

Kenya: Slum residents to benefit from US\$160 million upgrade

By MOSES MICHIRA

Posted Tuesday, June 28 2011

Business Daily Africa

People living in slums will benefit from a US\$160 million investment in infrastructure development and land ownership designed to eliminate informal settlements.

The five-year plan, set to begin in August, is expected to encourage investment by residents in the informal settlements through developing infrastructure and enabling communities to own the land on which have settled.

Johanes Zutt, the World Bank country director, cited lack of security of tenure as the main foundation for shanties since there was a disincentive to build permanent structures. "People in informal settlements have the capacity to transform the slums; all they need is security of tenure on the land they are occupying to encourage investment in formal houses," said Mr Zutt.

He added that the investment was informed by a study conducted on informal settlements in Kenya and Senegal, which unveiled better living conditions in the latter country despite lower incomes and education levels.

The study, commissioned in 2003 in major informal settlements in Kenya had also revealed that some slum dwellers had incomes big enough to afford them development loans.

The 50-year concession loan has been extended to the government by its bilateral development partners including the World Bank (Sh9 billion), and the French Development Agency (Sh4 billion) will complement the Kenya slum upgrading project, which is involved in the delivery of housing.

Mr Zutt said that the top five urban areas including Nairobi, Mombasa, Kisumu, Nakuru and Eldoret, jointly contributed more than two-thirds of the country's GDP, therefore justifying the investment as a significant portion of urban dwellers lived in informal settlements.

Soita Shitanda, the housing minister, says that the programme dubbed Kenya Informal Settlements Improvement Project (KISIP), is aimed at empowering the slum dwellers to lift their living standards.

He attributed the formation of slums to the high urbanisation rates, which ensured that the supply of housing consistently fell behind demand, adding that at least 200,000 people move to urban areas every year.

"The high rate of urbanisation is responsible for the mushrooming of informal settlements and the government alone cannot meet the demand," said Mr Shitanda, adding "We need to empower the people to construct their own houses."

He said that the housing deficit had been aggravated by underinvestment, especially by the government, in the lower-income segments over the last 30 years, leading to a cumulative shortage of 2 million units.