

# A Formal Assessment of the Extremely Poor Settlements of Urban Colombo



MercyCorps and SEVANATHA



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Veasna Chea  
Assessment Team Leader  
April 2007



## **Message from the President of SEVENATHA,**

Existence of extremely poor settlements in Colombo city and its urban area is a visible feature in the spatial development pattern of Colombo which is a matter of concern to policy makers, politicians, officials, NGOs and the like. The communities living in these settlements are not only deprived of basic human needs but are vulnerable to frequent natural and manmade hazards which make them more poorer than what they were. But, the serious problem is lack of information and proper assessment of the causes and effects of the vulnerability conditions that they face. In this context, the formal assessment of extremely poor settlements of urban Colombo carried out with funding support by the Mercy Corps Sri Lanka is a timely intervention. I am very much thankful to the Country Director of the Mercy Corps Sri Lanka Mr. Josh DeWald for his valuable contribution to this study. I am also thankful to Ms. Veasna Chea, Assessment Team Leader and Messrs Janaka Polambegoda and Nalida Karunaratne of SEVENATHA – Urban Resource Centre for the tireless engagement in this activity.

I do hope that this publication would serve the needs of those who are looking for information and ideas to improve the urban poor communities in Colombo.

**K. A. Jayaratne**

President,  
SEVENATHA – Urban Resource Centre

April 2007



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## Acronyms

CBO	Community Based Organization
CDC	Community Development Councils
CEPA	Center for Poverty Analysis
CMC	Colombo Municipal Council
DCHEO	Deputy Chief Health Education Officer
DCS	Department of Census and Statistics
DFID	Department for International Development
GTZ	German Technical Cooperation
HI	Health Instructors, CMC
INGO	International Non Governmental Organization
LKR	Sri Lankan Rupees ("Rupees")
LNGO	Local Non Governmental Organization
NHDA	National Housing Development Authority
REEL	Real Estate Exchange (Pvt.) Ltd.
UN-Habitat	United Nations Human Settlements Programme
UNICEF	United Nations Children's Fund
WHO	World Health Organization



## Executive Summary

Attention to poverty issues in Sri Lanka has been primarily focused on rural and estate populations, for which national intervention policies and guidelines have been adopted. Therefore, urban poverty in the past decades has not been perceived as an alarming issue in Sri Lanka, even though it has been gaining a certain degree of attention. For example, the Extremely Poor Settlements<sup>1</sup>, which constitute about 10% all urban settlements in Colombo, receive no major attention from any relevant agency.

This assessment was proposed and funded by Mercy Corps, Sri Lanka. Extremely Poor Settlements in northern Colombo become the focus area of the study, following a preliminary review of relevant documents and discussion with key informants. SEVANATHA, a Sri Lankan NGO with advocacy and project implementation experience in underserved urban settlements in Colombo, was selected as the main counterpart for implementation of this project. In addition, Mercy Corps hired an independent international consultant to lead the assessment team.

The primary objectives of this assessment are:

- ☆ To identify the most vulnerable urban poor settlements in Colombo;
- ☆ To understand the prominent livelihood vulnerability issues and barriers to the advancement of socio-

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<sup>1</sup> The term 'Extremely Poor Settlements' is taken from a classification in the *Poverty Profile of Urban Colombo*, February 2002, DFID/ UNDP/ UN-HABITAT/ UMP Urban Poverty Reduction Project. This study categorizes underserved urban settlements in Colombo into four categories: extremely poor settlements; underserved settlements; upgraded settlements; completely upgraded settlements. Of this, extremely poor settlements are the most vulnerable.



economic status of poor people who are living in very poor settlements;

- ☆ To generate key information on resource availability, existing livelihood strategies, and livelihood opportunity assistance needed for advancement;
- ☆ To identify where these issues intersect in order to understand potential areas of intervention.

The sustainable livelihoods framework<sup>2</sup>, and vulnerability measurement indicators by CEPA<sup>3</sup>, were used as conceptual frameworks to inform the assessment design. Both qualitative and quantitative methods, using participatory approaches, were used in the process of data collection. All relevant stakeholders such as community leaders, community members, NGOs, HI, DCHEO, CMC officers, and local authorities served as key informants for the assessment.

The results of this assessment suggest that the residents of extremely poor settlements in Colombo face a range of obstacles that exacerbate vulnerability and prevent advancement from poverty. Key obstacles include: a lack of well-organized and competent CBO leadership and a weakness in local social capital networks; lack of access to credit facilities; lack of income to secure basic needs; exposure to consistently poor surrounding environments (due to flooding five to ten times per year with stagnant

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<sup>2</sup>Originated by DFID and modified or adapted by a range of other agencies and institutions.



water remaining up to ten days); lack of access to basic amenities (such as toilets, solid waste collection systems); absence of personal and societal risk coping mechanisms; consistent exposure to social issues such as drug and alcoholic abuse; and, criminal activity and intimidation from those groups.

To summarize, settlement members face critical rehabilitation and development needs that require urgent attention from both the Government of Sri Lanka and civil society actors. More resources and efforts are needed to improve the ability of the residents of extremely poor settlements to cope with risks, to reduce vulnerability that is caused by environmental sanitation and public health risks, to improve the consistency of income streams, and to resolve uncertainty surrounding issues of legal status. Unless these issues are addressed, the residents of extremely poor settlements in Colombo will remain mired in poverty.

## Relevant Definitions

### Slums

*Slums* are old deteriorating tenements or subdivided derelict houses. The slum tenement, built mostly of permanent materials, often has one room and is compactly arranged in back-to-back rows. The residents have a definitive legal status of occupancy. (UN-Habitat, 2003)

### Shanties

*Shanties* are squatter settlements made up of improvised materials, with few facilities, located primarily on public marginal lands. (Poverty profile, 2002). Shanties are considered unauthorized shelters, constructed by the urban

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squatter on state or private owned land, without any legal rights of occupancy. The areas are badly serviced and often unsanitary. (UN-Habitat, 2003)

## Settlements

*Settlements* have an identified boundary within a geographical area. It could be either a slum or shanty. In this report, “settlement” refers to the most extreme poor shanties.

## Communities

For the purpose of this report, *Communities* are considered to be groups of people living in and demarcated by social and physical boundaries.

# I. INTRODUCTION

## A. BACKGROUND

Colombo City lies on 37.21 Sq. Km of land, along the southwestern coast of Sri Lanka. "Colombo City" is defined as the area governed by the Colombo Municipal Council (CMC), which includes all 49<sup>4</sup> wards of Colombo City and Thimbirigasyaya D.S. Divisions of Colombo District, Western Province. It is divided into 6 Municipal Districts (numbered 1 through 5, in which Municipal District 2 is broken into 2a and 2b). For the purposes of this report, the term "Colombo" will be used to refer to Colombo City, unless otherwise specified.

According to the 2001 census, 642,020 people reside in Colombo, making the population density about 17,217 persons per Sq. Km of land (CMC, Budget Report, 2004). With an average annual growth rate of 0.4% between 1981 and 2001 (DCS, 2001), the estimated 2007 population of Colombo is 657,483. Ethnically, 41.4% of Colombo residents are Sinhalese, 28.9% Sri Lankan Tamil, 23.9% Muslim (Moor), 2.2% Indian Tamil, 1.7% Malay, 0.8% Burgher, and about 1% other (DCS, 2001).

From a national standpoint, poverty is defined from a quantitative approach using the official poverty line. This approach defines the poverty line as "the minimum cost of the poverty level of utility at prevailing prices and household characteristics" (Gunewardena. D, 2004, p. 7). This poverty line provides a favorable picture of Colombo, because the urban sector has a poverty rate of

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<sup>4</sup> Sometimes given as 47, e.g. Poverty Profile, Sevanatha, 2002.



7.9%, compared to the national rate of poverty, which is approximately 22.7% (CEPA, 2004). However, due to the size of the city, the total population of poor people in Colombo is still very high [657,483 (estimated 2007 population of Colombo) x 0.079 (poverty rate) = 51,941 poor people in Colombo].

Qualitative approaches should also be considered when looking at poverty, especially ones that define poverty more broadly (beyond the quantitative approach) by including factors such as social exclusion and quality of life (Gunewardena. D, 2004).

Urban poor are particularly vulnerable because of the high value of commodities within the city compared with their income. In addition, they are exposed to hazardous environments, high population density, and are often unable to meet basic needs. They are also at risk of losing their livelihood due to changes in the physical environment (from flooding, fire, etc.), sickness, and lack of land tenure (which contributes to risk of eviction).

Colombo, like many cities in South Asia, has faced an increase in the number of slum and shanty settlements. In the 2002 Poverty Profile written by SEVANATHA, the number of urban poor settlements was 1,614, including 53,659 housing units with 77,612 families (Poverty Profile, 2002), of which 10% were "Very Poor Settlements" that needed immediate attention for improvement (Building Capacity, 2006). Data from this report reveals that many of these settlements are located in the northern part of Colombo.

In the last two decades, poverty intervention programs have focused on so-called urban "Underserved Settlements", which make up about 40% of the urban



poor settlements, and which require “specific interventions” (Building Capacity, 2006). Many joint intervention programs with international donors such as the World Bank, DFID, GTZ, WHO and UNICEF were implemented to help these kinds of settlements<sup>5</sup>. As a result, many poor settlements have been upgraded, and households to a great extent, have been uplifted. However,

**Table I.1:** Types of urban poor settlements in Colombo

Name	Description	Coverage
<b>Very poor settlements</b>	Needs immediate attention for improvement (sometimes called “extremely” poor settlements)	10%
<b>Underserved settlements</b>	Needs specific improvements	40%
<b>Upgraded settlements</b>	Do not need substantial improvements	40%
<b>Fully upgraded settlements</b>	Do not need any further assistance	10%

Source: Building Capacity to Facilitate Change, 2006.

there are many extremely poor settlements located along railroad tracks, sewage drainage canals, and dumpsites in the northern part of Colombo that are urgently in need of interventions<sup>6</sup>.

Policy and institutional structures such as Community Based Organizations (CBO), Urban Development Authority (UDA), and Community Development Council (CDC) exist

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<sup>5</sup> Urban Poverty In Sri Lanka (Poverty Brief 7), by CEPA, 2004.

<sup>6</sup> Raw data from poverty profile and interview with CMC health officers, health instructors, CBO and community members.





to improve the social well being of urban residents. However, research shows that urban settlers still face many prominent issues such as severe lack of access to basic amenities, difficulty meeting daily basic needs, problems with land tenure, poor access to government infrastructure services, and health problems.

Key informant interviews in this research suggest that prior interventions concentrated on underserved settlements because of the implementer's priority for organized settlements. (such as CBOs, or CDCs with strong leaders, unity of members, and members' readiness for change). In addition, most interventions took place on settlements located on CMC's land.

Given this information, Mercy Corps Sri Lanka recognized a potential area of intervention in Colombo for the urban poor. However, additional information was needed before deciding whether or how to intervene. For this purpose, Mercy Corps, with technical support from SEVANATHA, a local NGO, experienced in the field of urban poverty, has introduced an assessment project for the very poor/ "extremely poor" settlements. This report will describe settlement residents' level of vulnerability and other existing obstacles for advancement, as well as generate key information that can be used to design future program interventions.

This assessment will focus on current livelihood patterns and vulnerability factors pertaining to the selected settlements. The following key variables will be studied:

- \* **Economic Vulnerability:**  
income levels, spending patterns, and wage reliability

- \* **Legal Status:**  
legal status of land ownership, personal identification/rights, and legal status as it relates to financial access or access to public services
- \* **Compounding Factors/Obstacles:**  
health/environmental problems, access to education, social/economical advancement barriers
- \* **Access to and Availability of Assets:**  
financial, human, social, and natural assets

The primary objectives of this assessment are:

- \* To identify the most vulnerable urban poor settlements in Colombo;
- \* To understand the prominent livelihood vulnerability issues and barriers to the advancement of socio-economic status of poor people who are living in very poor settlements;
- \* To generate key information on resource availability, existing livelihood strategies, and livelihood opportunity assistance needed for advancement;
- \* To identify where these issues intersect in order to understand potential areas of intervention.

