Can pay, will pay — securing a slum water supply for squatters
by Dibalok Singha

Habitat II reaffirmed that water is a human right. But how do people without economic or political muscle secure this right against a background of institutional, legal and financial obstacles? This is the story of one NGO’s attempt to act as intermediary between the dispossessed and the authorities — could it disprove the myth that the poor can’t pay and won’t pay?

Around 555 households live in a 25-year old settlement near Dhaka’s Tejgaon railway station in Koilar Kolony Bustee. These families are squatting on land owned by the railway corporation, but most of them pay rent to unofficial landlords. Another, much younger, squatter settlement, Begunbari Bustee, is home to about 833 families whose site is owned by the Dhaka City Corporation (DCC). They, however, live in dwellings that they constructed themselves, and pay no rent.

Most of the men are labourers, rickshaw-pullers, vendors or rag-pickers; a few have small grocery and tea stalls.

Women work on building sites, in small businesses, or do domestic chores in people’s homes.

The promisded city? Washing cooking utensils in an open drain.

No risk, no result
Dustha Shasthya Kendra (DSK) was set up in 1988 to cater for the primary health-care needs of the growing numbers of slum dwellers in certain areas of Dhaka. Early experiences convinced the organization that it needed to diversify: DSK now focuses on primary health care — including water and sanitation; a revolving-credit programme for women; and technical training in sewing and garment manufacture.

DSK has been working with the people of Koilar Kolony Bustee (KKB) and Begunbari since 1989. At the beginning, KKB dwellers expressed their need for safe drinking-water as their main priority. DSK staff reacted to their requests by installing a handpump tubewell. Unfortunately, because of the low water pressure, they were unsuccessful. There seemed to be no solution: as bustee dwellers, the people of KKB possess no title on their land, so are ineligible for a legal piped-water connection.

DSK decided to approach the problem from a new angle, and put all their efforts into trying to convince Dhaka’s Water and Sewerage Authority (DWASA) of the people’s real need for water, and asked them to sanction just two street hydrants for the communities. In its formal application, the NGO expressed its willingness to serve as guarantor for the security deposit, and

The rapidly accelerating pace of urbanization in Bangladesh attracts people from rural areas to the cities, and in particular Dhaka, in search of work, food and shelter. But the capital’s fragile infrastructure cannot cope: at the last count, there were more than two million men, women and children living in Dhaka’s slums.

Legal, institutional, and financial factors conspire to prevent the delivery of safe drinking-water to these growing slum and squatter communities. When solutions are discussed, the question of ‘subsidies’ is always raised: the urban poor are generally viewed as unable or unwilling to pay for services. THE RAPIDLY ACCELERATING

A legal shower in the Bustee — cheap and reliable.
to be liable for the regular monthly payment of water bills. Following some further discussions, the Chairman of DWASA, convinced of the proposal’s feasibility, agreed to bypass the official legislation and sanctioned two DSK waterpoints.

DSK decided to install two water taps, in stages. First of all, a presentation was organized in Koilar Bustee so that the community could learn about the design and function of the new street hydrant. The NGO staff stressed to the users that they, and not DSK, were responsible for: collecting payment, maintaining the hydrant, paying the bills, and appointing caretakers and committee members.

In practice, the local slum headman became responsible for overseeing the operation and maintenance of the waterpoint. Two people are engaged as caretakers at the rate of Tk500 (£8) per month. They take it in turns to stand at the waterpoint, collecting the fees for each container/bathing session, and ensure that the waterpoint is kept clean and in good order.

The money is passed to the headman, out of this he pays the water bills from DWASA, pays the caretakers, and repays the capital cost of installing the water point to DSK.

Implementation

Koilar Bustee

The legal water supply began to flow in October 1992. Because of the low water pressure in the mains, the tap was placed underground, where the connection empties into a small underground reservoir; an improved version of the arrangement is illustrated in Figure 1. The Koilar Bustee version, however, has no cover slab or handpump, and water is drawn out of the tank using buckets provided by the water committee. A surface tank and cemented platform allow people to bathe. Bamboo matting surrounds the waterpoint.

There was one major problem: the slum headman and his deputy soon took advantage of their new responsibilities for managing the waterpoint, and began to do deals with DWASA meter-readers. In return for a payment, the meter-man returned artificially low readings to the authority, resulting in low bills, and a profit for the headman and his deputy who were charging the real costs to the community.

But despite this setback, concrete achievements can already be seen in Koilar Bustee:
- there is a legal water connection, to which the squatters have easy access;
- people’s spending on water has been reduced by 50 per cent;
- the community pays regularly for the costs; and
- the incidence of water-borne diseases has dropped by 50 per cent.

