All that Glitters is Not Gold:
Unexpected Lessons from a Slum Upgrading Program in Brazil
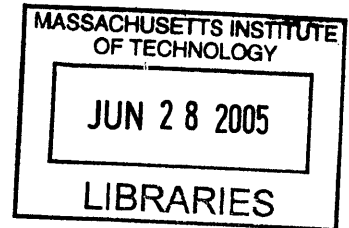
by

Valentina Zuin

Universita' Commerciale "Luigi Bocconi"
Laurea, International Economics and Management, 2002

Submitted to the Department of Urban Studies and Planning
In partial fulfillment of the requirements for the degree of
Master in City Planning

at the

Massachusetts Institute of Technology

June 2005

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Author _____

Department of Urban Studies and Planning
June 3, 2005

Certified by _____

Professor Judith Tendler
Department of Urban Studies and Planning
Thesis Supervisor

Accepted by _____

Dennis Frenchman
Chair, MCP Committee
Department of Urban Studies and Planning

ROTCH

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ABSTRACT

This paper looks at the Ribeira Azul Slum Upgrading Program in Salvador de Bahia, Brazil, implemented by the development agency of the state of Bahia, CONDER, and the Italian NGO Associazione Volontari per il Servizio Internationale (AVSI), which is recognized by the World Bank and Cities Alliance as an exemplary project. The paper aims at understanding the areas in which it was successful, and illustrate how – despite important shortcomings – the project has become to be considered exemplary. The paper first shows that the project is not as participatory as international donors believe. Moreover, it illustrates that project's sustainability is at risk because inter-governmental political competition between the state and municipal government and party politics prevented the inclusion of the Municipality– institution responsible for maintenance – in project planning and implementation.

If the project did not succeed at eliciting community participation – at least in so far as influence on project design and decision making – and is likely not to be sustained, what is this project successful at? And how do we explain that it became well known as exemplary? I argue that the Ribeira Azul project has been successful in the following three respects: (1) Delivering infrastructure improvements and housing; (2) Securing financial resources; and (3) Marketing its accomplishments.

The paper explains how, in spite of the limited community participation at least is so far as project design and decision making - which are typically considered necessary for successful implementation of these projects - the project built houses and infrastructure. Furthermore, the paper shows how the close connection between AVSI and the Italian Government, and between the project and the World Bank Task Manager, played a major role in securing sufficient financial resources not only to complete the Ribeira Azul project, but to increase its scale to the state-wide level. Further, the paper illustrates how AVSI's marketing strategy has been fundamentally important to increase high level officials and workers' commitment to the project and to make the project well known among international donors. Finally, this paper argues that marketing as well as the performance indicators used by the World Bank and Cities Alliance explain why this project is considered exemplary.

Thesis Supervisor: Judith Tendler

Title: Professor of Political Economy

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ACKNOWLEDGMENTS

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GLOSSARY OF ABBREVIATION

ACM – Antonio Carlos Magalhães

AMESA – Alagados Melhoramentos (1974-1983)

ARENA – National Renovating Alliance

AVSI – Associazione Volontari per il Servizio Internazionale

BNH - Banco Nacional de Habitacao

CA – Cities Alliance, Washington DC

CDO – Compagnia delle Opere

CEF – Caixa Economica Federal, substituted BNH in 1986

CL – Comunione e Liberazione

CONDER – Metropolitan Agency of the State of Bahia (1974-1998), Urban Development Agency of the State of Bahia

HAMESA – Habitacao Melhoramentos, Housing State Agency

IADB – Inter-American Development Bank, Washington DC

MAE – Italian Minister for Foreign Affairs

PATS – Proiecto de Apoyo Tecnico e Social, Technical and Social Assistance Project

PFL – Party of the Liberal Front

PMU – Program Management Unit of PATS

PSDB – Party of Brazilian Social Democracy

SEDUR – Secretariat for Urban Development

URBIS – Habitacao e Urbanizacao do Estado, Housing and Urbanization Agency

WB – The World Bank, Washington DC

Introduction

In 2001, about 32% of the global population (924 million people), lived in slums worldwide, without access to adequate housing, water, or sanitation facilities. During the next 30 years, urban growth will bring a further 2 billion people into the cities of the developing world, doubling their size (UN-Habitat 2004). Providing shelter and basic infrastructure for all city-dwellers will become an increasingly serious challenge for policy makers (UN-Habitat 2004). In the last three decades, many approaches have been attempted to improve the conditions of slums dwellers in developing country cities, ranging from eviction to site and services, urban management, and, more recently, slum upgrading. Yet not many projects have succeeded at improving the living conditions of slum dwellers.

This paper looks at the Ribeira Azul program, recognized by the World Bank, Cities Alliance, and the Italian Government as an exemplary slum upgrading project. The paper aims to understand why this project is successful, given that many other similar projects often fail. Started in 1993, this $60 million project – financed among others, by the World Bank, the Inter-American Development Bank, the Caixa Economica Federal, and the Italian Government - aims at upgrading a squatter settlement of 150,000 people living in houses on stilts in Salvador de Bahia, Brazil. Implemented by the urban development agency (CONDER) of the state of Bahia, and the Italian NGO Associazione Volontari per il Servizio Internazionale (AVSI), the World Bank and Cities Alliance consider the Ribeira Azul project exemplary in five respects (Cities Alliance 2004, personal interviews). First, unlike many slum upgrading projects that fail to benefit a large number of slum dwellers, the Ribeira Azul project was successfully scaled up

from an initial pilot project that targeted 15,000 people to a project that today targets approximately 150,000 people.

Second, the project provided new housing and infrastructure to a large number of people, despite the major challenges posed by the tidal terrain of Ribeira Azul where approximately 3,500 families live in stilt housing structures. The project undertakes the difficult job of "upgrading" the existing stilt housing structures by "filling-in" the area between the house floors and underwater earth. Such land-fill is expensive and complex to design from the engineering standpoint. Once the stilt houses are finally resting on dry ground, the old structures are replaced with new houses. The project has already replaced 1,700 stilt houses and is currently replacing an additional 600 houses. Furthermore, the project has built new housing for more than 200 families who have been displaced by infrastructure improvements. New construction of infrastructure, such as water, drainage and roads, has been achieved even in areas where substantial land-fill was required. Today, approximately 7,700 families have access to new water, sanitation and drainage systems. Between 1999 and 2005, legal water and sanitation connections in the target areas increased almost three fold, and electricity coverage reached 90% (see table 1).[1]

Table 1: Water, sanitation and electricity coverage 1999 and 2005

	1999	2005
Water	30%	79%
Sanitation	29%	75%
Electricity	65%	90%

Source: Relatorio de Atividades do PATS, 2005

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[1] This figure corresponds to the areas where the project has been already concluded.

Third, the project is exemplary because of its integrated approach, which consists of the provision of social activities beyond the infrastructure and housing improvements. In fact, the project invested an unusually significant amount of project funding - 10% ($6 million) of the total funding – into social activities such as training courses (for community organizations, teachers, and illiterate women), cooperatives, and environmental and education talks (on domestic violence, nutrition, and safety). Additionally, the project financed small physical improvements to facilities in the areas, such as schools, health centers, sport centers, and community organizations.

Fourth, the project succeeded at eliciting community participation, and establishing a close dialogue and collaboration with community members and community organizations. The participatory approach of the project is also reflected by the participation of five community leaders of the Ribeira Azul area in the Consultative Committee. This committee is responsible for providing guidance to the Program Management Unit for the implementation of the Ribeira Azul Program.

Finally, the Ribeira Azul is considered exemplary because, unlike many projects that do not succeed at creating synergies among different stakeholders, the Ribeira Azul project succeeded in fostering collaboration among a large number of local and international actors, such as the State Government of Bahia, the Municipality of Salvador, Community organizations, the Italian NGO AVSI, the Italian Government, and the World Bank. All these stakeholders – through their involvement in the Consultative Committee -- monitor the progress of the implementation of the Ribeira Azul project, and provide suggestions for improvement to the Program Management Unit.

Despite the World Bank and Cities Alliance's strong support for the project and positive assessment of the five aforementioned areas, when I began to examine the project more closely, I discovered that the project was deficient in two areas important areas. Contrary to what international donors and project stakeholders believe, community participation in the project is limited, particularly in project design and decision making -- two activities in which community participation is considered to be essential for the success of the project. For example, community members complain that their suggestions on how to organize the project are seldom taken into account, and that meetings between the project staff and the community are only informative, as decisions have already been made by CONDER and AVSI. The fact that this NGO-led project has been "successful" despite limited participation contradicts two current widespread beliefs in the field of development. First, slum upgrading projects are said to be successful at delivering infrastructure and housing improvements only when beneficiaries participate in project design and decision making. In addition, NGOs are considered the most suited actor to ensure community participation because they understand and respond to local needs. There is thus a need to review the project in more detail in order to determine, first, how the project was able to succeed despite the limited participation, and, second, why there was such little participation despite the fact that an NGO was involved in the project.

The other area of deficiency for the project was in the area of maintenance and sustainability. As with many other infrastructure projects, my study found identified that sustainability represents a challenge also in the Ribeira Azul project because the Municipality, which is responsible for maintenance, has been *de facto* excluded from project implementation. Such exclusion has to be explained on political grounds: inter-governmental political competition between the State Government and the Municipality resulted in the exclusion of the

Municipality when the project started in 1993. Surprisingly, even since the state government and the Municipality have been controlled by the same party – the PFL - the Municipality has not been included in the project. This is the result of a decision of PFL high level politicians not to concentrate the financial resources available to the Municipality in an area of the city already under the political influence of the PFL – like the Ribeira Azul area – and, instead, extend the PFL political influence over diffident areas of the city of Salvador. Moreover, the exclusion of the Municipality is the result of personal rivalry between the leader of the PFL party – who supported the Ribeira Azul project since its inception - and the Mayor of Salvador.

If the project did not succeed at fostering community participation – at least in so far as influence on project design and decision making – and is likely not to be sustained, what is this project successful in? And how do we explain that it became known worldwide as an exemplary project?

This paper argues that the Ribeira Azul project has been successful in the following three respects: (1) obtaining community buy-in for the infrastructure improvements and housing; (2) Securing financial resources to scale up; and (3) Marketing—locally and internationally—its methodology and accomplishments. I now discuss each of them in turn.

Obtaining community buy-in for infrastructure improvement and housing

This paper explains how – despite the limited community participation in project design - the project succeeded at delivering infrastructure and housing improvements. I argue that the inhabitants agreed to resettle or to have their stilt house to be substituted for four reasons: (1) their very poor living conditions; (2) the increasing costs of maintaining the houses on stilts; (3) the state agency CONDER's decision not to collect payments for the houses; and (4) engineers'

willingness to slightly modify project design and provide individualized solutions to satisfy community members' concerns.

In addition, this paper challenges the beliefs that infrastructure agencies are unable to customize solutions to community needs and that NGOs are necessary to intermediate between engineers and community members for successful implementation of housing and infrastructure improvements (Nance 2004). Indeed, this paper suggests that a state agency, such as CONDER, can also succeed in providing individualize solutions that respond to local needs. Indeed, socially-minded engineers and architects working in a field office in the Ribeira Azul area responded flexibly to community members' requests for small changes to project design.

Furthermore, this paper attempts to understand under what conditions engineers and social workers successfully collaborate. While social intermediation specialists are often requested to play an intermediary role between the community and engineers responsible for construction, engineers often consider them low status and do not take into account their technical input. However, the paper shows that, like in other successful projects (Davis et al. 2001), engineers worked in close contact with social workers because social intermediation specialists made their work easier. Additionally, informal conversation over lunch breaks stimulated dialogue between social intermediation specialists and engineers, thus increasing appreciation for each other's role and ideas, and collaboration among different actors.

Securing financial resources to scale up

International donors and scholars often cite lack of financial resources as a reason for the lack of sustainability among slum upgrading initiatives, many of which are delayed or benefit only a limited number of slum dwellers (Davis 2002). However, the Ribeira Azul program succeeded in securing sufficient financial resources not only to complete the project, but to

increase its scale to the state-wide level. This paper shows how the project succeeded at receiving a $5 million grant of the Italian Government because of the close personal connection between the Italian Government and AVSI. In addition, this paper explains how the close involvement of the current World Bank task manager of the Ribeira Azul program in the preparatory phase of the project financed by the Italian Government created a solid link between the World Bank and CONDER and AVSI. Such link resulted in the World Bank's approval of a new $96 million loan to finance a $160 million slum upgrading initiative that will include 16 Municipalities of the State of Bahia, using the same methodology of the Ribeira Azul project, that will start in 2006.

Marketing—locally and internationally— the project's methodology and accomplishments.

Like other projects that international donors and scholars have considered "Best Practices" – such as the Indore Networking projects (Verma 2000) - the Ribeira Azul project has been very successful in marketing itself. This paper shows how AVSI's marketing strategy targeting international donors has been fundamentally important to the project in two respects. First, it increased high level officials and workers' commitment to the project. Indeed, while governments often do not find upgrading attractive for political display (Otiso 2003), AVSI's marketing strategy succeeded at strengthening the interest of high level officials' in the project. Indeed, high level officials started seeing the project as an opportunity to enter an international network when AVSI started presenting the projects to different international conferences, inviting politicians and international donors to visit the project in Salvador, and inviting Bahian politicians to present the project in Italy. Second, marketing made international donors aware of the project, thus contributing to its fame and to make it exemplary.