This research is based on grounded theory, an approach that generates theory based on field data. Randomly selected households were used as a sample to carry out quantitative and qualitative methods, which included key



informant interviews, focus group interviews, and a survey questionnaire. Personal observation was also used in this research to validate data interpretation findings. This research lasted three months, approximately half of which was spent directly in the communities.

## **B. LITERATURE REVIEW**

### **1. Poverty and vulnerability**

The Poverty Profile by CEPA, 2004 emphasizes the inter-relationship between poverty and vulnerability. Vulnerability is an aspect of poverty that is related to the level and frequency of risks, shocks, stress, and internal defenselessness. "Economically marginalized groups tend to be socially marginalized as well so they are disadvantaged with respect to both resources and power" (Gunewardena, D., 2004). Thus, building assets, including social assets, and empowering the poor target population are the best ways of addressing the poverty and vulnerability of marginalized groups.

Britain's poverty social exclusion survey (Gunewardena, D., 2004) classified human populations into four kinds of poor groups: those rising off poverty, those vulnerable to poverty, those not poor based on household income (but poor in terms of other factors), and the standard of living (meeting basic needs, but not advancing). This infers that experienced vulnerability trends could lead a normal family to become a poor family. This means that people need to learn how to strategize their lives according to surrounding risks, and set up emergency mechanisms to cope with unexpected incidents.



## **2. Poverty issues in the settlements**

### **a. Source of income and employment**

The Poverty Brief by CEPA 2004 underlines general issues faced by households in urban Colombo, especially those identified as “under-served settlements”. Many households have similar livelihood patterns such as foreign employment, self-employment, low level sector employment and semi-skilled wage labor, which is the most common form of employment among the poor families (poverty brief 7, CEPA, 2004).

Another important figure from the CEPA Poverty Brief is the lack of a regular source of income in urban poor settlements, with about 54% of the families surveyed reporting that they had no regular source of income. Job patterns and accessibility also vary within the settlements.

### **b. Women-headed families**

“Women-headed families (due to death, abandonment, or permanent disability of the husband) were found as serious social issues” (*Poverty Profile*, p. 24, 2002). This report shows that 2% of the total settlements (39 out of 1,614) have over 50% women-headed families, although the report does not examine the particular difficulties faced by these women-headed families in key areas such as access to education for their children, ability to generate income consistently, and susceptibility to poor public health conditions.

### **c. Legal ownership**

The Poverty Profile of City of Colombo (p, 21, 2002) reports that more than 70% of all poor families do not have proper land ownership, while 46% live on government land. In total, only 23% of families have a



legal right to their land. Among all families, 10% are squatters or unauthorized occupants. However, the report does not elaborate on the reasons that the majority do not have a land title, the significant value of a land title in society, and obstacles that prevent people from obtaining a land title. The report emphasizes that, in Sri Lanka, having land ownership gives a family significant respect and social status. In addition, the majority (83%) of urban poor families do not have access to community savings or credit facilities, and many families rely on private money lenders with high interest rates for emergency credit.

The Poverty Profile also reveals that "About 30% [of the urban poor] do not pay property tax to the municipality", which implies that the above category of urban poor face serious difficulties proving their existence in the city. This situation not only affects them in obtaining municipal services, but creates other problems such as enrolling their children in school and communicating with formal sector institutions (SEVANATHA, Poverty Profile, p: 29,2002).

#### **d. Environmental Health**

Urban poor people are usually concentrated in marginal land in and around the city. Three of the five selected settlements are located on lowland areas adjacent to dumpsites, sewage canals, Beira Lake (port), and along railway tracks. Those settlements are prone to flooding, and exposed to poisonous chemicals produced by dumps and other sources.

Access to basic amenities such as toilets, water and solid waste collection systems is a major problem in the settlements. Communal toilets and water taps are very



common in the settlements. The Poverty Profile reveals that 63% of families in the settlements use shared toilets and 2% do not have access to any type of toilet. In the extremely poor settlements, the number of common toilets is very limited compared with the number of people who access to the toilets, and many of them are not functioning properly. Access to basic amenities is influenced both by income levels and by legal status.

Access to basic amenities, and health issues in the settlements, are inter-related. The location of the settlements and the type of surrounding physical environment plays a major part in the health and well being of those living in the settlements. The CEPA report (2004) recognizes that there are health issues within settlements due to stagnant water such as sewage and drainage canals that make it possible for mosquitoes to breed. In addition, housing congestion and population density accelerate the spread of diseases among settlement members.

### **e. Education**

Education indicators for Sri Lanka are generally quite positive. According to the 2005 Central Bank report, the national adult literacy rate is 92.5% (male 94.5 %, female 90.6%), with Colombo at about 90.6%. In addition, net enrolment rates for primary education nationwide are consistently over 95% (DCS, 2006). However, specific information on the educational status of adults and children in the urban poor settlements is not available.

## **3. Local Government Structure**

As mentioned above, the Colombo Municipality is comprised of 6 municipal districts that are sub-divided into 49 wards. Each settlement is defined as a "Watta",



the lowest level of the city administration structure. The Mayor reports to the CMC. In addition, there is a Municipal Commissioner that is responsible for 15 technical departments. Each department has a sub-office at the municipal district level. The district level office employs the field officers. Field officers of each technical department work separately with the settlement households under their field of competency.

#### **4. Community Groups and Organizations**

Only a small percentage of settlements have active community-based organizations (CBOs) that can represent household members. The Poverty Profile reveals that about 67% of settlements do not have any form of CBOs or civil society organizations, and that only approximately 40% of settlements have a community center or meeting place. In addition, 24% of the existing CBOs are inactive or only have irregular functions.

#### **5. Social Problems**

Security is a major concern in the settlements especially for women and children. There is an increasing incidence of drug addiction, crime and alcoholism within the settlements. The mixed composition, high population density and indirect government structure make it possible for organized criminal groups to operate in the areas. (Poverty Profile)

#### **6. Relevant intervention reviews**

Experiences generated from *Poverty and Vulnerability in South Asia* (World Bank, 2002) suggest various combinations of possible intervention approaches:

- \* Target the most vulnerable groups such as women and children through projects that seek to reduce unexpected incidents and risks of these groups.
- \* Evaluate existing options for risk mitigation and coping, which could be achieved through involving the poor and vulnerable in government public work programs, targeting transfer in cash or in-kind (welfare support), and microfinancing to provide financial services to the group.
- \* Expand options for risk mitigation and coping through encouraging saving and insurance and pension reform. This includes mobilizing savings that generate lucrative benefits, increasing access to insurance against potential shocks or risks, and reforming pension systems for old age.
- \* Advocate toward guidelines for social protection strategy at country level with explicit short-term policy to address vulnerability of the poor and assist them to improve their abilities to manage risks.

## **C. ASSESMENT METHODOLOGY**

### **1. Methodology**

The assessment team surveyed a sample of 100 randomly selected households from the selected settlements to provide primary data for analysis. In addition to these surveys, multiple transect walks and 16 focus group discussions with 112 participants were carried out in communities surveyed.



## a. Selection of Settlements

The selection of extremely poor settlements for this assessment is a critical and important process due to the large number of poor settlements in Colombo. Despite having criteria for the selection of extremely poor settlements, there are many settlements that have similar characteristics, and therefore one limitation of this study is that it may not capture all dimensions of the poorest urban settlements. Having said this, the results of this study are intended to be applicable to all poor urban settlements, based on the assumption that key problems are similar across poor settlements in the city. The research team has carefully and systematically selected five settlements through the following process.

First, the team used existing raw data from the Poverty Profile report conducted by SEVANATHA as the departure point. From this report, 20 settlements were identified as the most poor among 1,641 settlements. The research team then consulted with the Public Health Department of the CMC and health instructors from municipal districts in which settlements were present to gather additional recommendations. As the Poverty Profile report was conducted in 2002, field researchers visited each settlement to get information on the current situation of the identified settlements. The field researchers also made recommendations on whether the teams should study any of the visited settlements.

A guided questionnaire was developed for gathering basic information about each settlement. Once a particular settlement was recommended for further study, the team leader spent a half day in the identified settlement to conduct informal interviews with existing structures and



societies available in the settlements, such as CBOs or the CDC. Community leaders, women who lead micro-credit projects, and community members who have worked part-time with local NGOs were also selected for interviews. Data was transcribed and compared with the criteria for selection of the settlements. This, compiled with team members' personal observations, resulted in the selection of five settlements for the assessment.

**Table I.2:** Five Selected settlements for the assessment project

QNG	Selected Settlements	Address	No. of House holds	Population	No. Focus of Groups
923	940 Watta (Johnson Watta)	340, D.R. Wijewardana, Col. 10	81	420	1
959	Somaliyawa Watta	Bluemendal Rd, Col. 13	275	1375	1
972	219 Watta	Pargution Rd, Col. 14	555	1900	2
N/A	Railway Watta	Bluemendal Rd., Col. 15	1000	5748	1
400	Apple Watta	159 Maligawatta, Col. 10	725	3840	2
Total			2,555	13,283	7

### b. Qualitative Approach

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Seven groups consisting of 16 people per group (112 people in total) were selected to participate in focus group interviews. The seven groups represented the most vulnerable residents, such as widows, elders, young children, and "poorest of the poor" families, which included drug addicted families, female-headed families, ethnic minorities, socially excluded groups



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(ex. disabled, beggars, women involved informally in the sex industry), and others who do what is considered “the least desirable” work. The number of interviews varied according to the size of the settlements (see Table 1.2). Interviewees who wanted to reveal their personal stories were formally asked to narrate their story in detail, and consent was taken for use of these stories.

Twelve key informants, including community leaders, CMC field officers, government officials, existing society representatives, and local and international NGOs, were interviewed for in-depth information that was not revealed in the group discussion interviews.

Field observations were also used as an inquiry method. Teams recorded personal observations, which included key information listed as a project focus point for the assessment.

### **c. Quantitative Approach and Sample Size**

A survey was used to collect quantitative data from 100 households, including 20 households from each settlement. Households were randomly selected from the ward lists (which numbered the houses). This sample size is based on standard sample size calculations (ex. [www.surveyguy.com](http://www.surveyguy.com)), resulting in a confidence level of 95%, with margin of error of 10%.

Among the five selected settlements, the sample consisted of 40% Sinhalese, 42% Tamil, 17% Muslim (Moor), and 1% other. Gender-wise, 79% of respondents were female and 21% male; 93% were married, 6% widowed, and 1% adolescent.

**Table 1.3:** Summary of methods and tools used in the assessment

Method	Tools	Expected information	Information Sources
Selection Process of Extremely Poor Households	Semi-structured guided questionnaire	Generate information from CBO, and key active members on the situation of potential selected settlements	<ul style="list-style-type: none"> <li>* Raw data from poverty profile database</li> <li>* Verify with CMC, HI officers</li> <li>* Compared with selection criteria, and observation</li> </ul>
Focus Group Interviews	Semi-structured guided questionnaire Facilitation Ranking frequencies of similar meaning words	Specific information on living conditions, livelihood, obstacles faced, prominent concerns, livelihood strategy, assets available	<ul style="list-style-type: none"> <li>* Selected target groups from representative vulnerable groups: Widows, elders, disabled, unemployed men, women whose husbands are drug addicted, some youths</li> </ul>
Key Informant Interviews	Semi-structured questionnaire Summary Data	Different opinions on best approaches to intervene in settlements Clarified and validated some information revealed in group focus interviews	<ul style="list-style-type: none"> <li>* INGOs, NGOs who have projects within the settlement, religious groups, DCHEO, HI, Women's Bank, and CBOs</li> </ul>
Household surveys	Survey questionnaire Closed format questions with multiple choice answers	Household information on areas that are listed as the focus of the study	<ul style="list-style-type: none"> <li>* Randomly selected households by house number from ward list, represented all parts of each settlement.</li> </ul>



## **2. Data Analysis**

Quantitative data: Data was examined using SPSS to summarize main variables to define frequency and relationships between variables.

Qualitative data: A matrix system was used as a tool to code all qualitative data from the interviews. This means that collected data is summarized and classified under categories which are used as a basis to make sense of qualitative findings. The generated qualitative data is triangulated with observations and quantitative questionnaire data.

