the contractor to residents block by block, in consultation with the Residents association and the municipal representative.

Site development activities. Site development activities include provision of potable water, electricity, lighting, drainage and sewerage, roads, sidewalks, and a community center.

3. ENVIRONMENTAL ASPECTS

Environmental assessment. An initial environmental checklist was compiled; the acceptability of the site was confirmed with the local inspectorate of the environment. A subsequent environmental assessment was undertaken at the request of the World bank. Details are in a separate report. The main environmental issue is the negative impact caused by the slum settlement itself. Other issues are the unsuitability of the existing slum dwellings to seismic risk (danger to inhabitants) as well as their vulnerability to flash floods.

Environmental mitigation. Environmental mitigation measures are proposed in a separate report, and summarized in Annex 4, relating to forest protection, drainage, safety and solid waste management.

4. ASSETS

The major current physical assets of beneficiaries have been described above (section 2.2. under headings "housing" and "possessions".

Resettlement will take place in stages, according to demarcated blocks (see Map 3), into housing on site ready for occupation. Possessions will be transferred to the new housing through a
community effort supplemented by transport assistance and organized by the municipality of Annaba and the local association. This exercise, for which precedents already exist, would be accomplished in less than a day for each stage. It would be done on a non-working day, and the entire community. The resettlement day is considered by the residents as a day of celebration, and strong local traditions of mutual community assistance ensure that the possessions are quickly, efficiently and safely transferred.

The existing housing, of an average value of DA 15,000 and a maximum replacement value of 25,000 is destroyed, in order to enable the next block of construction. All evidence from the socio-economic study indicates no interest in salvaging building materials, but rather the converse, a willingness to see the shameful past symbolically destroyed, As a community representative described it: "If somebody gave you a new suit to replace your dirty rags, you would gladly burn your old clothes, which have no value."

The assets obtained by the new residents (on payment of about DA 55,000 for title and an estimated DA 20,000 for finishing (painting etc.) are estimated at least six times the cost and outlay, i.e. a house and fully transferable lot worth at least DA 640,000.

5. INCOME RESTORATION

Estimation of impacts

There are no negative expected effects on earned incomes, since almost all incomes derive from employment, which will be unaffected by resettlement since families will remain on site.

It is estimated on the basis of similar projects, that the additional cost of service charges will be at least partially offset, and perhaps more than offset, by the combined benefits of reduced household expenditures in certain areas, and additional opportunities for income generation.

It is also estimated that the beneficiaries' contribution to the cost of housing is offset by local employment generated.

Reduction in expenditures

Reduced household expenditures (or increased consumption in relation to expenditure) may be expected in at least three areas. However, this expectation is based on informed guesses, anecdotal evidence and the results of studies elsewhere, and would require verification through a study of impacts:

(a) Health expenditures, which are rising rapidly because of increases in the costs of treatment and particularly medication. No survey data is available, but informed guesses are that a typical family might spend DA 1,000 per person per month (a little under $20), thus DA 84,000 or $1,450 per year for a family of seven. This amount should reduce proportionately through improved living conditions in respect of houses and the immediate environment.
(b) Electricity. Many residents already pay for electricity connections illegally attached to other suppliers; informal inquiries suggest that these rates may be higher than the official commercial tariff.

(c) Transport. The area is not served by public or private commercial transport because of the lack of surfaced roads. Taxi drivers charge more for transport over bad roads. The completion of the road will enable the area to be served by public transport services, reducing the costs of transport or time spent traveling.

Income generation opportunities

Possession of a secure, lockable house and a reliable electricity supply enables the owners of the new houses to embark on small income generation projects, often making use of consumer durable items such as refrigerators, microwave cookers, and sewing machines to prepare and sell food, cold drinks or clothes, or to run a small kiosk. This has been observed elsewhere and is evident in Sidi Harb itself, with some economic activity in the 39 houses which are well constructed.

This type of income generation is of particular benefit to women.

Local employment generation

Experience in other Annaba projects indicates that manual labor represents about 30 percent of the cost of constructing houses. On average, a single house generates about 32 person-months of work. Workers earn an average of 10,000 to 12,000 per month, normally being paid by the task. Thus, in a typical project, four workers would work on a house of 8 months, and would earn in the region of 80,000. This sum is sufficient to cover the shared costs incurred by the beneficiaries in the acquisition of their plot, thus enabling unemployed heads of household to participate in the scheme.

Some additional local employment is generated as residents invest in the finishing and extension of their new homes. Over the last few years residents have not invested in their present structures, preferring to make savings against the day when they will be able to invest in legal construction on their own titled property. The strong presence of many and varied artisanal skills among Sidi Harb residents makes it highly likely that a proportion of such investment, estimated at about DA 10 million in the 12 months after project completion (500 families x DA 20,000), will thus remain within the community.

The presence of a community center and health post and other urban developments will also generate a few unskilled jobs (caretakers, cleaners, maintenance work).

The project should therefore bring about a measurable and long-term improvement in local incomes.
Adequacy of entitlements.

The table below shows that the entitlements exceed the losses and required payments by a factor of between six and seven times. This clear gain explains the strong desire of the residents to be resettled as soon as possible, and the total transformation in their lives which they expect to result.

**Table 2: Net costs and benefits (Algerian Dinars, per family)**

<table>
<thead>
<tr>
<th></th>
<th>Losses</th>
<th>Gains</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loss of slum dwelling (full replacement value)</td>
<td>25,000</td>
<td></td>
</tr>
<tr>
<td>Land acquisition (20%) at 1,000 per m²</td>
<td></td>
<td>45,000</td>
</tr>
<tr>
<td>Costs of finishing (estimated, average)</td>
<td></td>
<td>20,000</td>
</tr>
<tr>
<td>Value of free core unit house</td>
<td></td>
<td>350,000</td>
</tr>
<tr>
<td>Market value of serviced plot</td>
<td></td>
<td>225,000</td>
</tr>
<tr>
<td>Value added, finishing</td>
<td></td>
<td>20,000</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>90,000</td>
<td>595,000</td>
</tr>
<tr>
<td><strong>Equivalent US $ @ 58, rounded</strong></td>
<td>$1,550</td>
<td>$10,250</td>
</tr>
</tbody>
</table>

Risks of impoverishment. There are no direct risks of impoverishment. There is a risk that some families may be unable to meet the cost of ownership. This is mitigated by (i) The long advance notice that residents have had of the project and its conditions; (ii) the provision that the elected Municipal Council (*Assemblée Populaire Communale, or APC*) will take in charge the matter of support to needy families, and provide supplementary assistance; (iii) the provision for payment by installments; (iv) the ability of the local community association to raise contributions for genuinely needy cases, already a local practice, and (v) the fact that failure to pay service charges is not historically pursued aggressively in the case of genuinely needy families.

6. PARTICIPATION AND CONSULTATION

Consultation process. The local elected community association is legally recognized, and has acted for several years as an advocate on behalf of this community, representing to various authorities their wish that this project be implemented without further delay. During the Bank preparation mission, the Association of its own volition prepared minutes of a meeting with the
Directorate of Urbanism, two other local associations, the president of the APC (Mayor), and presented them publicly to a mission member at the Sidi Harb site in the presence of a crowd of over 100 residents, as a means of demonstrating progress toward their objective.

**Response of Project Affected Persons.** The initial socio-economic survey did not reveal the strong desire of the inhabitants for this project. As news has spread, and with the advancement of work in neighboring Sidi Harb I and III, the future beneficiaries are becoming impatient with delays.

