

**IMPACT OF SECTOR-BASED UPGRADING ON HOME-BASED
ENTERPRISES: A CASE STUDY OF CHAISA**

By

KELVIN MATETE MPEMBAMOTO

**A Dissertation Submitted to the University of Zambia in Partial Fulfilment of the
Requirements of the Degree of Master of Science in Spatial Planning**

THE UNIVERSITY OF ZAMBIA

2016; LUSAKA

DECLARATION

I, **KELVIN MATETE MPEMBAMOTO**, do hereby declare that this dissertation is my own work to the best of my knowledge and that it has never been produced or submitted for any degree, diploma or other qualification at the University of Zambia or indeed any other university for academic purposes. I further declare that all other works of people used in this research have been duly acknowledged.

Signed.....

Date.....

CERTIFICATION OF APPROVAL

This dissertation by **KELVIN MATETE MPEMBAMOTO** has been approved as fulfilling the requirements for the award of Master of Science Degree in Spatial Planning by the University of Zambia.

Name

Signature

.....

.....

(Internal Examiner)

Name

Signature

.....

.....

(Internal Examiner)

Name

Signature

.....

.....

(Internal Examiner)

.....

Date of Approval

DEDICATION

This dissertation is dedicated to my parents, Mr Jolly Mpembamoto and Mrs Annie Nawakwi Mpembamoto, whose sacrifice and encouragement have seen me through my academic endeavours. Their passion for education has made me pursue studies at various institutions of higher learning. I also dedicate this work to my God, for giving me strength and wisdom.

ACKNOWLEDGEMENTS

I would like to thank the residents of Chaisa who were the respondents in the research, who without their help this research would not have been possible. These respondents gave up their time off their busy schedules to share their knowledge with me.

I would also like to thank my supervisor, Dr. Wilma Nchito, and my co-supervisor, Mr. Gilbert Siame, for their professional input and academic guidance rendered to me during the course of my study.

Special thanks also go to my external supervisor, Dr. Emma Wragg, of Oxford Brooks University for guiding me while I wrote my proposal and entire dissertation.

The success of this research is also as a result of my family, especially my brother, Aaron, for encouraging me throughout the course of my Master's programme.

Lastly but not the least, I wish to thank all my friends and classmates with whom I studied Spatial Planning for their support and positive criticism, which helped shape my work.

ABSTRACT

While upgrading approaches have evolved over the years, and often include a focus on improving the livelihoods of people living in informal settlements, there remains little attention or understanding in the literature of how upgrading can influence the livelihoods of residents in informal settlements. This study examines the extent to which upgrading can contribute to improvement in economic activities, looking specifically at the case of Chaisa, a settlement in Zambia where various upgrading projects were conducted in recent years. It investigates the extent to which this upgrading has contributed to the establishment and expansion of Home-Based Enterprises (HBEs) such as shops, kiosks, salons and barbershops, as well as its impact on room renting and on livelihoods generally, and discusses the dynamics underlying these improvements. The study, a two-stage process, made use of a combination of qualitative and quantitative data collection methods. The first stage consisted of 50 in-depth qualitative interviews with key informants to explore and identify key factors influencing change in HBE activity while the second stage, a survey, involved the administration of 150 questionnaires to Chaisa households with the aim of establishing the prevalence of these factors across the wider population of Chaisa. The findings of the study have revealed that sector-based upgrading impacts HBEs in a variety of ways. Firstly, it has been revealed that this type of upgrading leads to the establishment and growth of HBEs as indicated by 66 percent of HBE operators interviewed, whose establishment of HBEs was as a result of the tarred roads that made road side trading a viable business due to increased volume of pedestrian and motor traffic that the new roads generated. Secondly, it provides income to Chaisa households by supporting the development of additional rooms for rental purposes as well as employment opportunities largely to the women who have to combine productive and reproductive roles of engaging in economic activity as well as taking care of the family, which can easily be done from a home. The study proposes that any upgrading intervention should focus on specific intervention activities such as the provision of key infrastructure which does not disrupt but rather enhances people's ability to generate additional income and sustain their livelihood strategies.

Keywords: gender / home-based enterprise / informal settlements / livelihoods / Lusaka / upgrading

TABLE OF CONTENTS

Declaration.....	ii
Certification of Approval.....	iii
Dedication.....	iv
Acknowledgements.....	v
Abstract.....	vi
List of Figures.....	xi
List of Tables.....	xii
List of Plates.....	xiii
List of Appendices.....	xiv
Abbreviations.....	xv
CHAPTER ONE: INTRODUCTION.....	1
1.0 Background to the Study.....	1
1.1 Problem Statement.....	3
1.2 Aim of the Study.....	4
1.3 Objectives of the Study.....	4
1.4 Research Questions.....	4
1.5 Significance of the Study.....	5
1.6 Organisation of the Study.....	5
CHAPTER TWO: LITERATURE REVIEW.....	6
2.0 Introduction.....	6
2.1 Overview of Upgrading Approaches and HBEs in Informal Settlements.....	6
2.2 Informal Settlement in Perspective.....	7
2.2.1 Causes of Informal Settlements in Developing Countries.....	8
2.2.2 Formation Process of Informal Settlements.....	8
2.2.3 Characteristics of Informal Settlements.....	9

2.2.4 History of Informal Settlements in Zambia	9
2.2.5 Legal Framework Surrounding Informal Settlements in Zambia	10
2.3 The Role of NGOs in Settlement Upgrading	12
2.4 Definition of Settlement Upgrading.....	13
2.4.1 The Concept of Upgrading.....	13
2.5 Approaches to Slum Upgrading.....	14
2.5.1 Site and Service Approach.....	15
2.5.2 In-situ Upgrading Approach	16
2.5.3 Sector-Based Upgrading Approach.....	17
2.6 Impacts of Settlement Upgrading	19
2.7 Home-Based Enterprises (HBEs).....	20
2.7.1 Importance of Home-Based Enterprises (HBEs)	21
2.7.2 Challenges Faced by HBE Operators.....	23
2.8 Impacts of Sector-Based Upgrading on Home-Based Enterprises.....	25
2.9 Upgrading Approaches in Chaisa Settlement, Lusaka.....	26
2.10 Livelihood Framework.....	27
2.10.1 Human Assets	29
2.10.2 Social Assets	29
2.10.3 Natural Assets	29
2.10.4 Physical Assets.....	29
2.10.5 Financial Assets	30
CHAPTER THREE: DESCRIPTION OF THE STUDY AREA	31
3.0 Introduction.....	31
3.1 Location of the Study Area	31
3.2 Justification for Selection of the Study Area	31
3.3 Physical Characteristics of the Study Area.....	32
3.4 Historical Development of Chaisa	32
3.5 Demography.....	33

3.6 Livelihoods of the Residents of Chaisa.....	33
CHAPTER FOUR: METHODOLOGY	34
4.0 Introduction.....	34
4.1 The Research Design	34
4.2 The Research Approach – Qualitative and Quantitative Choices	34
4.3 Data Collection Methods – Research Tools.....	35
4.3.1 The Semi - Structured Interviews	35
4.3.2 Structured Questionnaires	35
4.3.3 Field Observations	36
4.4 Empirical Research Process	36
4.4.1 Sampling Methods	36
4.4.2 Sampling Procedure and Sample Size.....	37
4.5 Methods of Data Analysis.....	39
4.6 Reliability/Credibility	39
4.7 Ethical Considerations	40
CHAPTER FIVE: RESULTS.....	41
5.0 Introduction.....	41
5.1 Sample Profile (Characteristics of Respondents).....	41
5.1.1 Gender of Household Head.....	41
5.1.2 Age of Household Head.....	43
5.1.3 Income Levels of Households.....	43
5.1.4 Period of Stay in the Settlement.....	44
5.1.5 Knowledge of Upgrading Projects Implemented in the Settlement.....	45
5.2 Impacts of Upgrading on Home-Based Enterprises and Livelihoods	46
5.2.1 Prevalence and Characteristics of HBES.....	46
5.2.2 Types of Home-Based Enterprises.....	48
5.2.3 Role of Upgrading in the Establishment of Home-Based Enterprises	49
5.2.4 Factors that Encourage the Establishment of HBES	49

5.3 Impact of HBEs on Livelihoods.....	52
5.3.1 Positive Impacts - Household Income.....	52
5.3.2 Negative Impacts - Waste Generation.....	53
5.4 Impact of Upgrading on Rental Charges.....	53
5.4.1 High Cost of Service Provision - Utilities.....	54
5.4.2 High Demand for Accommodation.....	54
5.5 Impact of Upgrading on Assets of HBE Households – House Consolidation.....	55
CHAPTER SIX: DISCUSSION OF RESEARCH FINDINGS	58
6.0 Introduction.....	58
6.1 Types of HBE Activities Occurring in Chaisa Settlement.....	58
6.2 Gender of Home-Based Enterprise Operators.....	58
6.3 Impacts of Sector Upgrading on Home-Based Enterprises.....	59
6.4 Impact of HBEs on Livelihood - (Income and Employment Benefits).....	61
6.5 Impact of Upgrading on Rental Charges.....	62
6.6 Impact of Upgrading on Assets of HBE Households.....	63
CHAPTER SEVEN: CONCLUSIONS AND RECOMMENDATIONS	65
7.0 Introduction.....	65
i. Policies.....	66
ii. Provision of Infrastructure	67
iii. Effective Waste Collection System.....	67
8.0 References.....	69
9.0 Appendices.....	75

LIST OF FIGURES

Figure 1: Causes of Informal Settlements	8
Figure 2: Formation Process of Formal vs. Informal Settlement.....	9
Figure 3: Theoretical Approaches to Upgrading	15
Figure 4: Site and Service Concept	16
Figure 5: Sustainable Livelihood Framework	28
Figure 6: Location of Chaisa Settlement in Lusaka City	31
Figure 7: Distribution of Household Head by Sex.....	42
Figure 8: Age Distribution of Household Head.....	43
Figure 9: Household Monthly Income	44
Figure 10: Period Lived in Chaisa Settlement	45
Figure 11: Knowledge of Upgrading Projects in Chaisa	46
Figure 12: Number of Tenants on a Plot.....	47

LIST OF TABLES

Table 1: Upgrading Projects Implemented in Chaisa	27
Table 2: Distribution of HBE Operation by Gender	48
Table 3: Types of Home Based Enterprises	48
Table 4: Influence of Upgrading of Household Income	52

LIST OF PLATES

Plate 1: Improved Road Infrastructure in Chaisa.....	50
Plate 2: An Assortment of Goods Sold in a Grocery Shop along a Tarred Road.....	51
Plate 3: Indiscriminate Disposal of Waste Generated by HBEs.....	53
Plate 4: House Consolidation and Improvements after Upgrading.....	56
Plate 5: Quality of HBEs along the Tarred Roads in Chaisa.....	57

LIST OF APPENDICES

Appendix 1: Interview Schedule for HBE Operators	75
Appendix 2: Survey Questionnaire for Chaisa Households	79

ABBREVIATIONS

CSO	Central Statistics Office
DFID	Department For International Development
GIS	Geographic Information System
HBE	Home Based Enterprise
ILO	International Labour Organisation
LCC	Lusaka City Council
MDGs	Millennium Development Goals
MLGH	Ministry of Local Government and Housing
NGO	Non-Governmental Organisation
SIDA	Swedish International Development Co-operation Agency
SPSS	Statistical Package for Social Science
UN	The United Nations
UNDP	United Nations Development Programme
VIP	Ventilated Improved Pit-latrine

CHAPTER ONE

INTRODUCTION

1.0 Background to the Study

Over the years, informal settlements have become a major portion of the urban landscape in cities of most developing countries, and Home Based Enterprises (HBEs) have become a common activity in these settlements. These settlements have to a large extent reflected the urban dynamics that result from rapid urbanisation that lags behind development and industrialisation. And according to Wegelin (2004), the proportion of the urban population of people living in informal settlements in developing countries has been estimated at 55 percent. The United Nations (UN) statistics also indicate that without significant interventions to improve economic conditions of depressed regions, more than 1.5 billion people will live in slums by 2020 (UNPD, 2008). Therefore, to address the growing problem of slum formation, many national and city governments, as well as international financial institutions, have had ongoing programmes and interventions aimed at reducing the rate of future slum formation and improving the lives of existing slum dwellers. One such intervention has been slum upgrading. For instance, according to Buckley and Kalarickal (2006), by 2001 the World Bank (WB) had disbursed over US\$14.3 billion in shelter lending and upgrading, spread over 278 projects with an average size of almost US\$50 million. In addition global efforts such as the United Nations (UN) Millennium Development Goals (MDGs) have seen the formulation of targets such as 'Cities without Slums' (Target No. 11), which specifically call for significant improvement in the lives of at least 100 million slum dwellers by the year 2020 (UN Millennium Project, 2005).

Although there has been an urgent need to scale up interventions that improve the quality of life for slum dwellers, there is little clarity on the type of upgrading approach or typology that is most effective as each approach has its own strengths and weaknesses. As such, over the years, various upgrading approaches have emerged. These approaches have ranged from the popular eradication and eviction strategies to relocation through site and service schemes and in-situ upgrading and, more recently, to single sector approaches that focus on providing services within a specific sector (Gulyani and Conners, 2002). Provision of service infrastructure has been the focus of most governments and co-operating partners having realised that informal settlements, like any other human settlement, require services to support the settlements' day to day activities. Service infrastructure such as roads, water and

sanitation are critical, particularly for those that are highly engaged in informal sector activities in the settlement. Studies have shown that one strategy that people living in these areas have employed as the prospects of formal employment continue to diminish is the use of a home as a place for both reproduction and production of goods and services, which has seen the integration of economic activities within and around the dwelling. A home is no longer seen as an essentially sacred, female, private, domestic space, merely a container of human life but an essential shelter for those life-sustaining activities. According to Gough *et al.*, (2003), homes in these settlements are used for various income-generating activities such as kiosks, taverns, rent, food production and other business activities that are home-based. Thus, HBEs are a critical means of livelihood for the majority of people living in these settlements and any upgrading intervention therefore has potential to affect their viability.

In the recent years, upgrading interventions have evolved and taken various forms with some purely focusing on the soft components such as tenure while others have focused on physical infrastructure such as roads, drainages, water and sanitation. Nonetheless, the objectives for upgrading informal settlements are now similar across all projects supported by various donors and non-governmental organisations (NGOs). Their focus is on improving the livelihood of the residents of these settlements by supporting and sustaining their livelihood strategies, including any informal economic activities that are a source of income.

However, despite this commonality of objective, there presently appears to be no consensus on what approach or typology to adopt on a large scale to address all of Lusaka's low-income or informal settlement upgrading needs in an effective way and in a reasonable time frame. The most commonly applied upgrading typology in Zambia appears to be the sector-based model (WB, 2002). According to Gosego (2007), this upgrading model has dominated most upgrading initiatives because its comparatively quick and easy to implement and is not multi-sectoral, therefore the settlement does not receive a full upgrading package of infrastructure such as roads, water, sanitation and storm drainage at once, instead, the sector-based upgrading model begins by addressing only one or two sectors such as water in some detail with the remaining sectors to follow sequentially or progressively. The approach is based on the assumption that housing consolidations or quality increases when the settlement is properly serviced with infrastructure such as water and sanitation, roads and drainage, which allow for an efficient transport system or when the settlement is regularised in order to provide residents with adequate security of tenure espoused to encourage individual investments or improvements into housing (Angel, 2000). It is further assumed that when

properly implemented, the upgrading programme can improve distressed communities, stimulate residents to improve their own homes and support their home-based economic activities and make the settlement an integral part of the city. On the contrary, others such as Simposya (2010) have argued that this assumption may not always hold. This is because certain sectors cannot be addressed in isolation; for example, improving water supply without sanitation improvements is unwise, as is improving roads without drainage; similarly, improving drainage without improvement in solid waste collection usually means drainage improvements are of little benefit. As such, arguments and debates among scholars, NGOs and implementing agencies regarding the most effective upgrading approach have resulted in the formulation of various development frameworks.

Although each NGO or agency has developed its own livelihood framework that influences the type of upgrading approach to adopt - whether sector-based or multi-sectorial, the common thread that unites all the agencies is that they link their ideas back to the work of Chambers and Conway in the early 1990s. Their livelihood frameworks share the fundamental livelihood principles that have common roots to the works of Chambers and Conway, who postulated that a livelihood comprises the capabilities, assets, and activities required for a means of living (Carney *et al.*, 1999). In the recent years, the sector-based approach has become more pronounced among most NGOs and agencies working in informal settlements. Under the sector-based approach, numerous upgrading projects have taken place in a number of informal settlements in Zambia. And one such settlement is Chaisa, located in the City of Lusaka. Upgrading initiatives in this settlement have witnessed the implementation of projects such as water and sanitation, environmental improvement projects such as roads and drainage and tenure regularisation. However, it is worth noting that the extent to which upgrading has affected the operation of home-based economic activities and ultimately the livelihood of Chaisa households remains a question of inquiry.

1.1 Problem Statement

Although upgrading processes and activities have influence on economic activities and livelihoods of residents, it remains unclear whether such upgrading interventions can either result in improvement or deterioration of these livelihood strategies. This study focuses on the gap identified by Bassett *et al.* (2002), who argue that there is very little understanding of the economic impacts of upgrading and in particular how upgrading influences home-based enterprises in informal settlements. Literature on this subject matter appears to be scanty in

Zambia as well, very little is known about the economic impact of upgrading initiatives on the recipient communities in Zambia. This includes Chaisa settlement, where there is no evidence on the economic impact of upgrading projects which were undertaken by the Swedish International Development Co-operation Agency (SIDA), CARE International and DFID. This situation is peculiar not only to Zambia. A study by Gulyani and Connors (2002) on upgrading programmes revealed that very little has been written on the economic benefits of upgrading initiatives in many developing countries. This study, therefore, seeks to evaluate how economic activities in Chaisa may have changed as a result of the upgrading initiative that followed a sector-based upgrading approach. Specifically, the study will focus on the extent to which upgrading has contributed to housing consolidation; the establishment of home-based enterprises such as home shops, kiosks ('tu ntembas'), salons and barbershops i.e. the extent to which a home is used for various income-generating activities, including room renting.

1.2 Aim of the Study

The aim of the study is to investigate the relationship between sector-based upgrading and the development of Home Based Enterprises in Chaisa settlement.

1.3 Objectives of the Study

This study will therefore be guided by the following objectives:

1. To ascertain the types of home-based activities occurring in Chaisa settlement.
2. To examine the impact of sector-based upgrading on home-based economic activity in Chaisa settlement.
3. To examine the impact of sector-based upgrading on the incidence of room renting.
4. To determine the impact of sector-based upgrading on levels of housing consolidation in Chaisa settlement.
5. To examine the impact of HBEs on household income and the livelihoods of Chaisa residents.

1.4 Research Questions

Arising from the above objectives, the following research questions were formulated:

1. What types of home-based activities are occurring in Chaisa settlement?
2. To what extent does upgrading lead to the establishment and expansion of HBEs?

3. In what ways does upgrading result in increase in room renting and rental charges?
4. What is the impact of sector-based upgrading on levels of housing consolidation in Chaisa settlement?
5. What are the impacts of upgrading on livelihoods of residents as a result of changes to home-based economic activities?

1.5 Significance of the Study

Human settlements consist of both natural and man-made elements that support various livelihood activities such as HBEs. And since every community has livelihood assets which include financial assets, social assets, physical assets and personal assets, any upgrading intervention is expected to improve the livelihood assets of the community. This study is, therefore, critical in establishing whether the upgrading intervention experienced in Chaisa resulted in an increase in the residents' financial, social, physical or personal assets through the operation of HBEs. This will, therefore, provide insights on the impacts of sector based upgrading on home-based economic activities and particularly how upgrading affects their viability. The research findings of this study will therefore be vital to both central and local governments and other relevant stakeholders as it will provide a basis for informing policy with regard to upgrading. The findings will also give insights on the effectiveness of the sector-based upgrading approach which places emphasis on infrastructure such as roads, water and sanitation. Chaisa residents will benefit from this study in that future upgrading projects in the settlement will largely focus on infrastructure provision which will promote the establishment of HBEs and improve the livelihoods of residents in the settlement.