## **3. Assessment Team**

The assessment team consisted of five local and one international team member. It included a part time technical coordinator (President of SEVANATHA), researcher (M.S.c degree and experience in design and implementation of inquiries), interpreter (SEVANATHA staff member), two field researchers (SEVANATHA staff members), and international consultant (M.A. Sustainable Development, U.S.A. and community development experience) who served as team leader. The Team Leader was contracted directly by Mercy Corps as a consultant, whereas the SEVANATHA staff members were involved in the assessment through a research sub-grant from Mercy Corps to SEVANATHA.

In addition, 5 CBO leaders from upgraded settlements and 5 leaders from the selected settlements were

systematically<sup>7</sup> selected and trained on interview techniques, questionnaires, and potential issues that could arise. These community members participated as important members of the survey teams.

#### **4. Limitations of the study**

Excerpted raw data on the poorest settlements from the Poverty Profile were used as the starting point in identifying samples of settlements. This methodology might have left out some poor settlements that were not captured from the Poverty Profile raw data, particularly newer settlements. In addition, all of the assessment team members were Sinhalese. Given the diversity of settlement members, staff members of a different ethnicity could have been included in the team. Finally, (in one particular case), the presence of organized criminals in the neighborhood hindered being able to select participants and conduct focus group interviews.

#### **5. Conceptual Framework**

This assessment is carried out within the framework of sustainable livelihoods (Rakodi and Lloyd-Jones, 2002). This livelihoods framework is a tool that development practitioners can use to define and provide an analytical

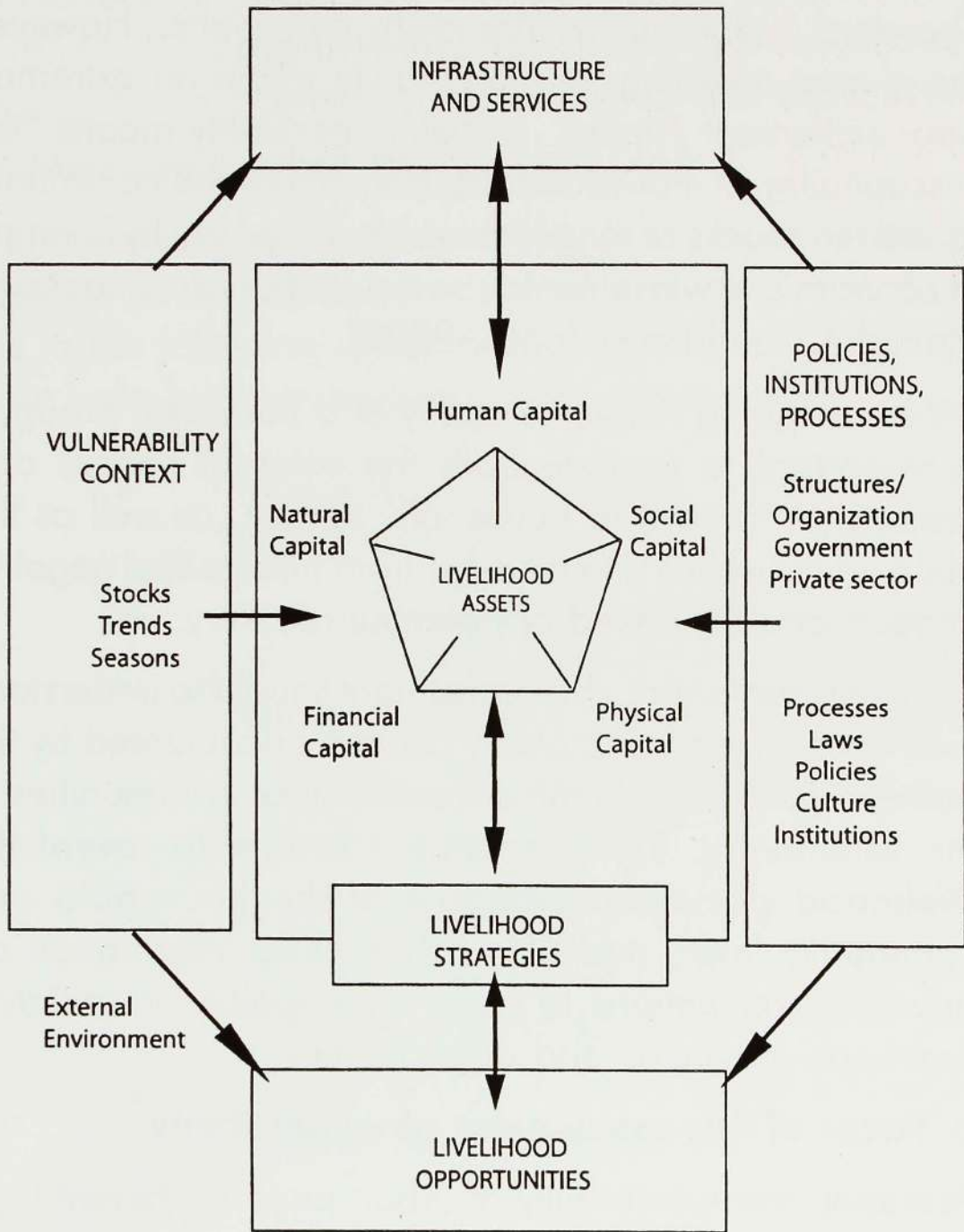
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<sup>1</sup> 5 CBOs are members of Praja (an established society for 10 upgraded settlements to work together to improve their lives). The research team met with representative members to talk about the survey. They discussed and chose members to join the research team. As for community leaders, field researchers went to each settlement and talked to many people, through which five were identified who had appropriate capacity, according to criteria set by the research team



basis for livelihood analysis; to assist in understanding and managing the complexity of poor people's lives; to become a shared point of reference for all stakeholders; and to provide a basis for identifying objectives and interventions to support livelihoods. Thus, this framework fits well with the purposes of this assessment.

Figure I.1: Conceptual Framework



Source: Urban Poverty Profile, DFID, 2002

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## 6. Defining Vulnerability

### a. General Context

The word “vulnerability” has many definitions. However, the closest meaning to vulnerability within an extremely poor settlement context is that vulnerability means “the susceptibility of individuals, households or the community to sudden shocks or longer term stress imposed by changes in economic, environmental, social and political contexts” (Rakodi C. and Lloyd-Jones, 2002).

When analyzing the vulnerability of a particular group, it is important to analyze both the external shocks and stresses (or threats) to household welfare, as well as the ability of households to recovery from unexpected negative impacts and the speed of potential recovery.

From this framework, this assessment sought to understand livelihood assets vulnerability aspects encountered by the poorest people within the extremely poor communities of the settlements. The assessment sought to reveal the livelihood strategies available at the household and community level, and also to generate information on possible interventions to assist communities in initiating livelihood strategies and opportunities.

### b. Focus of this assessment of vulnerability

Assessing the vulnerability of urban poor is different from assessing vulnerabilities of people within other contexts. Within the urban poor context, the key variables that are used to define vulnerabilities are as follows:

- \* Legal status in relation to job, shelter, land and political rights
- \* Existing public infrastructure services

- \* The local environment (physical environment as well as social environment)
- \* Income, which depends on the cash economy and access to social capital assets (human, natural, physical and social assets)

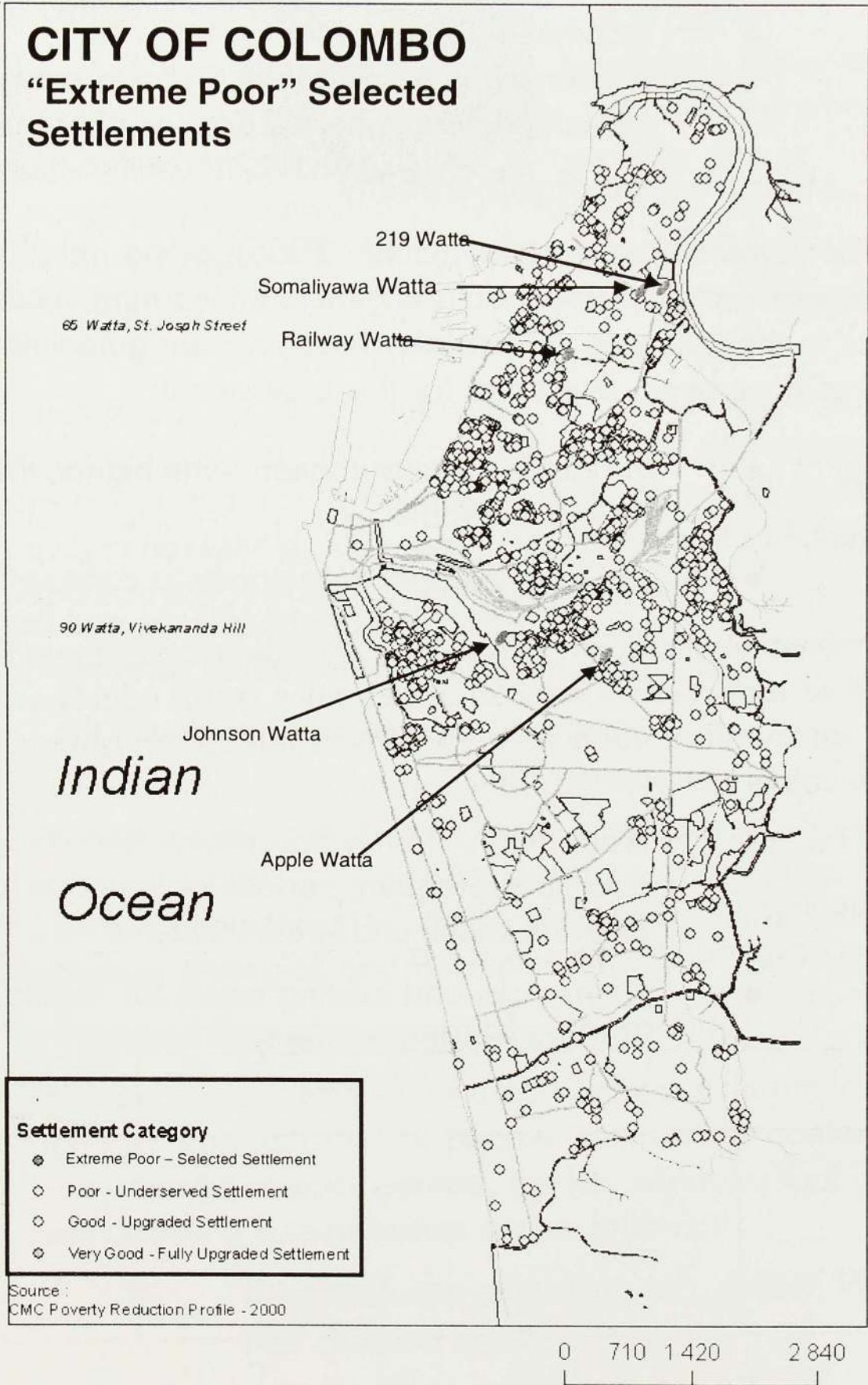
### **c. Measurement of vulnerability**

The combination of theory (CEPA, 2005), along with the assessment team's opinion and generated learning, leads us to the following vulnerability measurement guidelines that have been developed for this assessment:

- \* Variability in consumption – the higher, the more vulnerable
- \* Ability of household methods to cope with shocks (ability to not abruptly change the present livelihood, ex. ability to borrow)
- \* Stability of income compared with the poverty line
- \* Proportion of family households becoming poor in subsequent periods of time due to different shock and stress incidents
- \* Future risks and existing assets for coping with unexpected incidents.



Figure I.2: Map of Selected Project Sites



## II. ASSESSMENT RESULTS

### A. Economic Vulnerability

“The poor are especially subjected to a variety of risks that affect their short term well being and long term ability to climb out of poverty.” (The World Bank, 2002, p,vi). Household economic vulnerability can be seen through the way households respond to encountered risks that affect their income, or when households are exposed to the effects of shocks on current income.