Begunbari Bustee

The Begunbari settlement benefited from the lessons learned in Koilar Bustee. DSK realized that the process of planning the waterpoint and handling the finance needed to be more open, and involve more people. In Koilar, everything had been done through the headman, in good faith. As part of local revolving-credit programme activities, two separate 40-member credit kendras (centres) had been set up for men and women. Before installing the new waterpoint, DSK recognized the centres’ importance as community organizations and invited the members to an open meeting to discuss the practicalities of establishing and managing a waterpoint.

As a direct result, the kendra members decided to elect an executive committee (EC) of 19 members, for one year, responsible for collecting fees, paying DWASA bills, appointing and paying caretakers, carrying out
If assured of a good, reliable, safe service, the poor in urban areas will pay a fair price.

maintenance, and repaying capital-cost instalments to DSK. The waterpoint was up and running in April 1994. As a direct result of the Koilar experience, a smaller sunken tank was installed, but no surface tank, which keeps the costs down at Tk20 000 (£308). The EC keeps the Begunbari waterpoint open every day from 8am to 8pm and, on an average day, the caretakers collect between Tk170 and Tk180.

Lessons

Government agencies and organizations can be more effective as facilitators than as providers of service provision for the poor. Organizations helping people help themselves can do much more than authorities who provide services free or at a subsidized cost. The capital costs of the DWASA street hydrants spread over different parts of the city are written off as losses by DWASA, while the waterpoints in Koilar and Begunbari are accruing a net balance from the sale of water. Given the proper enabling environment and incentives, the poor are able and willing to maintain and manage services provided to them. The opportunity for recovering the costs of water-supply provision is real and possible. Even the very poor are willing and able to pay not only for the recurring costs, but also a part of the capital cost for a dependable water supply. As Ms Halima, community leader in the Bashbari slum at Mohammedpur, said at an August 1996 workshop, 'There is no alternative to water; we are ready to pay for water at DWASA rates. Please ensure our community’s access to legal drinking water.'

That the poor cannot or will not pay is a myth. The rates for water use in Begunbari and Koilar Colony Bustees are much higher than the unit rate charged by DWASA (see box below). If assured of a good, reliable service, the poor in urban areas are often able and willing to pay even higher charges for safe water.

Acknowledgement

The author wishes to thank Mr Harun-ur-Rashid, Consultant, and Mr Iftekher Haider, Programme Officer, UNDP/World Bank Regional Water Supply and Sanitation Group for South Asia, for their valuable support, advice, and inputs into this article.

Note

On the basis of DSK’s achievements in the two bustees, WaterAid is embarking on a joint project which will enable DSK to develop another 10 waterpoints and, thereby, gather more experience of water-supply construction and management in Dhaka’s slums. The project will aim to use this experience to improve further the approach, both in technical and organizational terms.

Cost recovery

In most of the rural areas in which NGOs operate, although there is often an element of local contribution, either in kind or in cash, full cost recovery is just not possible. DSK’s approach, therefore, is simply a pragmatic one in the urban context. DSK did not have the funds to offer subsidies, so it went ahead without them, believing, on the basis of its experience with credit and savings groups, that it could be done. Simon Trace, WaterAid’s Regional Manager for Asia, believes there are three issues at work here:

□ in urban slums, a cash economy exists which makes capital recovery a possibility;
□ people are already paying for their water, often at extortionate rates.

Projects such as DSK’s offer real savings, even when capital recovery is taken into account; and there is a feeling among some NGOs that governments can be persuaded that the urban poor need not represent a huge drain on resources. People can do things for themselves if they are given the legal framework and technical support they need.

The going rate

In Koilar Bustee, the communities using the DSK waterpoint are collecting Tk0.5 per 20-litre container, and Tk1 for bathing and washing. A consultancy carried out for WaterAid in 1994 found that slum dwellers in Dhaka were paying ‘owners’ of illegal connections as much as Tk1 for 20 litres, and Tk5 to bathe; between two and five times the rate being charged by the community in KBB.

As outlined at the end of the article, the price of the water from DSK’s project works out as equivalent to Tk125 per 1000 gallons; the same amount of piped water delivered to middle class homes by Dhaka’s Water and Sewerage Authority costs only Tk16. The Government appears to be subsidizing the affluent while failing to recognize that slum dwellers can and will pay for services.

* £1 = Tk65 (September 1996 rate). The typical monthly income for a family of six in a Dhaka slum would be between Tk2000 and 3000.