Finally, this paper explores why the World Bank and Cities Alliance consider this project as exemplary, despite its shortcomings. As we have seen, marketing has contributed to make the project well known and advertise its accomplishments. In addition, this paper argues that the World Bank and Cities Alliance consider this project exemplary because it conforms to their set of indicators of success – which includes indicators such as the "ability to scale up" and "ability to build infrastructure."

In conclusion, this paper analyzes an exemplary slum upgrading project to understand the areas in which it was successful, and illustrate how – despite important shortcomings – the project has become to be considered exemplary. First, the paper describes how - despite limited involvement of the community at least in so far as project design and decision making - the project succeeds at improving housing and infrastructure. Specifically, it answers the following questions: How did construction happen with limited community participation in project design and decision making? Is the presence of an NGO necessary for making infrastructure and housing improvements in slums possible? Under what conditions social workers and engineers collaborate to provide the community with customized solutions?

Furthermore, this paper describes how politics – namely inter-governmental political competition between the state and the Municipality, and party politics – influence the possibility of the project to be maintained, and therefore sustainable. More specifically, after looking at political competition between the state and municipal levels of government, the paper addresses the following question: why was the Municipality still excluded from project implementation, after the state and municipal government came to be controlled by the same party?

Moreover, the paper presents other two activities in which the project is successful, namely securing financial resources and marketing. Specifically, it addresses the following

questions: How was the project able to secure financial resources? Why and in what ways was marketing important to the success of the project? Finally, the paper questions why – despite its shortcomings – the Ribeira Azul project has become to be considered an exemplary slum upgrading project.

Chapter 1 presents the political and economic context in which the Ribeira Azul program developed, and provides an overview of the history, goals, outcomes, financial and institutional arrangement of the Ribeira Azul Program. Chapter 2 delves into the issue of community participation, and shows how despite the lack of community members' involvement in project design, the project succeeds at building housing and infrastructure. Chapter 3 describes the influence of politics on the maintenance of infrastructure. Chapter 4 illustrates what the project is successful at, and explain how it became known as an exemplary slum upgrading program.

Methodology

This study is based on three months of field work in Salvador de Bahia, Brazil between June and August of 2004, and a month field work in Milan and Rome, Italy, Washington, DC and New York City in January 2005. My decision to study this project was inspired by a one-day visit to the project in the month of January of 2004, when I undertook a tour by boat of the project area.

I spent the first month of my research in Salvador doing participant observation of the Ribeira Azul project staff, interacting with them and with the community in the headquarters, in the three field offices in Alagados and Novos Alagados, and during transect walks through the communities. In the remaining two months, I interviewed 83 people, including the present and past project staff of both CONDER (20) and AVSI (21), ten community leaders, 17 community members (some who benefited and some who did not benefited by the project), three local

academics, and ten officials of other government agencies. Finally, I interviewed the two World Bank officials involved in the project.

I selected the interviewees according to the position they hold or used to hold within CONDER and AVSI, or in the project. I relied on key informants to identify officials in AVSI, CONDER, or other institutions that, despite not being directly involved in the project, could have important information to share about the project, or the political and economic context. Interviews took place in the offices, while walking in the settlements, or in more informal settings like bars, restaurants, or in the car. Some interviewees were interviewed more than once in different contexts, in some cases also in the presence of another colleague of theirs, with the purpose of generating discussion among them.

During my stay in Salvador, I also participated in 3 seminars, two community meetings, two community leaders' meetings, and lunches where the project was discussed. In addition, I attended events like an internal meeting of CONDER's staff, or political meetings where key actors involved in the local political arena, or in the project were present. Moreover, I spent weekends with some inhabitants of the community of Alagados and Novos Alagados to participate in some activities they organized, or in political meetings. I visited other CONDER and AVSI's projects, and I participated in events organized in occasion of the official visits of the Italian Ambassador, the World Bank Task Manager, the president of AVSI, and a visit of the Italian cooperation.

In Italy, I interviewed AVSI's management in Milan, and an official of the Italian Government in Rome. In Washington DC, I met a total of 10 high level officials working for the Inter-American Development Bank and of the World Bank that had been involved in the Ribeira Azul Project or that are responsible for other urban upgrading initiatives implemented in Brazil

and other countries. Finally, I visited Professor Micheal Cohen, an urban development expert that used to be head of the urban development unit at the World Bank, in New York City.

My interviews were conducted in Portuguese, English, or Italian, depending on the nationality of the interviewees. I took notes whenever appropriate. In some cases I only listened and wrote down my impressions after the interview was over, or at the end of the day.

While I was in Salvador, I collected literature on the economy, politics, and housing policies of the State of Bahia and the Municipality of Salvador. While I was in Italy, I collected information about the religious movement and the entrepreneur's association AVSI belongs to. In Washington DC, I collected project documents, evaluations and discussion papers on urban upgrading projects.

Possible limitations

The methodology for this study has a number of possible limitations. First, the fact that I am Italian might have influenced people's opinion about the Italian NGO AVSI and in general about the project, as they might have felt that I was associated with AVSI. I think this is a risk of both the interviewees I was able to contact through AVSI, and those that I found through other key informants. In some occasions I assessed that people, particularly high level CONDER's officials and lower level AVSI's workers, were afraid that their answers or critics towards AVSI could jeopardize their position or put their job at risk, although I guaranteed them anonymity. Despite the fact that nobody refused to be interviewed, I had to dedicate a lot of time to build trust with the interviewees, and I was not always able to do so. Consequently, I collected more information through those interviewees with whom I was able to build greater trust and who sympathized with my efforts to understand how and why the project worked well, and did not work well.

Second, as it was dangerous to walk around on my own in the settlements of Alagados and Novos Alagados, I was able to interview only a limited number of community members. Only after I established personal contacts with community members by participating in activities that the project organized for them, was I able to organize personal interviews on my own in the community.

Another significant challenge I faced was the difficulty of obtaining project documents and quantitative information about the amount invested in the different areas of the project, the activities financed, and the donors financing each activity in each area. The documents I have contain data that are not complete or do not match up. In addition, the information available on project outcomes do not allow a deep understanding of the physical improvements made by the project.

Chapter 1

The Ribeira Azul Slum Upgrading Program, Salvador de Bahia, Brazil

1.1 Introduction

This chapter provides an overview of the political context in which the Ribeira Azul Program developed and describes the Ribeira Azul Program. Section 1.2 illustrates the political and urban development of the City of Salvador. Section 1.3 presents the Ribeira Azul Program: its location, the history of the Ribeira Azul area, its implementing agencies, its financial arrangement, its outcome, its institutional arrangement, and its governance structure.

1.2 Salvador de Bahia: an overview

Salvador is the capital of the State of Bahia, in the Northeast of Brazil (figure 1). Although it has the sixth largest state economy of the country, the State of Bahia is one of the poorest of Brazil: the annual GDP per capita is $1,562, 59% of the average per capita GDP in Brazil, functional illiteracy rate is 41%, 58% of the population lives on less than one minimum wage, and 25% of the total income is concentrated in 2% of the population (SEI 2003).

Figure 1: Location of Salvador de Bahia

Source: Teixera (2002)

The political context

It is worth taking a look at the political context of Bahia and Salvador because it deeply influenced the institutional arrangement and the outcome of the Ribeira Azul project. The political scene of the State of Bahia and of the City of Salvador have been dominated by Antonios Carlos Magalhaes, known as ACM (Souza 1997). ACM was Mayor of Salvador, three times Governor of the State of Bahia, Minister of Telecommunications, and twice Senator since 1967. The modernization and economic development of the State of Bahia and Salvador is attributed to its political leadership and even when he was not in power, ACM controlled the Bahian economic scene and exercised political influence over private and public institutions (Souza 1997). For example, he occupied in person or through trusted collaborators the

presidency of major companies such as Petrobas[2], and he influenced the judiciary and telecommunications (Souza 1997).

ACM modernized the old city of Salvador when he was mayor (1967-1970), opening avenues in the valleys, and demolishing traditional but decayed sites. During his first term as State Governor (1971-1975), ACM built infrastructure to support the development of the petrochemical industry at the outskirts of the city through the Metropolitan Development Agency CONDER.[3] This agency, which in 1998 became a state development agency responsible for urban development and housing, played a major role in the development of infrastructure and housing in the city of Salvador in the coming years, including in the development of the project analyzed in this paper. Furthermore, ACM started modernizing the Bahian bureaucracy by giving young professionals major positions in the administration, thus "creating a group of technocrats-turned-politicians (Souza 1997: 125)." In his second governor term (1979-1982), ACM provided electricity to the west of Bahia, improved roads and highways as well as other infrastructure in Salvador. In his third term (1991-1994), ACM promoted Salvador's tourism, by investing in historical sites. Summing up, the economic and urban development of the State of Bahia and Salvador cannot be disentangled from the person of ACM.

The urban development of the city of Salvador: policy and projects

The rapid industrialization of the city, with the establishment in the late 1960s of the first industrial parks and the petrochemical industry, resulted in the population increase and expansion of the city in a fast and disordered manner. Many informal settlements, formed through a sequence of illegal occupations called "invasions," grew around the city." Just

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[2] The company has become the country's leader in the distribution of oil products and is internationally acknowledged as one of the fifteenth largest oil companies in the world today.
[3] CONDER stands for Compahia de Desenvolvimento da Regiao Metropolitana de Salvador and was established by ACM in 1974.

between 1980 and 1989, as many as 240 invasions took place (Teixera 2002). In response to this demographic pressure, the state government – through its housing agency Habitação Melhoramentos (HAMESA), incorporated in 1987 by the new housing agency Habitação e Urbanização do Estado (URBIS) – built many housing complexes in the outskirts of the city or near the industrial parks, with financing from the federal government.[4] However, the state government did not succeed at providing housing for the poor: by 1986, URBIS produced 43,850 houses, of which only 2,600 (6%) were affordable for families living with 1 to 3 minimum salaries (Gordilho 2000: 135).

In 1985, the new Brazilian Constitution decentralized the implementation of housing policies from the State Level to the Municipal level. Still, the state agency URBIS remained responsible for the implementation of housing policies in the following decade, but, both at the Federal and State level, limited policy making occurred in the housing sector. This is because the Banco Nacional de Habitaçao (BNH)[5] was dismantled in 1986 and substituted with the Caixa Economica Federal,[6] agency with limited experience and funding to promote housing policies.

Only at the beginning of the 1990s a number of different programs implemented at the Metropolitan, the State and Municipal level started addressing the problem of providing housing to the poor in the city of Salvador. At the beginning of the 1990s the Metropolitan Development Agency CONDER promoted the Metropolitan Project, a $77 million program financed by the World Bank. This project – known as one of the most important programs ever implemented in

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[4] The Federal government provided funding for the development of housing through the banks Sistema Financiero de Habitacao (SFH) and the Banco Nacional de Habitaçao (BNH).
[5] The Banco Nacional de Habitaçao was a federal bank established with the purpose of financing housing development especially for middle and low income population.
[6] Caixa Economica Federal is the largest public bank of Latin America, and is the most important actor of the social policy of the Federal Government. With the goal of improving the quality of life of the lower income people, the portfolio of investments include mainly investments in the housing, sanitation, infrastructure and service sectors.

Bahia - brought about major improvements to infrastructure and municipal services[7] in different areas of the city of Salvador, including the poor area of Novos Alagados in the outskirt of the city. The Environmental and Social Upgrading project targeting the poor area of Novos Alagados represented the first of a number of projects that CONDER implemented in the subsequent years to improve the living conditions of the poor. In fact, in the 1990s, CONDER has been involved in many of such programs programs[8], such as Habitar Brazil[9], Viver Melhor, Pro-Saneamento[10], and Pro-Moradia.[11]

Started in 1993, the Environmental and Social Upgrading project in Novos Alagados represented also the first of the projects that from 1998 became part of the Ribeira Azul Program implemented by CONDER in the area of Novos Alagados and Alagados. The Ribeira Azul slum upgrading program is the focus of this paper.

1.3 The Ribeira Azul Slum Upgrading Program

The Ribeira Azul slum upgrading program is a $60 million project and aims at upgrading a squatter settlement of 150,000 people (5% of the city population), where 3,500 families live in

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[7] For example, the Metropolitan project supported infrastructure projects such as waste water management projects, solid waste collection, and disposal projects.

[8] These programs are all financed by the Caixa Economica Federal.

[9] Habitar Brazil is a US$ 417 program of the Federal Goverment, partially financed by the Inter-American Development Bank, that is implemented through the Caixa Economica Federal.
The objective of the program is to support the federal government's effort to: i) raise living standards for poor families living in substandard neighborhoods in metropolitan areas and urban and capital agglomerations; ii) encourage municipal governments to allocate greater resources to alleviating both the effects and the principal causes of problems in these neighborhoods; and iii) increase knowledge of the sectoral housing and urban infrastructure problems in the country.

[10] Pró-Saneamento is a program of the Federal Government that aims at improving the health condition and quality of life of the poor providing greater access to sanitation.

