Resource Mobilisation Strategy for Slum Upgrading
Components of a slum upgrading programme

1. SLUM SITUATION ANALYSIS
2. REVIEW OF POLICIES AFFECTING SLUM AREAS
3. SLUM UPGRAADING AND PREVENTION STRATEGY
4. RESOURCE MOBILISATION STRATEGY
5. PROJECT PROPOSALS
6. PROJECT IMPLEMENTATION
7. SLUM SITUATION ANALYSIS
Resource mobilisation strategy for slum upgrading

**Coverage:**
- Different sources of funding for slum upgrading.

**Activities:**
- Collect data; analyse data; produce recommendations and discuss recommendations with Country Team.

**Responsible:**
- Implementation Partner, in consultation with the Country Team.

**Deliverable:**
- Report with a resource mobilisation strategy.
Why a resource mobilisation strategy is required:

- Countries in general rely in few sources of funding for slum upgrading, what is certainly not enough;
- There are some sources that could increase their allocation to slum upgrading, depending on proposals;
- There are other sources that are not participating & could be included with a progressive participation;
- There are procedures that could be improved to increase revenues allocated or to be allocated to slum upgrading;
- There is a need to have a permanent and solid fund to cover slum needs.
Suggested Sources of fund to study

- **Municipality regular budget**: Annual increase and potential sources to increase the municipal budget; better use of existing funds;

- **Municipality city revenue**: Improve in collection; alternative possible taxes;

- **Budget support from donors to central budget**: Budget support from donors to central budget exist for education, health and others in a considerable %. Would be advisable to initiate negotiations to cover slum needs;
Suggested Sources of fund to study

- **Cross-subsidy service charges:**
  Water, electricity, gas and other bills could include a cross-subsidy system to benefit slum areas;

- **Loans for service/infrastructure provision:**
  Municipalities could have access to loans for service & infrastructure provision, paid by the revenues that those services will provide. Private sector could play an important role;

- **Loans to communities:**
  Alternative loans could provide facilities to communities for capital investments or for community members;
Suggested Sources of fund to study

- **Direct donor funding for projects:**
  Areas of intervention could be defined, better use could be suggested, better quality project proposal could help;

- **UN, EC, NGO funding:**
  Areas of intervention could be better coordinated, a municipal strategy & quality projects could help;

- **Community contribution with payment:**
  Direct community payment for subsidies or projects;

- **Community in-kind contribution:**
  Could help for increasing amounts allocated for slum upgrading.
Resource mobilisation strategy: Reporting

- The resource mobilisation strategy report should be prepared from the findings and recommendations identified for each of the different potential sources analysed, evaluating their rational and effectiveness.

- The report should suggest proposals, areas of intervention and potential amounts for additional funding to be mobilised for covering slum upgrading needs.