**Stakeholder identification.** The key stakeholders are the residents themselves. Other stakeholders in addition to the Directorate of Urban Development in the Ministry of Housing, which manages this project, are (i) the operator, the local Land Agency, which is currently legal owner of the site and which has been given the task of preparing the plots and assigning them to residents; (ii) the elected Municipal Council, which is strongly committed to eradication of slum areas and to socio-economic improvement of all municipal residents, and which is responsible for all socio-economic aspects of resettlement. The Municipal Council has an additional interest in cost-effective housing for low-income residents, since the alternative, assisted social housing, constitutes a drain on its resources, whereas the long term effect of this project will be to generate revenue and demand for paid municipal service.

**Information dissemination.** The community association attends relevant meetings with the municipal council and Directorate of Urban Development, and information is spread by word of mouth. The procedures for this type of resettlement operation are well known as a result of similar schemes in immediately adjacent areas and elsewhere in the city.

7. IMPLEMENTATION

7.1 Institutions

**Identification and responsibility.** The overall responsibility for delivery of benefits rests with the Directorate of Urban Development of the District (Wilaya) of Annaba. Through contractual relations, and through the project implementation unit, these tasks are devolved to (a) the Local Land Agency (AFL, Agence Foncière Locale) for construction of housing and delivery of title; (b) the Municipal Council (APC, Assemblée Populaire Commune) for the actual process of resettlement and all matters of socio-economic welfare; and (c) the local community association, which has legal status and is responsible for all matters relating to the mobilization of the community, and the presentation of problems and complaints to the appropriate authorities (AFL, APC and DU).

The day to day management of the project is the responsibility of the technical assistance committee and monitoring unit in the Directorate of Urban Development (La direction d’urbanisme, DU).

The APC’s Commission of Housing Allocation is responsible for maintaining the lists of all eligible persons and for allocation of housing units. It verifies rights to entitlement of individual
heads of families, and deals with appeals, presenting to the full (elected) assembly for approval the lists of allocations and beneficiaries.

These authoritative lists are then passed to the operator (AFL) who is responsible for finalizing the acquisition of the plot by the beneficiary, and receiving the beneficiaries' contributions. The operator directs the beneficiary to a notary public who, on payment of an extremely modest fee, establishes the act of property (title) according to the law. At this point the beneficiary is in possession of full and transferable title to the plot.

The technical assistance committee also assists the beneficiary in all aspects of the future development of the plot. It assists the beneficiary to obtain a construction permit, provides him or her with a typical plan of construction showing the future stages of evolution of the core unit (horizontal and vertical extension to one additional story (R+1); together with providing technical building specifications, and free technical advice.

**Coordination.** Coordination is assured by a technical assistance unit to be set up within the directorate of Urbanism for a duration of five years. Coordination among the various parties is already assured on the basis of previous successful implementation of similar projects.

**Capacity.** The Directorate of Urbanism of Annaba has implemented one of the country's most ambitious slum upgrading programs. Details of the capacity of this and the operator (AFL) are given in Annex 1, pp 4-5.

**Training and development.** There is no formal or systematic training plan for resettlement issues. In the context of the Bank project, the development of a manual of procedure is envisioned, together with sharing experience between different sub-projects to improve aspects such as socio-economic survey and in evaluation of project impacts.

### 7.2 Implementation Schedule

**Chronology.** The chronology and steps are shown in annex I, Section 4, which includes a Gantt chart.

Resettlement takes place in stages. In order to ensure the best possible reinstallation of the citizens resident in Sidi Harb IV, and to enable an "operation tiroir", it is essential that the operation be carefully phased. The entire site has been divided according to the morphology of the site and existing settlement patterns into 6 zones, labeled A through F (see Map 3). The phasing of the operation is as follows.

The project is divided into 6 operational phases by zone, although the timing of the middle or later phases may overlap or be undertaken concurrently, in order to complete the project in a timely manner. (1) On completion of the houses in Sidi Harb III under a preceding operation, and at the start of the project, 32 families will move from Zone A with the assistance of the Municipality and members of the community, a process completed in less than a day. The structures in Zone A will be demolished, the area divided into 64 lots on which 64 core units will
be constructed. This first phase is estimated to take 6 months. (2) When the 64 Zone A core units are ready for occupation, the occupants of 45 shacks in Zone B will move into Zone A core units by the same process, leaving a balance of 19 core units in Zone A available for allocation to some families from Zone C. A further 79 core units will be constructed in Zone B. There is now a total of 98 core units available (19A + 79B). (3) 86 households will move from Zone C into Zones A and B, leaving a balance of 12 core units available for families from Zone D. A further 147 core units will be constructed in Zone C. Thus there is now a total of 159 core units available at the end of Phase 3. (4) 78 households will move from Zone D into core units constructed in Zones B and C, leaving a balance of 81 available units in C, and enabling the construction of a further 100 core units in D, a total of 181 available units. This operation continues until all residents are rehoused.

It is emphasized that this is a flexible plan, not a rigid one. The actual numbers of houses to constructed in any one phase, or the numbers of people to be moved, may be varied during the operation for practical reasons.

Relation to civil works. Inhabitants are only resettled into the housing once it is complete and fit for occupation. the operation of civil works proceeds as areas are freed by each batch of residents who are resettled.

8. BUDGET AND COSTS

Authority. The National Housing fund (CNL) is responsible for 70% of the project cost and for ensuring the proper keeping of accounts. The developer (AFL) is responsible for 30 percent of the project cost, which is recovered from the beneficiaries as indicated. The project takes place under the authority of the Director of Urban Development of the Wilaya of Annaba. Table 4.5.2 in Annex 1 shows the allocation of responsibilities according to expenditure.

Source of funds. The budget is reproduced in Annex 1 Table 4.5. The source of funds is 70% from the National Housing Assistance Fund FONAL, and 30% from a variety of other sources, including beneficiary contributions, contributions from the Municipality of Annaba, and sale of preventive lots.

Identification of resettlement costs. Apart from the costs of construction of housing and provision of services, which constitute the cost of the project, the additional costs of the actual movement of people into their new housing are not included in the project cost, as these are minor and undertaken as part of the operation. The actual resettlement is a very brief affair, taking between half a day to one day for each phase depending on the complexity of that particular phase, since it is a matter or relocation on site. The municipality provides transport services as required out of its normal budget, and the entire community helps with the move of a particular block.

Inflation adjustments and price contingencies. Provision is made in the budget for cost adjustment for price contingencies and inflation (Table 4.5, Annex 1).
9. **RISKS**

The greatest risk in the project would be delay in implementation and further socio-economic investigation, since the beneficiaries consider themselves already well researched.

There is a risk that beneficiaries will not pay for their title, which is done after they move, and that the operator will find it difficult to recover full costs. This risk is minimized by (i) the possibility that a construction permit for house extension by the beneficiary may be withheld until payment of title; (ii) the active participation of the community association. In the case of Sidi Harb; and (iii) the ability and willingness of the Municipality through its social safety net to assist genuine cases of hardship.

10. **GRIEVANCE REDRESS**

*Grievance process.* Every effort is made to solve differences amicably through a consultative process, and the involvement of the community association. However grievances may be formally expressed. Two types of grievances can be identified:

(a) Grievances arising from non-inclusion in the census and to entitlement for accommodation. These are addressed directly and in writing to the APC (Municipal assembly) and are dealt with by the allocation commission, who are obliged by law to give a response within 10 days of receipt of the complaint.

(b) Grievances concerning technical, juridical or social aspects of the resettlement process. In this case the complainants address themselves to the operator (AFL) who deals with them in the context of the management committee. These may also be dealt with in writing, and must be dealt with within 15 days of receipt.

*Appeals.* Appeals of the first type follow mechanisms formally prescribed by the Commission of Attribution of the APC. Appeals of the second type can be taken to the next level of administration above the operator. Should none of these satisfy, appeal may be made to the local judicial authorities or to the ombudsman, who is represented in every district, according to procedures established by national law.