[11] Pro-Moradia channels housing finance from the Caixa Economica Federal to states and municipalities (at subsidized rates) to develop specific projects, including sites and services, construction materials packages, construction projects, infrastructure provision in existing housing projects; and urbanization of favelas and informal settlements. In Bahia the program is managed by the State Government of Bahia. Created in 1995, the program targets households earning below 3 minimum salaries. Counterpart funds are a minimum of 10 percent of the total project costs. However ,most municipalities especially the smaller ones do not have sufficient debt capacity, hence they are not eligible for these funds.

houses stilts over a tidal zone, in the northwestern outskirts of Salvador. Implemented by the urban development agency (CONDER) of the state of Bahia, and the Italian NGO Associazione Volontari per il Servizio Internazionale (AVSI), the World Bank and Cities Alliance consider the Ribeira Azul project exemplary in five respects (Cities Alliance 2004, personal interviews). First, unlike many slum upgrading projects that fail to benefit a large number of slum dwellers, the Ribeira Azul project was successfully scaled up from an initial pilot project that targeted 15,000 people to a project that today targets approximately 150,000 people.

Second, the project provided new housing and infrastructure to a large number of people, despite the major challenges posed by the tidal terrain of Ribeira Azul where approximately 3,500 families live in stilt housing structures. The project undertakes the difficult job of "upgrading" the existing stilt housing structures by "filling-in" the area between the house floors and underwater earth. Such land-fill is expensive and complex to design from the engineering standpoint. Once the stilt houses are finally resting on dry ground, the old structures are replaced with new houses. The project has already replaced 1,700 stilt houses and is currently replacing an additional 600 houses. Furthermore, the project has built new housing for more than 200 families who have been displaced by infrastructure improvements. New construction of infrastructure, such as water, drainage and roads, has been achieved even in areas where substantial land-fill was required. Table 1 provides an overview of the project outcome for what regards infrastructure and housing.

Table 1: Infrastructure and Housing built by the project (2001 and 2004)

Infrastructure	Housing
8,450,057* m3 of land-fill	1,700** (48.5%) stilt houses removed and substituted with new houses – other 800 are currently being removed
23,432* m of drainage	246** families benefited from housing improvements (mainly bathrooms)
34,679* m of water pipes 51,888* m of sanitation pipes	
44,844* m of street paved	
7,651* families benefited from improved infrastructure	136* families were resettled

Source: PATS (2001), Relatorio de Atividades do PATS, 2005
* 2001 data
** 2004 data

Today, approximately 7,700 families have access to new water, sanitation and drainage systems. Between 1999 and 2005, legal water and sanitation connections in the target areas increased almost three fold, and electricity coverage reached 90% (see table 1).[12]

Table 1: Water, sanitation and electricity coverage 1999 and 2005

	1999	2005
Water	30%	79%
Sanitation	29%	75%
Electricity	65%	90%

Source: Relatorio de Atividades do PATS, 2005

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[12] This figure corresponds to the areas where the project has been already concluded.

Third, the project is exemplary because of its integrated approach, which consists of the provision of social activities beyond the infrastructure and housing improvements. In fact, the project invested an unusually significant amount of project funding - 10% ($6 million) of the total funding – into social activities such as training courses (for community organizations, teachers, and illiterate women), cooperatives, and environmental and education talks (on domestic violence, nutrition, and safety). Additionally, the project financed small physical improvements to facilities in the areas, such as schools, health centers, sport centers, and community organizations. Table 3 presents summary of the social activity implemented in the area.

Table 3: Social Activities (2004)

Social Component
42 training courses
11 social equipments (schools, community centers) built or restored
46 educational activities developed (community theater activities, ecological walks, talks about violence, malnutrition, and hygiene practices)
4 cooperatives and 3 commercial activities started
102 leaders of community organizations trained 10 projects directly implemented by community organizations other activities with community organizations (including courses to improve budgeting and management)

Source: Relatorio de Atividades do PATS, 2005

Fourth, the project succeeded at eliciting community participation, and at establishing a close dialogue and collaboration with community members and community organizations. The participatory approach of the project is also reflected by the participation of five community leaders of the Ribeira Azul area in the Consultative Committee. This committee is responsible

for providing guidance to the Program Management Unit for the implementation of the Ribeira Azul Program.

Finally, the Ribeira Azul is considered exemplary because, unlike many projects that do not succeed at creating synergies among different stakeholders, the Ribeira Azul project succeeded in fostering collaboration among a large number of local and international actors, such as the State Government of Bahia, the Municipality of Salvador, Community organizations, the Italian NGO AVSI, the Italian Government, and the World Bank. All these stakeholders – through their involvement in the Consultative Committee -- monitor the progress of the implementation of the Ribeira Azul project, and provide suggestions for improvement to the Program Management Unit.

Location

The two areas that benefit from the program are known as Novos Alagados and Alagados (see figure 2 and Appendix I).

Figure 2: Salvador and Novos Alagados and Alagados

Source: http://www.bahia-online.net/cityandbay.gif
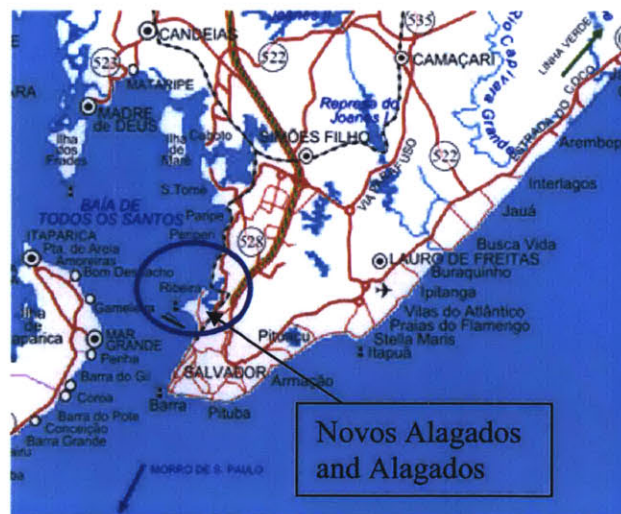
Alagados and Novos Alagados are among the poorest areas of Salvador: 3500 families lived on stilts at the beginning of the project, 45% of the economically active population does not receive any income, 59% of the families in the area live with half minimum salary per month ($45), 13% of the houses on dry ground are not provided with sanitation facilities, and 64% of the sanitation facilities installed are not properly functioning (Teixera 2002). Novos Alagados and Alagados consist of a collection of bayside neighborhoods with an area of about 4km². These neighborhoods, shown in Appendix I, are named as follows: Novos Alagados I Etapa , Novos Alagados II Etapa, Novos Alagados III Etapa, and Alagados I, II, III, IV, V, VI, Mangueira, Joanes Azul, and Joanes Centro-Oeste (see Appendix I).   In August 2004, the upgrading had been completed in the following areas:[13] Arajas I and II, Mudanca, Magueira II, Novos Alagados I Etapa, Alagados I, Alagados II, and Baixa do Caranguejo. The project is still on-going in the following areas: Novos Alagados II etapa, Alagados III, Alagados IV and V, Joanes Azul, and Mirante Joanes Centro-Oeste. In August 2004, the State government was looking for $10 million to extend the project to Alagados VI and Mangueira, finish the infrastructure in Novos Alagados II Etapa and build the remaining parts to connect the coastal road among the different areas of the project.

History of Alagados and Novos Alagados

Alagados and Novos Alagados formed as a result of a number of invasions that occurred in the adjacent peninsula Itapagipe starting in the 1940s, when the peninsula became the industrial center of Bahia with the development of the petrochemical industry. Alagados and Novos Alagados are situated along the cost, in the Bay of Cabrito and in the Bay of Tainheiro.

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[13] Unfortunately, I did not have access to data about the percentage of upgrading completed over th total

The proximity to employment opportunities, and the possibility to avoid eviction by building stilt houses in the tidal zones, made Alagados attractive to many squatters, although the area was used by the Municipality as city waste disposal.[14] Most of the squatters progressively occupied the tidal zones and started building their stilts using waste as embankment. In some cases, after years, the inhabitants were able to land-fill their stilts with waste, so that it could lie on dry ground. Alagados became the biggest slum on stilts in Latin America. Many poets and artists have celebrated the uniqueness and charm of the place. At the same time, because streets and houses were built over the trash, and inhabitants did not have access to water and sanitation facilities, Alagados represented a shame for Bahian politicians since the 1980s.[15]

Figure 3: Life in Alagados

The uniqueness and very poor living conditions of the inhabitants, visible to anyone visiting the place, made Alagados a difficult area to ignore for the government of Bahia. Thus, the state government created an agency called Alagados Melhoramentos S.A., (AMESA) with

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[14] Note that the fact that the area was previously used a waste disposal and the importance that waste has had for the stilts inhabitants, explain why the inhabitants of Alagados have a very special relationship with trash.
[15] Interview with Sonia Fontes, CONDER president between 1994 and 1998.

the goal of implementing a major upgrading initiative in the area of Alagados between 1973 and

1983.[16] The intervention, implemented by a group of committed and young public engineers and

architects – some of whom became also involved in the Ribeira Azul program - was consider

pioneer in Brazil because of its technical complexity and because it targeted a slum area.

Despite many delays for the high costs of the implementation (especially because of the land-fill

of the swampy area), and community's dissatisfaction with the size of the housing, AMESA

succeeded at eliminating all the houses on stilts in Alagados, built 2148 new houses, and 12

buildings between schools, health posts, and public offices. Additionally, it paved 300,000 m2

and filled with land a swampy area of 1,000,000 m2. However, as a result of the tolerance of the

governor Waldis Pires, and the extinction of AMESA, the whole area was reoccupied by the end

of the 1980s.[17] Additionally, because of AMESA's control over invasions in Alagados, in the

beginning of the 1970s, the adjacent area along the bay in the Enseada dos Cabritos, was invaded

to absorb the high demographic pressures in the Peninsula of Itapagipe. For its similarity with

Alagados, this area became known as Novos Alagados (New Alagados).

Implementing Agencies: CONDER and AVSI

The Ribeira Azul project is implemented by the State Development Agency CONDER

and the Italian NGO AVSI. I will now present each of them in turn. CONDER was created by

ACM in 1974 to promote the infrastructural development of the Metropolitan area of Salvador,

and – after being under the person of the governor – was transferred under the Secretariat for

Planning and Technology (SEPLANTEC). In 1998, CONDER became the State Urban

Development Agency and incorporated the housing agency URBIS. In 2002, CONDER was

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[16] The intervention was financed by the Banco National de Habitacao.
[17] The team of engineers, architects and the social worker that worked for AMESA at the time, affirm that the reoccupation of the area was probably facilitated by the empty land they left between the new houses and the shores.

transferred from the Secretariat of Planning and Technology to the Secretariat for Urban

Development (SEDUR). Since its foundation, as we have seen in section 1.2, CONDER has

played a very important role in the infrastructural development of the metropolitan area, and

more specifically in the construction of roads, highways, parks, as well as government buildings,

and the international airport. Because infrastructural development was the political priority of

ACM when he was in power, this agency has historically been controlled by his group and has

always been powerful and relatively autonomous. Additionally, because, in Salvador, the

Municipal government has historically been controlled by the opposition, CONDER represented

ACM's "municipal arm."

AVSI is one of the most important non-governmental organizations (NGO) in Italy, is

presently working in 35 countries of the world, is involved with more than 100 development

projects, and holds the General Consultative status with the UN Economic and Social Council

(ECOSOC) in New York and the UN Industrial Development Organization (UNIDO) in

Vienna.[18] AVSI is part of two powerful economic and political institutions, the International

Catholic Movement "Comunione e Liberazione," and a non-profit group of Catholic

entrepreneurs "Compagnia delle Opere." Additionally, AVSI has a close relationship with the

Italian conservative party "Forza Italia."[19]

AVSI arrived in Salvador in 1989. At the time, AVSI was working with the Municipality

of Belo Horizonte, Brazil to upgrade an informal settlement of the city. Because of the success

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[18] The consultative status allows NGOs to provide inputs to the ECOSOC into its deliberations at public meetings and in its subsidiary bodies as well as in UN international conferences and their preparatory bodies. Each year the approximately 2000 NGOs now holding consultative status receive the provisional agenda of ECOSOC. They have certain privileges to place items on the agenda of ECOSOC and its subsidiary bodies; they may attend meetings, where they may submit written statements and make oral presentations to governments (http://www.ngocongo.org/ngopart/constat.htm).
[19] The International Catholic Movement "Communion and Liberation" was supporting the coalition of the Prime Minister Silvio Berlusconi, Forza Italia. (August 2004). Compagnia delle Opere represents the economic power of "Communion and Liberation."

of the project in Belo Horizonte, AVSI was asked by the Archbishop of Salvador at the time, Don Lucas, to contribute to the revitalization of the community of Novos Alagados through the promotion of social activities. Such request of Don Lucas is explained by the close connection between AVSI and the Catholic Church in Brazil. Don Lucas – who had at heart the situation of the inhabitants of Alagados – was already supporting a number of activities in the area and had close contact with the community organizations of the area. As a result, at its arrival in Salvador AVSI entered the community of Novos Alagados thanks to Don Lucas' connections with the community organizations of the area. The Community organizations of Novos Alagados and Alagados have been particularly active since the military regime. This is the result of the effort of the Brazilian Catholic Church to increase slum dwellers' political awareness, and of the support that the Church granted to the mobilization of these community organizations to request better water and sanitation services, drainage systems and roads (De Carvalho 2001). Currently, there are about 70 community organizations in the area, mainly providing education and health care to the inhabitants.