Financial capital is one of the key livelihood assets defined by DFID. As discussed earlier, the most common source of income in the poor settlements is wage labor. One way to look at levels of income vulnerability is to compare the income with expenses. Many practitioners claim that income information may not be reliable data, and therefore other variables such as expenses, savings, and debts are used to reflect the level of poverty that leads households to vulnerability.

#### 1. Income and expenses

**Table II.1:** Household income (in Sri Lankan rupees) and expenditure ranges for an average family of 5 for one month

	<2500	2500-3500	3500-5000	5000-10000	Povertyline by expenses
Household income	21.0%	29.0%	35.0%	14.0%	
Household expenditure	17.0%	30.0%	35.0%	18.0%	2474 R



The largest grouping of households (35%) earns income in the range of 3500 – 5000 Sri Lankan Rupees (LKR) per month, and also expends the same. Considering the average family size (5), the income is quite low by international standards, representing an average of less than US \$.3 per person per day. This is also demonstrated through comparisons to the national poverty line. According to this measure, poverty in Colombo is defined as expenditures of less than LKR 2,474 per person per month. Given the income and expenses data in the table above, it is clear that the average family of five in the communities surveyed falls well beyond this level of expenditures. This relative poverty is also reflected in the results of survey questions regarding the consumption of meals per day: the results suggest that only 29% of the surveyed families consume three meals per day, with 5% consuming only one meal per day.

**Table II.2:** Family Spending Habits

Item	Top three categories of spending (# of respondents)		
	1st	2nd	3rd
Food	95	5	1
Clothing		13	8
Education	3	36	11
Health	1	26	28
Recreation			1
Other		3	1

Table II.2 depicts spending habits of families who were surveyed. The top spending habit for family expenses (over 90%) is on food items, with 54% citing expenses on health as second or third priority expenses. The remaining expenses are allocated towards education and clothing.



The results also suggest that improved public health could lead to reduced expenditures on health/ medicines, resulting in increased expenses on other basic needs.

Most interviewees expressed concerns regarding daily income. The prevalent concern seemed to be that families cannot earn enough money for food. In addition, during the rainy season, many families suffer from lack of food due to the lack of job availability. In addition, families are exposed to waterborne diseases for which additional health expenditures are required. For instance, in Railway Watta, a female interviewee stated that "Widow women are struggling [to] get enough food for their children. Each day they leave home to find work with the expectation that they can bring food for their children, but sometimes when they cannot find it, they come home with bare hands while children are waiting for foods."

## 2. Savings, Debt and Interest

Savings is the positive balance of income after expenses, and can be accrued in cash or in kind. From the data collected on expenditures and income presented above, it can be inferred that most people spend most or all of the income that they earn, meaning that very little is saved and that families are ill prepared to cope with shocks. Since most families who were interviewed do not possess resources to cope with shocks, the incidence of borrowing money in emergencies from a private moneylender is high. These loans carry exorbitantly high interest rates, which render families vulnerable and indebted over the long term.

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**Table II.3:** Family Savings (Sri Lankan rupees)

None	< 500	500-1000	2000-5000
86.0%	10.0%	3.0%	1.0%

Table II.3 demonstrates that the majority of household interviewees (86%) have no savings in cash, whereas only 13% have small savings between 500 to 1,000 rupees per month and 1% can save between 2000 and 5000 rupees per month.

As stated earlier, the survey revealed that most families in the extremely poor settlements spend between 3,500 and 5,000 LKR/ month, with 95% of families reporting that the majority of their expenditures go towards buying food. As discussed, this results in a situation where families have little savings and do not have the resources to mitigate risks, resulting in the need to incur debts when families need to cope with unexpected events or shocks.

**Table II.4:** Family Debt

< 5000	5001 - 75000	> 75001	No debt
18%	53%	7%	22%

Table II.4 demonstrates that 53% of families interviewed owe between 5,001 and 75,000 LKR to creditors, with loans coming mostly from private lenders with an average interest of 15 to 20% per month. 18% owe family and friends from 0 to 5,000 LKR. In total 78% are in debt, of which 63% pay interest. However, residents would only pay less than 20% per year if they had access to formal banks or credit facilities.

**Table II.5:** Interest on Debt

<5%	15% to 20%	>20%	None
6 respondents	55	2	37

Table II.5 demonstrates that 22% of respondents have no debt. However, discussions with those families reveal that the majority of those are the poorest families to whom no private moneylenders are willing to loan money due to their financial solvency situation.

Discussions with families also suggest that most households live from day to day, and have no savings or any kind of risk management mechanism. When an incident such as sickness in the family, job loss, and flooding occurs, different families default to different coping mechanisms. The most common coping mechanism is to seek and borrow small amounts from neighbors and relatives. If this does not work, families turn to private lenders with high interest rates. Others turn to wealthier families, borrowing money in return for pledging a certain number of labor days. All interviewees agreed that it is a great challenge for families to climb back out of debt once that debt has incurred.

### **3. Reasons for Debt and Risk Management**

Settlement residents seem to enter debt due to facing unexpected shocks (such as illness, injury, job loss, flooding) which results in the inability to continue to meet basic food, shelter, and health needs. The need to incur these debts is exacerbated by the fact that most settlement residents do not have insurance and do not have access to financial services.





**Table II.6:** Reasons for indebtedness

Property Development	Medicine	Function	Daily expenses	Other	NoDebt
30%	11%	10%	22%	7%	20%

Among the wide range of different reasons for selected households to incur debt, the most common cited were: property development, such as housing repairs (30%) and daily expenses such as food (22%).

**Table II.7:** Personal risk management plans

Nothing	Social network	Savings	Legal property	Insurance
89.0%	2.0%	5.0%	2.0%	2.0%

The majority of those interviewed (89%) said they do not have any kind of reserve to manage their potential risks. Only 2% are members of an established credit society and only 2% have life insurance. This indicates a deficit of financial and social capital.

**Table II.8:** Source of Emergency Assistance

Neighbors/Friends	Informal lender	Private society organizations	No option
38.0%	56.0%	3.0%	3.0%

The majority (56%) would turn to private lenders to obtain cash to cope with emergencies, while a significant proportion (38%) would turn to neighbors or friend. Only 3% could turn to an established credit society, with the remaining 3% are unable to borrow money under any circumstances.



Interviews revealed that the poorest of the poor generally are not able to join credit societies such as Women's Bank or different credit programs that come to the settlement. Qualitative results suggest that this is because these institutions do not have the capacity to provide outreach services to potential clients due to reluctance to disclose information to officials and bank representatives' assumptions that there are obstacles to formulating effective micro-credit groups among the urban poor.

### *Case study: Niha*



*219 Watta is one of several extremely poor settlements located on Pargusion Road, Colombo. In an area of less than 200 perches (1 perch = 272.25 square feet) more than 555 families with more than 2000 people*

*reside. Niha's family is one of the families in the settlement.*

*Niha has had an unfortunate life. She is in her early forties, and lives in a house of less than 25 sq meters, with her husband and two sons. Her husband suffered from a heart attack and is disabled. The elder son is 12 years old and suffers from kidney failure. He does not go to school. The younger son goes to a primary school nearby the settlement. She works every morning as a servant in a rich family nearby the settlement, for which she earns about 250 rupees per day. She has supported her family with this wage for many years.*

*One day about two years ago, Niha's eldest son died, and she needed 10,000 rupees to buy a coffin. Settlement members had collected small notes here and there to*



support the ceremony, but for the coffin Niha had to seek help from outside sources. She was not a member of any credit society in the settlement, and she had no friend with a better financial situation that could help. She could not borrow the money from the bank, as she did not have property ownership to show as collateral. The house that she has been living in for the past 10 years still has a "T" on the wall, meaning temporary.

In addition to her daily concern on the possibility of being relocated to another place, the death of her son forced her to borrow money from an outside lender, with 60% interest per month. She described that she had to wait at their house for two hours before they decided to lend her the money. She added that the reason was because she is an old woman, she looks unhealthy, and she did not have a permanent job. Now, although her son passed away two years ago, Niha has still not been able to settle her debt for the cost of the coffin, and she has been paying interest of 200 rupees per day to the lender for the past two years. In most afternoons, when there is no rain, she and her youngest son go to beg along the street to get some money to buy more rice to eat for the day as most money she makes from washing clothes is spent on interest to the lender.

Niha has a strong hope that she will be able to get out of debt one day, so that her family can have good meals to eat like before. She said, "If I am able to wash clothes for three houses per morning, I could be out of debt in five years, or if I had some money to start a food business, I could also make food for my husband to sell in front of my house." She claims that she is a skilled cook and her food would sell well in the settlement.

The municipality has provided small welfare support to some families in the settlement, but Niha was not one of the recipients. She does not know the reason why, nor the way to apply for the welfare.



## **B. Legal Status**

Key informant interviews with the staff of LNGOs active in the settlements reveal that the legal status of settlements is very important for settlement members. Experience shows that in upgraded settlements, the land used to belong to governmental agencies, but that advocacy by CBOs and LNGOs, with the assistance of the Colombo Municipal Council (CMC), eventually led to the recognition of some formerly illegal settlements.

The recognition of settlement ownership is a key area that relates to access to basic amenities such as waste collection, water, electricity and security services from the government. Recognition of land ownership is also linked to school enrollment for children and, to some extent, to the ability of families to receive incentives for development. As long as their status is not clear, there is less attention on their problems, as investment in their basic needs might be viewed as a waste of money if relocation could happen soon.

### **1. Land and house ownership status**

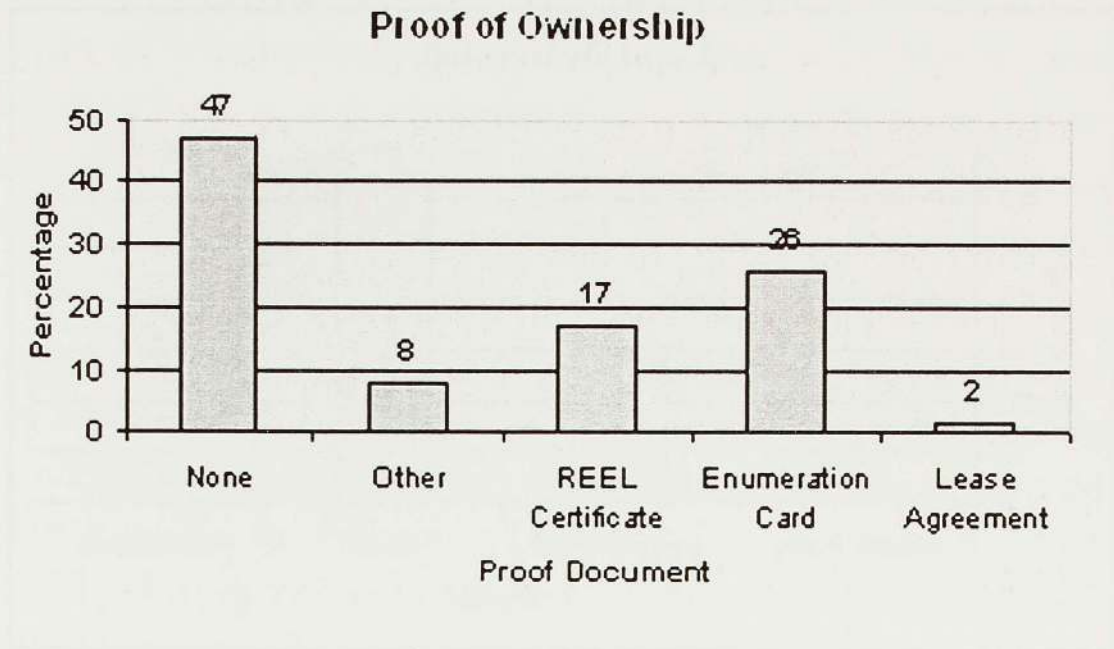
Housing is one of the key indicators to define poverty by settlement members. Many people are investing in improving their houses despite their illegal status. Some stated that they are reluctant or hesitant to invest their income in their housing due to the legal status of the land on which their housing is located. Housing condition, space and structure of the house are important indicators to define the sense of household well-being.