11. **MONITORING AND REPORTING**

*Internal process.* There will a regular process of monitoring through weekly meetings of the project management committee, but the process and content of outcomes monitoring will be more fully developed in the course of the project and will be described fully in the manual of procedure.

In addition to standard measures of project monitoring (financial and input indicators, and implementation indicators, including monitoring of costs, the following socio-economic indicators will be measured by the project with the assistance of the neighborhood association:

**Outputs:** Delivery of houses and titles to beneficiaries.
Outcomes: incomes:

Extent of investment in own construction

Ownership of consumer durables (refrigerators, stoves, etc.)

Level of scholastic achievement.
ANNEXES
Annex 1. SIDI HARB PROJECT TECHNICAL INFORMATION

1 - URBAN CONTEXT OF PROJECT

This section provides a brief overview of the principal characteristics of the urban context of the project and its relation to project implementation.

The following salient facts provide an indication:

1-1 Indicators of urban development

<table>
<thead>
<tr>
<th>Population</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>279,182</td>
<td>22,5000 in 1977</td>
</tr>
<tr>
<td></td>
<td>288,385 in 1987</td>
</tr>
</tbody>
</table>

1-2 Proportion of sub-standard housing: municipality of Annaba

a. Overall

<table>
<thead>
<tr>
<th>Housing stock</th>
<th>Good condition</th>
<th>Permanent, but aging</th>
<th>Slum dwellings</th>
<th>No. of inhabitants per home</th>
<th>Percentage substandard</th>
</tr>
</thead>
<tbody>
<tr>
<td>46,009</td>
<td>38,424</td>
<td>5,293</td>
<td>2,292</td>
<td>6.07</td>
<td>16.49</td>
</tr>
</tbody>
</table>

b. Sidi Harb IV

1-2-1 Number of constructed parcels (number of structures): 456

1-2-2 Type of structure (%)

- Permanent: 8.19%
- Shacks and temporary dwellings: 91.8%
- Other: 0%

1-2-3 Areas of occupied plots

- Minimum: 21 m²
- Maximum: 180 m²
- Average: 80 m²

1-2-4 Number of residences: 456

1-2-5 Number of structures not occupied: Nil

1-2-6 Number of households: 468

1-2-7 Number of inhabitants at time of enumeration: 3830

1-2-8 Number currently employed: 441

1-2-9 Summary of living and health conditions

- Open discharge of waste water
- No green spaces or children's playgrounds: the entire site comprises illegal constructions
- Shacks have insufficient interior space and no sewerage connections
- Water shortage has a serious negative impact on community health.

1-3 Prior slum upgrading (résorption de l'habitat précaire) undertaken: Annaba Municipality
### Table

<table>
<thead>
<tr>
<th>SITE</th>
<th>LOTS (Number)</th>
<th>Houses constructed (number)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1- Sidi Harb I</td>
<td>84</td>
<td>54</td>
</tr>
<tr>
<td>2- Sidi Harb II</td>
<td>259</td>
<td>91</td>
</tr>
<tr>
<td>3- Sidi Harb III</td>
<td>100</td>
<td>10</td>
</tr>
<tr>
<td>4- Seybouse</td>
<td>84</td>
<td>84</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>527</strong></td>
<td><strong>239</strong></td>
</tr>
</tbody>
</table>

Other similar upgrading projects have been undertaken in the greater Annaba urban agglomeration.

#### 1-3-1 Institutional arrangements

<table>
<thead>
<tr>
<th>ACTORS</th>
<th>ACTIONS AND RESPONSIBILITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/ Direction de l'Urbanisme</td>
<td>1/ Master of works</td>
</tr>
<tr>
<td>2/ Agence Foncière Locale</td>
<td>2/ Land tenure, Studies, monitoring: delegated Master of Works</td>
</tr>
<tr>
<td>3/ Annaba Municipality</td>
<td>3/ Management of assistance in construction: social and community affairs.</td>
</tr>
<tr>
<td>4/ CNL</td>
<td>4/ Finance</td>
</tr>
</tbody>
</table>

#### 1-4 Whether there is an Urban Master Plan (PDAU) and Land Use Plan(POS) : An inter-municipality Urban Master Plan has been prepared and is awaiting final approval.

## 2 - DESCRIPTION OF THE PROJECT

[This section provides the nature and objectives of the project with its all components, so as to clarify the outcomes.]

The description of the project is as follows:

#### 2-1 Physical characteristics :

**2-1-1 Location** : The site to improve is an integral part of the western part of Annaba and falls within city limits. See maps 1 (general location) and 2 (detailed site plan)

**2-1-2 Surface area (in Ha) : 11.76 Ha**

**2-1-3 Settlement of adjacent sites :**
- **North:** Chaaba and the subdivisions Sidi Harb I and III  
- **East:** Psychiatric hospital : ERRAZI  
- **South:** Private property  
- **West:** Forest

**2-1-4 Topography of the site and constraints to its settlement:** Sloping ground, with slopes of 2% to 40%.

**2-1-5 Soils and constraints to settlement : Schist. No constraints.** The site is already occupied by the project beneficiaries. There are no physical constraints to development as a permanent residential site.
2-2 **Project description and objectives:**

The purpose is to rehouse families from their existing shacks in core housing units to be constructed on site in the course of the project, with the exception of 39 present structures which will be retained and whose occupants will benefit from site servicing.

The project objective is to improve the living conditions of household members living on the site, through providing them with serviced lots including core housing units.

2-3 **Project components:** The table below presents a summary of the elements of the project:

<table>
<thead>
<tr>
<th>LAND USE AND DEVELOPMENT</th>
<th>Surface area (m²)</th>
<th>Plots</th>
<th>Total surface area (m²)</th>
<th>No. of housing units*</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - Restructuring (Site servicing)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Built plots</td>
<td>255</td>
<td>39</td>
<td>9945</td>
<td>39</td>
</tr>
<tr>
<td>- Vacant plots</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2 - Land tiling and subdivision</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Plots for social rehousing</td>
<td>117,5</td>
<td>500</td>
<td>58750</td>
<td>50</td>
</tr>
<tr>
<td>- Social plots (slum prevention)</td>
<td>143</td>
<td>34</td>
<td>4862</td>
<td>4,13</td>
</tr>
<tr>
<td>- Individual plots</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Collective plots</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3 - Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Core units</td>
<td>45</td>
<td>500</td>
<td>22500</td>
<td>500</td>
</tr>
<tr>
<td>- Completed units</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Collective housing (Social services: OPGI)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Habitat</td>
<td></td>
<td></td>
<td></td>
<td>539</td>
</tr>
<tr>
<td>4 - Public and Community Use</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Economic activities</td>
<td>250</td>
<td>6</td>
<td>1500</td>
<td>1,27</td>
</tr>
<tr>
<td>- General administration</td>
<td>2242,5</td>
<td>1</td>
<td>2242,5</td>
<td>1,9</td>
</tr>
<tr>
<td>- Education</td>
<td>2242,5</td>
<td>1</td>
<td>2242,5</td>
<td>1,9</td>
</tr>
<tr>
<td>- Health</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Sport and other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Public Use</td>
<td></td>
<td>8</td>
<td>5985</td>
<td>5,07</td>
</tr>
<tr>
<td>Roads, rights of way and open spaces</td>
<td></td>
<td></td>
<td>38098</td>
<td>32,38</td>
</tr>
<tr>
<td>Grand total of project</td>
<td></td>
<td></td>
<td>117640</td>
<td>100%</td>
</tr>
</tbody>
</table>

(*) Number of residential units after demarcation and restructuring of existing structures plus those constructed under the project.
2-4 Nature of works:

2-4-1 On-Site development:

a- Sewerage: There is a dual sewerage system. Waste water will be linked to the existing line along road CW22, while rain water is collected in the existing lined canal which cuts through the center of the lot.

b- Roads. The road network consists of main roads along the principal axes of the site, and pedestrian walkways in the interior.

c- Domestic water supply. The water supply network is available, and connections are to be provided to 4 existing reservoirs each of 5000 m³.

d- Electrification: Electricity supply to the project area will be ensured by two transformer units to be installed in the context of the project. SONELGAZ, the supplier, will install and put into operation the connections for public lighting. [Domestic supply will be to meter box at each house]

2-4-2 Construction works:

Works to be undertaken comprise the construction of 500 core units.