From the beginning, AVSI looked for a partner in the local government to start an intervention in the area of Novos Alagados. Given that according to the Brazilian Constitution the Municipality is responsible for the implementation of housing policies, AVSI initially approached the Municipality. However, CONDER had greater interest and financial resources than the Municipality, and in 1989, committed to AVSI to look for funding to develop a project in Novos Alagados. At the same time, CONDER requested that the Municipality – at the time governed by the opposition - would not to be involved.[20] Thus, AVSI started working with CONDER. The first project that saw the collaboration of AVSI and CONDER was a pilot project in the Nova Esperanza area of Novos Alagados. This project, financed by the Italian Ministry of

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[20] Interview with AVSI and CONDER's official.

Foreign Affairs ($800,000) and by the State Government of Bahia ($800,000), benefited 15,000

people. The project, similarly to the project implemented in the 1980s by the government,

substituted stilt houses with houses on dry ground, provided water and sanitation infrastructure,

and the revitalization of the area along the shore.

The success of the pilot project in Nova Esperanza stimulated AVSI and CONDER to

look for additional funding to scale up the intervention to ultimately embrace the whole bay of

Novos Alagados. Through the Metropolitan Project, and then the Viver Melhor program,[21] the

area of intervention expanded to Novos Alagados II etapa, Alagados I, II and Joanes Centro-

Oeste. In order to better integrate and generate synergies among the different range of separate

initiatives in progress within the area, in 1998, CONDER and AVSI decided to scale up the

experience of Novos Alagados to the whole Ribeira Azul area.[22] The different projects

implemented and ongoing in the whole Ribera Azul area became part of the Ribeira Azul

program. In 2000, the collaboration between AVSI and CONDER strengthened with the Italian

Government's approval of a $5 million grant to the State Government of Bahia to develop the

Social and Technical Assistant program (PATS). Not only the grant provided financial support

and technical assistance for the implementation of the Ribeira Azul program, but also establishes

a project management unit, made of CONDER and AVSI to ensure coherence among the

different interventions undertaken in the area (see the section about governance).

Financial Arrangement

The Ribeira Azul program is a $60 million program comprising a number of smaller

projects, financed by different national and international donors that invested in one or more

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[21] funded through the Federal programs Habitar Brazil and Pro-moradia, started in 1996.
[22] My interviews provided contradictory information about who and how proposed to scale up the program.

neighborhoods in Alagados and Novos Alagados. Figure 3 presents an overview of the amounts

and origin of the funds. 55% of the $60 million are provided in the form of loans by the World

Bank (30%) - through the Metropolitan Project and PRODUR project - and Caixa Economica

Federal (25%) - through the HABITAR/Brazil program. In addition, 21% is State Government's

funding, 12% is financed through Federal Transfers, 9% is a grant of the Italian Government

(PATS), and the remaining 3% is AVSI's private funding.

Figure 3: Financing of the Ribeira Azul Program (US$ million, 2004)
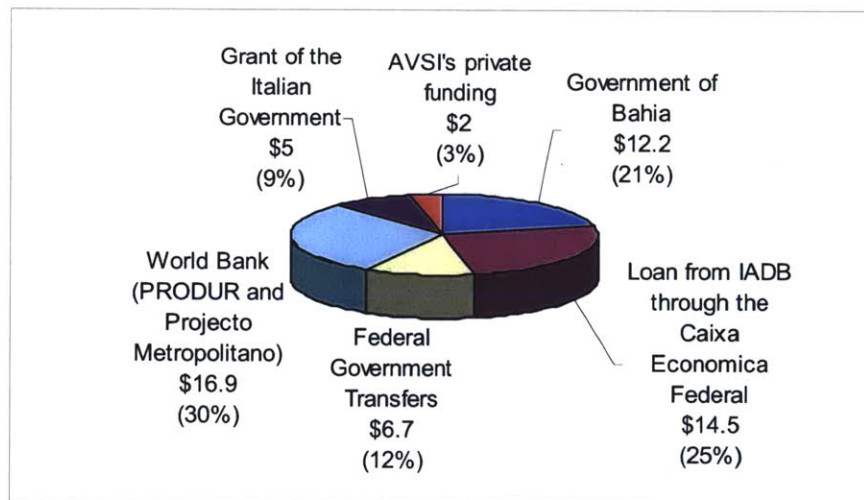
The allocation of the funding among the different project components is shown in figure

4.[23] As expected, the majority of the funds go to infrastructure (65% of the $60 million).

Housing accounts 23% and technical assistance 2%. Social activities account 10% of the funds

($6 million), 40% ($2,4 million) and 34% ($2 million) of which are financed through the Italian

grant, and AVSI's private funds respectively. This suggests that the World Bank and Inter-

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[23] The calculation does not include the costs of the project in Alagados IV, since it was in process of financing, or the general costs of coordination, monitoring, supervision, and administrative management of PATS ($557,779). In three neighborhoods figures did not distinguish between investments in housing and in infrastructure, I assumed that investments in housing were one third of the total, and infrastructure the remaining two third. This assumption was made considering that in the neighborhoods for which I had the data, infrastructure represented about two thirds of the total costs of physical improvements. Furthermore, according to an interview with AVSI's management, the investments in social activities are higher than 10%.

American Development Bank loans, and the funds coming from the State and Federal

government are sectoral[24] in nature and include only limited funds – if any- to fund the social

component.[25]

Figure 4: Allocation of the funding among different project components
(US$ 60 million, 2004)
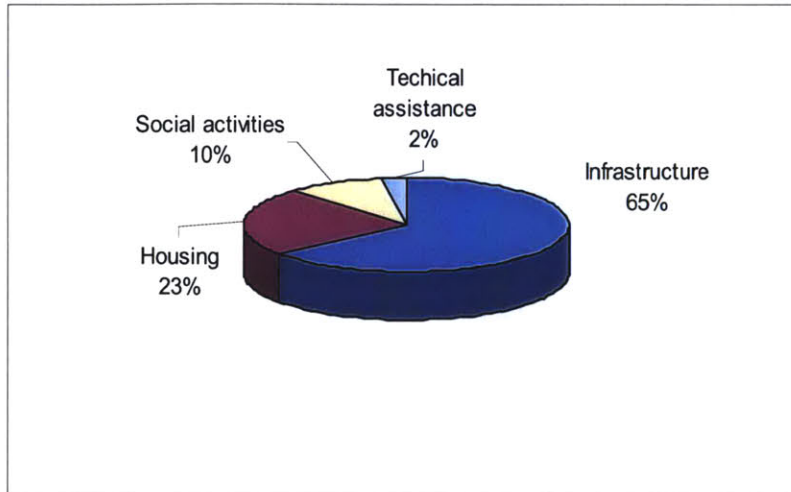
Institutional Framework

I now move on to present the institutional framework and the governance structure of the

project. Figure 6 is divided into two parts, the upper one representing the institutions involved in

project financing and the lower one representing the institutions involved in implementation.

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[24] "Sectoral" is a technical term to indicate that loans are only financing activities in one sector, such as transportation or construction of roads, rather than financing infrastructure and social activites.
[25] Financing through the Caixa Economica Federal always included funds to finance the social component. Unfortunately, I did not have sufficient data to calculate whether and how much of the remaining 26% of the social component is financed by whom.

Figure 6: Institutional Framework of the Ribeira Azul Project

Total = $60 millions

| Inter-American Development Bank, Washington DC $14.5M | World Bank, Washington DC $16.9M | Federal Gov. of Brazil $6.7M | Italian Minister for Foreign Affairs Rome, Italy $5M |

Project Financing

| Caixa Economica Federal, Brasilia | State Government of Bahia $12.2M | AVSI Italy $2M | Cities Alliance, Washington DC |

| Companhia de Desenvolvimento Urbano da Bahia CONDER | AVSI Salvador de Bahia |

Ribeira Azul Program Management Unit

Communities of Alagados and Novos Alagados

Project Implementation

Note that while the money originating from the World Bank and the Federal government of Brazil go through the State Government of Bahia, $12.2 million represents the contribution of the state to the project, and is not meant to comprise the $16.9 and $6.7 million coming from the World Bank and the Federal Government of Brazil respectively.

As shown by the green arrow, the World Bank (WB) loan goes through the Government of

Bahia. The red arrow shows that the Inter-American Development Bank (IADB) loan goes

through the Caixa Economica. The black arrow represents the Italian grant to the State

Government of Bahia, that is channeled through Cities Alliance (CA) to AVSI, who manages the

funds under the supervision of the WB.[26] Cities Alliance was launched by the World Bank and

United Nations Centre for Human Settlements (UN-Habitat) in 1999, and includes a number of

governments and multilateral institutions. [27] Its activities support the implementation of the

Habitat Agenda, and the goal of the Alliance is "making unprecedented improvements in the

living conditions of the urban poor by developing citywide and nationwide slum-upgrading

programs (Cities Alliance www.citiesalliance.org)."[28]

The presence of three international institutions (WB, IADB, and CA), plus the Federal

Government, and the national Caixa Economica tend to make the project complex, in that each

of them has its own administrative and technical requirements. Furthermore, the complexity of

this financial arrangement is enhanced by the fact that the different funding agencies started

investing in Alagados and Novos Alagados at different times, and each focused on a different

area.[29] As we can see in table 2, the World Bank financed two projects and started in 1986, the

IADB and the Italian Government one project each, and started in 1998 and 2001 respectively.

The State and the Federal Government also financed through the Caixa Economica Federal

(CEF) one project each.

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[26] Note that it is not common for a NGO to play such an important role and be able to comply with the World Bank administrative requirements.

[27] Cities Alliance include all the G-7 governments plus Brazil, Netherlands, Norway and Sweden, the Asian Development Bank, UN-Habitat, the United Nations Environment Programme, the World Bank, and local authorities from different countries.

[28] The Alliance aims at achieving the Millennium Development goal of improving the lives of at least 100 million slum dwellers by 2020. Among the goals of Cities Alliance are: promoting projects that focus on the city and its region rather than on sectors, supporting partnerships between local and national governments, and those organizations directly representing the urban poor, and looking to scale up solutions promoted by local authorities and the urban poor.

[29] Such complexity, augmented by numerous changes of location of the CONDER offices since the project started, may explain why it was strangely impossible to locate all the project documents or to have a precise picture of the project outcomes. Consequently, a precise understanding of the amount of funding invested by each funding agency in the different components, and within each neighborhood was not achieved.

Table 2: Ribeira Azul Program: donors, programs, years and areas
(in all cases the State Government of Bahia provided matching funds)

Origin of the funds	Programs	Year	Area of destination
World Bank	Metropolitan	1986-1997	Aracas I e II, Novos Alagados I Etapa
	PRODUR	1997-2004	Novos Alagados II Etapa, Alagados III
IADB (through CEF)	HABITAR/BID	1998-ongoing	Alagados IV, V, and VI[30], Mangueira
State Government of Bahia (through CEF)	PRO-MORADIA	1995-ongoing	Alagados I, II, Joanes Centro Oeste, Joanes Azul, Mirantes
Federal government (through CEF)	HABITAR/Brazil	1997-on going	Mudanza, Mangueira II
Italian Government	PATS	2001-2004	Ribeira Azul Area

The lower half of figure 6 shows the program implementing agencies, which are the

Urban Development Agency of the State Government of Bahia, CONDER, the Italian NGO

AVSI, and within AVSI and CONDER, the Program Management Unit (PMU). Figure 7

summarizes the amount of funding that is managed by each agency. CONDER is responsible for

the allocation of $53 million, AVSI $2 million, and the Program Management Unit the remaining

$5 million.[31] Beside CONDER, AVSI and the Program Management Unit, the governance

structure of the Ribeira Azul program includes the Tripartite Committee and the Consultative

Committee. It is noteworthy to point out that the Municipality – legally in charge of housing

policies - is not included among the implementing agencies.

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[30] The project in Alagados IV will be financed by Habitar BID
[31] The red arrow from CONDER and AVSI is explained by the fact that AVSI is subcontracted by CONDER for the implementation of social activities in Alagados IV and V with funding coming from the Caixa Economica Federal, as well as for the selection of personnel working in the Ribeira Azul program for CONDER.

Figure 7: Funding managed by the implementing agencies and the Program Management
Unit (US$ million, 2004)

Total = $60 millions
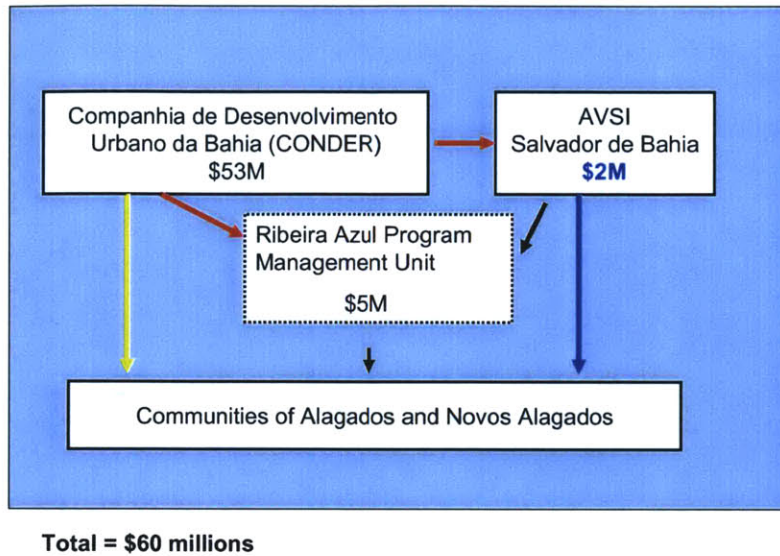
Governance structure of the project

In order to better understand the governance structure of the program, it is worthy to take

a closer look at the Program Management Unit, the Tripartite Committee, and the Consultative

Committee. The PMU - established in 2001 by the World Bank and the Italian Government with

funding of the Italian grant–has a total of 13 workers and 2 co-directors, one for the

infrastructural component and the other one for the social component, each made of a

representative of AVSI and a representative of CONDER (see figure 8). Interestingly, the

decision making power is divided equally between CONDER and AVSI.