Survey data shows that 47% of occupants do not have any proof of ownership for their homes. These groups are vulnerable to eviction and may face difficulties processing housing claims if settlements are relocated. 43% of occupants have REEL and Enumeration Cards<sup>8</sup>. Information gained from key informant interviews reveals that these papers do not constitute legal title to house or land ownership. These documents cannot be used for any official purpose, but for interviewees they provide a sense of security or entitlement to receive a new house if a relocation project takes place.

People's understanding of the relationship between legal status and basic needs is limited; only more educated or active community members – such as CBO leaders, local officials, and LNGO workers – fully understand the connection. Key informant interviews reveal that the government's role is to provide service to those who pay property tax: for settlement members their ownership is not legal, they don't have a registration number, and therefore Government is not obliged to provide those services. In reality, some social services are provided to illegal settlements by local government, despite their illegal status. It is important to note that for settlements that have strong and knowledgeable CBOs, services are more readily available. The political influence of settlement members also appears to be an important factor in terms of the level of services available in illegal settlements.

Figure II.1: Types of Proof of Ownership



## 2. Land ownership

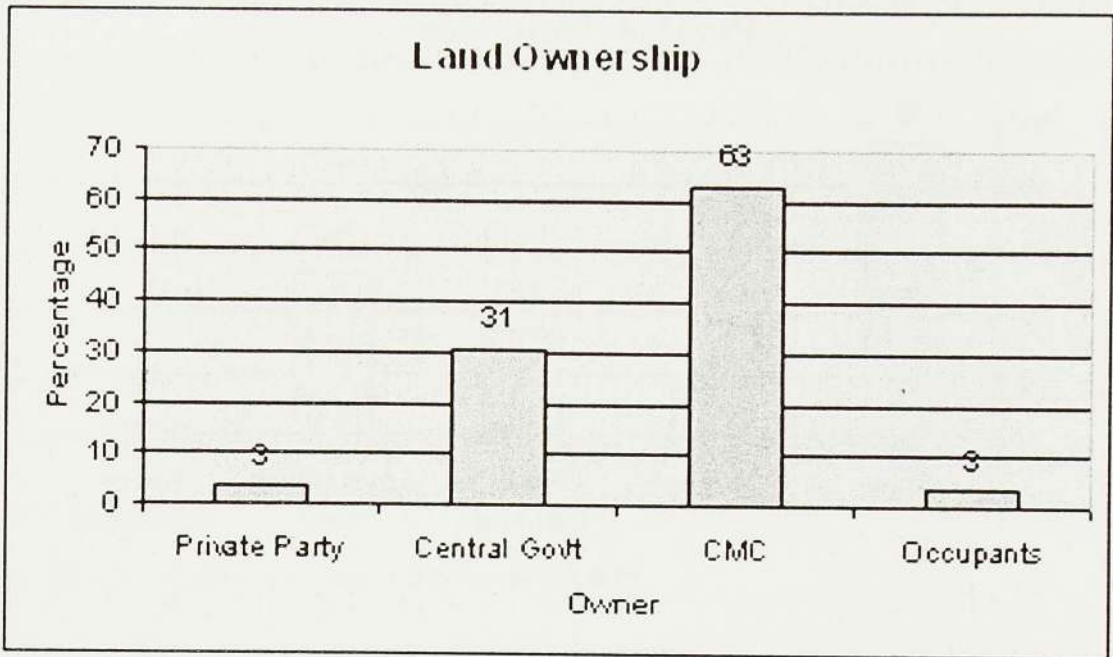
Data shows that 63% of respondent's land is owned by CMC, while 31% is owned by other government agencies. It seems that to settlement dwellers, the exact owner of the land on which they are settled is immaterial as long as the question of their permanency on the land remains unsettled. However, from key informant interviews, it was revealed that it is easier to advocate for land reclamation if the land is owned by CMC, both because of the administrative authority of the CMC and because of the fact that the CMC receives an annual budget to support projects and services on CMC-owned lands.<sup>9</sup>

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<sup>9</sup>In 1996 a regulation was introduced to allow CMC funds to be used on lands not owned by the CMC. However, in practice, most CMC funds are still used on CMB owned lands.



Figure II.2: Land Ownership



### 3. Housing Condition

Housing conditions are related to land availability. In the selected settlements, land areas are small and there are many housing units crowded on available land. Qualitative data reveals that many people chose to live in the settlements, despite poor living conditions, because they are located in a central area that is close to markets, hospitals and work places. Most participants stated that they are not interested in moving to other places, as their livelihood strategies will be disrupted. However, some respondents stated that they choose to live in the settlement because they don't have any other choices.

Table II.9: Housing Types

Type of House	No. of respondents
Tent/Transitional	54
Semi permanent	42
Permanent	4

The survey revealed that 54% of settlement members are living in transitional houses, meaning that the house is made of whatever material was available for them, and the structure is not permanent. 42% are living in semi-permanent houses, which have some concrete structure but with an improper roof, walls and floor. Only 4 percent of respondents are living in a permanent structure.

Sphere standards<sup>10</sup> on shelters state that, "the design of the shelter is acceptable to the affected population and provides sufficient comfort, has fresh air and is protected from climate to ensure dignity, safety and well being." (P.221) Focus group interviews reveal that houses in the settlements are in poor condition, and are susceptible to leaks and flooding during rains. The density of houses within given land areas makes settlement particularly susceptible to flooding, with floods lasting up to 10 days and often carrying waste from nearby dumpsites.

#### 4. Size of House

Results suggest that 20% of household interviewees live in an area of less than 100 sq ft. The majority (52%) live in an area between 100-200 sq ft., and 98% of households live in an area of less than 400 sq ft.

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<sup>10</sup>Sphere standards are described in detail in the Humanitarian Charter and Minimum Standards in Disaster Response.



**Table II.10:** House Size for an average family of 5

Floor area of the house (in sq.ft.)	< 100 20.0%	100 - 200 52.0%	200 - 400 26.0%	400 - 600 2.0%
Density - Floor area/person	< 20	20 - 40 Sphere standard = 37 sq ft/person	40 - 80	80 - 120

Many interviewees commented that their house is too small to organize any kind of ceremony. When a family member dies, they face great difficulties in storing the remains of the deceased or to organize funerals. Sphere standards state that, "social customs for dealing with remains of the dead should be respected. Where customs vary, separate areas should be available for each social group to exercise their own tradition with dignity". Unfortunately, according to observation in most of the sample settlements, there is no space available for ceremony. It is common for people to take the corpse directly for cremation, or to organize ceremonies along the main road.

The Sphere standard for covered living space in hot and humid climates is 3.5 sq m (37 sq ft) per person, yet the majority of families interviewed share a space of less than 200 sq ft among five family members. This implies that density at household level is high. The same grounds are used for cooking and eating. Together, these factors mean that there is likely to be poor air circulation, contributing to an unhealthy living environment.



## Case Study: Experiencing Life in Urban Extreme Poor Settlements



Not far from Colombo, there is a poor settlement named Henamulla adjacent to a large municipal council dump site. Located on a very small piece of land, about 275 families

with a total population of more than 1375 people reside. The settlement had a fire in December 2005, and since then people have suffered from a lack of basic amenities.

30-year-old Lechchimi is a very poor woman with two children and an unhealthy husband. Her home burnt down during the great fire. Currently, they live in a small transitional house located in front of a big dump site. She described sadly and emotionally that her husband works as a trash collector on the dumpsite. He collects tin, bottles and cans in the dump to sell to collecting centers, by which he earns 200 rupees per day. Lechchimi is concerned about the future of her children, since she has become sick and her husband suffers from a chronic disease.

Lechchimi and her husband know that the job is very harmful for him, but they have no choice because he could not find a job elsewhere. "This job is very harmful, my husband's hands and legs get injured everyday, the odor of the trash is unimaginable," she said. Her husband gets sick very often, and he suffers from headaches, coughing and nightmares in addition to his chronic chest pain.



Lechchimi used to work as a housemaid in a better-off family nearby to earn 200 rupees per day, but recently she became very sick, as her womb was infected and required surgery. She also got into high interest debt due to her surgery expenses. Now, after the surgery, she cannot work as a clothes washer anymore,

In addition to her financial situation, Lechchimi is suffering from a lack of toilets and the harmful environment in the settlement. "There isn't any working toilet in the settlement. Women need to go to the dumpsite to do their business, but at night time it is dangerous, and therefore most women and children use a plastic bag and throw it to the dumpsite." As Lechchimi's house is less than 30 meters from the site, the family is continuously exposed to poor environmental sanitation. In the rainy season all kinds of trash from the site are washed into her house. Her children get sick often in the rainy season and many times their house gets so flooded that they have to move to live in another place, such as a temple. On top of this, they don't have enough food especially during the rainy season because Lechchimi's husband cannot go to the dump. She said, "The worst part is to see my children suffering from hunger."

The location of Lechchimi's house also has a strong effect on her livelihood opportunities. Although she is a talented cook and she can make food to sell, no one would buy from her because her house is too close to the dump. She said she had an idea about self-employment, but she has no resources to start her life again. "If I have enough money, I would like to start a small boutique to sell soaps, packaged snacks, spices, etc. I think people will buy things like that, but not food."



## 5. Personal Identity

Interviews suggest that interviewees feel that their status as settlement residents leads to stigmatization. Many interviewees reported stereotypes of extremely poor settlements serving as centers of illegal activity. Others described situations in which they felt that they were denied employment because of their appearance or the neighborhoods in which they lived. Many residents also admitted to lying to outsiders about the settlements in which they lived to avoid stigmatization.

## 6. Civic Rights

85% of settlement members have a national Identification Card. Among the 15% who do not have a card, 7% do not have any kind of document to prove their existence, and the other 8% have some kind of other proof such as a birth certificate, GN certificate or driver's license.

95% of residents do not pay property assessment tax to the municipality, as they are not included in the municipal assessment register. This means that settlement members face serious difficulties in proving their occupancy in the city. Interviews revealed that the situation not only refrains them from accessing municipal services, but also from enrolling children in nearby schools. Through the fact that the residents do not pay tax, the CMC can use this as an excuse to circumvent their obligation to provide any basic amenities to settlement members.

## 7. Participation and Empowerment

*Communication:* Due to the lack of proactive CBOs, settlement members do not have much communication with outsiders, except with the GN for various local administration issues such as birth, death, and marriage



certificates. It is reported that they have seen more officials come to their settlement during the election period, in which some assistance is provided and promises are given, which are not fulfilled.

*Participation:* The majority of people have limited participation in events or programs in their settlements. The existing CBOs or representatives of settlements represent them in some meetings, but people are not informed about the meetings. At the present, there are a few agencies and NGOs that assist settlements on a small scale. Due to the lack of proper CBOs, the approach for selection of beneficiaries, which generally is made through unofficial representatives, is unsatisfactory for settlement members, or representatives' ideas may not represent majority interests.

*Empowerment:* Settlement members have limited access to information and policies pertaining to their lives such as housing, relocation, social funds assistance and welfare support. It is reported that many complaints on basic amenities were submitted to different agencies but no responses or interventions took place.

### **C. Compounding Factors Preventing Advancement (Obstacles)**

The high rate of unemployment is strongly related to level of education. Data shows that the majority of interviewees only possess a basic education; 53% are unemployed, and among those who are employed, the most common livelihood strategy is wage labor.



## 1. Education

Table II.11: Educational Status

Illiterate	Basic (1-9)	O/Level	A/Level
26.0%	56.0%	16.0%	2.0%

Table II.11 shows that 26% of the selected sample cannot read and write. The majority (56%) have received only general basic education, while 16% studied up to O/level. None of the interviewees have reached university level, as the vast majority (98%) did not reach A level. The illiteracy rate in Extreme Poor Settlements (26%) is very high in comparison with the national figure (7.5% - DCS, 2006).

Qualitative data gathered during the assessment suggests that lack of education is a major obstacle to securing good employment or to generate self-employment options. As a result, the majority work as wage laborers, which is an insecure source of income. Furthermore, daily wage rates are low – and daily labor opportunities are infrequent – with the majority of those interviewed reporting that income earned from daily wage labor was not sufficient to meet basic needs. Again, lack of income hinders parents from sending children to school, or from supporting children in school as long as possible.