1.6 Organisation of the Study

This dissertation is divided into six chapters. This chapter introduces the research and gives the background of the study, the problem statement and significance of the research. Chapter Two discusses the literature review and the conceptual and theoretical framework adopted. Chapter Three presents the research method employed in carrying out this study. It discusses the research design, methods of data collection, study population, sample size and sampling procedures. Chapter Four presents the findings of the research in line with the objectives of the study. Chapter Five discusses the findings of the present study against the background of the literature reviewed and finally Chapter Six outlines the conclusion from the analysis done and gives recommendations.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter discusses various literature available on informal settlements both within and outside Zambia, their causes, characteristics and the upgrading methods employed and how these methods have changed over time. The chapter will specifically focus on the sector-based upgrading approach with a view of exploring its strengths and weaknesses as well as its impact on HBEs and the community as a whole and use the sustainable livelihood framework as a tool for assessment. The argument developed in the chapter traces the historical upgrading interventions that have been there, their effectiveness and their impact on the livelihood strategies such as the operation of HBEs employed by households in informal settlements.

2.1 Overview of Upgrading Approaches and HBEs in Informal Settlements

In the last thirty years, governments of the developing world with various co-operating partners in the donor community have implemented numerous projects and programmes aimed at upgrading low-quality slum housing areas also known as informal settlements. Interest and activity in informal settlement upgrading by national level governments, local government units, and the donor community has waxed and waned over this period. This has been largely attributed to the complexity surrounding upgrading approaches. Over the years, analysis of upgrading experiences shows that upgrading approaches have changed considerably. According to Gulyani and Connors (2002), upgrading has shifted from being conceptualised as an intervention focusing on housing to one that is essentially about infrastructure; that is, the focus is on improving access to basic urban infrastructure and services such as roads, drainages, water and sanitation and providing tenure. Likewise, the scope and scale of upgrading have altered; early projects with ambitious social and economic development objectives and significant geographic coverage have been followed by more modest versions that tend to have fewer objectives and cover fewer sectors and settlements.

De Soto (1986) also argues that the emphasis on focusing on a specific sector is that when properly implemented, it can have a propulsive impact on other sectors. For instance, he argues that the underlining assumption of promoting tenure is that once secure, residents can marshal their own resources to invest in better housing, and this will result in an incremental

physical improvement of the settlement. Thus service provision and tenure security are now seen as key incentives and critical antecedents for settlement improvement and housing investment. Others, such as Kigochie (2001) and Sinai (1998), have also argued that service provision and secure tenure can also facilitate the development of small-scale rental properties or the establishment of home-based enterprises in informal settlements.

2.2 Informal Settlement in Perspective

The definition of informal settlements is context-specific. Various definitions have thus been proposed, but the suggested definition by the UN-Habitat (2003) is probably the most widely applicable. It defines informal settlements as residential areas where a group of housing units has been constructed on land to which the occupants have no legal claim, or which they occupy illegally; and as unplanned settlements or areas where housing is not in compliance with current planning and building regulations (United Nations (UN), 1996). Many other terms and definitions have also been devised for informal settlements and these include, for example, unplanned settlements, squatter settlements, marginal settlements, unconventional dwellings, non-permanent structures, inadequate housing and slums.

Generally, the term informal settlement has been explained in relation to poor housing conditions and environment (Hutchinson, 1997), inadequate access to basic social services (Abrams, 1966), lack of rights and tenure to land and property, as well as the concentration of low-income groups in cities or urban areas (Srinivas, 1991). Slum, according to Hutchinson (1997), is a densely populated urban environment which is in a bad state of repair and has inadequate services, including poor sanitation, poor supply of electricity and irregular water supply, to support its inhabitants. Additionally, a slum is described as any human settlement which lacks any of the following indicators: access to water and sanitation; sufficient living area; housing with durable materials; non-hazardous location and security of tenure (UN Habitat, 2006). However, in Zambia the term 'slum' is rarely used to refer to an informal settlement as the appearance of the housing structures in most of the informal settlements does not fit into the description of a slum since most of the houses in these settlements are made of permanent materials unlike in other countries such as South Africa, where houses in these settlements are made of make-shift materials such as tin or cardboards. Instead the term 'compound' has been widely used in Zambia to refer to slums and its use dates back from the colonial era.

2.2.1 Causes of Informal Settlements in Developing Countries

According to Hutchinson (1997), slums are the products of failed policies, bad governance, corruption, inappropriate regulation, dysfunctional land markets, unresponsive financial systems and a fundamental lack of political will. Similarly, according to the UN- Habitat Report of 2003, slums or informal settlements result from a combination of poverty or low incomes with inadequacies in the housing provision system as shown in Figure 1.

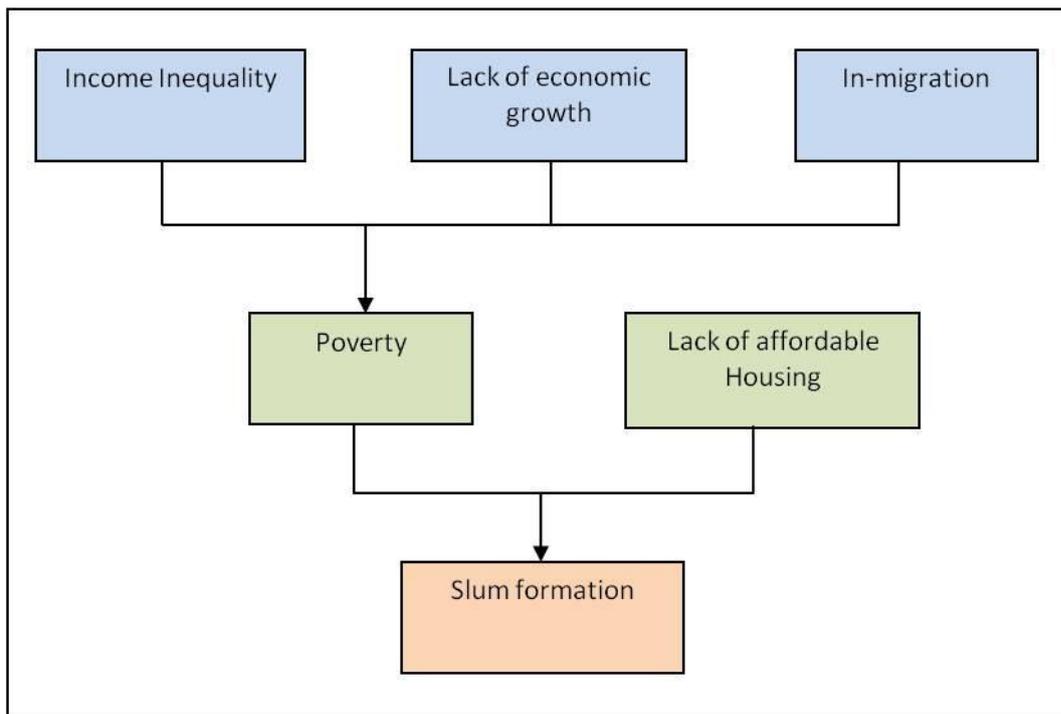


Figure 1: Causes of Informal Settlements (UN-Habitat, 2003:17)

Srinivas (1991), on the other hand, argues that the development of slums results from the inability of the urban governance system to provide adequate housing and social services for its rapidly growing population. The underpinning principle of slum formation is the unsustainable planning and management of the urban environment by city authorities, which results in poor conditions that characterise slum communities.

2.2.2 Formation Process of Informal Settlements

A critical analysis on the formation of informal settlements has revealed that the formation process follows an illogical sequence of: construction, occupation, implementation of basic services and infrastructure, then planning. This is contrary to the ideal sequence that guides physical planning or spatial planning, where planning is done first, followed by implementation of services, construction and finally occupation as shown in Figure 2.

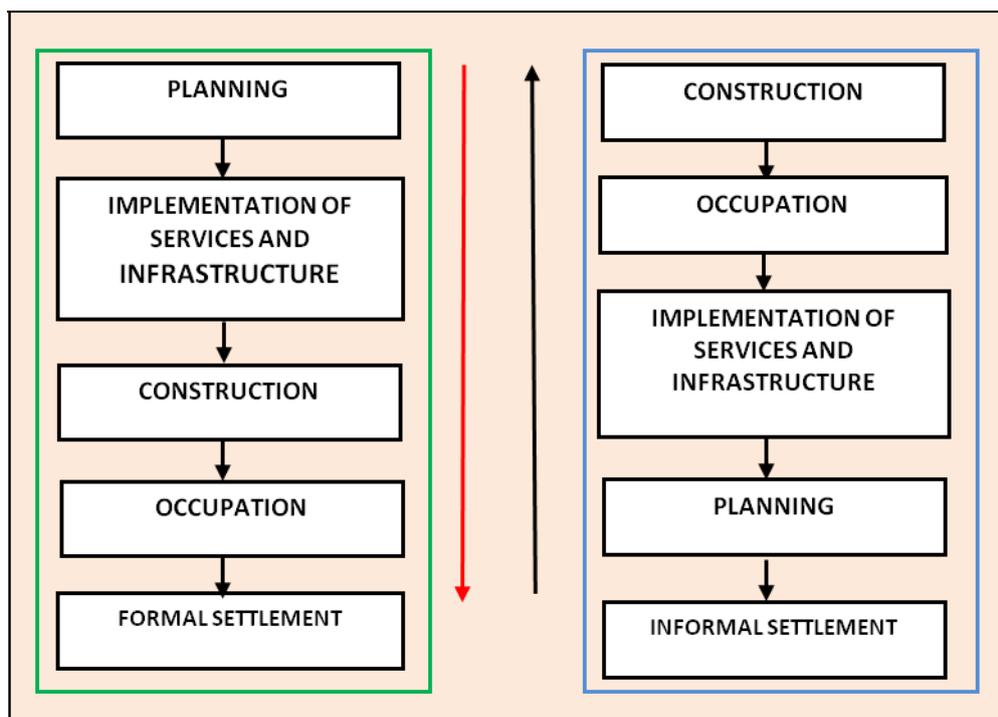


Figure 2: Formation Process of Formal vs. Informal Settlement

2.2.3 Characteristics of Informal Settlements

According to UN-HABITAT (2003), informal settlements are operationally defined by inadequate access to safe water; inadequate access to sanitation and other infrastructure; overcrowding; insecure residential status; and poor structural quality of housing. Informal settlements remain a challenge across major cities of developing countries. They consist of non-conventional housing often built without any compliance to legal building procedures. These settlements are usually built at the edge of the cities where land is cheap and neglected. Generally, dwellings lack access to water supply, sanitation, drainage, waste disposal and proper road access. Low-income households regularly live in these appalling conditions where the spread of contagious diseases is highly probable (Cairncross et al., 1990).

2.2.4 History of Informal Settlements in Zambia

According to Mulenga (2003), the origin of informal settlements in Zambia has been attributed to two types of self-help urban settlements. These two types of settlements were described by Rakodi (1986) as ‘early self-help housing’ and ‘unauthorised housing’. The former emerged on land allocated specifically to low-income self-help housing on the outskirts of the main urban settlements in the post-1948 period when the African Housing Ordinance (AHO) designed to stabilise the African urban population was passed. The AHO allowed African workers in urban centres to live with their families. The passing of the AHO

worsened the shortage of housing for African workers, as their families started to move into the urban centres to join them. The aim of the AHO was to ease the housing shortage which was largely due to the tying of housing to employment through legislation that gave employers the responsibility of providing housing to their employees. This law was considered essential because the government did not want to see the emergence of an urbanised African population in a country in which there were initially hardly any prospects for development of long-term economic interests. Consequently, neither the government nor municipal council saw a need to invest in low-income African housing beyond what was required for the government and the municipal workers. As a result, when copper production began to rise on the Copperbelt in the post-World War II period due to high demand for copper on the international markets, urban centres also began to grow at a rapid pace, resulting in widespread shortage of low-income African housing in particular.

In response to the economic boom and the housing shortage, the government passed the AHO in 1948 and provided for self-help African housing on the outskirts of the main urban centres. Thus, the Private Locations Ordinance was passed, which did not insist on the statutory building standards. This was essential because most African workers were generally not highly paid, the majority of them could not as a result afford to build houses that could meet the urban housing standards that were prescribed in the Town and Country Planning Act imported from the United Kingdom (Mulenga, 2003).

2.2.5 Legal Framework Surrounding Informal Settlements in Zambia

In general, there appears to be a sufficient legal framework in Zambia regarding the legalization of unplanned and informal settlements. Additionally, both the central and local governments acknowledge the need to recognise and regularise such settlements. According to Yasini (2007), the way this regularisation presently works in Zambia is that firstly the settlement must be recognised by a municipal administration, which in this case is a local authority, and then declared by the national government, through the Ministry of Local Government and Housing (MLGH), as an improvement area so that occupiers of these plots or structures can obtain tenure. The procedure or process of declaring an area as an improvement area is provided for in the Housing (Statutory and Improvement Areas) Act Cap 194 of the laws of Zambia.

The Department of Physical Planning and Housing under the MLGH considers regularising an unplanned/informal settlement if: (i) 60 percent or more of the land on which the settlement is located is publicly owned, (ii) the settlement has been in existence since 1974, (iii) development for which the land is zoned on the development plan is not imminent, and (iv) 50 percent or more of the dwelling structures in the settlement are constructed using conventional materials (Mulenga, 2003). Normally, after a settlement is declared an “improvement area”, the city council is able to issue 30-year occupancy rights. Most occupants of houses in informal settlements deem this to be an acceptable form of tenure that gives them adequate security. The 30-year occupancy licence is renewable.

However, it appears there is no clear policy and strategy as to how to deal with informal settlement upgrading, and much of the existing legislation needs to be modified and streamlined to ensure that it is relevant and enabling. For example, the National Housing Authority Act, Cap 426, gives the National Housing Authority sole responsibility for managing Zambia’s housing sector; this approach should be reviewed with an eye towards allowing for private sector competition in the supply of goods and services. Similarly, the 1975 Housing (Statutory and Improvement Areas) Act, Cap 194, has major weaknesses with regard to its restrictions on private sector participation in housing schemes. However, there are proposals to combine this Act with Town and Country Planning Act Cap 283 in order to effectively regulate development in improvement areas such as informal settlements. The Housing Act provides for the control and improvement of housing (statutory housing areas and improvement areas) and is considered the principal legislative document for informal settlement regularisation; it also provides for the issuance of certificates of title and occupancy licences, which give security of tenure. The act precludes other laws from applying to areas of its jurisdiction; however, amendments are needed to bring the act in line with market-oriented housing delivery mechanisms and to better address the unplanned settlement situation. More recent legislative and policy developments include a National Housing Policy (NHP) unveiled by the MLGH in 1996, which sets forth an ambitious set of objectives, including allocation of at least 15 percent of the national annual budget to housing to support a sustainable housing development programme; making serviced land available for housing development and streamlining the land allocation system; streamlining building standards, regulations, and other controls to meet the needs and capabilities of various segments of the population; encouraging the production and use of local and affordable building materials; helping the poor acquire decent shelter through alleviation of affordability

problems; fostering housing areas that are functional, healthy, aesthetically pleasant, and environmentally friendly; and preparing a national housing implementation strategy (Yasini, 2007). At present, however, it appears that very few of these objectives are being achieved.

The Department of Physical Planning and Housing within the MLGH is also currently drafting terms of reference to aid in formulating a peri-urban strategy policy. To date, a Peri-Urban Water Supply and Sanitation Strategy (PUWSS) has been developed with UNDP-World Bank assistance, but important issues of access, drainage, solid waste management, community facilities, and land and tenure still need to be considered. In some, various attempts have been made, in terms of legislation and policy, to regularise (or declare) informal settlements and bring them into the fabric of the towns and cities, but progress in the implementation of regularisation schemes has been slow and hampered by financial and human resource constraints at both the national and local government levels (Mulenga, 2003). The unavailability of a national upgrading policy has also worsened the situation.

Numerous government requirements also appear to hamper the provision of basic infrastructure and services to appropriate affordable standards as well as the granting of secure tenure to existing informal settlement occupiers. Because of the absence of a comprehensive national upgrading policy to guide the systematic upgrading of informal settlements, there are no common standards or guidelines. As a result, the country has experienced various upgrading approaches employed by different NGOs and other agencies involved in informal settlement upgrading.

2.3 The Role of NGOs in Settlement Upgrading

According to Varona (2006), the inability of the government and other institutions to accelerate development, the effects of inefficiency, corruption and instability of the government, and a self-destructive political situation have made NGOs the new entities in initiating and sharing the development efforts in most developing countries. Over the years, the participation of NGOs in informal settlement upgrading has grown significantly and their importance in social sectors such as education, health and welfare services has been felt even in the remotest parts of the globe to an extent that they have become influential in global governance. According to Dicklitch (1998), the influence of NGOs in international and local policy is to a large extent due to their ability to reach out to the poor and the marginalised. Their prominent area of influence and active participation has been in the peripheral countries or developing countries, where they have been working with groups of people or

communities living in informal settlements where tenure is insecure, shelter or housing is poor and inadequate, and access to basic services such as water and sanitation is precarious. Because of their assumed ability to work with and for poor communities, often in informal settlements, and bring about the desired change, NGOs have enjoyed government support both locally and internationally (Varona, 2006).

Until recently, NGOs in Zambia were largely unregulated and could operate freely as long as they had some form of registration, normally under the Societies Act. However, this has changed with the enactment of the NGO Act of 2009. The purpose of the Act is to coordinate, register and enhance the transparency, accountability and performance of NGOs.

2.4 Definition of Settlement Upgrading

According to Cities Alliance (CA) (2003), upgrading is broadly defined as physical, social, economic, organisational, and environmental improvements undertaken co-operatively among citizens, community groups, businesses, and local authorities to ensure sustained improvements in the quality of life for individuals. But according to the World Bank (WB) (1996), upgrading at its most basic level involves improving the physical environment of slums and squatter settlements. This includes improving and installation of basic infrastructure like water, sanitation, waste collection, access roads, storm water drainage, lighting, public infrastructure and land regularisation among other things. It is, therefore, a process through which informal areas are gradually improved, formalised and incorporated into the city itself through extending land, services and citizenship to the dwellers.

Martin (1983) defines upgrading as a means of transforming illegal structures into legal ones, thus improving the housing statistics. His definition essentially implies creating order in terms of road network and eliminating the haphazard arrangement of housing units. But according to Abbott (2000), it is the improvement of settlements ensuring minimal relocation of the residents. However, what is emphasised through these definitions is the on-site improvement by provision of basic services and through the participation of residents.

2.4.1 The Concept of Upgrading

In developing countries, the concept of upgrading emerged in the 1960s and 70s when governments in developing countries were faced with the challenges of providing public housing as a result of the housing inequalities and deficiencies created by colonialists, where provision of adequate housing for the natives was neglected. Settlement upgrading is therefore viewed as a process of intervention in the physical, social, economic and juridical

structure of an existing human settlement that was formed through spontaneous mechanisms and unplanned processes of land occupation (WB, 2002). These settlements are often conflicting with the existing laws, norms and regulations. Over the years, the concept has been evolving where governments have moved away from old paradigm of eradication and eviction policies that advocated the bulldozing of these settlements and the relocation of families to other areas where conventional housing or site and service schemes were provided. This shift was motivated in a great deal by the recognition that squatters and informal settlements were not a problem but a 'solution' engendered by the population who could not have access to either land and housing or credit and have means to purchase these commodities.

