Access to basic services in shantytowns
Casablanca - MOROCCO

LYDEC
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Who are we?

LYDEC

- Morocco Public Services Company in Casablanca
- SUEZ ENVIRONNEMENT’s subsidiary
- Drinking water, waste water, electricity distribution and street lighting delegated management contract in the Region of the Greater Casablanca
- 30 years contract started on 1997
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   A new step in Morocco’s policy of reduction of the unhealthy housing environment

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   How can we ensure sustainable development in these areas recently equipped?
Evolution of the context:
A new step in Morocco’s policy of reduction of the unhealthy housing environment
Greater Casablanca

5 millions inhabitants

20% lived in shantytowns
Low income areas

Urban slums

Rural shantytowns

Informal settlements
Before 2005:
Relocate the population living in urban slums

1- Relocation to off-site social housing

2- Relocation to off-site land lots
During 2005:
National Initiative for Human Development (INDH)

King’s speech on May 18, 2005

« The effective and sustainable development can become a reality only by integrated public policies »

3 main axes:

1) access to infrastructures and basic social services
2) stable income activities
3) focus on very poor people
After 2005: a new step

1- Relocation to off-site social housing
2- Relocation to off-site land lots
3- On-site upgrading existing settlements
   access to services (water, sanitation, electricity)

Step 1
Step 2
Relocation to off-site social housing or land lots: 74,000 households

On-site upgrading existing settlements
Access to services: 85,000 households

A new step in Morocco’s policy of reduction of the unhealthy housing environment: 159,000 households
Access to services in shantytowns (electricity, water and sanitation) :

Where are we ?
Backup:

Before 2005

Slums or Informal Settlements

= « Non-Authorized » Areas
Before 2005: slums electrification supply

Slums electrification launched in 1998:

- Collective meter outside the non-authorized area
- Private network with individual meters inside the non-authorized area
- A local intermediary in charge of the customers management
Before 2005:
informal settlements water supply

Informal settlements water supply launched in 1998:

- « Social connections » based only on Local Authority decision
- No national policy = no right to invest in peri-urban and rural areas where the really needs are
- Prohibitive connection cost
Before 2005:
shantytowns electricity and water supply

Results:

• 30,000 households connected in electricity
• 10,000 households connected in water
• Good understanding of social, urbanistic and political context in low income areas

➔ First steps prepared for the INDH-INMAE Project
Before 2005: shantytowns electricity and water supply

A system that can not last:

- Electricity supply: private network not maintained => security risks for the inhabitants
- Water supply: limited investments without sanitation => unhealthy and hygienic risks for the inhabitants
- Local intermediaries not reliable => customer management nearly out of control
- Difficulty to have the Authorities involvement since they are not a contracting party
After 2005
National Initiative
for Human Development

Access to services
(electricity, water and sanitation)
in shantytowns
After 2005: LYDEC’s INDH-INMAE Project

- September 13, 2005 agreement between:
  - Greater Casablanca Authority
  - Delegating Authority
  - LYDEC

- INMAE = LYDEC’s commitment in the INDH

- Partner of the off-site program for 74,000 households
- Access to services for 85,000 households
After 2005: LYDEC’s INDH-INMAE Project

<table>
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<tr>
<th>Wilaya</th>
<th>Areas</th>
<th>Households</th>
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Total:
275 areas
85,000 households
INDH-INMAE Project: principles

- Household connections to electricity, water and sanitation services
- Subsidized infrastructure and networks (contractual cross subsidy and public finance)
- Authority approval for the operation, the perimeter, the beneficiaries...
- Customer rules adapted (for ex: «households without formal status»)
- Social’s tariffs for beneficiaries
- Dedicated low income customer support
INDH-INMAE Project: social tariffs

Social’s tariffs for beneficiaries with adapted payment modes:

- **Connection fee payment terms (cash, 4 years, 7 years):**
  - in application of the INDH-INMAE agreement
  - during 7 years: 2.70 € / month / service

- **Consumption bill:**
  - Contractual tariffs
  - For water and sanitation: 8 m³ / month = 3.60 € / month
  - For electricity: 100 kWh / month = 9.00 € / month

- **Total bill:**
  - For water and sanitation: 9.00 € / month
  - For electricity: 11.70 € / month
INDH-INMAE Project: 2009 results

Access to services for 85,000 households:
A total investment of 120 M€

- **Connected and in progress**: 30,000 households (36%)
- **Under final studies**: 48,000 households (56%)
- **Planned**: 7,000 households (8%)

The program can be realized in two years!
INDH-INMAE Project: key success factors

- Real government commitment
- Social tariffs
- Strong partnerships (Idmaj Sakan and NGO)
- Transparency
- Clear tendering procedures and solid documentation
INDH-INMAE Project: main barriers

- Local authorities no decision
  - for relocation off-site or on-site upgrading
  - for restructuration plans
  - for beneficiaries lists
  - for land tenure to construct infrastructure
- Delay of stakeholders program
- Deficit: 50 M€
A new goal for LYDEC’s INDH-INMAE Projet:

How can we ensure sustainable development in these areas recently equipped?
Leverage effect of the services

- Services
  - Water / Wastewater / Electricity
- Land tenure
  - Improvement of building
- Housing
  - Development
- Social and economical dynamic
  - Property regularization
The indispensable partners

Partnership between National and Local Authorities, Public Utilities and Civil Society
Integrated housing concept

Based on a participative management, the objectives are:

- to create a dignified living space
- to improve the quality of the urban environment
- to support collaborative projects
- to have a sustainable customer relationship
- to maintain safe network environment
Asante!