## 2. Employment

The type of employment carried out by a particular group reflects the group's status and the financial situation of the group. When there is a high level of unemployment within a settlement there are more mouths to feed by fewer active members. This trend reduces opportunities to save money or build assets, and therefore increases vulnerability to shocks.



**Table II.12: Occupational Status**

	Unemployed	Casual labour	Unskilled permanent	Skilled permanent
Total	53.0%	23.0%	9.0%	15.0%

Table II.12 shows that 53% of the sample is unemployed, and 23% work as casual wage laborers, while 9% engage in unskilled permanent labor and 15% in skilled permanent labor. This shows the high rate of unemployment of urban settlement members. In addition, the survey shows that 19% of families interviewed had at least one drug addicted family member, while 30% of families interviewed contained at least one elderly, ill, or disabled family member. Households with these members are susceptible to financial, physical and psychosocial drains.

Qualitative data demonstrates that most people work as wage laborers in the markets or residences of nearby settlements. Common livelihood strategies include: porters, assistant sellers, clothes washers, servants, and tea factory workers. Widows make up 6% of the total sample, while women with small children or with unhealthy and disabled people in the house also face great difficulties, as they cannot go out to work full time. For those who can work everyday, jobs are not always available for them, while the income from the days they work seems to be barely enough. Meanwhile, many people believe that self-employment through small business would be a better way of making a living.

Cross tabulation between educational background and occupational status shows that among the 26% percent illiterate, 8 of the 26 are unemployed. The biggest group that is not employed are the people who received

**Table II.13:** Education status / Occupational status Cross-tabulation Count

Educational status	Occupational status				Total
	Unemployed	Casual	Unskilled labor	Skilled permanent	
Illiterate	8	8	4	6	26
Basic (1-9)	34	13	3	6	56
O/Level	10	1	2	3	16
A/Level		1	1		2
Total	53	23	9	15	100

education between grade 1 to grade 9 (34/56). Even among the 16% who have reached O/level, 10/16 of them are unemployed. This implies that wage labor employment does not vary by level of education up to A level. Focus group interviews found that late age people have difficulty finding manual labor opportunities. This also affects their ability to take loans from private lenders even if they are willing to pay high interest rates.

### 3 Access to basic amenities

The extent of poverty in the selected settlements can be reflected in the ability of household members to access basic amenities.

#### Access to water

**Table II.14:** Water Sources

Other source	Govt. water supply to common water point	Govt. water supply to home
3.0%	60.0%	37.0%



60% of the sample shares government-supplied common water points, in which an average of 150 households share. In larger settlements, the sharing is increased. 37% of the sample have individual water connection, which are generally concentrated in small settlements. Some in this category use their own devices to connect to the main water pipelines, but the majority obtains individual connections legitimately. It was revealed by interviews that it is difficult to maintain common water points; as a result, water flows 24 hours in some locations, with high wastage levels. Interviewees therefore stated that private connections would benefit both the settlement residents and the government water board.

66% of the sample stated that they bathe in public areas. Focus group interviewees said that the water supply is not enough for them (to bathe) but that the issue is low priority because they can limit their usage.

### Access to electricity

Presence or absence of electricity, was reported as a major priority in the lives of settlement residents. For many residents, having electricity provides the opportunity to access television as a recreational activity, or as a way of getting information about Colombo and the rest of Sri Lanka. It also makes settlement members feel safer because well-lit areas are less susceptible to crime. Some residents also conduct small-scale livelihood activities using private electricity connections in their homes.

**Table II.15:** Household electrical connections

Not available	Illegal connection	Connection from neighbor	Individual connection
56.0%	33.0%	2.0%	9.0%



56% of settlement members do not have access to electricity, while 33% have access to electricity through illegal means. From interviews, it is revealed that government agencies will often not provide electricity to settlements that do not have land assessment registration. Some also stated that the deposit fee is very high, and that even if they are allowed to connect they would not have the money to pay the deposit. Some widows said they do not have the money to pay for their usage even through illegal means due to the lack of income. Participants also noted that illegal connections have not been following safety measures, and are potentially dangerous. For those who don't have access, they are concerned about fires that could potentially be caused by an improper connection due to the close connection of houses, the high incidence of illegal connections, and flammable materials used to construct houses.

## Access to Toilets

Table II.16: Types of toilets used

Open ground	Open Pit	latrine Pit	Common toilet with septic tank	Private toilet with septic tank
8.0%	2.0%	24.0%	62.0%	4.0%

The majority of the sample (62%) use common toilets with septic tanks, and 10% use open ground and open pits. Among those who use common toilets (due to a lack in the number of functioning toilets), the average number of people per toilet is approximately 60 families, or 300 people, per toilet. This figure is extremely high compared to the Sphere standard for access to toilets, which is 20 persons per toilet. Sphere guidelines assert that "Safe disposal of human excreta creates the first barrier



to excreta-related diseases, helping to reduce transmission through direct and indirect routes (p.71)". The high number of families sharing a single common toilet leads many families to avoid using these common toilets altogether, which in turn creates environmental sanitation concerns. Furthermore, interviews revealed that existing toilets are poorly maintained.

Information gathered from group focus interviews suggests that toilets rank high among priorities raised by interviewees. Lack of toilets was often raised as the most urgent issue by respondents. Data from interviews found repeated requests for interventions to construct toilets. For example, in Somaliyawa Watta, 1,375 people are living without any functional toilets. Most men use the adjacent dumpsite, while some use a neighboring settlement's (219 Watta) already congested toilets. Interviewees reported that flooding causes by rains often washes waste back into the settlements, particularly affecting houses located near common toilet sites. One family living near a common toilet reported having to spend the night frequently in a nearby temple when rains caused the toilet to overflow near their home; this family also reported suffering frequently from diarrhea and communicable diseases.

#### 4. Health and Physical Environment

##### Location

Table III.17: Environmental dangers near households

Dump site	Poisonous chemicals	sewage canal/ drainages	Other
43.0%	33.0%	17.0%	7.0%



All selected settlement samples are located on unauthorized land. 43% are adjacent to dump sites and railway tracks, 33% are close to potentially toxic dumpsites<sup>11</sup>, and 17% are close to sewage and open drainage canals. People who live close to dumpsites and sewage/drainage canals reported that the areas produce fumes and odors that cause respiratory difficulties. In addition, the areas are prone to flooding, which creates difficulties as described above.

Residents stated that they know that the settlement is located in an unhealthy environment and is harmful to their health, but they have no better choice. However, they noted that the areas tend to be close to local markets where their labor is needed, and they feel that it is their home as they have lived there for many generations. They have built unity, friendship with other members, and they also know how to access different services that are available near the settlement.

#### Inner access road

Inner accesses roads vary depending on each settlement. In the most extreme poor selected settlements, the inner access road is extremely small, between approximately 0.5-2.0m. Small houses have been built without proper plans, and there are many inner roads that are allowed to pass to the next houses. The focus group interviewees revealed that due to the density of houses, high populations, and small access roads, settlement members don't have any privacy. Also, they face high risk of fires

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<sup>11</sup> Potentially toxic dumpsites refers to places where chemical substances have been dumped by factories or companies. This category includes unused fertilizers.



spreading as their houses are made from temporary materials, and fire companies would have difficulty accessing the condensed areas.

## Drainage system

**Table II.18:** Presence of stagnant water and open drainages/canals

Stagnant water			Open drainages/canals	
Always	Seasonal	Never	Yes	No
68.0%	24.0%	8.0%	80.0%	20.0%

68% respondents stated that there is always stagnant water around their houses, meaning that a drainage systems to carry daily used water do not exist nearby. 24% experience stagnant water seasonally, generally in the rainy season. 80% are living close to open drainages/canal. It is observed that these canals are not managed well, as they are generally filled with standing water and trash. In the dry season, the canal contains stagnant water, which produces an unpleasant odor and acts as a breeding ground for mosquitoes, flies and other insects, which are transmitters of vector-borne diseases.

In the rainy season, most settlements are flooded 5 - 10 times. Flooded water is up to 2 feet deep and lasts from 1 - 10 days. Flooding is a major concern for household members, and affects health and income as described in preceding sections of this assessment report.



## Case Study: "My Surrounding Environment"



Dinithi is a 13 year-old girl who was born in the "Railway" settlement that contains more than 1000 houses with more than 5000 people. The settlement is located close to a big dumpsite, adjacent to the railway tracks and on top of an underground oil pipeline. She studies grade 6 at the public school nearby her settlement. In the afternoon she attends extra classes at Children Home organization, headed by Christian nuns and retired teachers.

The following composition was written for her writing class, and is called "My Surrounding Environment".

"I don't know where I should start to describe about our environment? I ask this question repeatedly to myself! What appears is that there is a huge dumpsite that looks like a mountain in front of our houses. The sound of trucks creates a noisy environment like a thunderstorm, and the blowing breeze is not even good for us to inhale. Our breath is light due to the high congestion of our houses and population. The existence of the dumpsite produces strong ugly odor that is uncomfortable for everyone. In the rainy season, water washes dump debris down to the settlement and creates stagnant water that serves as a breeding place for mosquitoes that transmit major diseases.

We live in an insecure environment. The neighborhood is filled with thieves, scary people, and open stagnant drains. In addition, although we can see each other, the railway residents have been divided into two different



settlements along the railway track. Our houses are small and weak; some people have multi-story houses but those are not strong enough.

We don't have anything in private, every thing is in common. Even our lifestyle is different: Other people go to the boutique to buy food, but merchants come to our settlement so we don't need to go to boutiques to buy the stuff. What a different way of life we have!

When we talk about our environment we should mention the people. Most of the people are wage laborers. They work so hard to carry the heaviest things to just get enough money to buy food to fill up their families' stomachs. The schools for the settlement children are also different. Our school nearby the settlement is called "Colombo College", but its environment is highly populated and not many facilities are available for us to learn. Although parents try to send their children to school, the children are reluctant to go due to their addiction to a "playful life."

Our physical environment has no good vegetation cover. If there were beautiful trees, vines and flowers in our environment, what a pretty environment we would live in! But if we do not have enough space for them, what shall I do? How do I answer?

Although there is electricity for the street, our small houses sink in darkness at nighttime. When we talk about our environment, we should talk about the Children Home. It is there for us at least, and it provides generous assistance in several ways such as nursery education, day care centers, women's savings societies, and school drop-out classes, and evening school. All these services are free. I would like to give special gratitude and wishing for a long life for the nun sisters who try to uplift our lives."



## 5. Health Issues

### Meal Consumption

Table II.19: Number of meals per day

No proper meal	meal	2 meals	3 meals
5.0%	16.0%	50.0%	29.0%

The survey shows that only 29% of interviewees consume three basic meals per day, although the nutritional content of meals consumed is beyond the scope of this assessment since dietary content and caloric intake was not analyzed. The majority (50%) of interviewees consume only 2 meals per day; 16% consume only 1 meal per day; and 5% have no proper meal<sup>12</sup>. From this data it can also be inferred that 71% of the sample do not enjoy sufficient nutritional intake to prevent exposure to other health hazards.

### Frequency of Sickness

Table II.20: Frequency of sickness in the household

Every day <sup>13</sup>	every week	every month	every 3 months	6 months or more
13.0%	21.0%	33.0%	16.0%	17.0%

Qualitative data suggests that health issues are related to existing factors in the settlement, such as population density, which leads to the quick spread of communicable diseases; pollution; flooding, and work-related accidents. Many residents also seem reluctant to go to the hospital for consultation unless they fall seriously ill, because admission to the hospital limits their ability to work and requires additional expenses for transportation and other incidental costs.



Quantitative data on the frequency of sickness validates the discussed physical health of settlement members. 13% of those sampled reported that a member of their household falls sick on a daily basis; 21% reported that at least one member falls sick per week; and, 33% reported that at least one member falls sick per month. In total, 67% of the sample said their family's members are often sick. Information gained through observation during the assessment suggests that common sicknesses include respiratory problems, small health issues associated with vector-borne diseases, and illnesses resulting from work-related accidents.