2.5 Approaches to Slum Upgrading

Approaches to slum upgrading have changed considerably from the 1950s to the 2000s. From the 1950s to the mid - 1970s, many cities tried to deal with slums by preventing migrants from coming into town and bulldozing the 'shacks' while providing public housing to relocate the slum dwellers (UN-HABITAT, 2005). However, following public outcry against those inhuman policies, other approaches emerged such as site and service schemes, in-situ upgrading, enabling approach, multi-sectoral and single-sector upgrading approach. It has also been observed that upgrading approaches have been based on either the formal or informal processes that guide the formation of these settlements. For instance, if the upgrading is based on the formal process, the upgrading package has taken the form of physical planning, servicing and securing tenure which is not the case in the informal process. Njamwea (2003) also argues that upgrading approaches will largely depend on the actors playing the major role in the project. Thus, the extent and form of planning, whether physical or socio-economic will largely be dependent on the actors. For example, where the NGOs and the local community are the main actors, the form of planning employed is limited to people's identification of their immediate needs and their capacity to meet the needs. On the other hand, when governments are involved, the type of planning employed takes the form of physical site planning with standards of some kind. In addition, Fourie (2001) categorises upgrading approaches into two broad ones as: i) those aimed at directly improving the physical condition of the settlement and these include the physical lay-out planning, provision of the most needed basic facilities in terms of infrastructure and public facilities and ii) the official land legalisation that aims at securing legal tenure to the informal residents. It is hoped that titles issued in the process would be used as collateral, reflected on

house improvements and income-generating activities. Eventually, the physical condition of settlements would improve. This is also advocated by the WB (1996) and the UN-Habitat.

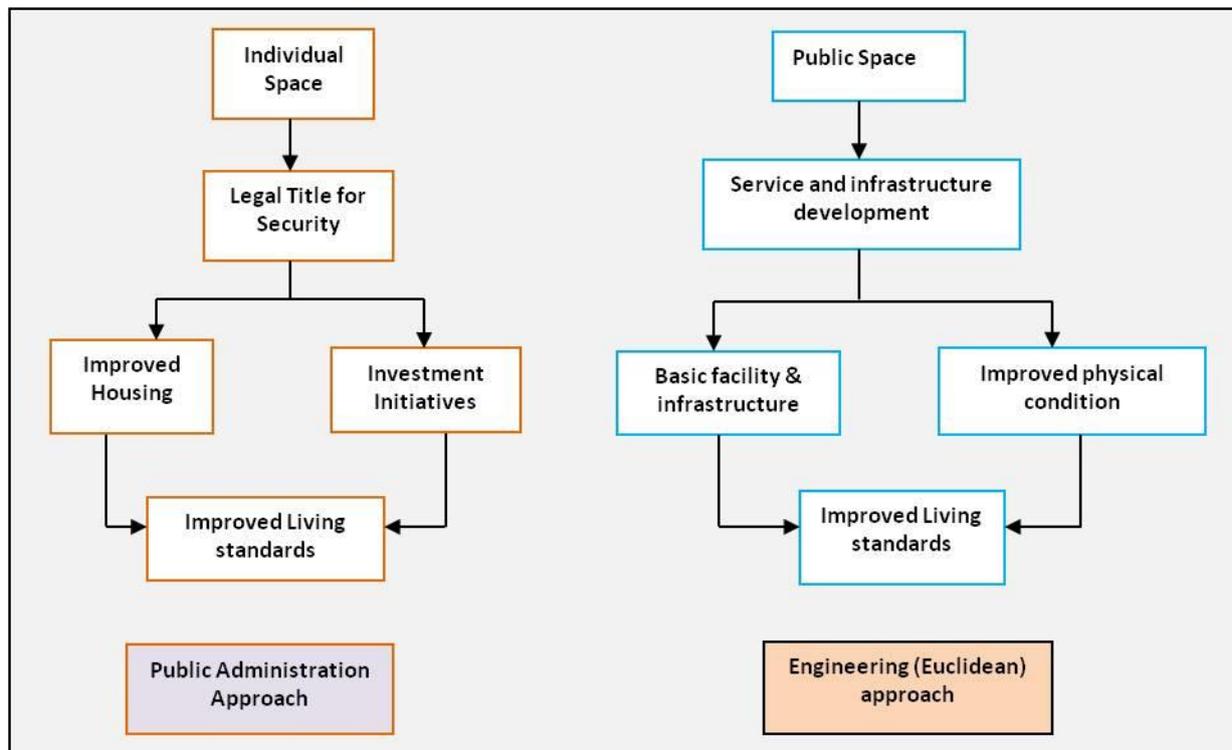


Figure 3: Theoretical Approaches to Upgrading (Njamwea, 2003:4)

According to Njamwea (2003), these two categories of upgrading have brought about differences among professionals. For instance, public administrators, as illustrated in Figure 3 above, view formal tenure through the registration of properties as a solution to informality. With this, it is believed that utility providers would be able to penetrate to provide the needed facilities. Besides, the settlers have a document to negotiate for loans for housing improvement. This view is also supported by De Soto (1989), who argues that security of tenure will led to improvement of housing structures in informal settlements. On the other hand, titling is seen as a sector-based approach that is not realistic to the needs in the informal settlements by those who advocate basic service approach (Abbott, 2000; Fourie, 2001).

2.5.1 Site and Service Approach

The site and service doctrine is incorporated to housing policies with projects and programmes focusing on regularisation of tenure and infrastructure improvements. Plots are serviced with water and sanitation facilities and core housing units are provided as shown in Figure 4. The assumption is that by resolving the land ownership problem, residents would be motivated to invest their own resources in housing improvements since the slabs would have

already been provided. This concept, formulated by the WB, was adopted by a number of countries, including Zambia.

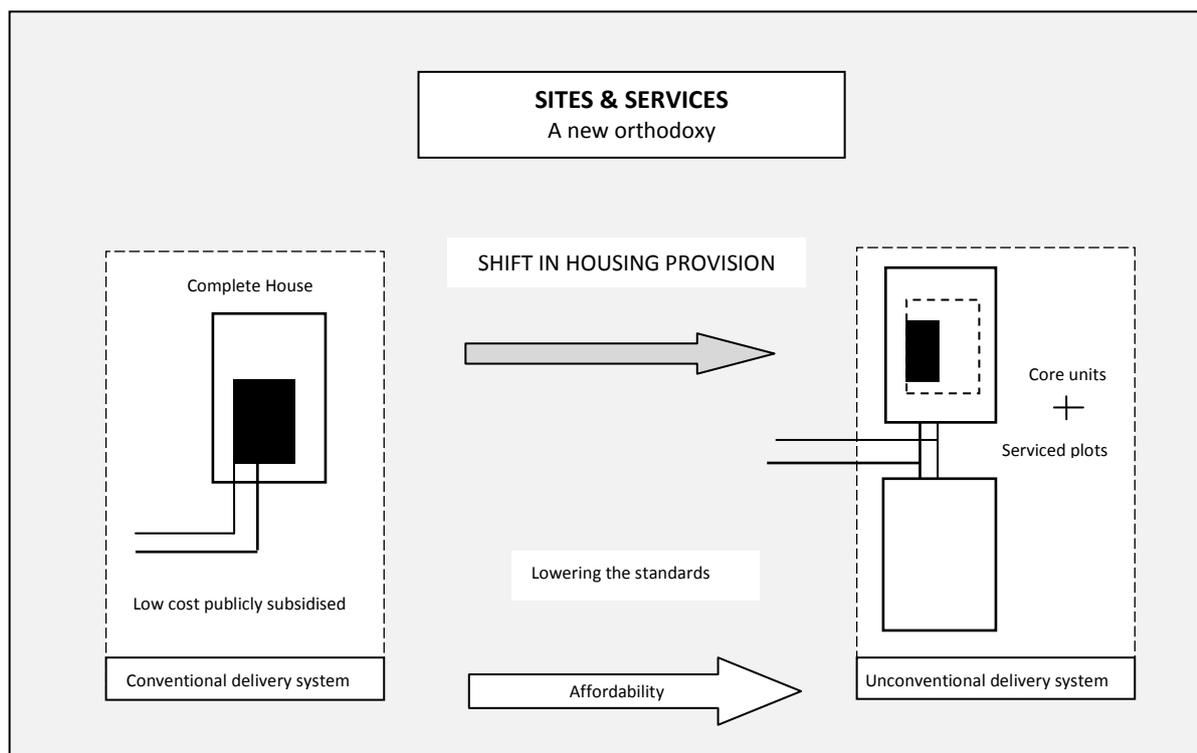


Figure 4: Site and Service Concept (Acioly, 2002:10)

The upgrading programmes were combined to sites and services projects where full ownership of plots was awarded to future inhabitants. According to Acioly (2002), special arrangements were made regarding cost recovery and community participation in order to foster replicability and sustainability of the projects. Government allocated land (with minimal infrastructure) to new-comers and encouraged them to construct their own dwellings. The approach was quite successful and in the 1970s and 1980s, the sites and services approach was tried in many countries across the globe such as Zambia, Botswana, Burkina Faso, El Salvador, Senegal, and Tanzania (Buckley and Kalarickal, 2006). The global outcome was positive. Housing construction improved, and physical infrastructure was provided. Unfortunately, the sites were too far from the city, and the cost of infrastructure was too high for the cities concerned. In-situ upgrading then became the prevalent solution.

2.5.2 In-situ Upgrading Approach

This approach tried to improve the situation of the slum dwellers without necessarily moving them away. Earlier on, World Bank urban projects focused on access to water and sewage networks in slum areas (WB, 2002). Many of these projects were demonstration activities and

tried to show the potential of being replicated at a larger scale. In-situ upgrading is still the predominant approach in dealing with informal encroachments. In the 1990s and 2000s, the approach became more comprehensive, calling for an enabling approach: good policies, slum prevention, community participation, and engagement of the private sector. The role of the government shifted from provider to facilitator. Cities were expected to remove obstacles that blocked access to urban land, such as inflexible zoning and regulations. To stimulate demand, up-front subsidies looked appropriate, especially to leverage own savings or bank credit, and property rights became a high priority (Mayo, 1991). At present, one finds a wide range of policies that work together to provide affordable and adjustable housing solutions for the urban poor. These include national housing policies, slum prevention policies and community-led housing policies.

2.5.3 Sector-Based Upgrading Approach

According to Dormann (2010), this is a type of upgrading which emphasises on providing services within a specific sector. Over the years, there has been a shift from the site and service scheme to the sector approach strategy which allows for the participation of NGOs in service delivery. The attention is shifted to a package of infrastructure improvements combined with basic public services provision followed by regularization of tenure and property rights. These interventions are geared to social, economic, physical and juridical integration of the informal city into the current formal and official urban systems. The aim of this strategy is to create the basic conditions for their integration to the housing and real estate market.

2.5.3.1 Strengths and Weaknesses of Sector Based Upgrading

Debate between Multi-Sectoral versus Sector based upgrading has continued to dominate the subject of informal settlement upgrading especially that both types of approaches have relative strengths and weaknesses. However, upgrading approaches have altered over time in accordance to critiques of upgrading and new insights into the way informal settlements work. Bassett et al., (2002), argue that although early upgrading projects were complex multi-sectoral approaches that attempted to implement a wide variety of development interventions, the projects did not simply focus on physical improvement of settlements; they also worked to build communities through support of community-based organisations and facilities. They further argue that these upgrading projects also facilitated economic expansion of the informal sector through the provision of facilities, training, and financial support; and even

rework on piecemeal basis key urban institutions as well as regulatory and tax frameworks. However, criticisms of this approach have emanated from the implementation experience over the past 30 years. For instance, the WB evaluation report of 2002 highlights that multi-sectoral projects proved to be challenging to prepare, implement, monitor and evaluate. In addition, Solo (1991) notes that project preparation times for the very first projects were very long, ranging from two to three years on average, and even longer for some countries. Despite such investment of time and expertise, projects were later criticised as being poorly prepared, particularly in terms of engineering design. While implementation experiences in the Africa projects certainly varied from project to project, many of the earlier projects experienced time and cost overruns attributable to complexity.

By way of comparison, Gulyani and Conners (2002) argue that implementation experiences of single-sectoral upgrading projects have been a success in some countries. This is because single-sectoral upgrading has focused on the easier-to-implement physical initiatives such as the provision of water or sanitation, and the soft components such as legalisation. It is further argued that the other strength of the sector-based upgrading lies in its utilisation of a demand-driven or community responsive approach in which community members select a single infrastructure investment priority from a menu of options. According Bassett et al., (2002), the other merit of single-sector projects is that they are often implemented by non-governmental organisations with significant community development expertise.

It is further argued that single-sectoral upgrading projects are considered to be a better option because of their simplicity in preparation, implementation, and evaluation. Such projects specialise in one activity area, which can make working relationships clearer and less time-consuming. Projects often are narrowly geographically focused, so logistics are easier. Implementation is relatively independent and often does not necessitate much in the way of governmental approval or oversight. Implementation of single-sectoral upgrading projects is relatively straight-forward to schedule and monitor. Physical development activities can be directly implemented by the project (with or without community labour); often, infrastructure is built by local contractors who must meet contractual terms laid out by the project in order to be paid (Bassett et al., 2002).

Finally, monitoring and evaluating of single-sectoral upgrading projects is fairly easy: have the pipes been laid, at what cost per metre, and is the water flowing? The tangible impact on the lives of the poor is also relatively simple to calculate quantitatively: has there been a

decrease in expenditure on water per unit, is the incidence of water-borne diseases on the decrease?

While sector-based upgrading is easier to implement and monitor, Kigochie (2001) argues that the utility of sector-based approaches over-arching goals of improving quality of life and ameliorating poverty is not clear. What sort of multipliers - in terms of housing improvement, income generation, and financial flows - result from simple infrastructure investment? Is there evidence that the opening up of roads or increase in tenure through ownership documents does result in the start-up of new small businesses such as home-based enterprises? According to Kigochie (2001), analyses of these differential impacts appear not to have been done.

2.6 Impacts of Settlement Upgrading

Despite the complexity in upgrading approaches vis-à-vis multi-sectoral vs. Sectoral-based, upgrading projects have generally been acknowledged to have some specific positive impacts. Some upgrading projects have increased housing stock and quality (Bamberger, Sanyal et al., 1982). Kenya's First Urban Initiative in Dandora, for example, provided 6,000 new plots of land for housing in Nairobi; this land was developed into high-standard housing units which by 1988 sheltered 100,000 people (Lee-Smith and Memon, 1988). And according to Bassett (2001), a five-year evaluation of four different upgrading initiatives implemented by the WB calculated that the housing provided was affordable by the majority of the targeted low-income beneficiaries. Available evidence also indicates that expenditure for this improved housing did not come at the expense of other needs, such as food or health services (Keare and Parris, 1982).

Other upgrading projects such as legalisation or provision of security of tenure have shown to have the predicted positive impacts. For instance, Kessides (1997) asserts that in numerous projects, enhanced security has been followed by private investment in housing and general neighbourhood improvement. In the Mtaani-KisumuNdogo settlement in Kilifi, Kenya, for instance, beacon certificates issued by the Survey Department of the Ministry of Lands prompted increased production of houses built with permanent materials. According to Bassett (2001), income levels have also been raised as a result of upgrading, particularly in projects that encouraged the development of extra rooms for rental purposes. Petty landlords who obtained plots through the Self-Help Housing Scheme of Gaborone, Botswana, for example, are able to command rents which easily enable them to meet monthly plot payments

and provide an important income stream for household survival (Datta, 1995). Finally, provision of infrastructure and key urban services has improved the quality of life for settlement residents. For instance, according to Macoloo (1994), Chaani settlement residents' expenditure on water prices had been drastically lowered on a unit basis through the provision of piped water supply which was part of the upgrading programme in the settlement. Ghafur (2001) also argues that infrastructure provided in informal settlements through upgrading initiative contributes to growth of HBEs in four ways, and these are:

1. improved labour productivity through better health following from safe drinking water, sanitation and waste disposal,
2. better operation through the availability of electricity and water, and access to transportation,
3. improved movement of HBE operators and customers on better roads and with lighting at night to improve security and
4. the sense of security of tenure following from the public investment in infrastructure gives operators a willingness to invest and attracts more residents thus increasing markets.

2.7 Home-Based Enterprises (HBEs)

Over the years, Home-Based Enterprises (HBEs) have become a common activity in most cities of Less Developed Countries (LDCs) where people start them as a solution to the unemployment problem and lack of sufficient funds to set up an enterprise in the formal sector. According to Gilbert (1988) and Sinai (1998), inhabitants of low-income areas have realised that a home can be used for all sorts of economic activities, including subletting some of the rooms, having stores or workshops in part of the home and production of assorted goods such as food and beverages. Thus HBEs have been known to provide shelter and income for the poor. According to Ezeadichie (2012), a Home-Based Enterprise is a subgroup of the informal economy. Strassmann (1987) defines an HBE as one which occurs in or very close to the home rather than in a commercial or industrial building or area. International Labour Organisation (ILO) (1972) defined the sector (HBE) based on the distinguishing features of ease of entry, reliance on indigenous resources, family ownership of enterprise, small scale of operation, labour-intensive and adapted technology, skills acquired outside the formal school system and, lastly, unregulated and competitive markets and lack of legal or

government recognition. In defining HBEs, Gough and Kellet (2001), categorise them under five broad activities, which are:

1. activities related to the plot itself: e.g. room renting, poultry rearing solely for sale; beer brewing and consuming; and using a plot for services such as car parking (particularly for safe overnight storage of vehicles),
2. making or repairing things: e.g. vehicle, bicycle and electronic repair, shoemakers/menders, carpentry, tailoring and preparation of food for selling within and elsewhere,
3. selling: e.g. general stores, shops and kiosks, small-scale sale of drinks, sweets and ice lollies,
4. service type activities: e.g. hairdressing, barber services and medical services such as traditional healing and cleansing and
5. activities of a more social/community nature: e.g. schools, nurseries, primary health care, etc.

2.7.1 Importance of Home-Based Enterprises (HBEs)

According to Gough and Kellet (2001), the importance of informal sector activities that operate from the home is increasingly being recognized. Although it is difficult to determine the extent of home-based work, since it is rarely included in national statistics, micro-level studies suggest that home-based workers comprise a large and growing portion of the workforce in many countries for many low-income households, the dwelling is one of the few resources that they have for generating income and they do this either through passive activities such as renting out rooms or more active home based enterprises. According to Gough et al., (2003), owners of HBEs have been able to consolidate their dwellings through the income from these micro-enterprises. It is further argued that many households, especially those of tenants, would not be able to afford rent for their dwellings without the HBEs. Thus HBEs are very important for income generation, especially for women. Their establishment improves incomes and access to jobs, goods and services within a settlement and can, therefore, be regarded as upgrading. Besides contributing to the economy, HBEs are also environment-friendly. They tend to be small-scale, non-polluting, do not threaten natural resources, and do not require commuting. These enterprises save time and money by eliminating travel to work, and reduce traffic jam, pressure on public transport, and air

pollution although others, such as Oladabe et al., (2013), argue that HBEs can be a source of different nuisances such as noise when unregulated. For instance, they argue that the use of certain machines by HBE operators such as generators can be a source of noise in the neighbourhood, especially when the area is strictly zoned for residential purposes only.

According to Ezeadichie (2012), many low-income households rely on HBEs for employment, income, and services. Without them, countless millions of households would be unable to meet survival needs; food could not be purchased conveniently, and carrying out simple tasks, such as having a hair-cut, would require a major expedition. In terms of employment, jobs are created cheaply as large numbers of individuals who would otherwise be unemployed and a burden to society are gainfully employed.

Studies conducted by Gough and Kellet (2001) have revealed that consolidation of dwellings in self-help settlements is directly dependent on the generation of surplus resources beyond what is required for subsistence. As such, a significant proportion of households in such settlements are reliant on income generated within the home for household subsistence as well as to finance the construction of the dwelling itself. There is, therefore, a close inter-relationship between income levels and dwelling consolidation rates.