3 - INSTITUTIONAL CAPACITY

This section provides an overview of project management and the capacities of the operator to undertake and manage the project.

3-1 Institutional Arrangements:

<table>
<thead>
<tr>
<th>ACTORS</th>
<th>ACTIONS AND RESPONSIBILITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>1/ Direction de l’Urbanisme</td>
<td>1/ Master of works</td>
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<tr>
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<td>2/ Land tenure, Studies, monitoring: delegated Master of Works</td>
</tr>
<tr>
<td>3/ Annaba Municipality</td>
<td>3/ Management of assistance in construction: social and community affairs.</td>
</tr>
<tr>
<td>4/ CNL</td>
<td>4/ Finance</td>
</tr>
</tbody>
</table>
3-2 Personnel and equipment (Agence Foncière Locale):

3-2-1 Personnel
3-2-1-a Higher professional: 5
   - Administrator: 1
   - Commercial Manager (DES): 1
   - Financial Manager: (DES): 1
   - National Engineer: 1
   - Urban Architect: 1

3-2-1-b Middle professional: 23
   - Lawyer: 1
   - Accountants (DES): 2
   - Engineers: 4
   - Architects: 5
   - Topographical Engineer: 1
   - Higher Technician: 9
   - Statistical Planner: 1

3-2-1-c Supervisory: 16
   - Administrative: 12
   - Technical: 04

3-2-1-d Implementing staff: 13
   - Administrative: 13

3-2-1-e Technical staff: 30 (architects, engineers, technicians and implementing staff)

3-2-2 Equipment
3-2-2-a Computer equipment:
   - micro computers, printers and peripherals: 11
3-2-2-b Vehicular:
   - light vehicles: 8

3-2-2-c Surveying equipment: sufficient for two teams

3-3 Financial:

Volume of operational activities (turnover)
   - 1995: 161,131,335 DA (Complete)
   - 1996: 146,081,314 DA (Complete)
   - 1997: 370,000,000 DA (Forecast)

Source of financing:
The agency derives its revenue principally from the sale of land, and a small percentage of various services provided to third parties.

Income:
   - 1995: 129,828,018.00 DA
   - 1996: 132,899,323.55 DA

3-4 Experience in similar operations:
Roads, water and sewerage works whose financing and monitoring was undertaken by the agency:

Works completed:
   - Serviced Subdivisions: 7 Total cost of works: 276,391,176 DA

Works in progress:
   - Serviced subdivisions: 11 Total cost of works: 138,335,727 DA
4 - TECHNICAL AND FINANCIAL ASPECTS

This section provides an analytical overview of the financial aspects of all works to be undertaken.

4-1 Cost of works: (see table below)

4-2 Duration of works: 30 Months (in semesters)

<table>
<thead>
<tr>
<th>Component</th>
<th>Sem 1</th>
<th>Sem 2</th>
<th>Sem 3</th>
<th>Sem 4</th>
<th>Sem 5</th>
<th>Sem 6</th>
<th>Q. 7 &amp; +</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land acquisition</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Completion of studies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sewerage</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roads</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Domestic water supply</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity installations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Housing construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resettlement, Beneficiaries pay, access titles</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4-3 Expenditures (Million DA)

<table>
<thead>
<tr>
<th>Expenditure head</th>
<th>Restructuring</th>
<th>Land Development*</th>
<th>Construction</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Cost per ha</td>
<td>Total</td>
<td>Cost per ha</td>
<td>Total</td>
</tr>
<tr>
<td>A-Land (Real Estate)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land acquisition</td>
<td>1.02</td>
<td>11.99</td>
<td></td>
<td></td>
</tr>
<tr>
<td>B-On site works</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Studies and monitoring</td>
<td>0.14</td>
<td>1.66</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Roads</td>
<td>2.94</td>
<td>34.57</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Sewerage</td>
<td>2</td>
<td>23.52</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Drinking water supply</td>
<td>1.10</td>
<td>12.94</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Public lighting</td>
<td>1.2</td>
<td>14.11</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Electrification</td>
<td>0.35</td>
<td>4.12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Other (including physical and price contingencies)</td>
<td>17.84</td>
<td>17.84</td>
<td></td>
<td></td>
</tr>
<tr>
<td>C-Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Studies and monitoring</td>
<td>0.28</td>
<td>3.34</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Major works</td>
<td>0.007</td>
<td>150</td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Secondary and other</td>
<td>0.003</td>
<td>65</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D-Off-site works</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Studies and monitoring</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Sewerage</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Drinking water supply</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E-Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>-Operator's charges</td>
<td>0.32</td>
<td>3.75</td>
<td>0.34</td>
<td>4.05</td>
</tr>
<tr>
<td>-Taxes (VAT at 14%)</td>
<td>0.045</td>
<td>0.54</td>
<td>0.05</td>
<td>0.58</td>
</tr>
<tr>
<td>-Other levies (TAIC: 2.5%)</td>
<td>0.009</td>
<td>0.10</td>
<td>0.009</td>
<td>0.10</td>
</tr>
<tr>
<td>Grand Total</td>
<td>9.12</td>
<td>125.14</td>
<td>0.68</td>
<td>223.07</td>
</tr>
</tbody>
</table>

(*) Land management, including that relating to slum clearance through resettling slum dwellers on site (Opération tiroir)
4.4 Land sales and provisional receipts:

<table>
<thead>
<tr>
<th>LAND USE AND DEVELOPMENT</th>
<th>Surface area (m²)</th>
<th>Plots Number</th>
<th>Total surface area (m²)</th>
<th>Incomes (million DA)</th>
<th>% forecast</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - Restructuring (Site servicing)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Built plots</td>
<td>255</td>
<td>39</td>
<td>9945</td>
<td>500</td>
<td>4.97</td>
</tr>
<tr>
<td>- Vacant plots</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
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<td>- Collective plots</td>
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(*) Number of residential units after demarcation and restructuring of existing structures plus those constructed under the project.
### 4-5 Breakdown of expenditures by type of intervention

#### 4.5.1 - Allocation of responsibilities:

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<th>Operator</th>
<th>CNL</th>
<th>Commune</th>
<th>Population</th>
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* R: Responsible  
  P: Participation

(*) Justice, Wilaya et Ministry of Housing
### 4.5.2-Distribution of costs: (million DA)