Figure 8: Program Management Unit

Program Management Unit (13 people)

1 co-director CONDER + 1 co-director AVSI
1 director social activity CONDER + 1 director social activity AVSI

3 CONDER personnel

(1 architect, 1 sociologist, 1 engineer)

6 AVSI personnel

(1 international administrator, 1 technician, 1 local sociologist, 1 local secretary, 1 local administrator employee, 1 local computer technician)
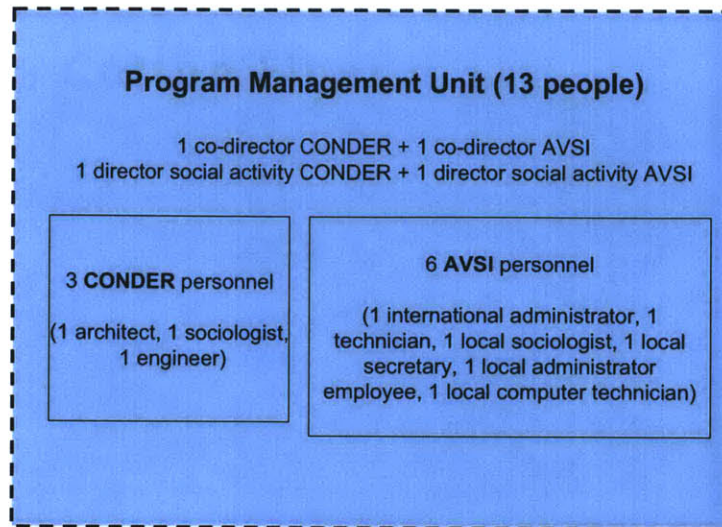
The PMU is responsible for the day to day management of the Social and Technical Assistance Program (PATS), which comprises: technical and methodological coordination of the entire program[32]; technical assistance for the development of the overall plan of intervention and the necessary engineering and architecture plans; support to government operations in the area of housing; execution of strategic social activities; systematization and publicizing of the methodology; execution of studies toward the preparation of the citywide program Viver Melhor II for the upgrading of informal settlements in the Salvador Metropolitan region (PATS Implementation Plan 2001). The dashed line surrounding the Program Management Unit (PMU) indicates that there is not a PMU office. Although the PMU is formally supposed to be located within Conder's headquarters, and has a separate budget, AVSI and CONDER's workers – both when they have PMU responsibilities or are directly working for the PMU - work in the headquarters of their respective agency. The joint technical team of the PMU ensures quality of

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[32] Note that this is crucial giving the number of institutions involved, and the different administrative and financial requirements.

implementation, and consistency in methodology. This means that although AVSI only provides a relatively limited percentage of financial resources to the project (3%, and 12% if we consider the Italian grant), it has a very important role in the Ribeira Azul program. The additional activities of the Ribeira Azul Program are executed under the responsibility of CONDER.

The work of the PMU is monitored by the Tripartite Committee and the Consultative Committee. Both these institutions provide avenues for participation of different actors in the project, including community representatives. The Tripartite Committee - formed by a representative of the World Bank, a representative of the State Government of Bahia, and a representative of the Italian Minister for Foreign Affairs (MAE) - meets every year to evaluate and monitor the Technical and Social Assistance Project. The Consultative Committee is the outmost participatory institution in the Ribeira Azul program, in that it comprises – beside the members of the Tripartite Committee – five community representatives and the Municipality of Salvador. Such structure aims at ensuring the participation and influence over the Municipality – who is not among the implementing agency – and of community organizations. Community representatives were chosen among the community leaders of Alagados and Novos Alagados and were elected by community leaders of the 67 community organizations of the area. The Consultative Committee meets every year to integrate community members and AVSI' concerns into the program and to provide guidance for the PMU.

1.4 Conclusion

This chapter described the political context and urban development of the city of Salvador. Additionally, it showed how the Ribeira Azul Program developed, the institutions involved, and the history of the areas of Novos Alagados and Alagados. Additionally, it presented the complex financial and institutional arrangement, and the outcomes of the project. Finally, it provided an

overview of the participative governance structure of the project, which is designed to ensure the

involvement of community organizations and the Municipality in project implementation.

Chapter 2

Top-down approach going hand-in-hand with construction

2.1 Introduction

Slum upgrading calls for a mix of physical design, putting definitions to public and

private spaces, and in some cases, relocation. Finding this mix stands to benefit from community

input. The task of convincing residents to resettle, or even "only" cede portions of their lots to

allow for road widening or a similar project is difficult and is said to be possible only through

beneficiaries' participation in project design and decision making (Nance 2004 and Imparato and

Ruster 2003). Since NGOs are said to have a comparative advantage in understanding and

responding to local needs, they often serve as intermediaries between the centralized

infrastructure agency implementing the slum upgrading projects and the community, helping to

plan and organize the slum upgrading intervention (Clark 1991, Nance 2004, Imparato and

Ruster 2003).

The World Bank, Cities Alliance, and the Italian Government believe that community

participation was one of the most important reasons for the success of the Ribeira Azul program.

More specifically, they argue that AVSI played an essential liaison role between the community

and CONDER, ensuring community participation in the project. However, I argue that in spite

of the project being considered a success, the assertion than it was participatory lacks support.

Section 2.2 provides evidence as to the lack of community participation in project design.

Section 2.3 discusses how CONDER and AVSI succeeded at building infrastructure and houses,

in spite of the lack of community participation in project design. Section 2.4 presents two

different institutional arrangements – one involving the state agency CONDER and the other one

involving both CONDER's engineers and AVSI's social workers - that at different points in time successfully provided individualized technical solutions to accelerate the construction of infrastructure and housing.

2.2 Limited community participation in project design and decision making

While the Ribeira Azul project is considered by the World Bank, Cities Alliance and the Italian government as an exemplary example of a participatory project, the complaints of community organizations' and AVSI's field staff about the concept of participation adopted by the project, and lack of community members' involvement in project design, suggest that the project is more "top-down" than participatory.

Differing Views of Participation

Community members lament about the way AVSI and CONDER conceive participation. In a letter written by the community organizations of Alagados and Novos Alagados to the Consultative Committee,[33] community members requested that the Committee clarify the way the program interprets the concept of "participation" given that in its application they "do not find any correspondence with the concept of participation" they know.[34] Note that a similar complaint was exposed by the community organizations of Novos Alagados and Alagados in a previous open letter to the City of Salvador. According to this letter, the community considers participation as "a process in which the community expresses its opinion and its decision making right." More specifically, the letter refers to the projects of Alagados IV and Mangueira as examples of projects that lacked opportunities for community discussion in the planning phase,

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[33] The Consultative Committee is formed by high level representatives from the World Bank, the Italian Government, the Governor of Bahia, 5 community representatives, AVSI, and CONDER.
[34] This letter is dated 23 March, 2004 and was presented during the Consultative Committee in the presence of the World Bank, the Italian government, AVSI, and CONDER.

and about which "nobody [among the inhabitants] knows anything." The letter also stated that "community members and organizations' criticisms of the project were not taken into account", or are "taken personally" and that "associations have been invited as token participants and not to influence decision making, since there is no real dialogue." Interestingly, this complaint is similar to what was expressed by more than one field staff. Project staff describe their meetings with the community as "informative meetings, in that the community is informed about decisions that have already been made by CONDER and AVSI's high level officials." Additionally, they affirm, "AVSI's concept of participation is to have the community *agree*, not to *participate*." These complaints suggest that community members do not feel they have a stake in the decision making process, and that their complaints are validated by some members of the project staff.

Furthermore, in a letter written to the Italian Minister for Foreign Affairs[35], the Consultative committee, and the city of Salvador, community members suggest that they lack information about the Ribeira Azul program. More specifically, in the letter to the Italian Minister for Foreign Affairs, the 67 community organizations of Novos Alagados, and of the network Comissao de Articulacao e Mobilizacao dos Moradores da Peninsula de Itapagipe (CAMMPI) requested access to some documents of the Technical and Social Assistance Program (PATS) in order to discuss the way the Ribeira Azul project has been implemented.[36] The community organizations' request for more information is not surprising, given that within the Consultative Committee the role of the five community representatives is to review implementation progress, and provide suggestions and overall guidance to the Program Management Unit (PATS Implementation Plan 2001). Precisely in order to perform their

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[35] This letter is dated 18 September, 2004
[36] Specifically, community organizations requested access to the following documents: the PATS project document, the budget, origin, and allocation of the PATS project funding, and the list of the guidelines of Cities Alliance that inspired the design of the project.

assigned role, community representatives again requested in a subsequent letter to the Consultative Committee information about the activities already implemented, populations that have benefited, and activities to be implemented by the project. Furthermore, community leaders wanted to see these documents in order to ensure that the Italian grant was used, as promised by the project staff, to finance the construction and operation of schools and community centers owned and run by the community.[37]

Community Members' Lack Influence on Housing Design

Community members' limited influence on the design of the housing represents another way in which the project is more "top down" than international donors believe. Community members and leaders assert that CONDER and AVSI are "indifferent" towards their housing design concerns. Community members express dissatisfaction with housing design for five reasons. First, they see the house size offered by the project as very limited, often smaller than the stilt houses where they live. The size of the houses built varies, depending on the area and the space available, between 14 m^2 and 48m^2 (specific increments include 16 m^2, 20m^2, and 22m^2), but even the larger houses offered by the project are very small for a large family. Further, it is not automatic that the project provides larger families with larger houses. Second, the limited lot size often hinders families from expanding their houses, if needed. Third, the internal layout, comprised of one large room, limits privacy, which is particularly problematic for large families. Additionally, many community members dislike having a bathroom located by the house entrance. Fourth, houses do not always have independent walls. Community members

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[37] Community organizations wanted to ensure that the Italian grant was not used to finance schools and institutions owned by AVSI, instead of financing organizations owned by the community. Note that AVSI's manager affirms that AVSI's schools and community centers have been built with AVSI's private funding. This evidence derives from interviews with community leaders and the letter to the Consultative Committee of the Ribeira Azul project and the Bahian Authorities dated March 23, 2004, and signed by the 5 community representatives accredited in the PATS Consultative Committee.

value independent walls for their ability to buffer their homes from the surrounding noisy environment. Finally, some of the project houses have two-stories, which community members see as unfavorable, as this layout blocks their ability to build vertically to accommodate growth in family size. Note that building vertically when the family enlarges is a cultural habit of poor families living in the area.

Both AVSI and CONDER high level officials gave limited importance to these comments, on the grounds that the housing design offered by the project is the only possible one. For example, AVSI's manager believes that the limited range of housing options and the technical difficulty of the project leave little room for community participation in project design. Additionally, he claims that the requests of the community to modify the design of the houses are financially and technically unfeasible. "Community members only think about themselves" and "do not seem to realize that if we build larger houses, we are going to be able to build less of them, and that some people will have to be resettled."

Given the unavailability of land in Alagados and Novos Alagados, and CONDER's effort to minimize resettlement, I believe that there is indeed a trade off between building bigger houses and resettling inhabitants out of the area. At the same time, I believe that a greater consideration for community members' concerns as least in so far the location of the bathroom and the independent walls, as well as more constructive dialogue about the reasons why a different housing design would not have been possible, could have made a difference in community members' attitude toward the project.

Why does AVSI Play only a Limited Intermediary Role

Although the lack of trust toward AVSI may to some extent derive from community organizations' different political orientation, or unmet expectations of playing a greater role in

the design of the project, the complaints of community organizations do show that the project has not been as participatory as believed. Particularly since AVSI gained recognition as a go-between, it is surprising that AVSI did not play an intermediary role between the community and CONDER. Indeed, in contrast to the common assertion that NGOs are "participatory," this does not seem true here, at least in terms of community members' participation in project design and decision making. I argue that AVSI's limited intermediary role has three possible explanations: (1) community organizations' perception of AVSI as lacking independence from CONDER, and the government more in general; (2) limited interest of AVSI to advocate for the community, for threat of compromising its relationship with CONDER, and (3) a seeming tradeoff between community participation and scale of the project.

First, community leaders and members do not see AVSI as a separate organization from CONDER and perceive the boundaries between CONDER and AVSI as blurred. For example, one community leader said: "CONDER and AVSI are the same thing, they think in the same way, they are not separate organizations." Another community leader said, "AVSI lost its identity as an organization close to the community, and that's bad." This community leader went further explaining that AVSI acts as if it is an "arm of the government." However, another interviewee affirmed that a difference exists between AVSI and CONDER in terms of the values and mission of the two organizations. But, he said, "even if AVSI listens, it does not act on the basis of what it listens to." These comments suggest that AVSI is not particularly successful at responding to community members' needs and that NGOs are not always "closer" to people than government agencies are. Furthermore, the community perceived that only one organization, CONDER, implemented the project. For example, community members refer to AVSI's social

staff in the field as "girls of CONDER."[38] Additionally, all of the letters of complaint written by the community are addressed to the project staff, and not directly to AVSI. This holds true even when complaints are specifically directed to AVSI.