According to Tipple (2004), in a DFID sponsored study in Cochabamba, New Delhi, Surabaya and Pretoria, where four surveys of 150 HBE-operating households were carried out, it was evident in all the case studies that HBEs greatly increased the employment opportunities for low-income households, especially for women. In these studies, at least 50 per cent more women worked in HBE-operating households than in those without an HBE. The differences in number of workers between HBE and non-HBE operators varied from 24 to 59 percent. In terms of contribution to household income in all the case studies, HBE households showed a respectable increase in income in comparison with their non-HBE operating neighbours. Where they occurred, HBEs generated between half and three quarters of their households' incomes.

In another longitudinal study of two cities in Colombia by Gough and Kellet (2001), an analysis of income data revealed that in Santa Marta settlement 68 percent of households with an HBE had incomes above the minimal monthly wage, whereas the corresponding figure was only 36 percent for households without one. If we examine the group with the highest incomes this relationship between household income and the presence of an HBE is even stronger. In the other settlement of De Noviembre, out of a sample of 104 households, 12 had

incomes exceeding two minimum monthly wages, 14 of which seven had home-based enterprises. In contrast, among the 17 poorest households in the settlement, only two had such enterprises. This suggests that the enterprises can often be quite profitable and that in some cases, a certain level of income or capital is a pre-requisite to setting up such enterprises and hence may not be an option available to poorer residents.

According to Gough et al., (2003), a wide range of HBEs operate in low-income areas. However, studies have shown that the most common HBEs are retailing and food production. For instance, a DFID and Nordic Africa Institute (NAI)-sponsored research on “Environmental Effects of Home-Based Enterprises” in Pretoria and Accra revealed that in both settlements, that is Madina in Accra and Mamelodi in Pretoria, the most common types are retailing and/or producing food and drink. Almost 60 percent of HBEs in both settlements were involved in the production or sale of food and drink with another 12 - 13 percent retailing non-food items such as stationery and clothes. The study further revealed that food-processing and retailing HBEs were popular because they catered for the local demand and only required a small amount of initial capital and limited skills to set up the business.

Other studies have also identified room renting as a major HBE. For instance, in a study conducted in Bogota, Gilbert (1988) found that 18 percent of owner-families were earning money from renting rooms. In Pereira, the renting of rooms was also common and clearly increased over time as the settlements were consolidated. The study revealed that in 1987 only 4 percent of households on average were renting out rooms, though there was a higher frequency of renting in the older settlements (7 - 9 percent). However, by 1997, the degree of renting had increased substantially in all of the settlements; on average, 20 percent of households were renting out rooms - the highest frequency (29 percent) being in the highly consolidated settlement of Las Mercedes and the lowest (12 percent) being in the least consolidated settlement of Villa Santana. There is thus a clear relationship between the level of consolidation of the settlement and the frequency of renting rooms.

2.7.2 Challenges Faced by HBE Operators

Although HBEs provide shelter and income for the poor, these enterprises encounter a variety of barriers that prevent them from attaining their full potential. Problems encountered by HBEs resemble those faced by both the informal sector and squatter settlements and include issues of finance, competition, theft, availability of space, legality, the uncertainty of tenure, lack of infrastructure, sub-standard structures, overcrowding, and the threat of demolition.

Gough et al., (2003) argue that because of these challenges, the lifespan of HBEs could be relatively short. Therefore, some of the potential restrictions faced by HBEs that also limit their growth include the following:

2.7.2.1 Lack of Finance

Studies have shown that most of the HBE operators start their business in a small way with very little capital. As such, many HBE operators specify a desire to expand their businesses by buying more stock or equipment, but most do not have the capital to do so. For instance, in a study conducted in Ghana by Gough et al., (2003), HBE operators in one of the settlements reported to have closed the previous businesses due to lack of capital. The study also revealed that in Ghana, like in most developing countries it was very difficult for individuals, especially those of low incomes, to obtain a loan from a bank. Thus many of the HBEs operate through informal financial systems whereby much of the buying and selling takes place on credit.

2.7.2.2 Competition

Competition is one of the challenges faced by HBE. Snyman (1990) argues that as the numbers of such businesses increase, competition also increases, which, together with lack of business technique, may raise doubts about the viability of many of these enterprises. According to Gough et al., (2003), some of the most common reasons given by HBE operators as to why previous HBEs folded or closed down include falling profits and too few customers. However, this is not surprising given the sheer number of similar enterprises that operate within the settlement, where there is a tendency of mimicking business activities. Another limitation to growth is that there is not only competition within the informal sector (i.e. between HBEs in a settlement) but also potential competition between the formal and informal sectors. HBEs have to compete with low – price supermarkets with formal commercial infrastructure, especially when located within the proximity of informal settlements.

2.7.2.3 Crime and Theft

Crime and theft pose another challenge that threatens the growth of HBE, especially in settlements that are labelled as ghetto communities with high levels of criminal activities. For instance, according to Masuku (2001), South Africa has amongst the highest violent crime and murder rates in the world and is fourth in the world in terms of property crimes. South

African HBE operators have reported being highly affected by the risk of being targeted by criminals.

2.7.2.4 Threat of Demolition

Most squatters are aware of the risks involved in living in such settlements, especially the threat of demolition. According to Hoek-Smit (1981), this constant threat is part of the reason why squatters do not upgrade their shelters. They fear investments on their dwellings will be destroyed during demolition, and many opt to live in sub-standard dwellings. Despite the important role played by HBEs in low-income areas, most governments are against these enterprises for various reasons. According to Strassmann (1987), governments are against HBEs because of land use theories, bias against private economic gain, and they consider these enterprises to be “unproductive sweatshops with no future”. Perera and Amin (1996) report that HBEs are also considered an environmental hazard and are not supported by urban planners, who argue they can be a danger to the public, especially those that are carried out along roads and sidewalks.

2.8 Impacts of Sector-Based Upgrading on Home-Based Enterprises

Studies have shown that sector based upgrading programmes have generated additional income for the urban poor. More recent analyses of economic activity in informal settlements have attributed income gains to the effects of upgrading projects (Datta 1995; Kigochie 2001). Upgrading projects have been shown to have a positive impact on incomes by supporting the development of additional rooms for rental purposes. Small-scale rental housing has proved to be a crucial income stream for housing consolidation, loan repayment and general survival (Datta, 1995; Rakodi, 1995; Kumar, 1996). According to Datta, (1995), rental income appears to be particularly significant for female-headed households.

Studies conducted in India, the Philippines and Brazil have shown that slum upgrading programmes have a positive impact on income by facilitating the establishment or expansion of HBEs (Treiger and Faerstein 1990). Homes are used for a wide variety of economic activities, including retail stores, restaurants, small workshops, and beauty salons (Kigochie, 2001). These studies have revealed that settlement upgrading supports HBEs in a variety of ways. For instance, improved services such as better roads have made HBEs more accessible to a larger clientele; street lighting has provided safety and allowed enterprises to operate during the night. The availability of piped water has enabled water-dependent enterprises

such as beauty salons and restaurants to function with enhanced safety and lowered costs. It is also argued that tenure security in legalised settlements has encouraged business investment since entrepreneurs no longer need to fear demolition of their premises or confiscation of their stock. However, legalisation or tenure formalisation programmes have been criticised for their potential to dramatically increase land values and create the opportunity for a windfall profit should the beneficiary decide to sell. But Peattie *at el.* (1982) argue that this rise in land prices can also translate into a rise in rental prices that can drive low income tenants out of their former accommodation.

The positive relationship between settlement improvement and HBEs is echoed in a recent study on the impacts of settlement upgrading in Nairobi, Kenya. Based on evidence from Mathare settlement in Kenya, Kigochie (2001) argues that upgrading has positively influenced home enterprise start-ups as well as assisted pre-existing small businesses (Kigochie, 2001). Income from HBEs, like income from rental rooms, has been shown to be very important income stream for urban residents (Raj and Mitra 1990). In the case of Dakshinpuri, New Delhi, HBE income accounted for 30.2 percent of total income for those operating retail establishments and 36 percent for those running services (Raj and Mitra, 1990). Home-generated income is critical for household survival, particularly for women. According to Sinai (1998), a study in Kumasi, Ghana, showed that female-headed households and larger households characterised by older and less-educated household heads were more likely than others to use their homes for income generation.

2.9 Upgrading Approaches in Chaisa Settlement, Lusaka

There are no common standards or guidelines for upgrading in Zambia. Instead, each implementing agency or NGO develops its own principles, approaches, and upgrading typology. However, the most common type of upgrading in Zambia appears to be the sector based upgrading without adherence to urban planning standards. It is claimed that what may be termed as planning standards appear to be unnecessarily high for low-income settlements and produce infrastructure whose maintenance and construction cost is not affordable by either the State or by the majority of citizens living in these settlements. As such, Chaisa settlement has experienced a rather cost-effective upgrading through a sector based upgrading approach. Upgrading projects under this approach have ranged from infrastructure, water and sanitation to land tenure and ownership projects. For instance, in 2010, SIDA and CARE undertook a sanitation project in Chaisa that focused on the provision of EcoSan facilities in the area (Nyambe, 2010).

In addition, in 2000, the Lusaka City Council (LCC), in collaboration with SIDA and Swedesurvey, also carried out a project to improve the security of tenure of residents in Chaisa settlements and signed an agreement with SIDA for funding of the project. In order to formalise land tenure for the owners of the structures in Chaisa, information about the owners and the status of the tenure was collected and GIS was used to come up with a cadastral map for the area (Nordin, 2004). The project was based on the premise that if tenants were provided with tenure through occupancy licences, each tenant would make investment in improving their housing infrastructure and also use their properties as collateral since they would have legal documents, thus taking a public administration approach to upgrading.

Table 1 gives a summary of upgrading projects that have taken place in Chaisa, the sector upgraded and the agency or NGO involved.

Table 1: Upgrading Projects Implemented in Chaisa

	Agency/NGO	Sector Upgraded	Year
1	GRZ	Roads and drainage	2011
2	SIDA	Water and Sanitation	2010
3	CARE	Water, Sanitation, drainage, waste management	2008
4	SWEDESURVEY	Tenure Regularisation	2000

Source: Lusaka City Council, 2015

2.10 Livelihood Framework

This study seeks to assess the impact of upgrading on home-based enterprises in Chaisa settlement. As such, a livelihood framework will be used to evaluate the impact of the sector based upgrading technique on the recipient community. The Sustainable Livelihoods framework was adapted from a model developed by the United Kingdom's (UK) Department for International Development (DFID, 1997). It is a holistic, asset-based framework for understanding poverty and the work of poverty reduction. It is an attractive model because it provides a simple but well-developed way of thinking about a complex issue. It is also attractive because it can be applied at various levels of detail – as a broad conceptual framework or as a practical tool for designing programmes and evaluation strategies.

Although various agencies and NGOs such as DFID, CARE, Oxfam and UNDP have developed their own livelihood frameworks, the fundamental principles behind the livelihood approaches of the different agencies have remained the same. The common thread that unites

all the agencies is that they link their ideas back to the work of Chambers and Conway in the early 1990s and most of them adopt Chambers and Conway's (1992) definition of livelihoods (Carney et al., 1999). This definition holds that: a livelihood comprises the capabilities, assets (stores, resources, claims and access) and activities required for a means of living: a livelihood is sustainable if it can cope with and recover from stress and shocks, maintain or enhance its capabilities and assets, and provide sustainable livelihood opportunities for the next generation; and which contributes net benefits to other livelihoods at the local and global levels and in the long and short term (DFID, 1999). The livelihoods approach is concerned first and foremost with people as depicted in the framework below. It seeks to gain an accurate and realistic understanding of people's strengths (assets or capital endowments) and how they endeavour to convert these into positive livelihood outcomes. The approach is founded on a belief that people require a range of assets to achieve positive livelihood outcomes; no single category of assets on its own is sufficient to yield all the many and varied livelihood outcomes that people seek. This is particularly true for poor people whose access to any given category of assets tends to be very limited. As a result, they have to seek ways of nurturing and combining what assets they do have in innovative ways to ensure survival. The livelihood framework identifies five core asset categories or types of capital upon which livelihoods are built. These are human assets, social assets, physical assets, financial assets and natural assets as shown in Figure 5.

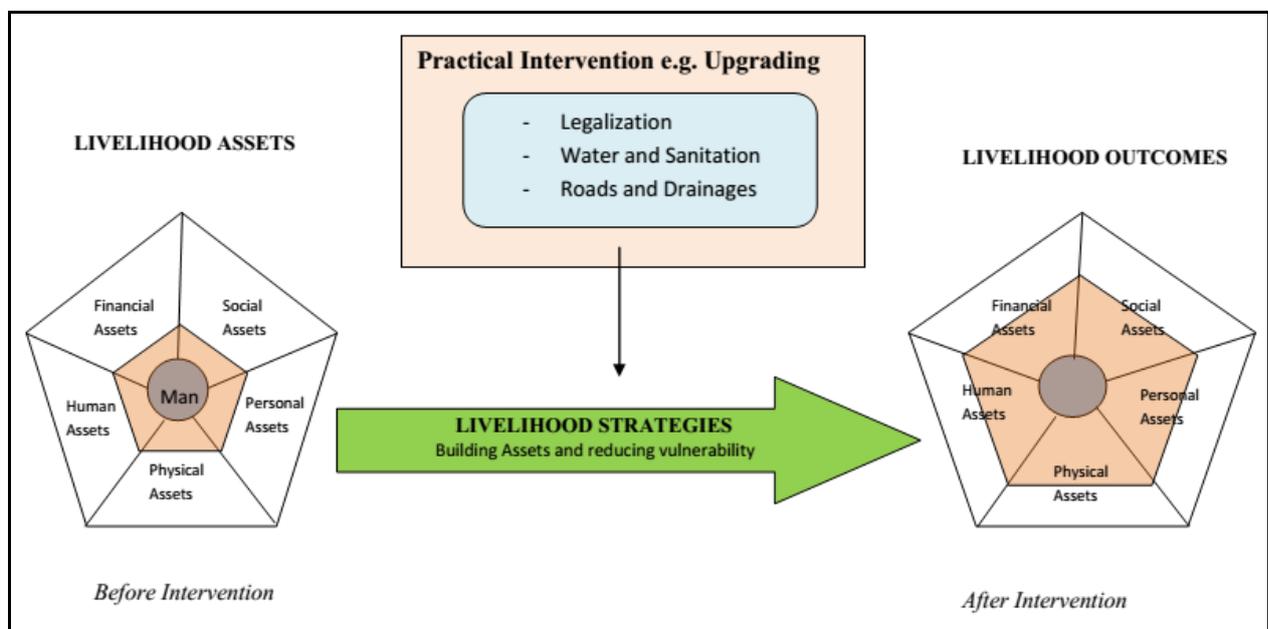


Figure 5: Sustainable Livelihood Framework (DFID, 1999:3)

The Department for International Development (DFID) defines these assets as follows:

2.10.1 Human Assets

Human assets represent the skills, knowledge, ability to labour and good health that together enable people to pursue different livelihood strategies and achieve their livelihood objectives. At a household level, human capital is a factor of the amount and quality of labour available; this varies according to household size, skill levels, leadership potential and health status.

2.10.2 Social Assets

There is much debate about what exactly is meant by the term ‘social assets or capital’. In the context of the sustainable livelihoods framework, it is taken to mean the social resources upon which people draw in pursuit of their livelihood objectives. These are developed through:

- a. networks and connectedness, either vertical (patron/client) or horizontal (between individuals with shared interests) that increase people’s trust and ability to work together and expand their access to wider institutions, such as political or civic bodies;
- b. membership of more formalised groups, which often entails adherence to mutually-agreed or commonly accepted rules, norms and sanctions; and
- c. relationships of trust, reciprocity and exchanges that facilitate co-operation, reduce transaction costs and may provide the basis for informal safety nets amongst the poor.

2.10.3 Natural Assets

Natural assets are the natural resource stocks from which resource flows and services useful for livelihoods are derived. There is a wide variation in the resources that make up natural capital, from intangible public goods such as the atmosphere and biodiversity to divisible assets used directly for production (trees, land, etc.).

2.10.4 Physical Assets

Physical assets comprise the basic infrastructure and producer goods needed to support livelihoods. Infrastructure consists of changes to the physical environment that help people to meet their basic needs and to be more productive. Producer goods are the tools and equipment that people use to function more productively. The following components of infrastructure are usually essential for sustainable livelihoods: affordable transport; secure

shelter and buildings; adequate water supply and sanitation; clean, affordable energy; and access to information (communications). Infrastructure is commonly a public good that is used without direct payment. Exceptions include shelter, which is often privately owned, and some other infrastructure that is accessed for a fee related to usage (for example water and energy supplies).

2.10.5 Financial Assets

Financial assets denote the financial resources that people use to achieve their livelihood objectives. The definition used here is not economically robust in that it includes flows as well as stocks and it can contribute to consumption as well as production. However, it has been adopted to try to capture an important livelihood building block, namely the availability of cash or equivalent, which enables people to adopt different livelihood strategies.

Thus, the success of any intervention is assessed on its ability to increase access to these assets which can take the form of ownership or the right to use. Since the livelihood framework recognises that communities or settlements have assets, any upgrading intervention such as the sector-based upgrading is expected to have a positive impact on these assets if it is to improve the livelihood of the settlement. After the intervention, one would expect to see an increase in the human, financial, personal, natural, social and physical assets as depicted in Figure 5.

In view of the foregoing, it is indisputable to state that a lot of research has been done on upgrading in Africa and other continents. However, suffice to mention that in Zambia, literature on sector-based upgrading is scanty. In particular, until this study, empirical research on the effect of upgrading projects on economic activities and livelihood strategies in Chaisa Township of Lusaka was non-existent. This knowledge gap was among other reasons why this study was undertaken in order to narrow the said gap, thereby advancing the frontiers of knowledge in the field of Spatial Planning.

CHAPTER THREE

DESCRIPTION OF STUDY AREA

3.0 Introduction

This chapter presents the profile of the study area in terms of the general physical characteristics such as location, landscape, population, demography and historical background of the settlement under study.

3.1 Location of the Study Area

Chaisa is located in the City of Lusaka and lies approximately between longitudes 37° and 38° East and latitudes 00° and 99° South. It is about six kilometres north of the town centre or main post office and sprawls between the Great North Road on the western and the rail line on the eastern side. It is on the right hand side of the Great North Road towards Kabwe and is surrounded by the following settlements; Emmasdale to the South and West, Garden compound to the East and Mandevu to the North as shown in Figure 6.