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<th>Commune</th>
<th>Population</th>
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</table>

| Land acquisition                         | 11.99|          |     |         |            |              |          |           |       |
| Site studies and surveys                 | 0.15 |          |     |         |            |              |          |           |       |
| Complete household enumeration           |      |          |     |         |            |              |          |           |       |
| Socio-economic Study                     |      |          |     |         |            |              |          |           |       |
| Environmental Impact Assessment          |      |          |     |         |            |              |          |           |       |
| Evaluation report                        |      |          |     |         |            |              |          |           |       |
| Topographic survey                       |      |          |     |         |            |              |          |           |       |
| On site technical studies                |      |          |     |         |            |              |          |           |       |
| Off-site technical studies               |      |          |     |         |            |              |          |           |       |
| On site sewerage works                   |      |          |     |         |            |              |          |           |       |
| Water supply on site                     |      |          |     |         |            |              |          |           |       |
| Electricity supply on site               |      |          |     |         |            |              |          |           |       |
| Off site sewerage works                  |      |          |     |         |            |              |          |           |       |
| Off site roads works                     |      |          |     |         |            |              |          |           |       |
| Off site water supply                    |      |          |     |         |            |              |          |           |       |
| Off site electricity supply              |      |          |     |         |            |              |          |           |       |
| Housing construction                     |      |          |     |         |            |              |          |           |       |
| Demolition                               |      |          |     |         |            |              |          |           |       |
| Fixing of sale price of land             |      |          |     |         |            |              |          |           |       |
| Public awareness and participation       |      |          |     |         |            |              |          |           |       |
| Cost recovery                            |      |          |     |         |            |              |          |           |       |
| Environmental protection                 |      |          |     |         |            |              |          |           |       |
| Settlement of disputes                   |      |          |     |         |            |              |          |           |       |
## 4-5 Overall financial Analysis:

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<th>Year 2</th>
<th>Year 3</th>
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<th>Year 2</th>
<th>Year 3</th>
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<td><strong>TOTAL INCOME</strong></td>
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<td>2.39</td>
<td>9.6</td>
</tr>
</tbody>
</table>
5 - ENVIRONMENTAL IMPACT OF PROJECT:

5.1- NATURAL ENVIRONMENT

5.1.1 - CHARACTERISTICS:

A/ TOPOGRAPHY: Heterogeneous natural relief, slopes varying from 2% to 40%

B/ GEOLOGY: schist

C/ CLIMATOLOGY: Mediterranean climate with a mean rainfall of 600 mm

D/ HYDROLOGY: 12 catchments with a total surface area of 6.98 Ha and a total flow of 990.76 l/s

E/ HYDROGEOLOGY: Water-bearing stratum table to the north-west of the site.

F/ BIOLOGY: The western border of the site adjoins a forest of approximately 2 ha of Eucalyptus and shrubs.

5.1.2 Risks: Yes/No/Possible.

Are there risks of:

- Soil erosion on or near the site? Yes. Rainwater collection and drainage facilities are provided as an integral part of the project. For possible soil erosion through deterioration of the adjacent forest cover, without project. See below.

- Landslides? No

- Expanding soils? No

- Flooding? Yes. Flash floods may occur through heavy storms. Local rainwater control measures are an integral part of the project, including the cleaning and relining of canal.

- Seismic events? Possible. Moderate seismic risk zone, class II. The present population is at potential risk through occupation of houses lacking proper foundations, and not conforming to building codes. The project will provide the entire population with safe housing conforming to building codes.

- Other physical risks? Yes. The site contains numerous man-made hazards especially for children, including unsafe bridges across the drainage canal, illicit electrical wiring, building materials liable to be detached by high winds and the absence of safe areas to play. The project will correct these dangers.
5.1.3 Natural environment

Is there a forest cover near the project site? Yes
Greater risks to the forest cover above the site, to the west, exist without the project, since spontaneous settlement of the forest (38 shacks were enumerated) has already started. At present, the motivation of the local population to discourage settlement in the forest is diminishing owing to delays in implementation. The project will rehouse the 38 families on site, and the population will be motivated to discourage further illegal settlement. The project will also take further measures to mitigate dangers of loss of forest cover, detailed in the table of mitigation measures.

Is there a natural reserve or park near the site? No
Is there a beach or coastline near the site No

5.2- HUMAN AND CULTURAL ENVIRONMENT

Is there any cultural site near the project? No
Is there any religious site (mosque, mausoleum etc.) near the project? No
Is there any cultural site near the project? No
Is there an archaeological site near the project? No
Is there any site of tourist interest near the project? Yes
The Edough hills are a possible future tourist attraction, as yet undeveloped.

Does an electricity transmission line cross the site? No
Electricity supply will be to the site.

Is there any other public structure on or near the site? Yes
There is a psychiatric hospital adjoining the site.

5.3- HEALTH AND HYGIENE CONDITIONS IN THE COMMUNITY

- What system of garbage collection is used?
Comment: The absence of roads renders access by municipal collection services difficult. People place their garbage on uncontrolled dumps here and there, or throw things into the canal. The project will provide proper garbage disposal facilities, and enable access by municipal services. See Table of environmental mitigation measures.

- Is there a public garbage dump near the site? No

- Is waste water discharged openly? Yes
There is no waste water system inside the site. Waste water flows into the rainwater canal that cuts through the site.

- How is the community serviced by roads?
There are no roads connecting the site to main roads, but there are other roads in the proximity.
- Are there green spaces or public areas in the quarter?
The site is entirely filled with illegal constructions, although there are some bare open spaces by the canal.

- What are the general conditions of hygiene in the quarter?
Lamentable, given lack of internal space in houses, lack of water and sewerage, and open garbage disposal. People keep the interiors of their houses in good sanitary condition.

5.4- POLLUTION AND NUISANCES

- What are the nuisances created by the population of the quarter?
The quarter itself is a major source of pollution, incurring health risks both to the community itself and to neighboring quarters. These have been detailed above.

- Are there polluting industries or activities in or nearby the site?
No. The site is not subject to environmental pollution. See text and annexed statement from Inspector of Environment.

- During the last 5 years, have there been epidemics, outbreaks or high incidence of the following diseases?

<table>
<thead>
<tr>
<th>Disease</th>
<th>Yes/No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cholera</td>
<td>No</td>
</tr>
<tr>
<td>Typhoid</td>
<td>No</td>
</tr>
<tr>
<td>Bilharzia</td>
<td>No</td>
</tr>
<tr>
<td>Other</td>
<td>No</td>
</tr>
</tbody>
</table>

6 - SOCIO ECONOMIC IMPACTS OF THE PROJECT

(Study undertaken by AFL)

LOCATION

SIDI HARB IV

Site:
Municipality (Commune) of ANNABA, Sub-district (daira) of ANNABA, District (wilaya) of Annaba

Area:
11.76 Ha, being the property of the Municipality of Annaba

Characteristics of occupied (built) plots:
The site is occupied by single story structures at a density of 40 per hectare, primarily for residential use.

Household incomes:
Mean monthly revenue of the head of household 8,500 DA
Financing by households of future construction after project completion:

16% would use their own savings
38% would need a loan
46% had no opinion

Resettlement:

42% would keep their present building
40% no opinion
4% would make minor modifications
4% would extend the existing structure, but have no means to do so
1% would like to extend the existing structure
1% would like to tear it down and replace it with a new structure.
The Director of Urbanisation,  
Annaba District.

Delays in the start of the works of construction, core housing neighborhood.

Sir,

Given that the housing problem is the greatest problem of the inhabitants of the neighborhood, whose number has risen to 468 families, and given that our neighborhood is deprived of the most basic conditions of hygienic and secure living; and given also that the problem of access to housing, the construction of this neighborhood, will allow our population to resolve 90% of the problems of our population which they suffer now and which get worse day by day: in this context, the association of the neighborhood, together with the local authorities, in the aim of ensuring the success of the project, and given that it was started in 1994 and that it was frozen in 1995 for an indefinite period of time, and that it was taken up again in January 1996 following a site visit by the governor of Annaba district in the company of local authorities, and that this project was destined for World Bank financing after the visit of the mission of the Bank to the District of Annaba in February of the same year, since which time the association has been in constant relations of marathon dimensions with the local authorities with the object of reaching a common understanding and removing the difficulties, with the aim of realizing this project in the best conditions and shortest possible time, on each occasion the local authorities have insisted that the Sidi Harb was a pilot project and that it would therefore benefit in this status from their favorable attention, and that they would firmly undertake to remove the obstacles of its application at a national level.