Second, I believe that because AVSI gains an important role in project implementation on account of a strong relationship with CONDER it has a limited interest in advocating for the community if that threatens its relationship with CONDER. For example, CONDER subcontracted AVSI to develop social activities and social intermediation in Algados IV and V and AVSI is also the current co-director of the project. Maintaining a close relationship with AVSI is in the interest of AVSI to survive and grow as an organization. According to high level CONDER's officials, CONDER would not have allowed AVSI to have such an important role in project implementation, if "it did not felt AVSI was a loyal ally, closer to CONDER rather than to the community."

Third, my interviews suggest a possible trade-off between participation level and scale of the project. According to an AVSI staff member who participated in the Novos Alagados project before it scaled up to the entire Ribeira Azul area, "it is impossible for AVSI to maintain the same close relationship with the community that it had in Novos Alagados when the area of the project and the number of activities implemented were much smaller." CONDER's social director of the Ribeira Azul project, who also participated as a member of AVSI's staff in the project in Novos Alagados, again suggested that "the large number of donors, the different administrative requirements they have, and the large number of activities implemented by the project do not allow the same relationship with the community that AVSI had when the project started." Along these lines, AVSI's management affirmed that, because of the project size, they now need to work with community associations rather than with community members. Note

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[38] From the Portuguese "Meninas da CONDER"

however, that this represents a problem if the issues discussed with community leaders are affecting individual properties. For example, one of the community leaders of Alagados suggested that "the project staff should not discuss the design of the houses with community leaders but directly with community members to ensure that houses meet community members' needs." Thus, while the increase of project size results in the need to work with community leaders rather than with single community members, the feasibility of this approach seems limited when the issues discussed affect individual goods such as housing.

2.3 Building Infrastructure and Housing Without Community Participation in Housing Design

While community participation is considered necessary for the implementation of slum upgrading projects, as we have seen, community participation was limited in the Ribeira Azul project, at least in respect to project design. So, how do we explain that the project was able to eliminate 1,700 stilt houses, build a costal road, connect the settlement to the main road network, and provide 7,700 families with improved water and sanitation infrastructure? I argue that CONDER and AVSI succeed at building housing and infrastructure for three reasons: 1) the living conditions of the inhabitants of Novos Alagados and Alagados, 2) project design, and 3) the manner in which the project was implemented.

The Living Conditions of Alagados and Novos Alagados Inhabitants

The living arrangements of the inhabitants of Novos Alagados and Alagados prior to the launch of the project facilitated project execution for a number of reasons. First, many people living in the stilt houses survive in inhumane living conditions (see picture Appendix II): houses on stilts are made of pasteboard, lie in and are surrounded by trash, lack stable foundations, have broken roofs, and often lack safe water access and sanitation facilities (see appendix III).

Additionally, stilts needs to be substituted every 4-6 months because the tides rot the wood, and to further exacerbate the difficult situation, wood has become increasingly expensive over time. Moreover, replacing stilts requires male laborers, but many households in Novos Alagados and Alagados are female headed. Therefore, the project presented these women with a unique opportunity to both move into a house and solve many of these other related problems. Finally, because stilt houses built around the same pier structurally support one-another, when one or more are removed, the others are likely to fall. Thus, when one or more families of a pier participated in the project, it resulted in the participation of the entire pier's inhabitants (see appendix III).

The role of Project Design

The design of the project helped the construction of housing and infrastructure in two ways. First, CONDER decided to minimize[39] the number of families to resettle to avoid the difficulties typically associated with resettlement, by land-filling the tidal area where the houses on stilts were built. This occurred despite the high cost of land-filling (Teixera 2002). For example, as contrasting pictures of Novos Alagados in Appendix II demonstrate, the area where stilt houses were present in 1984 used to be tidal, but was then filled during the project. Resettlement is often one of the most challenging components of slum upgrading projects because it requires intense negotiations with the community. Slum dwellers regularly refuse to relocate or leave the land that they have occupied for many years, often illegally. This was especially true in the case of Alagados and Novos Alagados; the extremely poor living conditions of its inhabitants attracted great attention and became well-known across the country. Moreover, because many poets and artists had celebrated the charm and uniqueness of these

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[39] Indeed, the number of families resettled is only 136 out of a total of 800 that were substituted their house on stilts.

slums, they had not only contributed to their fame, but also created a feeling of pride and attachment to the area among the inhabitants. Thus, by avoiding resettlement CONDER and AVSI succeeded in having the community to support the project. Second, CONDER indirectly pressured the inhabitants to buy in the project because of its decision to stop paying to maintain the piers that held the stilt houses together (see Appendix III). Note that costs of maintenance of piers are high both in monetary and social terms because the inhabitants need to organize to buy the material, come together to build or repair them, and share the financial burden.

The role of Project Implementation

Characteristics of project implementation facilitated physical improvements in two ways. First, while project beneficiaries are formally supposed to pay for the houses, CONDER,which is formally responsible for payment collection, has never collected the payments.[40] While this is typical of many slum upgrading projects, it played an important role in facilitating the implementation of the project in that many community members said that they would have never accepted such a house if they had had to pay for it. Interestingly, community members declare that they would never pay for the house, even at the moment they sign the contract in which they agree to have their house substituted and commit to pay for the house. According to CONDER's staff, CONDER does not have the institutional capacity to collect payment. There are, however, other more important reasons that explain why CONDER never collected payments: lack of political convenience and high costs of collection of the payments. CONDER finds it politically convenient not to have inhabitants pay for the houses. Indeed, CONDER has used the project for political purposes on more than one occasion, the most important of which took place in 1997,

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[40] Households are supposed to pay a monthly rate of 10% of the minimum salary for 5 years and they commit to pay these monthly rates when they sign the contract in which they take responsibility for paying for the house.

when Sonia Fontes, the then president of CONDER, left to become state depute for the PFL[41] party. Under such circumstances, in order to ensure Fontes the votes of the inhabitants of Novos Alagados, CONDER forgave the payment for the houses built by the project until that year. The other reason why CONDER does not collect payments is that – because of the very low prices that project beneficiaries pay for the houses - it would be more expensive to collect the payments, rather than forgive them. Indeed, in order to collect the payments, it is necessary to have field agents that go door to door every month, and administrative support to keep track of each inhabitant's payment record.

Second, when implementing infrastructure and housing improvements, engineers made small changes in project design to accommodate community members' needs. The physical design of these changes ranged and included relocating the door or a house in response to a request. Another case involved a slight narrowing of a coastal road that the project is building in Alagados III, in order to reduce the impacts it would present in passing over the plot of an unemployed woman living with 8 children in a stilt house. The project staff weighed the circumstances of this woman and decided to avoid forcing her to resettle. Note that project staff considered these modifications a way to bridge the "distance" between the community and the project, and compensate for community members' discontent with the lack of involvement in the design of the housing. For example, one social worker said, "we can't do much because high level officials won't listen to us, but at least we do as much as we can to help these poor people, and make the project to happen." This social worker's comment illustrates social intermediation specialists' frustration with the limited influence of community members in the housing design. Furthermore, this comment suggests that social intermediation specialist see themselves as having the crucial role of making project implementation possible.

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[41] PFL stands for Party of the Liberal Front.

2.4 Community participation in project implementation: two different successful institutional arrangements

As we have seen, getting residents to agree to cede parts of their lots to widen a road, or build a drainage system is difficult and often requires relaxing technical standards and finding individualized solutions. It is therefore worth taking a closer look at the two different institutional arrangements used in the Ribeira Azul program that succeeded at providing individualized solutions to meet community members' needs and accelerated project implementation.[42] The first case characterized the implementation of the project from 1993 to 2000 in Novos Alagados and represents an example of a centralized institutional arrangement. In this example, CONDER's socially-minded technicians and a social intermediation professional work in close contact with the community.[43] The second case characterizes the implementation of the project from 2000 on in the areas of Alagados III, IV and V and illustrates a decentralized model. In this latter example, AVSI's social intermediation workers serve as liaisons between CONDER's technicians and the community. The move from a centralized to a decentralized institutional arrangement in 2000 has two motivations. First, in 2000, the leader of CONDER's technical team working in the Ribeira Azul project resigned as a result of tensions with CONDER's new president, Mario Gordilho. Subsequently, Gordilho dismantled CONDER's team and substituted it with engineers that had little, if any, experience working in slums. He also increased the role of subcontractors as social intermediation specialists. Second, around

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[42] Note that, as mentioned in the previous section, these modifications are small and do not include modifications of the housing design.
[43] Note that AVSI was present in the area even before 2000, but the division of labor between AVSI and CONDER was such that CONDER's technicians and social worker were also deeply involved in social intermediation activities.

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2000, AVSI assumed exclusive responsibility for social intermediation in the areas of Alagados

III, IV and V, thus becoming the intermediary between CONDER and the community.[44]

The first of the following sections will analyze the "centralized" institutional

arrangement. The second one will briefly present the events that occurred in 2000 and discuss

the "decentralized" institutional arrangement.

1993-2000: "Centralized" provision of customized solutions

Large, centralized government agencies often have difficulty working in poor settlements

due to high population density, unplanned housing layouts, and a lack of respect for urban design

standards. These challenges all give rise to a need for individualized solutions that meet the

needs of community members. Despite being a large and centralized agency, CONDER

succeeded in providing individualized and flexible solutions according to community members'

requests. I argue that CONDER's success is the result of the presence of a group of socially

minded and committed engineers and architects, as well as a social intermediation professional,

who benefited from autonomy and discretion granted to them by CONDER's president Sonia

Fontes.

When the project started in Novos Alagados in 1993, the then current president of

CONDER, Sonia Fontes, asked the engineer Medici to take responsibility for the infrastructural

and housing improvements of Novos Alagados. Medici was the central figure responsible for the

design and implementation of the first government project in Alagados, executed in the 1980s by

the state agency AMESA, and therefore had significant experience in working in Alagados.[45] As

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[44] AVSI was contracted by CONDER for the implementation of Alagados IV and V. The project in these areas is financed by the Caixa Economica Federal. Instead, in Alagados III, social intermediation is paid through the grant of the Italian government.

[45] As stated in chapter 1, AMESA stands for Alagados Melhoramentos, and it was a state agency created with the only goal of building houses and infrastructure in Alagados.

stated in chapter 1, the state government project implemented by AMESA succeeded in removing all of the stilt houses in Alagados. It also gained notoriety in the country for the techniques used to land-fill the swampy regions, and for being one of the first slum upgrading projects in Brazil which succeeded in limiting resettlement, and providing water and sanitation infrastructure to slum dwellers. At the time, the AMESA office was located in Alagados, surrounded by houses on stilts.[46] Medici and one of the other members of his team recall that, when working with AMESA, they spent days and nights talking with community members, trying to meet community members' requests of small modification to project design so that the project could replace their stilt houses with homes on dry ground, and solve conflicts among community members.

Because of his reputation and experience, Sonia Fontes granted Medici unwavering support as well as autonomy to organize and implement the project. For instance, Fontes followed through on two requests made by Medici: establishing a small CONDER's field office in Novos Alagados where Medici and his team would have worked, and allowing him to choose his own team members. Medici selected four people to work with him: another engineer, two architects, one of which had worked with him in the 1980s in Alagados, and one social worker. From the beginning, all of the team members were located in the field office and had direct contact with community members on a daily basis. Such an operational structure was unusual for CONDER's workers, especially for engineers and architects. All of the members of the team, even Medici himself, recall with enthusiasm and positive sentiment that they spent most of their days talking to community members about the project, and finding technical solutions that could satisfy the requests of these people on the ground. Indeed, some members of the team told me

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[46] Note that this office was very important for the population because it represented the presence of the state at the local level. Community members went to this office for a variety of problems.

that what distinguished them from CONDER's high level officials and technicians was their "social culture." Even those members of the CONDER group that did not participate in the first Alagados project in the 1980s, developed technical expertise to work in such an environment, and grew attached to the place. They likewise showed commitment to their jobs. I was struck by these workers' relationship with the place and the communities of Alagados and Novos Alagados, and by their sense of ownership of the project, which they referred to as "their baby." They described working in Alagados as "much more than a job," and added, "we were married with Alagados." As illustration of the high degree of commitment, some described how even during the rainy season, these public officials often spent their lunch breaks and weekends checking to ensure that the drainage system they had designed was working properly.[47] Additionally, they often resolved conflicts among community members, and even took community members to the hospital on more than one occasion. The findings presented in this section suggest that the presence of a socially-minded group of engineers allowed a centralized agency, such as CONDER, to provide individualized solutions and accommodate community members' needs.

2000 to present: "Decentralized" provision of customized solutions

The second institutional arrangement used in the Ribeira Azul project to provide small modifications to project design to accommodate community members' needs is characterized by the presence of AVSI's social intermediation workers as liaisons between CONDER's technicians and the community. This institutional arrangement relates to project implementation from 2000 on in the areas of Alagados III, IV and V. Although NGOs are said to operate flexibly and in a decentralized fashion, and are therefore suited to play an intermediary role

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[47] The design of the drainage system represents a particular challenge in the area from the technical and engineering view point.

between infrastructure agencies and community members, close collaboration between technicians, such as engineers and architects, and social intermediation professionals working for NGOs is typically a challenge (Davis et. al 2001). Engineers often refuse to work with social intermediation professionals because they consider this group of a low professional status and lacking knowledge about technical issues. On the other hand, social intermediation specialists often express frustration at not being listened when they present technical suggestions to engineers. In contrast to what normally happens, in Alagados III, IV, and V, AVSI's social intermediation specialists work successfully with CONDER's engineers and architects to provide individualized solutions that satisfy community members' needs.