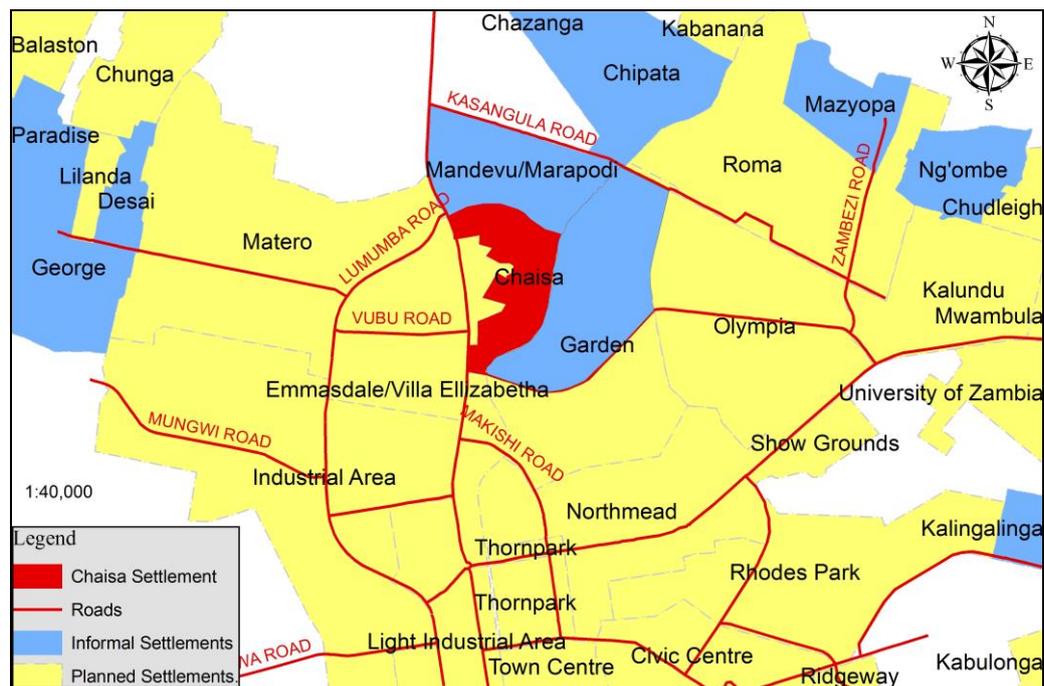


Figure 6: Location of Chaisa Settlement in Lusaka City (LCC, 2015)

3.2 Justification for Selection of the Study Area

Chaisa settlement is an informal settlement located in the City of Lusaka, which is the capital city of Zambia. The city has continued to contribute to the country's growing economy through various economic activities but has been facing challenges in managing the growth

and environmental conditions of informal settlements such as Chaisa which have become a threat to the city. Chaisa was specifically selected because the settlement has been the subject of sector-based upgrading. The settlement was also selected for practical and convenience reasons. Being based in Lusaka meant that the researcher could easily access the settlement and community more often and interact with Chaisa households.

3.3 Physical Characteristics of the Study Area

Chaisa settlement has a total surface area of about 998,083.80 square metres of flat land. The settlement is located on a flood-prone area and lacks a proper drainage system. The area has a high water table and is subject to occasional flooding (Yasini, 2003). The floods form stagnant pools of water which become breeding grounds for mosquitoes and other disease-carrying bacteria. Flooding also causes pit-latrines to over-flow and spill their contents into the nearby wells and the surrounding land, thereby causing serious pollution. The settlement is very close to the Ngwerere stream which is heavily polluted (LCC, 2008).

3.4 Historical Development of Chaisa

Chaisa is a Bemba word that means “it is coming”. The name denotes the coming of the council grader to demolish houses for squatters. The settlement originated on land of two farms owned by two white farmers, Emma and Mr. John Lavel. Settlement on this area started in 1960, when the two white farmers allowed their workers to build pole, mud and grass houses on their farms. Between 1961 and 1963, the workers’ compound started growing as relatives and friends of the farm workers started coming to settle on the farmland. This development prompted Emma and John to request the council to demolish all the grass structures on the farmland. A council grader was then dispatched to the area to carry out the demolition exercise. Every time the grader came, the people would run around alerting friends that “chaisa mukututobela amayanda” (meaning the grader has come to demolish our houses). On one occasion when the council went to demolish the houses while the men were at work, the women mobilised themselves and killed the driver of the grader. This incident prompted Kenneth Kaunda, in early 1964, to intervene in the matter and he stopped the council from continuing the demolition exercise. This spared the settlement from further destruction and the area was named Chaisa compound (Yasini, 2007). In subsequent years, the settlement grew rapidly as more people went to settle in the area. The area was attractive

to many people because it had enough land, abundant water from the Ngwerere stream and it was close to the Great North Road.

3.5 Demography

According to the 2010 census, the total population of Chaisa is estimated at 19,858 and the number of households stands at 4,445 with an average household size of 5.3. The population has been increasing through high birth rates and immigrations (Central Statistics Office, 2010).

3.6 Livelihoods of the Residents of Chaisa

Most of the residents of Chaisa are in informal employment. Marketeering and informal trading are the major sources of livelihood. Few people are in regular employment and are mostly in low-paying jobs. Those in formal employment work as teachers, health workers, police officers, security guards and general workers in government and private companies. Chaisa has two main markets and a number of make-shift stores dotted around the main markets. The major commodities sold in the markets and make-shift stalls are charcoal, groceries, foodstuff and clothes. For charcoal, hundreds of bags are off-loaded every day from trucks coming from the Copperbelt. They are then repacked in small bags or plastics for resale. Beer trading is another popular business in the settlement as evidenced by the high number of bars and taverns that operate in the area. Residents also earn their living through carpentry, brewing of illicit beer, prostitution, '*kaloba*' (money lending), '*ichilimba*' (saving groups) and formal employment (Yasini, 2007).

CHAPTER FOUR

METHODOLOGY

4.0 Introduction

This chapter highlights the research methods employed in carrying out this study. It discusses the study design, study population, sample size and sampling procedures.

4.1 The Research Design

The research design was case study based on multiple methods of collection of data which facilitated the in-depth study of the impacts of upgrading on home-based economic activity in one settlement, namely Chaisa settlement. The selection of this research design was driven by the nature of the research objectives and ultimately by what the research aimed to achieve. According to Yin (2003), the advantage of the case study approach is that it embodies data collection and data analysis strategies that can cope with the problem of analysing a complex social phenomenon within its real-life context where the boundaries between the phenomenon and context are not always clear. These data collection methods include the use of multiple methods of data collection such as interviews, document reviews, archival records, and direct and participant observations to triangulate findings and provide for detailed descriptions of the phenomena under study.

Overall, this study aims to generate new theoretical understandings of the relationship between upgrading and HBE development. In this respect, its approach to the relationship between theory and research is primarily an inductive one. The study does not seek to generalise its empirical findings to larger populations but rather to develop a richer understanding of the wider economic impacts of upgrading through the detailed study of individual cases. The case study method provides a vehicle for this intensive exploration.

4.2 The Research Approach – Qualitative and Quantitative Choices

The study made use of a combination of qualitative and quantitative data collection methods because the research involved a two-stage process. The first stage made use of in-depth qualitative interviews and key informant interviews to explore and identify key factors influencing change in HBE activity. In the second stage, a social survey was conducted making use of quantitative methods with the aim of establishing the prevalence of these factors across the wider population of Chaisa. The qualitative approach was ideal because it

establishes people's feelings; it is humanistic and delves into their opinions on the research topic and especially that people in low-income areas are often concerned about sharing their problems and responding to questions on their informal business; the advantage of the qualitative method is that it provides more time for the researcher to develop a relationship of trust with the respondent possibly enabling a more frank conversation. Thus the approach allows for in-depth, flexible and broad coverage since it deals with human beings, who are able to express their feelings, and was therefore used in an effort to obtain a deeper understanding of various HBEs in Chaisa and the impact that upgrading has had on these enterprises. On the other hand, the use of quantitative approach involved some numbers as it is statistical in nature. The use of this approach gave way to the calculation of numbers in numerical terms. This method of data collection was employed because it is quick, enables the researcher to cover a large number and achieve something of statistical value.

4.3 Data Collection Methods – Research Tools

This study employed both qualitative and quantitative methods of data collection. Qualitative methods included field observations and in-depth interviews with 50 HBE operators, purposively selected, while quantitative methods involved the use of questionnaires comprising both open and closed-ended questions. These were administered to 150 households that were either tenants or landlords, who were systematically and randomly selected. The questionnaires were administered with the help of two research assistants that I trained.

4.3.1 The Semi - Structured Interviews

The research made use of an interview schedule (Appendix 1) which was composed largely of a series of open-ended questions designed to focus the interview around particular topics, whilst providing for an informal conversation level of discussion.

4.3.2 Structured Questionnaires

The data collection instrument used under the survey was a structured questionnaire consisting of both closed and open-ended questions as shown in Appendix 2. The questions were formulated in line with the aim of the study and presented under particular themes corresponding to the objectives of the study. These questions were designed to obtain a cross-

section perspective of the nature of HBEs in Chaisa, frequency of operation, contribution to household income and factors affecting their growth, among other things.

4.3.3 Field Observations

To complement the interviews and as part of the survey, direct observations of the settlement and community were made. The aim of the observation was to assess the existing living conditions of Chaisa households, including the type and quality of housing and infrastructure as well as income-generating activities such as HBEs. Checklists of facilities and housing categories in each household interviewed as well as the level of housing consolidation were used with quick sketches of the settlement to map out the major routes, movement patterns and areas with the highest concentration of HBEs. Pictures of various economic activities within the settlement were also taken as shown in Plate 1.

4.4 Empirical Research Process

This section explains the methodological stages which were undertaken to collect the empirical data for the research, which was conducted for three weeks, that is from 4th May, 2015 to 25th May, 2015. The study made use of both primary and secondary data sources and employed both qualitative and quantitative methods of data collection. Qualitative methods included field observations and in-depth interviews with 50 HBE operators, while quantitative methods involved the use of questionnaires comprising both open and closed-ended questions. These were administered to 150 households that were either tenants or landlords.

4.4.1 Sampling Methods

Two sampling techniques were used in the research study and these were purposive sampling for the selection of the key respondents to be interviewed and random sampling for selecting the households to be administered with questionnaires during the survey.

4.4.1.1 Purposive Sampling for Semi-structured Interviews

For the semi –structured interviews, respondents were selected using purposive sampling, focusing on respondents operating HBEs in Chaisa. This was in order to allow for in-depth interviews with the respondents who ultimately provided detailed information on HBEs. The justification for the adoption of this sampling technique is that it only allowed for the selection of subjects (respondents) that were relevant to the study. The main language used

was Nyanja; however, Bemba and English were also used occasionally. In-depth interviews with the respondents generally took 25 - 30 minutes and responses were recorded using a dictaphone. As a back-up, a note book was also used to record responses by way of writing and noting down key issues. The respondents were interviewed at their homes, where they conducted their business.

4.4.1.2 Systematic Random Sampling Method for Structured Questionnaires

For the survey, systematic random sampling was used for selecting households in Chaisa in order to come up with a population sample for the settlement. The advantage of using this sampling technique is that it reduced the element of bias in the selection of sample units as it limited any tendency of picking households that were more convenient in terms of accessibility to the researcher.

4.4.2 Sampling Procedure and Sample Size

In order to determine the sample size, it was important to first establish the population of interest (N). The population of interest (N) consisted of all the households in Chaisa. According to the 2010 household register of the Lusaka City Council, Chaisa had a total of 5,650 households. Thus in order to derive a representative sample size (n), the formula below available in Renckly et al (1996) was used.

$$n = \frac{N \times Z^2 \times 0.25}{[d^2 \times (N - 1)] + [Z^2 \times 0.25]}$$

Where; n = sample size required

N = total population

d = precision level (p-value) usually 0.05 or .10

Z = number of standard deviation units of the sampling distribution corresponding to the confidence level.

Since the total population (N) of Chaisa was 5,650 households; to achieve a 95% confidence level and positive precision level (p-value) (d=.05, Z = 1.96) then:

$$n = \frac{5650 \times 1.96^2 \times 0.25}{[0.05^2 \times 5650] + [1.96^2 \times 0.25]}$$

$$n = \frac{5650 \times 3.8416 \times 0.25}{[(0.0025 \times 5650) + 0.9604]}$$

$$n = \frac{5426.26}{14.125 + 0.9604}$$

$$n = \frac{5426.26}{15.0854} = 359.70$$

$$n = \mathbf{359.70}$$

Hence, the maximum sample size that could be obtained from the given population was 360. However, because of time constraint, only 150 questionnaires were administered. The households were randomly and systematically selected using the household register as the sampling frame. To determine the frequency for the systematic selection of the respondents from the household register, the population of interest (5,650) was divided by the sample size (150); that is:

$$F = \frac{N}{n} \text{ where } F \text{ is the frequency, } N \text{ is the population of interest and } n \text{ is the sample size}$$

$$F = \frac{5650}{150} = 37.66 \approx \mathbf{38}$$

Therefore, every 38th household listed on the household register available from LCC was selected. The house number and block number for each of the household selected were noted. With the help of the local leadership in Chaisa, LCC site office staff stationed in Chaisa and using the map of Chaisa, the selected households were located on the ground and administered with questionnaires. The researcher trained two assistants on how to ask questions in the local language. Questions in the questionnaires were translated from English to Nyanja or Bemba to accommodate those that were not conversant with the English language. Questionnaires were administered by the researcher and two research assistants

because some of the respondents were illiterate and could not read and write. However, the majority of questionnaires were self-administered.

4.5 Methods of Data Analysis

Both qualitative and quantitative methods of data analysis were used to analyse the results of the field survey.

Quantitative methods of data analysis involved the use of descriptive statistics to produce frequency tables and figures such as bar charts. Quantitative data was analysed using a computer software package known as Statistical Package for Social Sciences (SPSS) version 16.0 and Microsoft Excel 2007, which facilitated the computation of data.

After the data was collected from the survey, it was systematically presented for easier analysis. The data was first compiled in a data matrix form. Thereafter, a coding system was developed for each variable with a closed-ended question as shown in appendix 2. In addition, numeric values were assigned to each variable to denote a particular response thus defining the codes. The data matrix generated was entered into the computer using SPSS software. On the other hand, analysis of qualitative data involved transcribing, translating and coding the data obtained from the interviews. The data was later deconstructed, interpreted and presented using verbatim or direct quotations.

4.6 Reliability/Credibility

Reliability is referred to as the extent to which results are consistent over time and an accurate representation of the total population under study. If the results of a study can be reproduced under a similar methodology, then the research instrument is considered to be reliable (Yin, 2003). However, reliability in qualitative research is difficult to achieve and credibility has been proposed as an alternative criterion for evaluating qualitative research.

Credibility in qualitative research is defined as the extent to which data and data analysis are believable and trustworthy. Credibility is analogous to internal validity, that is, how research findings match reality. Therefore, the inclusion of member checking into the findings, that is, gaining feedback on the data, interpretations and conclusions from the participants themselves, is one method that this study will employ to increase credibility.

4.7 Ethical Considerations

This being a qualitative study, it demanded that I interact deeply with the participants, thus entering their personal domains of values, weaknesses or strengths and individual learning abilities or disabilities to collect data. Silverman (2000) reminds researchers that they should always remember that while they are doing their research, they are in actual fact entering the private spaces of their participants. Understandably, this raises several ethical issues that should be addressed during, and after the research has been conducted. Therefore, ethical issues in this study were addressed by doing the following; 1) seeking permission from relevant government departments and NGOs before collecting data from the participants or respondents working for these institutions, 2) asking the participants to give consent to participate in the study voluntarily, 3) instructing the participants to answer questions on anonymity terms and 4) informing the respondents about the purpose of the research in which they were requested to participate.

CHAPTER FIVE

RESULTS

5.0 Introduction

This chapter presents the findings of the research in line with the objectives of the study. It gives a detailed presentation of the key variables under study. The results and findings of the study are presented under the following headings; i) background characteristics of respondents ii) knowledge on upgrading projects implemented in the settlement iii) Impacts of upgrading on HBEs iv) Impact of HBEs on livelihoods v) Impact of upgrading on rental charges and vi) Impact of upgrading on assets of HBE households.

5.1 Sample Profile (Characteristics of Respondents)

The aim of the description of the sample was to give an overview of the population in Chaisa but also to consider the extent to which the sample is representative of the wider population of Chaisa. The sample was described in terms of the sex (gender), age, income differentials, operation of HBEs, household's knowledge of upgrading initiatives and period of stay in the settlement.

5.1.1 Gender of Household Head

The intent of questions regarding gender of headship was to identify the person with the greatest individual contribution to household cash income and the person responsible for most household decisions. Figure 7 shows that there is a dominance of male-headed households in the sample. Out of the 150 households interviewed, the study revealed that 94 households, representing 62.7 percent were male-headed while the remaining 56 were female-headed households, representing 37.3 percent of the total sample.

In-depth interviews with HBE operators also revealed similar results where men were regarded as the dominant household heads despite both spouses contributing equally to household income and the women being engaged more in income-generating activities than the men.

In terms of representation, the sample was regarded to be representative as it reflected the 2010 census data in terms of the number of female-headed and male-headed households, where according to the census the majority of households were male-headed.

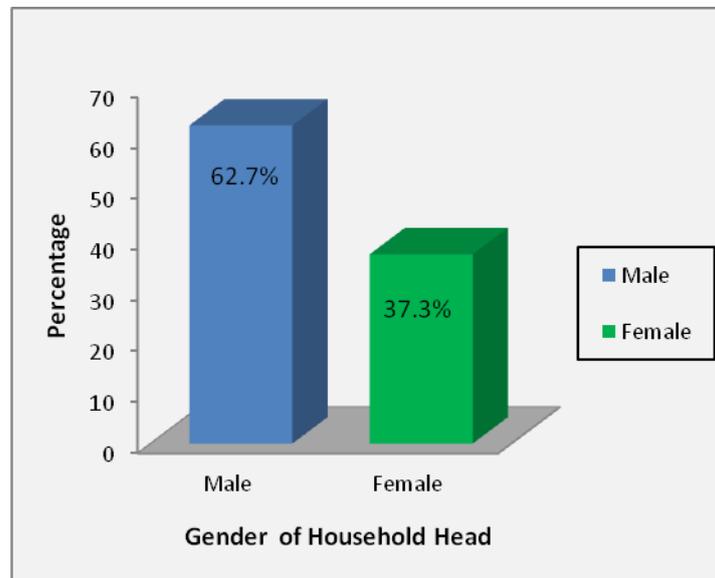


Figure 7: Distribution of Household Heads by Sex

The results of the present study are also consistent with results of other studies on gender headship where most surveys only identify female-headed households as households where no husband or adult male is present. This scenario is particularly true in most developing countries where men are regarded as household heads by default even in households where both spouses or partners are present and the wife's responsibility, authority, and economic contribution is greater than that of the man still tend to be classified as male-headed households.

However, such results or statistics may be different when other definitions such as 'working head' (meaning the household member most heavily engaged in income-generating activities) or 'cash head' (meaning the individual with the greatest individual contribution to household cash income) are used to mean household head. This is because women tend to be more engaged in various HBEs or income-generating activities when compared with men as in the case of Chaisa compound.

5.1.2 Age of Household Head

The results of the survey revealed that the majority of the household heads in the sample representing 26 percent were aged between 40 and 49 years. The second largest age-group was between 30 and 39 years. The survey results also showed that a good number of households represented by 18.7 percent were headed by the elderly age-group, most of whom were 60 years and above as shown in Figure 8.

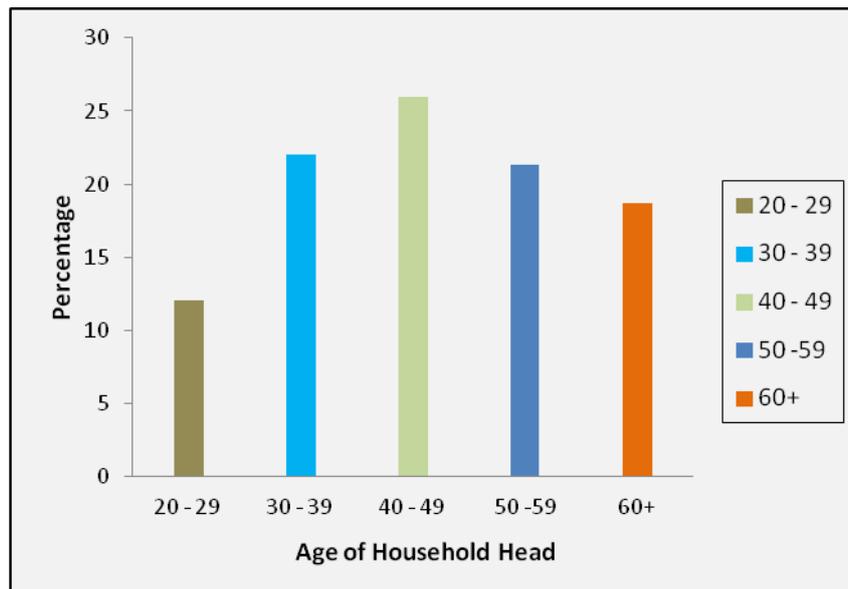


Figure 8: Age Distribution of Household Heads

5.1.3 Income Levels of Households

Household income in Chaisa is a composite of both informal and formal sources. It is made up of trading income and other miscellaneous incomes as well as income from formal jobs. However, the study revealed that a large portion of the respondents' income came from informal sources since the majority of the respondents were not in formal employment. When asked how much income each household earned on a monthly basis, 43.3 percent indicated that their income was below K1, 000 and 19.3 percent indicated it was between K1, 000 and K2,000, while 29.3 percent indicated it was above K2,000 as shown in Figure 9. The remaining eight percent were unable to say how much they earned on a monthly basis since whatever they earned was immediately utilised on a hand to mouth basis.