### *Case Study: Living with chronic sickness*

*Ramani is a 37 year-old woman in the T20 settlement. She is smart, and is a leader. She works to assist people in the settlement and is well liked. She is a widow, with three sons living in an uncompleted house on top of a trash pile. She said she has no choice but*



*to build this house for her children. She used to live with her sister, but she prefers to have her own house despite the proximity to the open sewage and old dump trash. Her husband left the family a long time ago for another woman.*

*Unfortunately Ramani is unhealthy. She is sick with two major problems, a breast disease and a respiratory/heart (valve) problem. She is suffering everyday, she says.*



*Also, one of her children is suffering from kidney failure ("Necrotic"). He cannot go to school as he could faint at any time. The other two boys go to school. She cannot do any kind of heavy work so she works in the Grama Sewaka office twice a week and earns a small amount for her family. She wishes to have a small business and to train her sons, so that they can live on their own in the future.*

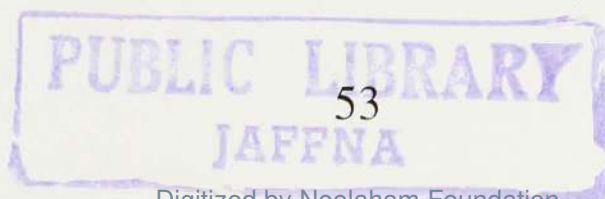
## 6. Social Problems

Qualitative data suggests a range of serious social problems within settlements. The main social problem is that there is a high incidence of drug addiction among groups such as middle-aged men, young adults, and women. Domestic violence, marital instability and child abuse are also common within the settlement, creating a disruptive environment for family members. It was also learned that due to their financial situation, many elders and children are forced to become itinerant beggars; some children do not attend school; and, there are a high number of school dropouts as well.

**Table II.21:** Households with difficult circumstances

Number of households with drug addicted members	19	19%
Number of households with disabled or elderly members	30	30%
Number of widow-headed households	6	6%

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## Case Study: Victim of social problems



Anoma is a 25 year-old young mother of four children, one girl and three boys. Her husband is a drug-addict who is now in Walikada jail. Going to jail is like a habit to him. Typically he goes to jail for two or three years, then once he is released he

stays home for a couple of months, gives life to Anoma's womb, then again starts committing illegal acts which gets him arrested and thrown back in jail.

Anoma and her children don't have enough food during the period after she delivers her babies, as she needs to stay home and therefore cannot work. She also lives with and cares for her 70 year-old mother-in-law. Anoma works as a housemaid and earns 150 rupees per day, but that work is not available all the time for her to do. She cannot be part of any credit society, as everyone knows her story and they don't trust that she could be a good member due to her situation. This is her second marriage; she left her first husband, who was also a drug addict.

## D. Access to and Availability of Assets

### 1. Existing livelihood opportunities

Table II.22: Household sources of income

Settlement	Samurdhi <sup>14</sup>		Social Aid <sup>15</sup>		Self Employment		Other		No option	
	Count	%	Count	%	Count	%	Count	%	Count	%
Henemulla/ Somaliyawa Watta	1	5.00%	6	30.00%			5	25.00%	8	40.00%
219 Watta	2	10.00%	4	20.00%			3	15.00%	11	55.00%
AppleWatta			1	5.00%	2	10.00%	3	15.00%	14	70.00%
Railway Watta			1	5.00%					19	95.00%
Johnson Watta	10	50.00%	2	10.00%			1	5.00%	7	35.00%
Total	13	13.00%	14	14.00%	2	2.00%	12	12.00%	59	59.00%

The table above demonstrates that 2% of respondents generate income from self-employment (generally small, informal business), while 12% receive income from other kinds of work. This data is consistent with qualitative data gathered, which suggests that a number of part-time, home-based industries exist in the settlements surveyed, such as producing tea sampling boxes, paper bags, lantern or candle stands, and other small metal works. It is important to note that not everyone can access these livelihood options, as personal connections with middlemen are required. Some extremely poor women cannot access these livelihood options due to the lack of social networks in the settlement as well.

Besides those who work as wage laborers outside the settlements, other types of common livelihoods are self employed businesses such as small shops, or mobile fruit,



vegetable, fish, and lunch package stands, and other food making businesses. Three-wheeler drivers are considered to have the most sustainable type of livelihood as they can generate profit everyday. Many of these self employed individuals take loans with high interest to start their business, with the majority of their profits going to lenders.

Many of the extremely poor women aspire to operate their own small businesses, but face a lack of capital to begin operations.

## **2. Vulnerable groups**

The most vulnerable groups found in the settlements surveyed are widow-headed families and female-headed families where husbands are sick, disabled, drug addicted or elderly. Six percent of those surveyed for this assessment were widows, and an additional 30% of interviewees reporting having disabled or elderly family members while 19% reported having drug-addicted family members. Women struggling to support these families are more likely to undertake the most undesirable jobs such as: trash collection, tea factory workers, informal sex workers, clothes washers, domestic servants and beggars. Children forced to drop out of school to generate income can also be considered as a vulnerable group.

## **3. Community Based Organizations**

The survey revealed that 59% of interviewees felt that local CBO structure needs to be improved. Qualitative data suggests that CBOs in selected settlements are mostly unofficial, with limited functions. The CBOs generally have only one or two active members, whereas in a well-functioning CBO there are more active members who have separate roles and responsibilities. Key informant



interviews with CBOs showed that they need more skills and networks with other agencies, NGOs and other CBOs to be able to advocate fully on behalf of their settlements. At present, each settlement gets a different level of attention from government, politicians, and CMC-elected members because it relies on the CBO's personal commitment, communication skills, and political ties.

#### **4. Existing private organization activities**

Small-scale credit programs have reached settlements through different agencies such as Ceylinco micro-credit program for the poor, women's groups, and Sahajeewana or FCE (Foundation for Coexistence). Two religious organizations, Kusum Sawana (Railway Watta) and Samantha Sarana (nearby Johnson Watta), provide day care service for children under 6, so mothers can go to work. They also provide some food to the children. In 219 Watta there is a kindergarten, with teaching activities supported by FORUT, an INGO. The school is also used for other multiple purposes. The settlement of Apple Watta contains a community center, but the center seems to be largely out of use due to tight control by an individual.

Informally established welfare societies were observed in one of the settlements sampled, which included a death relief program in which members pay a small monthly fee and receive support of up to 10,000 rupees if a member dies.

#### **5. Social Protection Services**

Table II.22 above demonstrates that 13% of respondents receive Samurdhi benefits, whereas 14% receive other forms of social aid and the majority (59%) have no consistent source of income. 60% of respondents from Johnson Watta, 35% from Somaliyawa Watta, and 30%



from 219 Watta receive Samurdhi benefits or other forms of social aid. In contrast, only 5% from Railway Watta and Apple Watta receive welfare support.

Qualitative data reveals that access to social welfare services varies depending on the settlement. According to interviewees, the amount of assistance provided by government welfare schemes is 350-650 rupees per month, which people claim to be helpful to their lives despite the relatively low sums involved. They hope the government can increase the size of the benefit and number of recipients, as many extremely vulnerable people do not receive these services due to the limited number of welfare payments provided to each settlement. The World Bank report 2002 emphasizes improving government policy on social service support to poor and vulnerable groups as one of the best practices to help the group cope with risks, shocks and stresses.

The selection process, rules and criteria of social service recipients seems to be unfamiliar to most settlement residents. In an interview, a Samurdhi official explained that application forms are given to community representatives to distribute to the poorest families, and that his team visits the identified families before selection. However, beneficiaries claim that the process is not transparent, as some of the most vulnerable could be left out due to the fact that the process depends heavily on the judgment of CBOs or leaders to define the first list of potential recipients.

### III. ANALYSIS OF VULNERABILITY

#### A. Understanding Poverty in the Context of Extremely Poor Settlements

Being that the majority of households in this study have an average expenditure of less than 5000 rupees per month for five people, and per capita expenditure (i.e. Rs. 1,000 p/m) is much less than the national poverty line, it can be concluded that settlement members are extremely poor. In addition, poverty of settlement members is reflected through qualitative factors such as exposure to risks and shocks and the lack of personal and societal mechanisms to cope with unexpected shocks and mitigate risk. The vulnerability condition of these families can be defined as situations in which poor families are unable to cope with unexpected events on their own. The ability or inability of poor families to cope with unexpected shocks demonstrates the interrelationship between poverty and vulnerability.

Inability to mitigate risks and cope with shocks has led the majority of settlement members into indebtedness, which these debts incurred from private money lenders that bear usurious interest rates. The most common reason for incurring this debt is simply to meet basic food, shelter, and health needs. Meanwhile, income sources for settlement residents are erratic, forcing residents into a cycle of debt from which they cannot emerge. This implies the need for consistent income through improved livelihood options.



## **B. Settlement members' exposure to existing and potential risks, shocks and trends**

A large number of households encounter existing risks and trends of stress due to family members who are drug addicted, disabled, and elderly. Households are also exposed to financial drain for medicines, legal proceedings and a possibility that there will be a sick family member to care for. In many circumstances, due to the high population density and poor physical environment, members of many households are exposed to constant stresses or are affected mentally.

In addition, a majority of households within settlements are exposed to flooding in the rainy season. Flooding strongly limits income generation opportunities, which in turn leads to greater indebtedness and a reduced ability to meet basic needs.

## **C. Availability of risk management strategy**

"Vulnerability can be defined as welfare loss above society-accepted norms which is caused by uncertain events and a lack of appropriate risk management instruments" (World Bank: Poverty and Vulnerability in South Asia, 2002, p, 5). Risk management plans and resources are key components to reduce susceptibility to vulnerability of poor family members. In the selected settlements, a majority of families do not have any kind of savings and they do not have access to any type of insurance due to their social, financial, personal and legal status. In addition, there is a lack of organized social support networking among members. The assessment has revealed that many settlement members turn to private lenders when they face emergencies.



Extremely poor settlement members face prominent obstacles such as poor public health, uncertain occupancy status related to residing on unauthorized lands, or localized emergencies (flooding, fires, etc.) that lead to increased vulnerability and prevent advancement out of poverty. In addition, the weakness of social capital networks, as exemplified by a general lack of CBOs or committed community leaders, contributes to social isolation and reduces the probability that families will work together to forge solutions to common problems.

#### **IV. SUMMARY OF FINDINGS AND RECOMMENDATIONS**

This section of the report summarizes key findings and makes broader, preliminary program recommendations to address those findings. Specific recommendations for interventions are discussed in more detail in Section V.

##### **Social Structure**

- Settlement residents are not often represented by capable community groups, and therefore their ability to work together towards, or advocate for, improved conditions and services is minimal. This also leads to confusion among community members about what type of assistance and options are available.
- Settlement residents lack a common meeting space for coordination or organization purposes to plan actions that could lead to improved quality of life in the settlements. It is noteworthy here that community structures such as nursery schools and community centers are very important, as they seem to be used for multiple purposes and provide an opportunity for gatherings and greater internal organization within settlements.



## *Recommendation*

- Build or strengthen community based organizations with full participation from settlement members and relevant agencies, and provide basic livelihoods and policy advocacy skills training to selected groups. Stewarding infrastructure projects, awareness campaigns, clean-up campaigns, or livelihoods project activities without settlements would likely improve the capacity of these groups and enhance the legitimacy of these groups with the community members whom they represent. As settlement residents appear to be familiar with voting and quite politically aware, a system in which CBO representatives are elected might ensure more transparent and representative community leadership.
- The development of channeled communication systems with government agencies, CMC, and private organizations would be extremely useful, particularly if accompanied by a feedback mechanism to improve the flow of information between these agencies and settlement residents.

## **Economic Situation**

- The most common source of income for settlement residents is wage labor, but wages earned through casual labor are not sufficient to support basic needs. In addition, the majority of settlement residents do not have any savings to manage their existing risks or potential shocks. As a result, the majority of settlement members have incurred debts with high or usurious interest rates.

- Widows and poor women-headed families face great difficulties in supporting their families, which again leads to significant indebtedness.