In order to understand how AVSI's social intermediation specialists and CONDER's technical staff successfully worked together, it is necessary to provide an historical backdrop to the events that occurred in the Ribeira Azul project in 2000. In 2000, AVSI assumed exclusive responsibility for social intermediation in the areas of Alagados III, IV, and V.[48] This partially arose as a result of a decision by Gordilho, the new CONDER's president, to subcontract AVSI for the implementation of social activities and social intermediation in Alagados IV and V. It also stemmed from the fact that social intermediation specialists in Alagados III, are paid through the Italian grant managed by AVSI, and are therefore AVSI's employees. Second, Medici resigned[49] as a result of his tensions with the new CONDER's president Mario Gordilho,

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[48] AVSI was contracted by CONDER for the implementation of Alagados IV and V. The project in these areas is financed by the Caixa Economica Federal. Instead, in Alagados III, social intermediation is financed by a grant from the Italian government.

[49] Medici's resignation was the result of three events. First, Gordilho decided to close CONDER's field office in Novos Alagados and transfer the project unit from Novos Alagados to CONDER's headquarters. This decision was motivated by Gordilho's desire to maintain control over the project and over Medici's team. The team was well known in CONDER and in Bahia for its technical capacity and commitment, but it was also left-wing, had a relationship with all community organizations in Alagados and Novos Alagados, and was accustomed to having autonomy and discretion. According to Medici, Gordilho's decision "killed the soul of the project" because "it did not make any sense to work on the project from the headquarters," and with an unmotivated the team. Additionally, the team took Gordilho's decision as a demonstration of lack of trust and lack of understanding of the importance of

and Gordilho, after dismantling his team,[50] replaced it with technicians that had little, if any,

experience working in slums. Indeed, the Ribeira Azul project was the only slum upgrading

project implemented by CONDER until recently, and most of CONDER's technical staff has

experience only in building infrastructure, such as streets, waste disposal plants, and houses on

empty land.

I argue that CONDER's engineers and AVSI's social intermediation specialists

successfully worked together for two reasons. First, CONDER's engineers realized that

coordination with AVSI's social staff made their work easier. In fact, as explained in previous

sections, the newly appointed CONDER's engineers lacked experience working in slums, and

were not accustomed to close interactions with community members. Some even considered it a

"punishment" to work in the field offices in Alagados and Novos Alagados. Second, CONDER

engineers and AVSI social workers informally interacted on a daily base during lunch breaks.

The project pays for lunch for the staff of both institutions in a commercial center in the area.

This commercial center is the only place where workers can eat in the area. Such lunch breaks

have stimulated dialogue between engineers and social staff of the two agencies, and have

facilitated understanding of each other's way of thinking. Many engineers told me that these

conversations and daily interactions with AVSI's staff and community members has changed the

their work in the community. Second, Gordilho's acceptance of the proposal of the Italian Government, the World
Bank and AVSI to channel the $5 million grant offered by Italian Government to AVSI, rather than to CONDER.
Indeed, Medici wanted to ensure that CONDER maintained control over project funding and was concerned about
AVSI's increasing role in the project. Third, Gordilho's disregard of Medici's denounciation that one of the
construction firms doing the land-fill in Novos Alagados had been charging CONDER higher costs than what it had
defrayed. Despite the fact that Medici proved that the construction firm had been charging between 10% and 15%
more than the cost of the land-fill, Gordilho did not support Medici. This is because Gordilho and CONDER have a
close relationship with the construction sector, and more specifically with that firm.

[50] One engineer is still working in the Ribeira Azul project in CONDER's headquarters. The sociologist is now
working for CONDER in the interior of Bahia. An architect resigned and now works at the University of Bahia. The
other architect is currently working as an advisor to the Minister of Cities in Brasilia. Finally, Medici is doing a
PhD at the Escola Politecnica da Bahia, and is involved in the preparation of the next government project Viver
Melhor II in CONDER's office. However, both Medici and the other engineer still working on the project have
limited autonomy and responsibility compared to the past.

way they see their jobs and it has changed them as people. In conclusion, a "decentralized" institutional arrangement is also successful at ensuring that small modifications of project design satisfy community members' needs. Specifically, such decentralized arrangements seemed to have worked on account of engineers' need to cooperate with social intermediation professionals in order to simplify their job.

2.5 Conclusion

This chapter looked closely at community participation, considered one of the primary reasons for the success of the Ribeira Azul project. It not only provided evidence that the project is less participatory than what the World Bank and Cities Alliance indicate, but also that AVSI was not successful at ensuring that community members' concerns were factored into project design. This chapter also provided evidence that infrastructure and housing improvements can be implemented without community participation in project design. More specifically, it showed that CONDER and AVSI succeeded at building infrastructure and housing because of the following: (1) the extremely difficult living conditions of the inhabitants of houses on stilts in Alagados and Novos Alagados; (2) the limited number of inhabitants resettled; (3) CONDER's indirect pressure on the inhabitants to participate in the project by ending their financial support for pier maintenance; (4) CONDER's decision to not collect payments for houses; and (5) the implementation of small modifications to project design in order to accommodate community members' requests. Furthermore, this chapter showed that both a "centralized" and a "decentralized" institutional arrangement can be successful at providing customized solutions to community members' needs. Finally, the chapter suggests that in order to draw lessons for policies, community participation must be deconstructed into the different forms it takes.

Chapter 3

The Politics of Maintenance

3.1 Introduction

Maintenance typically represents a challenge in many infrastructure, including slum

upgrading projects. This is also true in the case of Ribeira Azul. This chapter aims at explaining

the reasons why maintenance has been a problem in the Ribeira Azul project. Section 3.2

presents the reasons encountered in the literature about why maintenance represents a problem in

many projects, and describes the specific situation of the Ribeira Azul project. Section 3.3 and

3.4 discuss the political factors – namely inter-governmental competition between the State and

the Municipality, and party politics – that explain why the Municipality is not performing its

maintenance role. Section 3.5 presents the positive aspects associated with the lack of

involvement of the Municipality. Section 3.6 concludes.

3.2 The exclusion of the Municipality

While maintenance of infrastructure is crucial to ensure project sustainability of the

investments made and the networks and equipment installed, it typically represents a challenge

for many reasons. First, agencies find maintenance politically less attractive than construction

(Tendler 1993). Second, engineers often consider maintenance a diminution in terms of

standards, prestige and past work and therefore often refuse to perform, or badly perform

maintenance tasks (Tendler 1993). Third, projects that involve mainly construction often do not

incorporate guidelines for project maintenance do not allocate funding or provide technical

assistance, or administrative support to the institutions responsible for maintenance (Bamberger

et al. 1982). Furthermore, international donors, such as the World Bank, do not provide incentives for maintaining already built infrastructure projects in that they do not tie successive disbursements of loans or grants to the maintenance of what was previously built. Note that maintenance can represent even a greater challenge when it is performed by a separate agency than the agency responsible for construction. When the institution responsible for maintenance is separate from the institution responsible for construction, the two agencies need to cooperate. However, coordination often represents a significant challenge, especially if the institution responsible for maintenance has not had a stake in project design and implementation or if it has not received funding and equipment from the project to perform its maintenance tasks.

Responsibility for maintenance of infrastructure built by the Ribeira Azul project stays with the Municipality of Salvador. Problems related to the poor maintenance of infrastructure and conflicts among CONDER and the Municipality for the responsibility of maintenance have already manifested and put the sustainability of the project at risk. For example, in Novos Alagados, CONDER and the Municipality are both neglecting their responsibility to fix a main road that, when invaded by rain water, cannot be used by residents because it practically resembles "a river". According to CONDER, the Municipality is responsible to fix the road, because the Municipality is responsible for maintenance. On the other hand, the Municipality affirms that the responsibility for the repair of the road stays with CONDER because the road is inundated by water as a result of a mistake made by CONDER when the road was build.

Lack of maintenance in the Ribeira Azul project can be strongly attributed to the fact that, despite being the institution legally responsible for maintenance, the Municipality of Salvador is de facto not included among the implementing agencies of the Ribeira Azul program, nor seems

to have any stake in project design or implementation.[51] Formally part of the Consultative committee, the Municipal representative has changed numerous times, and while I was in Salvador I was not able to identify him. Even the Italian Grant, which aims – among its goals - at providing technical assistance and building institutional capacity in the local government, did not provide any technical assistance, in the form of equipment, training courses, personnel, or simply funding to the Municipality. The exclusion of the Municipality from the implementation of a slum upgrading project is even more surprising if we consider that under the 1988 Constitution, Brazilian municipalities gained exclusive authority to organize and provide local public services, to organize municipal zoning laws, and to legislate and develop urban development plans. Additionally, the Estatuto da Cidade, Law 10.257/01 further devolves the responsibility of developing local urban development policy solely to the municipalities.

The World Bank has repetitively tried to convince politicians and CONDER's officials to provide a greater role for the Municipality. For example, the Task manager of the PRODUR and of the Ribeira Azul project had private conversations with CONDER's high level officials, Antonio Carlos Magalães (ACM) and the other Party of the Liberal Front (PFL) governors Paolo Souto (PFL, governor between 1995-1999 and between 2002-2006), and Borges (PFL, governor between 1999-2002). However, the World Bank has not succeeded at increasing the involvement of the Municipality in project implementation. Furthermore, the Municipal representative in Consultative Committee has never been an influential Municipal public official, and as a result collaboration between CONDER and AVSI and the Municipality has been very difficult. However, despite the request of the World Bank to appoint an influential officer within the Municipality as the person responsible for the implementation of the Municipal tasks related to the Ribeira Azul project - nothing has changed as of August 2004.

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[51] From now on, the Municipality of Salvador will be simply called "Municipality."

So, how do we explain the exclusion of the Municipality from the implementing agencies of the Ribeira Azul project and the limited collaboration between the CONDER and the Municipality? I argue that such exclusion stems mainly from the inter-governmental political competition between CONDER and the Municipality and party politics. I will now discuss each of them in turn.

3.3 Inter-governmental political competition

Inter-governmental political competition between the State and Municipal government led to the exclusion of the Municipality from project implementation since in the initial negotiations for slum upgrading in Novos Alagados in the early 1990s. At the time, CONDER was responsible for the development of the entire metropolitan region of Salvador, and was implementing the Metropolitan Project – a $77 million project financed by the World Bank and aiming at improving infrastructure, waste management systems, solid waste collection, and sanitation facilities in a number of areas of the city of Salvador. CONDER started its intervention in Novos Alagados in 1993, after ACM decided to include Novos Alagados as one of the areas of the Metropolitan project. In 1993, the Municipality of Salvador was governed by Lidice Da Mata (1993-1996), a member of the PSDB, the opposition party, whereas the State government was governed by ACM (1991-1995). Because the Municipality of Salvador was governed by the opposition, ACM's decision to exclude the Municipality from taking part to the implementation of the Metropolitan project, and to the project in Novos Alagados is not particularly surprising. In fact, at the time, ACM and the PFL party precisely pursued the strategy of limiting financial transfers from the State to the Municipal level in order to impede Lidice Da Mata's governance of the Municipality. Salvador has the poorest record among all

Brazilian state capitals Brazil in terms of revenues collected,[52] and historically mayors have had to rely heavily on inter-governmental transfers, or on financing from other groups such as the construction industry, to implement their policies (Souza 1997, 1999). Political competition between the State and the Municipality, ACM's political influence in Salvador and Bahia, and the high dependency of the Municipality on inter-governmental transfers brought about the failure of Lidice Da Mata's mayoral administration. The impact of the PFL's strategy is evident from the fact that with the election of the PFL candidate Imbassahy in 1996, just a year later, the Municipal revenues from transfers increased 70,8% (Fernandez 2004).[53]

As soon as he was elected, Mayor Imbassahy (1996-2004) declared his loyalty to ACM, and his willingness to establish a close relationship with Governor Paulo Souto (1995-1999), also from the PFL party (Fernandez 2004). Yet the Municipality remained excluded from the Ribeira Azul project. How do we explain the exclusion of the Municipality from the Ribeira Azul project, given the PFL control of both the State and the Municipality and Mayor Imbassahy's interest in a closer collaboration with the State Government? Party politics is the other main reasons of the exclusion of the Muncipality from the Ribeira Azul Project.

3.4 Party politics

Party politics, and more specifically important political decisions of ACM – the leader of the PFL party - and the PFL party as well the personal rivalry between ACM and Imbasashy also

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[52] Municipal revenues come from three main sources: (1) State government transfers amounting to 25% of the revenues collected at the state level from the ICMS (consumption tax); (2) The ISS, which is a Municipal tax on services; (3) The IPTU, which is a Municipal property tax. Because Bahia's population is poor, consumption is limited, the revenues collected at the State level are limited, and transfers to the Municipal Government and therefore ICMS contribution to Municipal revenues is low. Additionally, Salvador's economy is based on industry rather than on services, and therefore revenues collected from the ISS are also limited. Finally, Salvador is a city where property is mostly informal and revenues from the property tax are also very limited.
[53] The revenues form transfers increased from R$196 in 1996 to R$276 in 1997.

played a major role in the exclusion of the Municipality from the Ribeira Azul project.[54]

Partially because of the limited financial resources available to the Municipality, ACM and

Mayor Imbassahy (1996-2004) agreed that the Municipality would not be involved in the Ribeira

Azul project. Additionally, also as a consequence of the limited financial resources available at

the Municipal level, the PFL thought it more strategic from a political standpoint to spread the

available resources to construction or other type of projects in dissident areas of the city of

Salvador, so that the PFL could enhance its political influence over areas where there was not a

strong PFL contingency. However, despite this diversification strategy, in the summer of 2004,

during the political campaign for the Municipal elections in October 2004, CONDER's projects

have been extensively used by the PFL candidate João Enrique. For example, the face of João

Enrique appeared in advertisements of the Ribeira Azul project and other CONDER projects on

the local TV channels Bahia Globo and Itapoan.