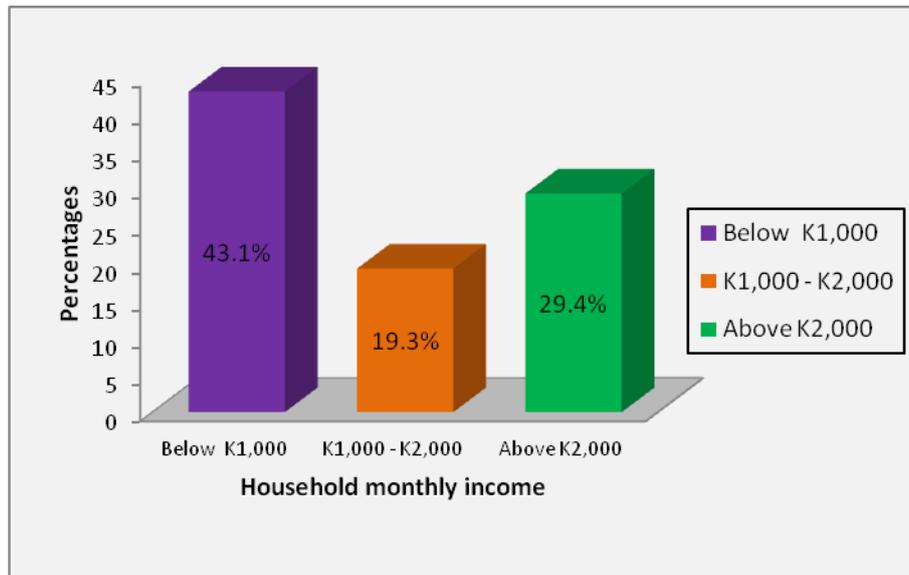


Figure 9: Household Monthly Income

5.1.4 Period of Stay in the Settlement

The validity of information given by the respondents regarding how the settlement had changed over time and what upgrading projects had taken place in the settlement was dependent on how long the respondent had lived in the settlement. It was therefore important to have a general overview of how long most of the respondents (both tenants and landlords) had lived in Chaisa. From the survey, it was revealed that out of the 150 households interviewed, 83 (55.4 percent) were landlords while the rest were tenants who represented 44.6% of the total sample. The study further revealed that a good number of respondents, especially the landlords, had lived in Chaisa for a long period of time. For instance, 48 percent indicated that they had lived in Chaisa for over 21 years, 24 percent indicated they had lived there for 16 – 20 years, 13.3 percent indicated they had been in the settlement for 11 – 15 years and 10.7 percent had lived there for between 6 and 10 years. Only a small percentage representing four percent indicated they had lived in the settlement for less than five years as shown in Figure 10.

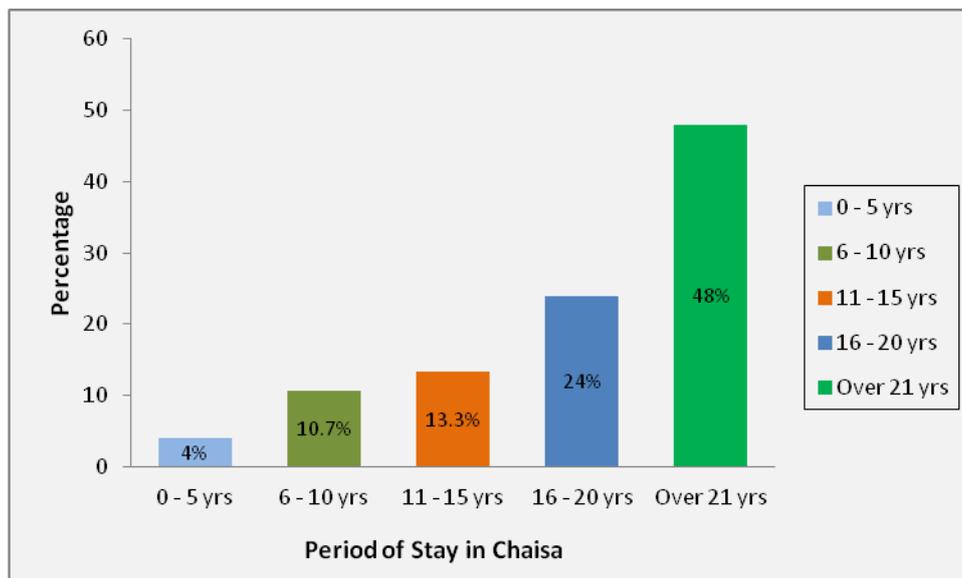


Figure 10: Period Lived in Chaisa Settlement

5.1.5 Knowledge of Upgrading Projects Implemented in the Settlement

There was need to find out if the respondents had any knowledge or were aware of any upgrading projects that had taken place in Chaisa and what they considered as upgrading. A relatively good number of residents, especially the landlords that had lived in the settlement for over 21 years, expressed knowledge of upgrading projects that had taken place in the area, particularly those implemented by NGOs such as CARE and SIDA. For instance, when asked if they were aware of any upgrading projects that had taken place in the settlement, 82.7 percent of the households interviewed indicated that they were aware as shown in Figure 11, while 17.3 percent indicated that they had no knowledge of any upgrading taking place in the area and these respondents were mainly residents or households that were tenants and had just moved into the settlement or lived in the settlement for only five years or less.

The major upgrading projects cited by those that were aware of any upgrading having taken place in the settlement were the provision of service infrastructure such as water, toilets, roads, clinics, and construction of a modern market shed in 2011. It was also revealed that some projects such as regularisation and issuance of occupancy licences were not considered as upgrading among the residents. However, what was most considered to be upgrading by the residents was the provision of critical infrastructure such as roads and housing as noted by one respondent:

“.....this settlement cannot be demolished, we have lived in Chaisa for over 30years and built our houses without any ownership document, so I don't need an occupancy licence, what is important is to provide roads, drainages and water.....”

(Interview, Chaisa landlord, 11 May 2015).

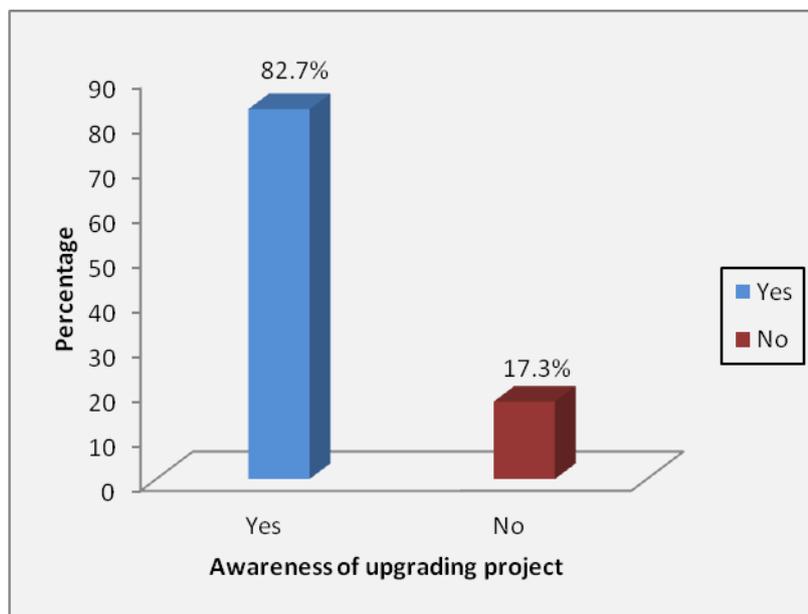


Figure 11: Knowledge of Upgrading Projects in Chaisa

5.2 Impacts of Upgrading on Home Based Enterprises and Livelihoods

One of the specific objectives of the study was to determine the impacts of upgrading on HBEs and the livelihoods of residents. The following section sets out the main themes which emerged from both the survey sample and in-depth interviews with owners of HBEs.

5.2.1 Prevalence and Characteristics of HBEs

This study revealed that a good number of respondents in the survey were involved in income generating activities which they operated at their homes. Out of the 150 households randomly selected and interviewed, 63.33 percent were operating HBEs while the remaining 36.67 percent were not.

Out of the 95 households that were operating HBEs, 43 percent were tenants that were either renting the main house or other structures within the premises developed by the landlord purely for renting purposes. However, landlords dominated as HBE operators in the sense

that 55.4 percent of the landlords interviewed had at least one structure that was erected solely for rental purposes with rent ranging between K330 – K400 (approx. US\$ 55 - US\$ 66.70) per month as shown in Figure 12, which they were renting out in addition to other HBEs such as make-shift stands, salons and grocery shops which they operated.

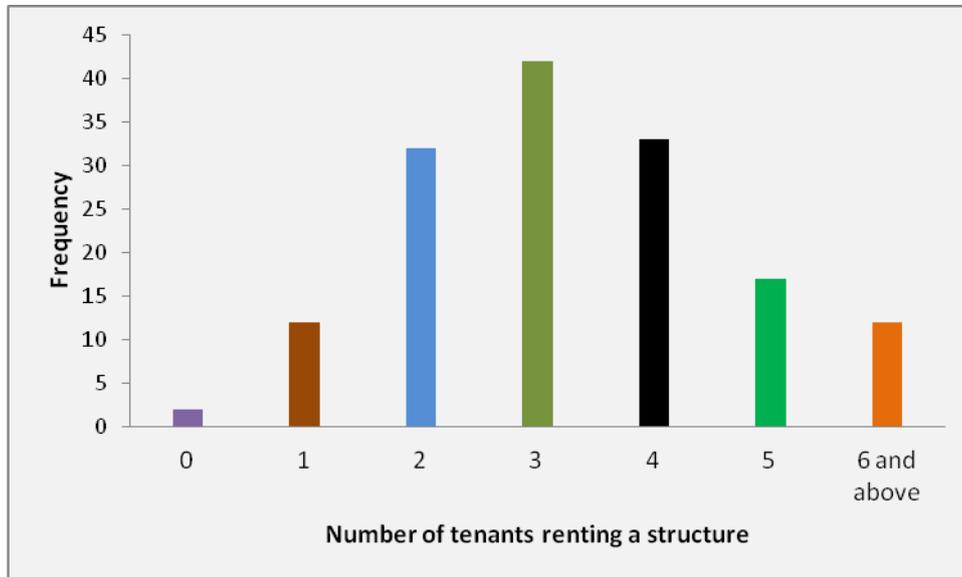


Figure 12: Number of Tenants on a Plot

A cross-reference of gender and operation of HBE revealed that out of the 95 that were operating HBEs, 64.21 percent were women while 35.79 percent were men as shown in Table 2. Women particularly dominated in food production and processing businesses such as the sale of scones, fritters, samosas and other convenient and essential commodities used daily in preparing meals. These included commodities such as cooking oil, charcoal, salt, vegetables, kapenta (sardines), tomatoes and onions, which were usually displayed on make-shift tables or stands placed along the road frontage of their homes. Commodities such as sugar, salt, cooking oil were repackaged in smaller quantities to allow for the purchase of these commodities by those households that only needed enough quantities for a day’s meal. It is only from such HBEs that one is able to buy a tea spoon of sugar or salt. Other businesses dominated by women included hair dressing (salons), beer brewing, sale of second-hand clothes and cold refreshments locally known as ‘ice blocks’ or ‘freezits’. However, other HBEs such as retail stores or grocery shops, barber shops, repair business for cars, bicycles, radios and TVs and home cinemas which would also be used for videos games were male-dominated.

Table 2: Distribution of HBE Operation by Gender

Variable		Do you operate an HBE				Total	
		Yes		No			
		Number	%	Number	%	Number	%
Gender of HBE Operator	Female	61	64.21	33	60.00	94	62.67
	Male	34	35.79	22	40.00	56	37.33
Total		95	100.00	55	100.00	150	100.00

5.2.2 Types of Home-Based Enterprises

Field observations in Chaisa indicated that HBEs are very common. From a survey of 150 households, a total of 245 HBEs were recorded, suggesting multiple HBEs per household. The main HBEs identified from the sample were salons, grocery shops, barber shops, food processing and production such as the sale of scones, samosas, fritters, drinks; repair shops, makeshift stands, second-hand clothes, home cinemas and beer brewing as shown in Table 3. Room renting was also identified as one prominent HBE. However, the study revealed that the most common type of HBE was food processing and production, followed by makeshift stands where convenient commodities such as sugar, salt, cooking oil, detergents, vegetables and charcoal could be sold in smaller quantities. Grocery shops dominated along the major roads, especially along the newly tarred roads.

Table 3: Types of Home Based Enterprises

Type of HBE	Description	Number	Percentage
Room renting	Involves the renting out of structures such as rooms, shops, houses.	92	37.55
Food processing and production	Involves the sale of home-made food such as scones, pies, samosas, fritters, and refreshment drinks such as freezits or ice blocks.	57	23.27
Makeshift stands	Sale of convenient commodities in small quantities such as salt, cooking oil, tomatoes, vegetables, charcoal etc	43	17.55
Grocery shops	Involves the sale of factory-manufactured goods at retail price such as sugar, toothpaste, bottled drinks, detergents, cooking oil,	22	8.98
Salons	Hair dressing, manicure, pedicure, etc	13	5.31
Barbershop	Hair cutting, shaving, etc	8	3.27
Repair shops	Car repair, TV and radio repair, bicycle repair etc	4	1.63
Home cinemas	Movie viewing, video game playing, music recording etc	3	1.22
Beer brewing/Tavern	Brewing and selling of alcoholic beverages	3	1.22
Total		245	100.00

The in-depth interviews with HBE operators suggested that the high prevalence of food processing and production businesses was due to the fact that it did not require a significant amount of capital to start up such as business as compared to the sale of groceries that required a large amount of capital investment and space to operate from. The other fact was that these types of foods could be consumed by the household if they were not purchased; hence very little loss was incurred.

5.2.3 Role of Upgrading in the Establishment of Home Based Enterprises

When asked when they established their HBEs, 22.67 percent of households in the survey revealed that they had established them long before the settlement was upgraded, while 36 percent indicated they established their HBEs after the settlement was upgraded with road infrastructure. These were mostly grocery shop operators, vegetable traders, salon and barber shop operators who were mainly concentrated along the major roads of the settlement which were tarred as part of the upgrading project implemented by government in 2011. Similarly, in-depth interviews with 50 HBE operators revealed that 66 percent grocery operators established their HBEs after the settlement was upgraded with road infrastructure in 2011.

5.2.4 Factors that Encourage the Establishment of HBEs

A number of factors were identified as being critical to the establishment and growth of HBEs. These, among others, included infrastructure such as roads, drainage, electricity, water and sanitation as well as capital for setting up new businesses.

5.2.4.1 Infrastructure

When asked what factors encouraged them to set up HBEs, the operators indicated that infrastructure such as electricity and roads was critical for the establishment of HBEs. However, others cited the availability of utility services such as water, as in the case of one salon operator, which contributed to moving her enterprises from the market, where she had been operating initially, to her house which was now serviced with water. Others such as grocery shop operators revealed that they had expanded their businesses because of the availability of electricity, unlike some time back when most of the area was not connected to electricity, which made it difficult to sell certain goods that required refrigeration.

Availability of electricity also enhanced security and made it possible for the HBEs to operate even at night as noted by one HBE operator:

“.....electricity helps me to operate my shop for many hours such that I am even able to sell at night after 21:00hrs because people are not scared to move at night. But when there is no electricity, there is no business.....”

(Interview, HBE operator, 13 May 2015).



Plate 1: Improved Road Infrastructure in Chaisa

Another trader revealed that he established his business soon after the road was tarred because it became a busy route for commuters coming from work who took advantage of the route to do their shopping on their way home. In-depth interviews with other HBE operators also revealed that infrastructure such as roads were very critical for the growth of HBEs as noted by one mealie-meal trader:

“.....the roads here in Chaisa were so bad that delivery of goods such as mealie meal was very difficult and expensive. Even when I bought over 20 bags and met the free delivery requirement, the milling company could still not deliver the mealie-meal

to my shop because their trucks could not access my area due to the poor state of the roads. Now they can deliver at my door-step because the road is tarred.....”

(Interview, HBE Operator, 10 May 2015).

A number of HBE operators in Chaisa also re-emphasised the importance of infrastructure and services for their businesses as expressed by one grocery operator when asked how the provision of a tarred road had affected his business:

“.....before this road was tarred, there was so much dust which was entering my shop. My goods were always covered in dust and this affected my sales because customers thought that I was selling expired goods because they looked dirty due to the dust. But now there is no dust as you can see. Customers always want to buy goods that are looking new.....”

(Interview, HBE Operator, 10 May 2015).



Plate 2: An assortment of goods sold in a grocery shop along a tarred road.

5.2.4.2 Capital

The survey also revealed that availability of capital was also one of the factors that encouraged the establishment of HBEs. A good number of households that were not operating HBEs cited lack of capital as a major drawback that kept them from participating or engaging in home based economic activities. A number of households in Chaisa expressed desire to establish an HBE such as a grocery shop, barber shop or salon. However, one of the challenges cited was lack of capital to set up such an enterprise. Similarly, the existing HBE operators interviewed also expressed desire to increase stock and diversify the goods and services they offered, but they lacked financial resources. Most proprietors were faced with challenges in accessing financial services from financial institutions such as banks.

5.3 Impact of HBEs on Livelihoods

HBEs impacted on Chaisa households in a variety of ways. These impacts were analysed in terms of positive ones such as increase in household income, and negative ones such as generation of waste.

5.3.1 Positive Impacts - Household Income

The survey provides evidence that HBE households in the sample tended to have higher monthly incomes than non-HBE households suggesting that upgrading has a positive impact on livelihoods to the extent that it leads to the expansion of HBE activities. A comparison of incomes between HBE households and non-HBE households in the survey is presented in Table 4. A cross-reference revealed that 86.36 percent of the HBE households indicated that their monthly income was above K2, 000 as compared to non-HBE households, who had the largest number of households with a monthly income below K1, 000 as shown in Table 4.

Table 4: Influence of Upgrading on Household Income

Variable	Monthly Income (ZMK)								Total		
	Below K1000		K1000 - K2000		Above K2000		Unknown		#	%	
Do you operate an HBE	#	%	#	%	#	%	#	%			#
	Yes	24	36.92	29	100	38	86.36	4	33.33	95	63.33
	No	41	63.08	0	-	6	13.64	8	66.67	55	36.67
Total	65	100.00	29	100	44	100.00	12	100.00	150	100.00	

5.3.2 Negative Impacts - Waste Generation

One of the notable negative impacts of HBEs observed during the survey was the generation and indiscriminate disposal of waste as shown in Plate 3. The waste materials generated by HBE operators from the sample were cut hair and diluted hair-perming liquid from barber shops and salons, plastic bags, sacks, boxes mainly from groceries and waste food from home restaurants. Others included empty beer packs, disposable drink bottles and other used components. It was also observed that there were a few potentially toxic or hazardous wastes produced by single HBE such as car repairers and garage operators. These toxics were mainly in form of oil from cars and discarded spare parts and acid from car batteries.