In its last meeting with the Mayor, the Director of Urban Planning and the Director of the Land Agency at the beginning of April 1997, the inhabitants of the neighborhood were informed that the neighborhood was going to benefit from a rehousing project of 500 core units, and that all the technical studies had been completed, and that work would start within a very short period of time, not more than the beginning of June 1997, for the good reason that the Minister of Housing had provided an amount of money to finance the project and begin work, while awaiting the receipt of financing to be agreed by the World Bank. He further agreed on the means of implementation and the modalities of benefits of housing assistance according to a timetable. He determined that the first group of beneficiaries would be identified from among a group of the population of the site, to whom would be given some of the houses constructed on the neighboring site of Sidi Harb III, namely 92 houses, in the place of the slum dwellings to be vacated by the beneficiary families. Two hundred core units would be constructed and so on until the entire population of the site had been covered, and this way is the only practical way to

16 Feb 1998,
complete the project, given that the houses of Sidi Harb III were in the final phase of completion.

Days and months have gone by, and the neighborhood’s project has not seen the light of day. Therefore, we are doubting as to whether this project is of a real or an illusory character, and we are in need of a sincere and responsible reply. This would enable more than 2,000 people to recover their hope and to overcome the bitterness which assails them because of the excessive prolongation of waiting time, because of the weight of constraints and because of the great number of unfulfilled promises, in addition to the deplorable social situation in which all the inhabitants are living. In this context we hope for your help, so as to realize this project and begin work.

We request you also to find other sources of finance as was the case for the other rehousing sites existing in the district, which have benefited in the past and which even now are benefiting from core unit housing projects. Given that our neighborhood is in a worse situation than the others in relation to the seriousness of daily living problems experienced by the people, it was evident that it should have been one of the first to benefit from this kind of project, inasmuch as all the local and even central government officials are aware of this, following the many visits they have made to our neighborhood, which lets them understand reality of the conditions of difficult life in which we live. We approach you, the local authority, confident in your sense of justice, and in the aim of seeking your assistance to remove the constraints which bear down on us, finding solutions adequate to the resolution of our problems according the resources available to you.

In the hope of that, please accept, Sir, our respect and consideration.
ANNEX 3: SOCIO-ECONOMIC CHECK-LIST

ECONOMIC ACTIVITY AND FACILITIES

Check the exact answers below and provide explanations as appropriate

Are there any activities such as shops, stores, artisanal activities or other economic activities in the slum area to be upgraded, or the quarter that will be restructured? No.

Are there in particular on the site any formal or informal artisanal activities that would constitute a nuisance to the population or pollute the environment (noise, production of dangerous goods, emission of noxious gases, etc........): No

Are there on the project site or nearby any socio-cultural facilities such as primary school, health post etc.? Yes

If yes, provide details by type of facility, distance in relation to the site, access etc.
Psychiatric hospital, tax collection point.
Most school going children attend a nearby primary school, walking part of the distance on unpaved roads. The population lacks easy access to any other facilities. Additional community facilities will be provided under the project.
How far is the site from the nearest main urban infrastructural services and facilities?

* Roads: (distance, comment) The access road will be extended from the adjacent site of Sidi Harb III, which connects to the main urban network.

* Sewerage, waste water: (distance and comments) 240 linear meters to the discharge point, servicing Sidi Harb III. There is a (separate) system for sewerage and rainwater.

* Drainage, rainwater: (distance and comments) A concrete-lined canal runs through the site, discharging rainwater from above the site and the site itself, into *****. Presently domestic waste water and sewerage is discharged through open channels into the canal, which is also used for the disposal of some solid waste.

* Drinking water: There are four x 5000 M³ reservoirs at a distance of 710 meters.

* Electricity and public lighting: The site is currently served largely by informal and illegal connections made by the local population, either directly to the supply line or as an illegal extension from another legal domestic connection. Most users currently pay for consumption, at an informal tariff that is higher than the formal tariff. Legal official connections require that buildings first conform to building codes, for reasons of safety. Present practices constitute a major hazard to the population, and especially to children. In 1997 a child was accidentally electrocuted. Safe installations are one of the priorities of the residents.

Other comments: There is a widespread desire for municipal services, to which all residents will be entitled once the site is upgraded to full urban status.
This section of the questionnaire should be completed whenever there is to be a displacement or resettlement of any or all of the families affected by the slum clearance or upgrading project. Resettlement or displacement is to be understood as any movement of people from the plot that they actually occupy, whether this is the result of a slum redevelopment, upgrading, or clearance project (la résorption d'une bidonville, opération tiroir etc.). This applies whether the population is to be resettled on the same site, or elsewhere.

Is there to be any displacement of families or households in the course of project execution?

Yes, all of the families will be moved into individual core housing units to be constructed under the project.

If yes, what are the reasons (characteristics of the site, land problems, provision of infrastructure) which have led the master of works to envisage a displacement of the population?

The strongly expressed desire of the population themselves to benefit from legal ownership and occupation, to become legal owners of their own homes, and entitled to the full range of municipal services, is a primary reason. The great majority of the population wish to remain on site, but express strong dissatisfaction with their present living conditions. This development is proposed within the context of the urban master plan for the city of Annaba, and the land use plan, and within the context of the current national program to provide housing for low income families. Land tenure will be regularized for all persons affected by the project. The project will increase the capacity of the site to house population by permitting occupants to extend their homes horizontally (addition of rooms) and vertically (construction of second story: R+1), and enable provision of the full range of municipal services: roads, domestic electrification, domestic drinking water supply, drainage, sewerage, street lighting, and community facilities.

If yes, what is the nature of the resettlement resulting from the project?

After a census, 39 houses in the south that conforming to building code will be left alone, benefiting only from service connections to be undertaken under the project. A small minority of families (32 households) will move to neighboring Sidi Harb III, a distance of some 100 meters, while the remainder (340 households) will move into core housing units to be built in a zone on the site adjacent to the plots they presently occupy. This resettlement (operation tiroir) will be done in phases described in the resettlement proposal. In addition, at the request of the World Bank, and as a measure of environmental protection, 38 households currently occupying structures illegally constructed in the adjacent forest will be moved into houses on the site, the structures they erected will be destroyed, and further construction in the forest will be prevented. These 38 families were not included in the original census, and are currently outside municipal boundaries.
How many people and families will be moved in relation to the project implementation plan? 468 families, 3830 individuals according to the census of April 1997. In addition 38 families in the forest, were not enumerated in the census, since they are located in the forest just outside the city boundary. The estimated number is 310, at an estimated 8.1 persons per family.

How many structures would be demolished under the project? 456 on the site itself, and 38 in the adjacent forest.

How many heads of household are regularly employed within the site?
None are employed within the site itself, which is exclusively residential. From the sample socio-economic survey, 92 percent of heads of household have regular employment in the city, and settled on the site by preference because of lack of suitable alternatives, and because of the relative accessibility of this site to the city center (2.5 km). This explains their preference to remain on the site, if possible, especially in view of the improved access to public and private transport that would result from the project.

Have the families been informed about their rehousing or resettlement envisaged in the operational project plan? If so, what has been their reaction?
Yes. The population has been regularly informed about the project and its status. They are eager to see its implementation, and have made representations requesting its most urgent implementation.

Is there provision for compensation for the families to be resettled?
Yes. All families will benefit from entitlement to a free core unit house, and a titled lot to be provided at a subsidized price (approximately 1/3 of the cost of servicing). There is no monetary compensation for displacement. The population is unanimous that the advantages of the project are so great, and their present condition so lamentable, that calculation of losses and compensation would be futile and a further waste of time.