### *Recommendation*

- Members should be introduced to new livelihood opportunities based on skills and opportunities available, accompanied by business development services and improved access to financial services (initiated by grant-based support, but transitioning relatively quickly into loan-based support).
- For longer-term economic development, vocational training and workforce development programs are recommended. These may also provide an alternative to criminal activities, which are prevalent in settlement areas, for youth.
- Savings-based credit groups could constitute a partial solution to the general lack of access to financial services. These groups would also increase social capital networks, which would lead to positive ancillary benefits. Optimally, however, programs would also support improved financial services via existing banks or financial institutions through loan guarantees or the provision of loan capital to facilitate designated loan funds and tailored loan products.
- Programs to strengthen livelihoods, build vocational skills, or support local economic opportunities should consider debt relief measures (such as cash-for-work campaigns to clean and repair drainage canals or do other required projects) as a starting point. These would relieve



participating families of the need to accept sub-standard work opportunities simply to satisfy usurious money lenders and would free program participants to focus on improving economic conditions for their family and community.

### **Health and Environment: Access to Basic Amenities**

- Access to basic amenities such as private toilets and well-functioning common toilets is the first priority concern. It can be observed that many common toilets are filthy and not working properly shortly after being built.
- Flooding, due to lack of drainage, is a second priority concern. Toilet outflow is contaminated and spreads disease to settlement members. Flooding, which occurs regularly, strongly affects income generation opportunities.

### *Recommendation*

- Any intervention that improves access to basic amenities should be implemented through the newly created CBOs to strengthen their capacity to plan and implement future projects, although it is recognized that skilled labor may need to be contracted out, since projects wholly designed and implemented by external contractors in the settlements surveyed seem to have fallen into disrepair due to lack of community ownership. It is important to note that there is very limited space to build private toilets, and therefore consultation with the CMC and other local authorities, as well as with families holding larger amounts of land, is required before sanitation-related infrastructure projects can be designed.

- Separate technical studies should be conducted to determine the causes for flooding in each settlement, upon which waste management projects with participation of CMC and settlement residents should be implemented.
- Infrastructure projects related to water/ sanitation should of course be accompanied by hygiene and sanitation awareness campaigns that would help to mitigate the spread of communicable disease.

### **Legal status**

- Legal status of land, and legal residency status, are important factors in accessing government services related to water, electricity, health, and education. The majority of settlement residents have been living on the land for more than 20 years, but do not have any kind of ownership documents for their houses. Some have informal certificates, which do not have any legal meaning. Most settlement residents live in houses that sit on lands owned by the CMC or other government agencies (such as the Port Authority), which leads to the risk of eviction or relocation.

### *Recommendation*

- Land regulation or reclamation advocacy programs should be initiated by involving all relevant governmental agencies. It is necessary to organize discussion with settlement members, such that community representatives can work with relevant authorities to gain status recognition.
- Legal aid programs could be conducted by looking at land reclamation policy, assisting



people in writing their briefs to local authorities, providing assistance to obtain personal legal documentation, and providing assistance to formulate advocacy platforms.

## **Social issues**

- Some serious social issues are found such as high numbers of drug addicts, drug dealers, violent crime and conflicts within the settlements. This makes many residents live in fear of oppression by those groups.
- Negative assumptions/ stereotypes regarding settlement residents are also a concern of settlement members which leads to social marginalization.

## *Recommendation*

- These issues will be addressed partially if other vulnerability issues (mentioned above) are addressed. Once social structures and financial solvency are improved, criminal activity may be somewhat reduced.
- Experienced NGO workers explained that gangsters could be the main obstacle in implementing development programs. The best way to deal with them is to 'work with them or around them, but not against them.' This is obviously easier said than done and needs to be explored carefully during the design stage of potential programs.
- Awareness campaigns or training around public health issues, school attendance and drug abuse, community-based conflict management, literacy, and domestic violence could help to mitigate

social problems prevalent in settlements, although these would need to be designed and conducted carefully and in a culturally appropriate manner.

## V. RECOMMENDATIONS

This section of the report complements Section IV above by providing more detail on possible recommended program activities. Based on the issues identified through vulnerability analysis of settlements, the following improvement aspects can be recommended to address the issues:

- i. Organizing and improving capacity of urban poor communities
- ii. Improving basic amenities in urban poor settlements
- iii. Improving of health and environmental sanitation
- iv. Creating opportunities for sustainable livelihoods of urban poor communities
- v. Ensuring security of land tenure for community members
- vi. Introducing safety measures against vulnerability conditions
- vii. Introducing measures to control social problems

Specific activities that can be considered under the above recommendations are described below.

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## Recommendation 1

### Organizing and improving capacity of urban poor communities

- 1.1 In depth awareness raising among community members on the need for organizing into CBO and addressing problems collectively.
- 1.2 Encourage communities to form their own CBOs (i.e. community development council, savings and credit groups).
- 1.3 Link CBOs to relevant institutional structures (CMC, NHDA and DSD etc.) in order to provide them with proper operational recognition.
- 1.4 Provide regular training and capacity building support to CBOs to perform intended roles in the respective communities.
- 1.5 Provide land and required funding support to construct a multi purpose community hall in each community.
- 1.6 Involve CBO in municipal service delivery processing in order to ensure effective functioning of CBOs. (Formal working arrangements need to be developed).
- 1.7 Local NGOs and Colombo Municipal Council should take a leading role in strengthening the newly formed CBOs in urban poor communities.

## Recommendation 2

### Improving basic amenities in urban poor settlements

- 2.1 Requirements of basic amenities vary between poor communities. Therefore, it is recommended to identify community specific needs through methods such as Community Action Planning (CAP) or community resource mapping.
- 2.2 Prepare a detailed action plan with possible resource pooling through local means so that the action plan can be implemented with minimum delay. (Provincial councilors and municipal councilors budgetary allocation may be utilized).
- 2.3 Implementation of action plans through CBOs of the communities is recommended. The Community Construction Contract System (CCCS) would be a method in which the CBO can take the main responsibility of implementing such action plans. Experience shows that such an arrangement can contribute to strengthening community / CBO capacity.
- 2.4 Specific settlement action should be formulated to prevent flood risk; a major threat to the majority of case study settlements.



## Recommendation 3

### Improving health environmental sanitation of the communities

- 3.1 A community action plan should be prepared to address health and environment sanitation issues involving all the key stakeholders. Key problem areas such as flooding, toilets, and solid waste management needs utmost priority in such action plans.
- 3.2 Regular community awareness on health and environmental sanitation improvement should be carried out in order to motivate community members to take care of her / his environment. NGOs and municipalities must carry out joint programs to make these awareness programs more effective in terms of practical intervention by communities.
- 3.3 Regular monitoring of health and sanitation indicators should be undertaken by the public health department of Colombo in partnership with local NGOs and CBO to assess the impacts of health and environmental sanitation programs.
- 3.4 City level research must be conducted on health and environmental sanitation to improve municipality and government institutions interventions.

## Recommendation 4

### Creating opportunities for sustainable livelihoods of urban poor

- 4.1 It is recommended to conduct a resource and capacity assessment survey of all urban poor communities to identify their strengths and weaknesses for improving the livelihood of communities.
- 4.2 Introduce a savings and credit program for communities, to serve as an entry point for livelihoods improvement, ideally transitioning at a later date to expanded financial services through banks or other financial institutions.
- 4.3 Formulate and implement training and skill development activities for different community members.
- 4.4 While providing debt relief assistance to destitute families may be necessary in the early stages of program implementation, other families must be provided with credit and skill development opportunities so that they can become self sustained entities within a reasonable period of time.
- 4.5 Livelihood programs must be introduced to prevent people from indulging in welfare and relief grant assistance.



## Recommendation 5

### Ensuring security of land tenure for community members

- 5.1 A land suitability assessment should be carried out in all urban poor settlements in order to identify settlements that can be upgraded and those that cannot be upgraded.
- 5.2 The municipality, NHDA, UDA, local NGOs and CBOs must work together in order to identify potential development options for each settlement.
- 5.3 Possible land tenure arrangements such as leasehold tenure or rental arrangements should be made available to families in settlements that can be upgraded. Prior granting land tenure, regularization of land lots, access roads and other common areas should be carried out with active community participation. The municipality must take over the responsibility of maintaining all common areas.
- 5.4 People who are living in communities that cannot be upgraded must be provided with suitable land or housing in close proximity to their present location.

## Recommendation 6

### Introducing safety measures against vulnerability conditions

- 6.1 A detailed vulnerability map must be prepared for each community that has been identified as an extremely poor community.
- 6.2 Risk mitigation measures should be formulated with help from disaster risk management experts. In addition to any physical measures, appropriate social measures (awareness raising) should be introduced.
- 6.3 An insurance scheme for comprehensive disaster risk coverage must be introduced to urban poor communities who could benefit from such a scheme. Individual families must be provided with opportunities to be included in such a program.
- 6.4 A disaster risk mitigation action plan must be prepared for each community and be implemented with full community participation.

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## Recommendation 7

### Introducing measures to control social problems

- 7.1 A detailed account of social problems (such as drugs and alcoholism, prostitution, gang operation, gambling and such other activities) should be compiled within each urban poor community.
- 7.2 In consultation with relevant stakeholders, a suitable action plan must be formulated to address such social issues.
- 7.3 Local political leaders, CBO leaders, and local NGOs should conduct attractive awareness raising and social benefits programs to control negative social trends.
- 7.4 Programs to promote spiritual aspects of community life must be introduced with religious leaders so that human aspects of social issues can be properly addressed.

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# Annex 1: Settlement selection process

## Mercy Cops and SEVANATHA Formal Assessment of Extreme poor settlement in Colombo Information on potential selected settlements

Settlement Name	Address	No. of Houses	Date of visit by		Selected or Rejected by Team	Reason to Reject/ Consider	Remarks
			Field staff	Team			
124 Mahawatta	Pitiya Rd.	160	16/01/2007		Rejected	Shifted	No. 1 to 20
157 Wattha	Pargusion Rd.	50	16/01/2007	18/01/2007	Rejected	No serious problem (By Mrs. V)	th Settlement are selected from the identified
219 Wattha	Pargusion Rd.	500	16/01/2007	18/01/2007	Selected	T-houses, very poor, closed to dump, limited facilities	"Poor Settlement" ; the raw data( upper list as th poorest)
75 Watta	75 Watta Galen Pasej Co.02	88	29/01/2007	?	Selected	N/A	
19th Lane	19, Stace Rd, Co.14	540	17/01/2007	---	Rejected	Upgraded	
90 Wattha	Galen Pasej Co. 02	89				Upgraded	
88 Stace Rd	155, Stace Rd. Co,14	46	17/01/2007	---	Rejected	Few Houses	
Rock house	70, Rockhouse Lane, Co,13	153	16/01/2007	---	Rejected	Settlement was shifted	
486	486, Bluemendal Rd. Co. 14	72	16/01/2007	---	Rejected	Upgraded most of prat	
381 Wattha	Pargusion Rd.	50	17/01/2007	---	No settlement there	No Settlement found	
Apple Watta	159, Maligawtta Place, Co.10	255	17/01/2007	22/01/2007	Selected	? Team plan to go again	N/A
940, (Johnson Watta)	340, D.R. Wijewardana Mw, Co10	160	17/01/2007	22/01/2007	Selected	Considerable	Fired broken houses, broken community, confused, unorganize Fired in Nov. 2005, still live in tents, no facilities, closed

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## ***“My Surrounding Environment”***

*The settlement is located close to a big dumpsite, adjacent to the railway tracks and on top of an underground oil pipeline. She studies grade 6 at the public school nearby her settlement. In the afternoon she attends extra classes at children Home organization, headed by Christian nuns and retired teachers. The following composition was written for her writing class, and is called “My Surrounding Environment”.*

*“I don’t know where I should start to describe about our environment? I ask this question repeatedly to myself! What appears is that there is a huge dumpsite that looks like a mountain in front of our houses. The sound of trucks creates a noisy environment like a thunderstorm, and the blowing breeze is not even good for us to inhale. Our breath is light due to the high congestion of our houses and population. The existence of the dumpsite produces strong ugly odor that is uncomfortable for everyone. In the rainy season, water washes dump debris down to the settlement and creates stagnant water that serves as a breeding place for mosquitoes that transmit major diseases.*

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