Plate 3: Indiscriminate Disposal of Waste Generated by HBEs

5.4 Impact of Upgrading on Rental Charges

Another way in which upgrading impacted the livelihoods of HBE households relates to the impact on rental charges. To explore this question, respondents were asked to state whether or not they experienced any abnormal increases in rental charges after the settlement was upgraded. Out of the 150 households interviewed, 58 percent - of which 44.67 percent were tenants - indicated that there was a dramatic increase in rental charges, especially after the settlement was provided with water and tarred roads, while 42 percent indicated that rentals were generally the same. In-depth interviews with the landlords also revealed that there was an increase in the usual rental increment rate. For instance, before the upgrading took place,

rentals were normally increased by K20 - K30 after every two years but after the upgrading, the rentals were increased by K50 - K100. When asked why this was the case, the following were the categories of responses given by the landlords:

5.4.1 High Cost of Service Provision - Utilities

For instance, one of the landlords informed that:

“.....after the provision of water in the settlement, my tenants requested for an individual tap, so I installed these individual taps but I still have to pay for the water bills because the meter is registered in my name. So I decided to increase the rentals by K50 for each tenant to cater for these bills.....”

(Interview, Chaisa Landlord, 7 May 2015).

Another landlord added that:

“.....I pay electricity for all my tenants because they have no individual meters. Initially I could manage because I had very few tenants at my house, now they are so many, so I decided to increase the rent so that I can manage to pay electricity bills which have increased.....”

(Interview, Chaisa Landlord, 7 May 2015).

5.4.2 High Demand for Accommodation

Other landlords cited high demand for accommodation in Chaisa as the reason for increasing rent. For instance, one landlord informed that:

“.....after the provision of tarred roads, water and toilets, chaisa has become an attractive settlement to live in, especially that it is also near the town centre. Houses are on demand and this motivated me to increase my rentals by K50, others have even increased by K100.....”

(Interview, Chaisa Landlord, 7 May 2015).

In-depth interviews with tenants revealed that the upgrading of Chaisa had a negative impact on their incomes as they were spending more on rentals than before, when the settlement was not upgraded. A good number of them also indicated that renting in Chaisa was becoming

extremely expensive resulting in the displacement of poor tenants. Another tenant expressed concern over the high number of foreign nationals coming in the settlement, especially from East Africa. He added that their presence had also contributed to the increase in rentals because they had enough money and could pay any amount thus inflating the rental charges.

“.....these Somalians are rich; they have big businesses here in Lusaka and make a lot of money. They are buying off houses from Chaisa residents and demolishing them to put up mansions. One Somalian bought four houses and demolished them all to put up his house.....”

(Interview, Chaisa Tenant, 8 May 2015).

5.5 Impact of Upgrading on Assets of HBE Households – House Consolidation

Another specific objective of the study was to explore the relationship between upgrading and asset consolidation by HBE households. To achieve this objective, landlords were asked to indicate whether or not they had added any rooms or made improvements as a result of the upgrading. Out of the 150 households interviewed, 55.33 percent had made improvements to their structures while 44.67 percent indicated they had not made any improvements at all. These were mostly the tenants that were renting the structures. However, some tenants indicated that their landlords had made some improvements, especially on the walls and roof structure as shown in Plate 4. The major improvements that were done by the landlords after upgrading included the addition of more rooms to their structures for rental purposes, as one landlord indicated:

“.....renting has become a lucrative business in Chaisa. I have added extra rooms to my structures for rental purposes. As you can see, these are built of concrete blocks and cement unlike the old structures built of mud bricks.....”

(Interview, Chaisa Landlord, 8 May, 2015).



Plate 4: House Consolidation and Improvements after Upgrading

Another landlord indicated that the establishment of his new HBE had provided enough income to make house improvements such as addition of more rooms. He added that:

“.....my house is just along the newly tarred road, so I decided to build a grocery in front of my house and the business is very good. I use the profits to invest in more housing structures on my plot since there is demand for rent in Chaisa.....”

(Interview, Chaisa Landlord, 8 May 2015).

During the survey, it was also observed that the quality in terms of appearance of the houses and HBEs such as shops that were located along the tarred roads was far much better than those located on the untarred - mud roads of the inner areas of the settlement, as shown in Plate 5. Structures along the upgraded road were more organised as noted by one respondent:

“.....before the roads were rehabilitated in Chaisa, there were very few shops which were sparsely distributed in the settlement and several trips were necessary to

shop for various goods, but now you can find many nice shops, salons, barber shops along the same road.....”

(Interview, Chaisa resident, 10 May 2015).



Plate 5: Quality of HBEs along the Tarred Roads in Chaisa

CHAPTER SIX

DISCUSSION OF RESEARCH FINDINGS

6.0 Introduction

This chapter discusses the findings of this study. The chapter is divided into two sections: the first section discusses the results on the demographic characteristics of the sample. Section two discusses the results of each objective of the present study.

The discussions are set in the context of existing research on factors influencing the establishment and growth of HBEs in informal settlements. Reference to such was important to explore how the current study may add to existing understanding of the impact of upgrading on HBE activity.

6.1 Types of HBE Activities Occurring in Chaisa Settlement

Chaisa settlement has a number of HBEs with 63.3 percent of households operating either one or more HBEs. These HBE activities can be classified under different themes such as those related to the plot itself such as room renting, beer brewing and consuming; using a plot for general retail services such as a grocery shop, kiosk or 'ntemba' for the sale of various commodities and other service type activities such as hairdressing, barber services and medical services such as traditional healing and cleansing, including those related to making or repairing things such as bicycles and electronic repair, shoemakers or menders, carpentry, tailoring and preparation of food for selling within and outside the settlement. Of the HBEs identified in Chaisa, the most prominent was room renting, which involved the renting out of structures such as rooms, shops and houses. This was followed by food and processing HBEs such as the sale of home-made food like scones, pies, samosas, fritters, and refreshment drinks locally known as 'freezits' or 'ice blocks'.

6.2 Gender of Home-Based Enterprise Operators

The present study has revealed that HBEs are operated by both men and women. This is typical of an enterprise that shares similar characteristics of the informal sector such as easy entry, skills obtained outside formal education thereby providing an equal opportunity for the participation of both genders - particularly women, who have generally faced obstacles in participating in the formal sector because of certain limitations such as education. However, such limitations do not impede their participation in the informal sector. This study has

shown more women to be engaged in HBEs. Out of the 95 HBEs operators interviewed, 64.21 percent were women while 35.79 percent were men. Similarly, other studies have also shown that more women are generally engaged in informal trading activities such as the production and processing of foodstuff for sale. These results are also supported by Ezeadichie (2012), who asserts that the vast majority of HBE workers are women, who combine paid and unpaid work within their homes. Benería and Floro (2005) also observed that women are disproportionately represented among home-based workers across countries and that this gender disparity has increased in all regions. The findings of this study highlight the significance of HBEs in the livelihoods of women enabling them to combine such enterprises with child care and work in the home. In addition, Kazimbaya (2004), in her study on HBE in Kitwe, also observed that although women were engaged in various income generating activities, there was gender specificity in terms of the enterprise engaged in. In her survey, for instance, the nursery schools were operated by women while activities such as carpentry, battery acid manufacture and shoe-making were operated by men. Tailoring and trading were not gender-specific.

6.3 Impacts of Sector Upgrading on Home-Based Enterprises

The results of the present study indicate that sector upgrading impacts HBEs in a variety of ways. Firstly, it was revealed that upgrading led to the establishment and growth of HBEs. As indicated by 36 percent of households and 66 percent HBE operators interviewed, their establishment of HBEs was as a result of the tarred roads that made road-side trading a viable business because of the increased volume of pedestrian and motor traffic that the new roads generated. Secondly, it was revealed that the provision of road infrastructure led to the establishment of new types of HBEs other than what was ordinarily in the settlement. These new HBEs included wholesale grocery shops whose establishment was made viable by improved roads which enabled formal distributors to deliver large quantities of goods to these HBEs located along the tarred roads. Previously, these HBE operators had to waste valuable trading time collecting their supplies or had to pay middlemen to deliver, as noted by one HBE operator trading in mealie-meal.

These findings are supported by others such as Kazimbaya (2004); Kigochie (2001), Gough and Kellett (2001). For instance, in a similar study by Kigochie (2001) in Mathare settlement, one HBE proprietor revealed that the provision of infrastructure and services had made it possible to open up a dry cleaner, and two proprietors said street lamps had helped them

extend their working hours. After the Mathare settlement was upgraded, the HBEs had permanent roads instead of the previous gravel roads, and this had made it easier to transport supplies. Ten proprietors in Mathare settlement said the improved roads had cut down operation costs by enabling distributors from the formal sector to reach the HBEs. Before rehabilitation, proprietors had to get their own supplies, thus investing time and money on transport, and lost revenue as they had to shut down their enterprises to go and buy supplies. The other option was buying from a middleman, and all proprietors said this was more costly.

A similar study on HBEs in Kitwe's urban areas by Kazimbaya (2004) revealed that infrastructure was vital in sustaining and supporting HBEs. For instance, in her study Kazimbaya (2004) noted that because the local authority (Kitwe City Council) was unable to maintain or expand physical infrastructure such as water, roads and sewerage, people operating HBEs in Ndeke Village suffered erratic water supply. They, therefore, had to keep water in drums all the time or - in dire situations - had to pay some local boys to bring water for them from the nearest mine townships. Electricity supply disruptions were also very frequent. This inhibited investment in electrical equipment, especially among HBE operators that were engaged in repair works and workshops at their homes. This also forced these operators to rely on manual tools which did not require electricity.

These findings are consistent with other research results on the effects of improved service infrastructure on HBEs. For instance, in Leynes' (1990) analysis of the effects of re-blocking in Metropolitan Manila - Philippines, between 1981 and 1984, a survey of 2,160 households found that the proportion of households with incomes from entrepreneurial activities had increased from 25 percent to 36 percent after re-blocking (upgrading). Those households who experienced some form of disturbance from the re-blocking found that the improvement had relatively positive effects on their HBEs. Similarly, Batarfie (1987) also reports that the Kampung Improvement/Upgrading Programmes (KIP), in Indonesia, encouraged a general increase in the incidence of places selling food, cookies, and breakfast dishes. And according to Treiger and Faerstein (1987), the upgrading of Pavaozinho in Brazil appeared to lead to an increase of 100 percent in the number of HBEs selling food and providing a place for recreation and games. Ghafur (2001), in his study in Bangladesh, also found that road improvement to main routes, both for transportation and movement, was highly influential in determining HBE performance. Indeed, he indicates that settlement upgrading is one of the few things that local governments can do to assist HBEs. These cases indicate that the

upgrading process itself can improve conditions for trade and, thereby, contribute to raising the viability of HBEs.

However, what is also evident from this study is that some forms of upgrading have much less of an impact than others. For instance, in most of the case studies, upgrading that has focused on specific sectors such as infrastructure and in particular the tarring of roads has really encouraged and supported the growth of HBEs along the roads. Others that have focused on sectors such as water and sanitation have also promoted and facilitated water-dependent enterprises such as salons and production of beverages such as home-made drinks and beer brewing. Similarly, a study conducted by Tipple (2001) in southern Asia revealed that upgrading that focused on water infrastructure supported HBEs that are engaged particularly in preparing and serving food; brewing, retailing vegetables and services such as hairdressing, medical and dental practices. While others such as regularisation have in most cases not been considered as upgrading, as noted by most households in Chaisa.

6.4 Impact of HBEs on Livelihood - (Income and Employment Benefits)

The present study suggests that HBEs have a positive impact on the livelihoods of respondents. This is largely in terms of income and employment opportunities. As revealed by the survey, HBE households in Chaisa had higher incomes in comparison with the non-HBE households in the area. In-depth interviews with HBE operators in Chaisa revealed that in households where HBEs occurred, they contributed between 70 to 90 percent of household incomes. These results are consistent with the findings of a DFID-sponsored research study by Tipple (2001) involving case studies in Bolivia, India, Indonesia and South Africa. According to Tipple, three out of four of these case studies showed respectable increases in income for HBE households operating in the area in comparison with the non-HBE households. In all the three samples, HBE households were between one quarter and one third better off than their non-HBE counterparts. In their fourth sample, in Bolivia, there was even a bigger difference in terms of income between HBEs and non-HBEs. In terms of income, Tipple (2001) further revealed that HBE households were 150 percent higher than non-HBE households.

Similarly, a study on HBE in Kitwe by Kazimbaya (2004) showed that HBE operators were able to make substantial amounts of money. Although it was difficult to gauge the actual profit from HBEs, it was clear that the incomes from the HBEs compare favourably with

wages for formal sector employees, particularly those in the public service. Her study also revealed that incomes from the HBEs compared well with the Food Basket monitored monthly by the Catholic Commission for Justice and Peace (CCJP), which in 2000 was about K300.00 (approx. US\$ 50). In this study, the majority of HBE households earned above K2000 (approx. US\$ 333.33) on monthly basis. This was almost twice as much as what non-HBE households earned. The present study also revealed that HBEs provided employment opportunities, especially for the women in Chaisa. The study revealed that at least 40 percent more women worked in HBE-operating households than in those households without HBEs.

More broadly, observations and discussions with respondents indicated that the increased presence of HBEs had a number of positive impacts on livelihoods of residents in the settlement. This was due to the fact that shops and other services were brought close to their homes, particularly for the non-HBE households in Chaisa. Although it was unquantifiable, the effect on the wealth of the non-HBE households through the presence of many HBEs and having the convenience of obtaining work, goods and services in their neighbourhood, rather than having to spend resources going outside the settlement for such goods, was significant. For instance, being able to send a small child round the corner or across the street for an urgently needed aspirin or a tea spoon of sugar, while looking after the baby, is probably a vital convenience for a single mother. If shopping can be done quickly and close by, people who must buy food daily (those too poor to own a refrigerator or in areas where there is no electricity) can save large amounts of time and money. Similarly, with regard to goods and services, if the hairdresser or barber man is within easy walking distance, a resident can save the bus fare and time taken to reach the nearest commercial centre. Thus there is more money in the households and the neighbourhood for spending on other necessities or requirements.

6.5 Impact of Upgrading on Rental Charges

The present study revealed that upgrading of the settlement resulted in a significant increase in rental charges as revealed by the majority of tenants interviewed. While this was a positive impact for the landlords, it left the tenants vulnerable as those that could not afford the new rental charges were evicted. According to Chaisa households, income from rentals accounted for 80 percent of their income, more especially for landlords that solely relied on room renting as a form of HBE. These findings are in line with Wegelin's (1997) observations that absentee landlordism is a significant phenomenon in informal settlements. Landlords who do not reside on their property are more likely to be focused on optimising the income from their

land and hence tend to construct as many rooms for rent as possible. Similar results of increased rent as a result of upgrading have been recorded by others such as Precht (2005) in Hananasif settlement of Dar es Salaam. Precht (2005) observed that the total income from letting rooms had more than quadrupled since 1994 when the settlement was upgraded. Most landlords in Hananasif settlement had increased the rent since the upgrading began and most of them indicated that they did so because they needed more income, since they had improved the quality of the rental rooms and houses.

Similar sentiments were expressed by Chaisa landlords, who mostly cited the cost of service provision and high demand for accommodation as some of the reasons for increasing rent. The tendency of landlords to increase rent when services have been provided or improvements have been made in the settlement was also observed by Wegelin (1997) in another study on tenancy and sanitation provision in Nairobi's Kitui-pumwani, Mukuru – Kayabaa and Mathare unplanned settlements. In these settlements, tenants expressed fear that if they themselves constructed a latrine (VIP), the landlord would raise their rent, thus effectively making them pay twice. Thus the amount of rent paid was related to the provision of basic infrastructure such as water, latrines, provision of electricity and the inside of the building, that is cementing of floors and walls.

6.6 Impact of Upgrading on Assets of HBE Households

Chaisa households, like most households in other informal settlements, had a number of livelihood assets which included physical assets such as housing or shops, social assets and personal assets on which upgrading had an impact. The major notable impact on the physical assets was in terms of structure improvement and consolidation. The study revealed that the majority of the landlords interviewed had made improvements and consolidated their structures as a result of the upgrading. It was observed that many houses were slowly, but steadily, being consolidated in an incremental way with rooms gradually being added as upgrading took place within various sectors such as roads, water and sanitation.

Significantly, it was also observed that the rate of housing improvements and consolidation was higher among HBE households compared to non-HBE households in Chaisa. This highlights the role of HBE activity in funding or supporting asset consolidation in contexts where finance is limited or non-existent. These findings are also supported by Gough and Kellet (2001), who argue that consolidation of dwellings in self-help settlements is directly

dependent on the generation of surplus resources beyond that required for subsistence where a significant proportion of households in such settlements are reliant on income generated within the home for household subsistence as well as to finance the construction of the dwelling itself. During the survey, it was observed that improved and consolidated structures such as houses and shops had conventional materials such as brick or concrete block, asbestos or iron sheet roofs, metal door frames and windows with steel bars. Households living in such structures were considered to be the affluent residents because rent in these structures was the highest.

CHAPTER SEVEN

CONCLUSIONS AND RECOMMENDATIONS

7.0 Introduction

This chapter concludes the research by evaluating the research objectives with reference to the main findings of the research. The chapter then gives recommendations based on the findings of the study.

In line with the research findings highlighted in the foregoing chapter, this study therefore draws the following conclusions on each objective:

Chaisa settlement has a number of HBEs with 63.3 percent of households operating either one or more HBEs. Of the HBEs identified in Chaisa, the most prominent was room renting, which involved the renting out of structures such as rooms, shops and houses. This was followed by food-processing HBEs such as the sale of home-made foods like scones, pies, samosas, fritters, and refreshment drinks locally known as ‘freezits’ or ‘ice blocks’.

This study indicates that sector-based upgrading has had a positive impact on HBEs in Chaisa, especially the hard component of upgrading that focused on infrastructure such as the tarring of roads in the settlement. This form of upgrading has resulted in the expansion of HBEs in Chaisa as witnessed by the number of HBE activities on homes that are along the tarred roads within the settlement. Such economic activities provide income which enables housing improvement and consolidation to take place and the dwellings themselves improve opportunities for income generation, employment prospects and productivity. This study has therefore, revealed that the establishment of HBEs is very important for income generation, especially for women. Their establishment improves incomes and access to jobs, goods and services within a settlement and can therefore be regarded as upgrading.

However, soft components of upgrading that focus on specific sectors such as regularisation of tenure have shown very little impacts if any. In Chaisa settlement, regularisation was not regarded as upgrading by the majority of the residents. In spite of the settlement being legalised, the majority of residents did not make an effort to obtain their occupancy licences from the local authority. Most residents argued that they would still invest in housing even without any prospect of formal legalisation since provision of certain infrastructure by government and NGOs already provided de facto security of tenure to them. A lesson that can

be learnt from this is that investment of resources in slum upgrading projects should ideally be based on clear evidence of which specific interventions are more effective. Similarly, policy-makers need to understand which specific interventions are more effective than others. Evidence from this study suggests a strong linkage between upgrading through the provision of infrastructure such as roads and the establishment of HBEs, which increases the ability to generate income in the home as well as consolidate the dwelling.

The most notable impact of HBEs on Chaisa households is largely in terms of income and employment opportunities. As revealed by the survey, HBE households in Chaisa have higher incomes in comparison with the non-HBE households. In households where HBEs occur, they contribute between 70 - 90 percent of household incomes apart from providing employment largely to the women, who have to combine productive and reproductive roles of engaging in economic activity as well as taking care of the family, which can easily be done from a home.

Other than promoting the growth and expansion of HBEs, sector-based upgrading has had positive impacts on the physical assets such as houses in terms of structure improvement and consolidation. This study has revealed that the majority of the landlords have made improvements and consolidated their structures as a result of the upgrading. Although the physical transformation of Chaisa settlement in terms of the settlement morphology has not been instantaneous, the housing quality keeps improving as many houses are slowly, but steadily, being consolidated in an incremental way with rooms gradually being added as upgrading takes place within various sectors such as roads, water and sanitation.