If displacement of the population is foreseen, describe the overall process of rehousing families (work program and time, distribution of responsibilities, coordination among the different parties concerned).
In order to ensure the best possible reinstallation of the citizens resident in Sidi Harb IV, and to enable an "operation tiroir", it is essential that the operation be carefully phased. The entire site has been divided according to the morphology of the site and existing settlement patterns into 6 zones, labeled A through F (see accompanying map). The phasing of the operation is as follows.

The project is divided into 6 operational phases by zone, although the timing of the central phases may overlap in order to complete the project in a timely manner. (1) On completion of the houses in Sidi Harb III under a preceding operation, and at the start of the project, 32 families will move from Zone A with the assistance of the Municipality and members of the community, a process completed in less than a day. The structures in Zone A will be demolished, the area divided into 64 lots on which 64 core units will be constructed. This first phase is estimated to take 6 months. (2) When the 64 Zone A core units are ready for occupation, the occupants of 45
shacks in Zone B will move into Zone A core units by the same process, leaving a balance of 19 core units in Zone A available for allocation to some families from Zone C. A further 79 core units will be constructed in Zone B. There is now a total of 98 core units available (19A + 79B).

(3) 86 households will move from Zone C into Zones A and B, leaving a balance of 12 core units available for families from Zone D. A further 147 core units will be constructed in Zone C. Thus there is now a total of 159 core units available at the end of Phase 3. (4) 78 households will move from Zone D into core units constructed in Zones B and C, leaving a balance of 81 available units in C, and enabling the construction of a further 100 core units in D, a total of 181 available units. This operation continues until all residents are rehoused.

The number of beneficiaries will be upwardly revised according to the actual number of eligible families at the time of resettlement. The plan allows a margin of safety, including the resettlement of families living in 38 shacks in the adjacent forest.

There is regular weekly monitoring of the entire process, and close coordination with the elected representatives of the community, and the representatives of the Annaba Municipal Council. Thus the phasing may be adjusted according to the pace of construction and site details that may emerge during actual demarcation.

The detailed distribution of responsibilities is described in the accompanying table.
Is there one or several associations formed by the inhabitants of the slum area that will be redeveloped or upgraded?

Yes. El Ansar Association of Sidi Harb.

If yes, is it de facto or officially recognized? Describe the association, its organization and current activities.

One association, officially recognized by the State. It has strong community support. The association works with the administration to improve the social situation and conditions of life of the citizens. (Annex x). It participated in the census of the community in April 1997. It plays an intermediary role between the citizens and the administration.

Is this association well informed about the proposed program of slum redevelopment?
It is well informed.

If so, did it participate in the development of the project concept and proposal?
It has been involved from the very beginning and has taken an active part, through the census, elaboration of the plan, organizing the community to prevent further construction after the census, and in representing the interests of the community at all levels of the administration.

If yes, what is its opinion about the anticipated resettlement.
They consider it entirely advantageous, and wish the project to be implemented as soon as possible.

Has the association presented any particular claims regarding the improvement of the built structures in its quarter?
They have made no particular claims. They consider the new core housing units, and the associated status, to be far greater than the value of their present structures. In particular, they have stated vigorously that (a) they consider their existing housing a shame and an embarrassment and do not wish to participate in any kind of prior evaluation for the purposes of compensation; and also that (b) once rehoused, they would voluntarily destroy their former houses, even if the Municipality did not do so.

They welcome the proposed community center and (outside the project) plans for a health center to be constructed, outside the project, between Sidi Harb III and IV.

See Socio-Economic study for details and explanation.

If no community association exists, would it be possible to form one and if so low, under what form, and at what level would it participate in the project to redevelop slum areas?
Not applicable to Sidi Harb IV.
**Annex IV: Sidi Harb IV Resettlement Plan.**

**Summary of ENVIRONMENTAL MITIGATION MEASURES**

<table>
<thead>
<tr>
<th>MITIGATION MEASURE</th>
<th>ACTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forest Protection</td>
<td>Fencing off the forest site from Sidi Harb.</td>
</tr>
<tr>
<td></td>
<td>Establish a firebreak.</td>
</tr>
<tr>
<td></td>
<td>Remove the population resident in the forest and rehouse them.</td>
</tr>
<tr>
<td>2  Site Protection</td>
<td>Ring canal for drainage above the site on the upper slope.</td>
</tr>
<tr>
<td></td>
<td>Clean and canal and drainage zone in the north.</td>
</tr>
<tr>
<td>3  Safety</td>
<td>Cover the canal with cement beams to remove all danger to the population</td>
</tr>
<tr>
<td>4  Waste collection</td>
<td>Establish three collection points and manage them.</td>
</tr>
<tr>
<td>5  Green space and open</td>
<td>Establish green space and play area.</td>
</tr>
<tr>
<td>areas</td>
<td></td>
</tr>
</tbody>
</table>
PHOTOGRAPHIC ILLUSTRATIONS
I. City of Annaba, Democratic and Popular Republic of Algeria

Rapidly industrializing in the 1970s, in the last few years Annaba has benefited from a major environmental cleanup, assisted by the World Bank. The major steelworks, SIDER, are situated some 20 km to the south. Sidi Harb IV, the slum upgrading site, is out of sight to the right, at the foot of nearby hills.

1. Annaba, looking south from the city center

2. Annaba power station

3. ASMIDAL Fertilizer Plant
   Once the major polluter of the coast and the air, major polluting units have closed, and Annaba has won awards for environmental improvements.

4. Social Housing in Annaba
   Destined to house the very poor, this solution for low income families is only available for a minority, and brings fewer benefits at much greater cost to the government than does slum upgrading in situ.
II. People of Sidi Harb IV, City of Annaba

Figure 5: The community of Sidi Harb IV is organized and unanimous. For two years, they have expected a housing project, their foremost priority.

Figure 6: Well informed about the details of the proposed sub-project, they hoped for World Bank financing, but have formally requested that, if further delays are anticipated, alternative funding sources should be sought. They feel deep humiliation because of their present living conditions.

Figure 7: Sub-standard housing requires constant expenses for maintenance, is unhealthy, uncomfortable and insecure.

Figure 8: This girl, like the majority of school-going children in the community, hopes for better home conditions.
III. Housing in Sidi Harb IV

Figure 9: Sidi Harb IV: general view. Houses are scattered across the hillside. For two years they have prevented new construction. A video was made with their approval.

Figure 10: Houses are mostly of concrete blocks with asbestos cement roofs. Private connections are made to the electricity supply, and groups often share the cost of a satellite dish and television.

Figure 11: Neighboring Sidi Harb III, although later in priority, is well under way: 32 housing units, when completed, would be occupied by the first families from Sidi Harb IV, with access to secure title. Every nuclear family would get a plot and free house, on nominal payment.
IV. Dangers for the children of Sidi Harb

Figure 12: The central canal, built to protect the area from flash floods, has become an open sewer, traversed by home-made bridges. There is an open sewer connection next to the child at front right of the picture. Inhabitants downstream of Sidi Harb are also exposed to health hazards.

Figure 13: Unofficial power connections are common: indeed kinship connections may often be traced by following the wiring. Many people pay more for private suppliers than they would for official supply. Such connections are dangerous, and last year a child was electrocuted.

Figure 14: Stagnant water is often polluted. The environment contains other hazards, notably walls liable to collapse, since houses are built without foundations and walls are weakened in rains; or building materials dislodged by high winds.
V. Vision for the Future

Figure 15: Sidi Salem, part of greater Annaba urban agglomeration, shows what Sidi Harb people want urgently. This model twin house shows what the new owners can eventually complete by themselves. Their title is sufficient security for a home improvement loan.

Figure 16 (above): Sidi Salem. New owners soon add individual touches showing confidence in their new status, such as (here) addition of a second storey. Less visible are the highly prized advantages are a street address, vehicular access, a place where guests and relatives can come, a place to wash properly, and an inheritance for children. Future beneficiaries call it “the difference between life and death”, “a second Independence”. Social housing apartments are in the background.