In conclusion, this study has established that upgrading results in an increase in the incidence and types of HBEs, impacts favourably on livelihoods thus offering greater potential for incomes than formal employment and also results in rent increase, which is good for landlords, but on the other hand a serious issue for tenants. This study thus recommends the following:

i. Policies

The eradication of poverty requires policies that create employment and that have equal and universal access to economic opportunities. To provide opportunities for

productive employment and private investment, governments should help enterprises such as HBEs in the informal sector to become more productive. This can be achieved through settlement upgrading and provision of infrastructure, which are important growth factors in the generation of jobs and income in various sectors of the economy, including enterprises in the informal sector. Government institutions should consider incorporating HBEs in their policies (social housing policy) in order to ensure that clear rules and standards for their establishment and development are put in place. Thus government should focus on upgrading policies which impact on people's ability to generate income, which leads to improved housing conditions and vice versa.

ii. Provision of Infrastructure

Government intervention is critical in supporting HBE proprietors by providing critical service infrastructure such as water, roads, drainage, electricity and street lights, which will enable enterprises to operate effectively. For instance, most HBE operators revealed that the lack of street lights in Chaisa threatened their business as security during night time was compromised. Hence HBE operators were left with no option but to operate within the normal working hours, that is from 06:00hrs to 19:00hrs. Provision of these basic services will also enable proprietors to diversify the types of goods and services offered, and create new jobs.

iii. Effective Waste Collection System

There is need for an effective waste management system in Chaisa that will allow for the separation of different types of waste and recycling. This would entail sensitising the community on waste separation techniques where 'skip' bins are provided and clearly labelled for different types of waste such as plastics, bottles, paper and waste food. Such a system would also provide business opportunities for residents who would want to buy the waste materials for resale to recycling companies. In addition, regulatory measures are necessary to ensure optimal functioning of the HBEs.

This study focused on establishing the relationship between upgrading, in particular the sector-based upgrading and establishment of HBEs by interrogating Chaisa households and HBE operators in the settlement. Further continuation of this research is recommended where

one would conduct a comparative study that would focus on establishing whether settlements with HBEs would impose an increase in demand for better services in their area than non-HBE settlements. This study would specifically focus on establishing whether homes of HBE operators have better service levels than those without HBEs.

8.0 References

Abbott, J., (2000). An Integrated Spatial Information Framework for Informal Settlement Upgrading. Cape Town, University of Cape.

Abrams, C., (1966). Squatter Settlements: The Problem and the Opportunity: Ideas and Methods Exchange. Washington D.C.: Office of International Affairs Department of Housing and Urban Development.

Angel, S., (2000). Housing policy matters a global analysis, Oxford, Oxford University Press.

Bamberger, M., Sanyal, B., and Valverde, N., (1982). Evaluation of Sites and Services Projects: The Experience from Lusaka, Zambia, World Bank Staff WP 548 : Washington, DC World Bank.

Bassett, E.M., (2002). Africa Regional Urban Upgrading Initiative. Urban and Regional Planning. Madison, University of Wisconsin.

Benería, L., and Floro, M., (2005). “Distribution, Gender, and Labour Market In formalisation: A Conceptual Framework with a Focus on Home workers in Kudva,” in Neema and Benería Lourdes (eds). Rethinking In formalisation Poverty, Precarious Jobs and Social Protection. Cornell, Cornell University Open Access Repository.

Buckley, R., and Kalarickal, J., (2006). Thirty Years of World Bank Shelter Lending: What Have We Learned? Washington, DC, The World Bank.

Carney, D., Drinkwater, M., Rusinow, T., Neefjes, K., Wanmali, S., and Singh, N., (1999). Livelihoods Approaches Compared. United Kingdom, Department for International Development.

Chambers, R., and Conway, G., (1992). Sustainable rural livelihoods: Practical concepts for the 21st century. IDS Discussion Paper 296. Sussex University, Brighton: IDS: 7- 8.

Central Statistical Office (2000). Living Conditions Monitoring Survey Report. Lusaka, CSO Press.

Cities Alliance (2003). Cities without Slums. Washington, DC. available at <http://www.citiesalliance.org> accessed on 20 July 2014.

De Soto, H., (1989). The other path: The invisible revolution in the Third World. New York, Harper and Row.

Department for International Development, (1999). Sustainable Livelihoods Guidance Sheet. http://www.livelihoods.org/info/info_guidancesheets.html#1 accessed on 7 April 2015

Dicklitch, S., (1998). The Elusive Promise of NGOs in Africa: Lessons from Uganda. New York, St. Martin's Press.

Ezeadichie, N., (2012). Home - Based Enterprises in Urban Space: Obligation for Strategic Planning? Berkeley Planning Journal, **25**(1).

Ghafur, S., (2001). Beyond homemaking: The role of slum improvement in home-based income generation in Bangladesh. Third World Planning Review **23**(2): 111–135.

Gilbert, A.G., (1988). Home enterprises in poor urban settlements: constraints, potentials, and policy options. Regional Development Dialogue **9** (4): 21–37.

Gough, K.V., Tipple, G.A., and Napier, M., (2003). Making a Living in African Cities: The Role of Home-based Enterprises in Accra and Pretoria. International Planning Studies, **8** (4): 253 – 277.

Gough, K.V. and Kellett, P., (2001). Housing consolidation and home-based income generation: Evidence from self-help settlements in two Colombian cities, **18** (4): 235–247

Gulyani, S. and Conners, G., (2002). Urban Upgrading in Africa: A Summary of Rapid Assessments in Ten Countries. Washington, DC, The World Bank.

Hardoy, J.E., and Satterthwaite, D., (1990). The Future City. In Cairncross, S., Hardoy, J.E., and Satterthwaite, (eds). The Poor Die Young: Housing and Health in Third World Cities: London, Earthscan Publications Ltd.

Hoek-Smit, M., (1981). Improvement strategies for lower-income urban settlements in Kenya. In: UICHS (Ed), The Residential Circumstances of the Urban Poor in Developing Countries, New York, Praeger: 287- 294.

Hutchinson, F., (1997). Dictionary of Geography. London: Brockhampton Press Ltd.

International Labour Organisation, (1972). Employment, Income and Equality: A strategy for increasing productivity in Kenya, Geneva, International Labour Organisation (ILO).

Keare D H, Parris S, 1982, “Evaluation of shelter programs for the urban poor: principal findings”, World Bank Staff WP 547. Washington, DC, World Bank.

Kazimbaya Senkwe, B. M., (2004). ‘Home Based Enterprises in a Period of Economic Restructuring in Zambia’. In: KT Hansen, M. Vaa (Eds.): Reconsidering Informality – Perspectives from Urban Africa. Uppsala: Nordic Africa Institute: 99 - 119.

Kessides, C., (1997). World Bank Experience with the Provision of Infrastructure Services for the Urban Poor: Preliminary Identification and Review of Best Practices. Washington DC, The World Bank.

Kigochie, P.W., (2001). Squatter Rehabilitation Projects That Support Home-Based Enterprises Create Jobs and Housing: The Case of Mathare , Nairobi. *Cities* **18** (4): 223 - 233.

Lee-Smith, D., and Memon, P. A., (1988). Institution development for delivery of low-income housing: an evaluation of the Dandora Community Development Project in Nairobi. Third World Planning Review **10**: 217 – 238

Lusaka City Council (2008). Lusaka City State of Environment Outlook Report, Lusaka.

Macoloo, G.C., (1994). The changing nature of financing low-income housing development in Kenya. Housing Studies **9**: 281 – 299.

Martin. R. J., (1983). Upgrading, Poverty and Shelter: Problems of Self-Help Housing in the Third World, in R.J. Skinner and M.J. Rodell (eds), London: Methuen and Co. Ltd.

Masuku, S., (2001). South Africa: world crime capital? ,Nedbank ISS Crime Index, **5**(1): 16 – 21.

Mayo, S., (1991). Housing policy and housing research: The view from the World Bank. Housing Finance International. Migration, population distribution and development in the world, New York.

Mulenga, C. L., (2003). Urban Slums Reports: The case of Lusaka, Zambia Institute of Economic and Social Research. Lusaka, University of Zambia.

Njamwea. M.M., (2003).Upgrading Informal Settlements by securing public Spaces. A case study of informal settlements in Blantyre city, Malawi. International Institute for Geo-Information Science and Earth Observation, Enschede, Netherlands. (Unpublished Thesis)

Nordin, B., (2004). The Development of a GIS for An Informal Settlement. Expert Group Meeting on secure land tenure: 'new legal frameworks and tools' UN-Gigiri in Nairobi, Kenya, 10-12 November 2004.

Nyambe, A., (2010). Evaluation of EcoSan in Chaisa Compound, Water and Sanitation for Urban Poor. Lusaka.

Precht, R., (2005). Informal Settlement upgrading and Low-income rental housing: Impact and Untapped potentials of a Community-based upgrading project in Dar es Salaam, Tanzania. Third World Bank urban Research Symposium on: "land development, urban policy and poverty reduction". Dar es Salaam, French Institute for Research in Africa.

Rakodi, C., (1986). Housing in Lusaka: Policies and Progress In: Geoffrey Williams (1986) Lusaka and Its Environs, Zambia Geographical Associations Handbook Series No. 9 Lusaka. : 189 - 209.

Rakodi, C., (1995). Rental tenure in the cities of developing countries. Urban Studies **32**: 791–811.

Raj, M., and Mitra, B., (1990). "Households, housing and home based economic activities in low income settlements". In M. Raj and P. Nientied (eds.) Housing and income in Third World urban development. London, Aspect Publishing.

Renckly, R.T., Clark, D.L., and Padgett, T.C., (1996). Air university sampling and surveying handbook.

Salamon, L.M., (2003). Global Civil Society: An Overview, The Johns Hopkins Comparative Non-profit Sector Project, Center for Civil Society Studies, Institute for Policy Studies. Baltimore, The Johns Hopkins University.

Simposya, M., (2010). Towards a Sustainable Upgrading of Unplanned Urban Settlements in Zambia. Kitwe, The Copperbelt University.

Sinai, I. (1998). Using the home for income-generation: The case of Kumasi, Ghana, Cities, **15**(6): 417– 427.

Snyman, S.A., (1990). Are home-based enterprises worthwhile?: the informal sector with reference to social security, Development Southern Africa, **7**(1): 31–52.

- Solo, T., (1991). The Bank's Experience in Urban Projects in Africa: An Overview. (Manuscript) Washington, DC, The World Bank.
- Srinivas, H., (1991). Viability of Informal Credit to Finance Low-Income Housing: Case Study of Three Squatter Settlements in Bangalore, India. Unpublished Master's Thesis, Bangkok: Division of Human Settlements Development, Asian Institute of Technology.
- Srinivas, H., (2006). NGO Partnerships for Sustainable Urban Development, Global Development Research Centre, India, Orient Longman.
- Strassmann, W. P., (1987). Home-Based Enterprises in Cities of Developing Countries. *Economic Development and Cultural Change*, **36** (2): 121–144.
- Terzi, F., and Bolen, F., (2005). Does the Upgrading Plan Help to Improve Squatter Settlements? Case Study: Kagithane, Istanbul.
- Tipple, G. A., (2004). Settlement Upgrading and Home-Based Enterprises: Discussions From Empirical Data. *Cities*, **21**(5): 371–379.
- Treiger, B., and Faerstein, E., (1987). The Effects of an Upgrading Project on Income-Generating Activities in a Brazilian Squatter Settlement – The Case of Pavao-Pavaozinho. Paper presented at the International Seminar on Income and Housing in Third World Urban Development. New Delhi, Earthscan India.
- UN -HABITAT (2003). The Challenge of Slums. London, Earthscan.
- UN-HABITAT (2005). Financing Urban Shelter: Global Report on Human Settlements. London: Earthscan and UN- HABITAT.
- UN- Habitat (2006). The State of the World's Cities: United Nations Human Settlement Programme. London, Earthscan.
- UN Millennium Project (2005). A Home in the City: Task Force on Improving the Lives of Slum Dwellers. Earthscan, London.
- UNCHS (1996). An Urbanising World: Global report on Human Settlements. Oxford, Oxford University Press.
- United Nations (1996). Indicators of Sustainable Development. Framework and Methodologies. New York: United Nations.

Varona , M., (2006). Enhancing the Role of NGOs in Housing the Poor in the Philippines: A Case Study of TAO. Philipinas, (Unpublished Thesis).

Wegelin, E., (2004). From Building to Enabling Housing Strategies in Asia: Institutional Problems. London, Methuen & Co. Ltd.

Wegelin-Schuringa, M.J., and Kodo, T., (1997). Tenancy and Sanitation Provision in Informal Settlements in Nairobi: Revisiting the public latrine option. Environment and Urbanisation, **9**(2).

World Bank. (2002). Thematic Group on Services to the Urban Poor; Cities without slums: moving slum upgrading to scale. Urban noted No. 2 May 2000. Washington DC, World Bank.

Yasini, M., (2007). The Status of Unplanned Settlements in Lusaka. Lusaka, Lusaka City Council.

Yin, R.K., (2003). Case Study Research, Design and Methods, Thousand Oaks, Sage Publication.

9.0 APPENDICES

APPENDIX 1: INTERVIEW SCHEDULE FOR HBE OPERATORS

The University of Zambia



School of Natural Sciences

Department of Geography and Environment Studies

Master of Science in Spatial Planning

Thesis Topic: IMPACT OF SECTOR-BASED UPGRADING ON HOME-BASED ENTERPRISES: A CASE STUDY OF CHAISA

Start Time:

Date:

Section A: General Information

1. Gender of respondent

- a) Male b) Female

2. Age of respondent?

- a) Below 19 b) 20 – 29 c) 30 – 39 d) 40 – 49 e) 50 – 59 f) 60+

3. Marital Status

- a) Single b) Married c) Divorced d) Widowed

4. Highest level of education attained?

- a) Primary b) Basic c) Secondary d) Tertiary e) None

5. Employment Status

- a) Formal employment b) Informal employment b) Retired d) Retrenched

6. What is your main source of income?

.....
7. How long have you been operating this business?
.....

Section B: Types of upgrading projects or interventions

8. Are you aware of any upgrading projects in the settlement?

- a) Yes b) No

9. If yes, what types of projects have taken place in Chaisa?

- a) Provision of water b) Provision of roads c) Provision of drainages
e) Provision of housing f) Provision of toilets g) Provision of licences
h) Business empowerment i) Entrepreneur trainings j) Others

.....
10. When did these projects take place?
.....

11. Have you ever participated in any of the above projects?

- a) Yes b) No

If yes, what type of project?
.....

Section C: Impact of Upgrading on Home Based Enterprises (HBEs)

12. What type of Home-Based Enterprise are you operating?
.....
.....

13. Who owns the HBE?

- a) Individual b) Family

14. When did you establish your business?

.....
15. Why did you establish your business?
.....
.....

16. How has it changed over time?
.....
.....

17. How has upgrading of the settlement affected your home-based enterprise?
.....
.....
.....
.....
.....
.....

18. Based on your opinion or experience in Chaisa, has there been an increase or decrease in the establishment of home based enterprises in your neighbourhood?
.....
.....
.....

19. If so, what do you think has led to the increase or decrease in the establishment of HBEs?
.....
.....

20. What services do you think are important in making your business successful?
.....

.....
.....

21. Do you have a trading licence for the business you operate?

- a) Yes b) No

If no, explain why?

.....

22. What challenges do you face in operating your business?

.....
.....
.....

23. How much does the HBE contribute to your total monthly income?

- a) 100% b) 75% c) 50% d) 25% e) 0%

Contact details.....

Audio file No.....

End Time:.....

Thank you for your participation

APPENDIX 2: SURVEY QUESTIONNAIRE FOR CHAISA HOUSEHOLDS

The University of Zambia



School of Natural Sciences

Department of Geography and Environment Studies

Master of Science in Spatial Planning

**Thesis Topic: IMPACT OF SECTOR-BASED UPGRADING ON HOME-BASED ENTERPRISES: A
CASE STUDY OF CHAISA**

Dear Respondent,

*This Questionnaire intends to obtain information on the economic impact of upgrading initiatives on the households of Chaisa. The study is intended for academic purposes only, in partial fulfilment of the University of Zambia requirement for the award of Master of Science in Spatial Planning. **PLEASE BE ASSURED THAT THE INFORMATION TO BE OBTAINED WILL BE TREATED WITH STRICT CONFIDENTIALITY AND WILL BE OF NO THREAT TO YOU.** Your response will be greatly appreciated.*

Section A: General Information

1. Indicate whether landlord or tenant

- a) Landlord b) Tenant

2. Gender of household head

- a) Male b) Female

3. Age of Household head

- a) Below 19 b) 20 – 29 c) 30 – 39 d) 40 – 49 e) 50 – 59 f) 60+

4. Marital Status

- a) Single b) Married c) Divorced d) Widowed

5. Number of houses on plot

- a) One b) Two c) Three d) Four e) Five f) Above five

6. Household size

a) Male..... b) Female..... Total

7. Highest level of education attained

a) Primary b) Basic c) Secondary d) Tertiary e) None

8. Employment Status

a) Formal employment b) Informal employment b) Retired d) Retrenched

9. What is your monthly income?

- a) Below K1000
- b) Between K1000 – K2000
- c) Above K2000
- d) Not Known

10. How long have you lived in this settlement?

- a) 1- 5years
- b) 6 – 10 years
- c) 11 – 15 years
- d) 16 – 20 Years
- e) More than 21 years

Section B: Types of upgrading projects or interventions

11. Are you aware of any upgrading projects in the settlement?

a) Yes b) No

12. If yes, what types of projects have taken place in Chaisa?

- a) Provision of water b) Provision of roads c) Provision of drainages
- e) Provision of housing f) Provision of toilets g) Provision of occupancy licence
- h) Business empowerment i) Entrepreneur trainings j) Others.....

13. When did the project (s) take place?

.....

Section C: Impact of Upgrading on Home-Based Enterprises (HBEs).

14. Do you operate any business at your home?

- a) Yes b) No

15. If yes, what business do you operate?

.....

16. What types of Home-Based Enterprises were in Chaisa before the upgrading?

.....

.....

.....

17. What new types of HBEs have been established in Chaisa after upgrading?

.....

.....

.....

18. Has there been any increase in the establishment of home-based enterprises after upgrading of the settlement?

- a) Yes b) No

19. If yes, what do you think has led to the increase in the establishment of HBEs?

.....

.....

.....

20. How has this increase affected the economy and general welfare of the community?

.....

.....

.....

Section D: Impact of upgrading on rental charges

21. How many tenants are renting a house at this plot?

- a) One b) Two c) Three d) Four e) Five f) Six g) Seven

22. How much rent do you pay per month?

.....

23. How often are rentals increased?

- a) Monthly
b) Annually
c) After two years
d) Others.....

24. By how much do rentals normally increase if the landlord decides to increase?

.....

25. How much was rent for a house in 2008?

.....

26. Did you experience any abnormal increase in rental charges after the upgrading of the settlement?

- a) Yes b) No

27. If yes what do you think led to this abnormal increase?

.....

28. What is the current rental charge for an ordinary house in Chaisa per month?

.....

29. Does the provision of better services such as roads, water, etc result in any increase in rental charges?

- a) Yes b) No

30. How are the rentals in Chaisa compared to other settlements in Lusaka?

- a) High b) Fair c) Low

31. Give reasons for your answer in question 30

.....

.....

.....

Section D: Impact of tenure and service provision on house improvement and consolidation

32. Has the landlord made any improvements to the property you are renting in the last 5 years?

- a) Yes b) No

33. If yes, what improvements have been made?

- a) Roof d) painting
b) Walls e) Additional rooms
c) Floor f) Fencing

34. If no improvements have been done, what do you think are the reasons?

.....

.....

Contact details.....

Thank you for your participation