Below (Figure 17): adjacent Sidi Harb III reminds people daily of the future. People from elsewhere are already resettled in some units, while Sidi Harb IV, a priority two years ago, still waits.
February 25, 1998

Proposed Low-Income Housing Project
Project Appraisal Review (PAD) Document
Environmental and Social Review Comments

Maryse,

As mandated by the RVP, MNSRE (A.Rotman and S. Arif) has reviewed the PAD document and several of the project preparation documents, and this note will clarify all the comments and discussions undertaken with you and your team.

1. Rating Category. As indicated in the PAD, this project involves a substantial number of people (approximately 100,000 of 220,000 beneficiaries) to be resettled within the scope of Bank OD4.30 entitled Involuntary Resettlement, and consequently the project is rated an A category for Environmental Assessment purposes as per OD4.01. The category of a project is determined by the most significant environmental issues within the project, irrespective of whether or not certain components could be rated as category B or category C. As this project is clearly an A Category project, consequently the entire project, with all its components should meet the processing steps set out by OD 4.01 and the internal Bank requirements. In summary these are:
- submittal of a full Environmental Assessment (EA) Report by the Borrower to the Bank prior to departure of the appraisal mission, that includes an English language summary and the views of affected groups and NGOs
- letter from the Borrower allowing the EA Report and the English language summary to be circulated by the Bank (Sector Director) to the Bank's Executive Directors
- internal procedures to place a copy of the EA in the project file and in the Public Information Center (PIC)

2. Conditions for Appraisal. As a condition of appraisal the Bank requires that the Borrower provide the Bank with a resettlement plan that conforms to OD4.30 (draft OP/GP/BP4.12), and that the resettlement planning be coordinated with the Environmental Assessment (EA), as per OD4.01. As discussed with you, MNSRE cannot clear the appraisal mission until the Government of Algeria (GOA) provides the necessary documents.

3. Comments and Issues. Many of the preliminary steps in environmental assessment and in resettlement planning are now being completed (e.g. environmental scoping and resettlement policy framework), however the specific requirements and substantive information of the OPs/ODs for an Environmental Assessment Report and Resettlement Plans have not yet been met. We have identified the following issues:
- it is not clear how many sites will be carried out in the first phase; the PAD in para A1 sets out
50 sites for phase 1; para E6 describes 9 sites; and Annex 12 page 10 lists 19 subprojects.
- para B4 suggest that only 30% of the preparatory studies for EAs and resettlement plans be completed before appraisal of the second phases by the Bank; what is the objective prior to appraisal of Phase I?

- the PADCO report entitled “Impacts sur L’ Environment” dated June 1997, evaluates 18 sites. However the document is neither a Category A nor Category B EA report. The PADCO environmental report was prepared as a basic first step towards a more complete environmental analysis report, and could be called a scoping document of pre-identified sites. It apparently is part of an overall pre-feasibility set of reports, but does not compare alternative sites or recommend that alternative sites be considered because environmental constraints would be too severe at the pre-selected sites. For example, the site at Sidi Salem I at El Boun (Wilaya d’Annaba) is probably not an acceptable site because severe air pollution in the general area, and many site specific environmental constraints (i.e. the cumulative impacts are too severe). In fact most of the sites listed as resettlement sites on page 3 of the PADCO environmental report have multiple environmental constraints and need to be more carefully evaluated prior to appraisal.

- the PADCO reports recommends implementation of more detailed environmental analyses work in Annexes 3 and 4. We consider the methodologies well though out and of high quality, sufficient as basic terms of reference TORs for a set of full Category A EA Reports.
- the location for each the project site areas should be more clearly based on well defined environmental and social criteria (e.g. minimum public health standards when new housing is located adjacent to industries and other sources of pollution; clear standards for slope stability taking into account soil erosion potential and seismic events; preservation and buffer zone guidelines for adjacent forest and other natural areas to be protected; avoidance of high and moderate risk flood zones; locations with adequate excess capacity to provide environmental infrastructure services; etc.)
- consultation with the affected groups and NGOs should be carried out in as a joint activity to assist in identification of environmental and involuntary resettlement issues for each project site area
- the demand for external environmental services (or external environmental impacts), i.e. effects outside of the project site areas should be identified within the scope of the project, and these externalities should be addressed by the project through direct project financing or through identification of the entity that will finance the new environmental services e.g. the additional demands on solid waste management services, supply of potable water, treatment of sewerage.
- section D6, should be completely rewritten based on the above comments and the new information to be new EAs. The section should clearly identify the project as an A category, and list the major generic issues, and then identify any site specific mitigation that will be implemented by the project. Similarly Annex II should be revised to show the final EA Report Summary, and presentation of an overall environmental management plan for the project, supplemented by a few examples of site specific environmental management plans.

4.0 Recommendations. Based on the above comments and issues, we would like to outline our suggestions for further steps in the project:

I) that the next mission should be undertaken to clarify all the above issues through a field review of the proposed sites, to the extent that security issues allow (e.g. field visits, video taping by consultants, interviews with government staff and village representative, extensive use of local and international consultants, etc.).

ii) that a Category A EA Report be prepared that would include resettlement planning, and that site specific environmental management and resettlement plans be prepared for a minimum of two new low income housing sub-project sites. The Annexes 3 and 4 of the PADCO environmental analysis report can serve as basic TORs for the environmental analysis of the sub-project sites. If the mission allows completion of an EA (that includes the site specific environmental management and resettlement plans)
acceptable to the Bank, the mission could be upgraded to appraisal status, after return to Washington.

iii) we highly recommend the preparation of a sector wide category EA report for ALL the possible low income housing project sites with a methodology similar to that set out in the PADCO report or the methodology set out Environmental Assessment Sourcebook Update, October 1993, Number 4 entitled Sector Environmental Assessment (SEA) (specifically figure 1 for an overview). This SEA approach would complement resettlement planning that is underway or which would be carried out in parallel. The SEA framework would be used to screen and select the appropriate sub-projects for the remainder of Phases I, for the future Phases II and III of the project. Once screening is complete, the SEA would concentrate on preparing the mandatory resettlement plans and environmental management plans for each sub-project. It is recommended that sufficient resources be allocated from the Training and Studies component of the loan, in the order of 1.5 - 2.0 million $US, and that a mandate be given to an integrated strong team of local and international specialists. The work could be scheduled for an 8-12 month duration, if a sufficient existing data base exists, and should start immediately.

5.0 Loan Conditionalites. To ensure full implementation of the above approach, the following conditionalities should be incorporated in to the Loan Agreement.

   I) undertake an Sector Environmental Assessment (SEA) to complete environmental and resettlement screening of all the low income housing sites in Phase I not reviewed at project appraisal, prior to release of bidding documents for these sites

   ii) complete 30 percent of the Phase II preparatory studies for low income housing sites satisfactory to the Bank; the studies should include (a) Sector Environmental Assessment Report (Category A) that include site specific environmental management and resettlement plans, (b) bidding documents, (c) contracts agreements (d) etc.

   iii) complete 40 percent of the Phase III preparatory studies for low income housing sites satisfactory to the Bank; the studies should include (a) Sector Environmental Assessment Report (Category A) that include site specific environmental management and resettlement plans, (b) bidding documents, (c) contracts agreements (d) etc.

To: Maryse D. Gautier
cc: Gianni Brizzi
     Marisa Fernandez-Palacios
     Jean-Claude Villiard
     John Keith Rennie
     Nicole Glineur
     Hadi Al-Shukra
     M. Salah Darghouth
     Ayse Kudat
     Aline Cabal
     Tuyet N. Chuppe