Furthermore, the personal rivalry between ACM and Imbassahy, which developed over

time during Imbassahy's first and second mayoral administrations (1996-2004), is another

explanation for the exclusion of the Municipality. Mayor Imbassahy is a popular and respected

personality in Salvador. He succeeded at improving safety and renovating the historical center

of Salvador and the 'Dique do Tororo Park', thus making the city more attractive to tourists.

While ACM has a high opinion of Imbassahy, ACM feels threatened by Imbassay's leadership,

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[54] The relevance of party politics in influencing which agencies are involved in the Ribeira Azul project should not be underestimated: political competition between two factions of the PFL, one led by ACM, controlling CONDER, and the other one led by the current state governor Paolo Souto, controlling SEDUR, is currently causing major conflicts between CONDER and SEDUR. CONDER and SEDUR are fighting for the control of financial resources and responsibilities in the new $160 million government project Viver Melhor II. While CONDER is controlled by ACM, SEDUR is controlled by Paulo Souto, and governed by Mousallen, Paolo Souto's right hand man. Such competition between the two factions of the same party is motivated by the uncertainty over the name of the PFL candidate who will run in the 2006 Governor elections. Since ACM's power and control over Bahia is decreasing (Neto 2004), it is not obvious that PFL's new candidate for state governor will be chosen by ACM. Therefore, there is tough political competition between the two factions.

autonomy, and success. [55] Since CONDER has been always controlled by ACM,[56] even after other PFL governors succeeded him[57], he would not let the Municipality to participate to such an important project. Summing up, even after the PFL gained control over the Municipality, the Municipality surprisingly remained excluded from the Ribeira Azul project. Party politics, and namely strategic decisions of the PFL party's leaders and personal rivalry within the PFL, explain such exclusion.

3.5 Positive aspects associated with the exclusion of the Municipality

While the exclusion of the Municipality represents a major challenge for the sustainability over time of the infrastructural improvements brought by the project, it has also facilitated project implementation in three respects. First, as a result of the exclusion of the Municipality, the project is insulated from potential intergovernmental political conflicts between the State and Municipal government. This is especially important for projects – such as the Ribeira Azul Projects – that cannot be completed within an election cycle. Municipal or state elections can bring instability, if the Mayor and the governor are required to collaborate. In this case, instead, political commitment at the state level is sufficient to continue construction. Note that such insulation could be particularly important to complete the Ribeira Azul Project especially after opposition candidates won the 2004 Municipal elections. This, however, does not solve the long-run problem of maintaining the project. Second, it facilitated and accelerated project implementation, in that responsibilities and tasks are not divided among different agencies, and therefore the need for coordination is reduced. Additionally, such exclusion

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[55] Interview with an important Bahian political scientist, who was part of the staff in the last ACM's administration of the state government (1991-1995).
[56] An example of ACM's control over CONDER lies in ACM's appointment of CONDER's presidents.
[57] Paulo Souto (PFL) between 1995 and 1999 and between 2002 and 2006 and Ceasar Borges (PFL) between 1999 and 2002,

maintained the focus remains only on the politically easiest task, which is construction, thus allowing major infrastructure improvements to take place. Third, CONDER's exclusive involvement in the project prevents it from blaming other implementing agencies for its mistakes, or delays, thus creating incentives for CONDER to perform better. For example, CONDER could not blame any other agencies for not having completed construction of a road in Novos Alagados II.

3.6 Conclusion

This chapter described the relevance of politics - namely, the inter-governmental political competition between the State and the Municipal government and party politics - in shaping project design, and preventing the inclusion of the Municipality in the Ribeira Azul project. Specifically, the chapter explained why the Municipality remained excluded at the beginning of the Ribeira Azul project, and illustrates why, surprisingly, it remained excluded even once the Municipality and the State government have been controlled by the same party. Finally, the chapter presents some positive aspects that could derive from the exclusion of the Municipality from project implementation. Namely these factors are: insulation from potential inter-governmental political conflicts between the state and the Municipal government, faster project implementation because of the reduced need for inter-agency cooperation, and greater commitment to the project because of the increased sense of ownership originated in the exclusivity.

Chapter 4

Getting financial resources and becoming exemplary

4.1 Introduction

Previous chapters discussed important shortcomings of the Ribeira Azul project. This chapter, however, explores that project's success, and the reasons why it has become well known as an exemplary slum upgrading initiative. Section 4.2 discusses how the project succeeded in securing financial resources from the Italian Government and the World Bank, which allowed the project to be progressively scaled up to become a model for a state-wide upgrading initiative. Section 4.3 explores the role marketing played in increasing the visibility of the project among international donors and in promoting the project's reputation as a success. Section 4.4 describes how the Ribeira Azul Project became exemplary. Section 4.5 concludes.

4.2 Securing financial resources

International donors and scholars often cite lack of financial resources as a reason for the lack of sustainability among slum upgrading initiatives, many of which are delayed or benefit only a limited number of slum dwellers. However, the Ribeira Azul program succeeded in securing sufficient financial resources not only to complete the project, but to increase its scale to the state-wide level.

The connections between the Director of the Italian Cooperation at the time, Vincenzo Petrone, and AVSI's president Alberto Piatti, and the close relationship between the current World Bank task manager, Ivo Imparato, and AVSI and CONDER, played a major role in

delivering financial resources to the Ribeira Azul program. Indeed, the close relationship between Petrone and AVSI resulted in the quick approval[58] of a $5 million grant from the Italian government to finance the Technical and Social Assistance Project (PATS). PATS aims at providing technical support for the implementation of the Ribeira Azul Program, assisting in the scaling-up exercise in which the project moved from a small-scale initiative in Novos Alagados to a larger program reaching across Ribeira Azul.[59]

Furthermore, Imparato's involvement in the Ribeira Azul project before he became task manager of the World Bank during the preparatory phase of the PATS created a strong connection between the World Bank and the institutions involved in Ribeira Azul. These connections resulted in the World Bank's approval of a $96 million loan to scale up the Ribeira Azul project to the state-wide level. The new government project, *Viver Melhor II*, will begin in 2006, and will involve upgrading projects in 16 Municipalities of the State of Bahia.

In order to understand how these personal connections were developed, and the importance they played for delivering financial resources to the project, I will first analyze the relationship between the Italian Ambassador Petrone, and AVSI's President Alberto Piatti. I then discuss Imparato's career before he became task manager of the World Bank.

Inter-Italian Connections

The decision of the Italian government to provide the $5 million grant to the State Government of Bahia is the result of a chain of events beginning in 1999, the main actors of

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[58] The project was presented for approval by AVSI in June, and was approved by the Italian government in July 2001.
[59] The actions of the Technical and Social Support Project include: the coordination and assurance of methodological consistency of the whole program; technical support for the elaboration of the physical and social projects; support to Government actions in the area of housing; execution of strategic social work; systematization and dissemination of the methodology to be employed; and part of the studies that will be necessary for the preparation of *Viver Melhor II*.

which include: Vincenzo Petrone (Director of the Italian Development Cooperation at the time), and AVSI's president Alberto Piatti. In 1999, when Petrone was still Director of the Italian Development Cooperation, Piatti invited him to Salvador to visit the Ribeira Azul project. Impressed by the physical improvements and the number of schools and training centers built in *Novos Alagados I Etapa*, Petrone suggested that Piatti submit a proposal to the Urban Poverty Reduction Fund of the Italian government[60] in order to extend the project to reach the whole Ribeira Azul area. AVSI subsequently submitted the Technical and Social Assistance Program (PATS) proposal. As a result of Petrone's support, the Italian government approved the grant to the state government of Bahia in July 2000, just one month after the request.

Petrone's active support to the project since its inception has two motivations. First, his personal friendship with Alberto Piatti, which stimulated him to visit the project in 1999 and follow the project through the approval process. According to AVSI's management and staff, Petrone's support "was fundamental to make the social and technical assistant program possible" and "without Petrone, this project would not have been in place or its approval would have taken much longer."[61] Furthermore, it is important to note that, beside the being a friend, Piatti is also an important political ally to Petrone in the Italian political arena; he is one of the most influential members of *"Comunione e Liberazione"* (CL)[62] and *"Compagnia delle Opere"*

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[60] This fund was created by the Italian Government for financing Urban Poverty Reduction Initiatives, when the Italian Government became a member of Cities Alliance.

[61] Declaration of Alberto Piatti during a meeting in Salvador in July 2004.

[62] CL is an international ecclesiastic movement, born in Milan, and present in about seventy countries throughout the world, with more than 100,000 members only in Italy. The purpose of this movement is "the education to Christian maturity of its adherents and collaboration in the mission of the Church in all the spheres of contemporary life."[62] This includes the political sphere, an example being the governor of Lombardia. Additionally, CL is currently supporting Berlusconi's party and his conservative coalition. The proximity between AVSI and CL is showed by the fact that CL's members - who belong to the Fraternity of CL - the group of CL recognized by the Catholic church are required to donate a monthly contribute to AVSI, the amount of which is voluntary.

(CDO)[63], two organizations with major economic and political power in Italy. Members of CL

and CDO occupy important political positions in the Italian government and the private sector,

and wield considerable economic and political power in Italy. For example, the governor of

Lombardia, one of the richest and biggest regions in Italy is one of the leaders of CL. Second,

Petrone's active support to the PATS stems from his personal interest in promoting projects in

Brazil. In fact, when the negotiations for the approval of the Italian Grant started, Petrone was

aware that, starting from the year 2000, he was going to served as Italian Ambassador to Brazil.

In sum, the close relationship between AVSI and Petrone, and Petrone's interest in promoting

projects in Brazil, "delivered" the grant to the Ribeira Azul project.

Connections with the World Bank

The participation of the current World Bank task manager of the Ribeira Azul project,

Ivo Imparato, in the preparatory phase of the Social and Technical Assistance program (PATS),

created a strong connection between the World Bank and the Ribeira Azul project. This link

resulted in the World Bank's approval of a $96 million loan to the state government of Bahia

that, starting in 2006, will be used to scale up the operations of the Ribeira Azul project to reach

16 new Municipalities across the State of Bahia.

In order to understand how the direct link between the World Bank and the Ribeira Azul

program originated, it is necessary to look closer at Imparato's career before he became Task

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[63] Compagnia delle Opere (CDO), is an enterprise association with more than 30,000 members in Italy,[63] and offers technical assistance on business development and marketing strategy, stimulating mutual collaboration among its members (who are persons, as well as small, medium and large enterprises and non-profit organizations) (CDO).[63] Thus, CDO is a network of firms and individuals, who have a catholic background, and a conspicuous economic power. The extended network of relationships and resources offered by CDO aims – among other goals - at developing constant relationships with Italian and International institutions, and at exerting political influence in the Italian political arena (CDO). AVSI is particularly close to CDO, given that AVSI's current president Alberto Piatti was in Board of Directors of CDO between 1997 and 2000, President of CDO in 1999, and vice-president of CDO in 2003 and 2004.

Manager of the Ribeira Azul project in 2001. Imparato started working in Alagados for the first time during the implementation of *Novos Alagados I Etapa*. At the time, as a staff member of the Technical Central Unit at the Italian Minister for Foreign Affairs in Rome, he supervised the pilot project in the small area of Nova Esperanza in Novos Alagados. Subsequently, Imparato worked as a consultant for the Brazilian firm *Diagonal Urbana*, which the project subcontracted to carry out socio-economic assessments in the communities of Alagados III and IV.

In 2000, during the preparatory phase of PATS, the Cities Alliance contacted Imparato, and the Italian Government[64] agreed to pay him to work in Salvador with AVSI and the Bahian Government to define the institutional arrangement of the project and the social activities included in the PATS. Imparato seemed the ideal person to carry out this work in Salvador in direct contact with AVSI and the government of Bahia: he is Italo-Brazilian and fluent in Italian and Portuguese, had previous experience working with the Italian Government, and knew the people working on the project at the Italian Minister for Foreign Affairs. Additionally, because of his experience supervising the project in Novos Alagados while working at the Italian Minister for Foreign Affairs, and because of his consultancy for Diagonal Urbana, Imparato had knowledge of and was committed to the project. During the preparatory phase of PATS, Imparato interacted closely with AVSI's management and staff, preparing AVSI to comply with the administrative and procurement requirements of the World Bank and Italian Government.[65] As a resulted, Imparato established a close personal relationship with AVSI's management. When the preparatory phase ended, the World Bank hired Imparato as Task manager of the Ribeira Azul project.

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[64] Unfortunately, I was not able to understand who took the decision to employ him, whether it was the World Bank or the Italian government, as I was given conflicting versions of the story.
[65] Because the Italian Grant is channel via Cities Alliance, the administrative and procurement requirements are the same as the World Bank. Therefore AVSI had to learn how to comply with those requirements.

Because of his close relationship with AVSI and – more limitedly – with CONDER, Imparato was able as Task Manager to facilitate a close relationship beteeen the World Bank and the various institutions involved in the Ribeira Azul project.. As early as 2002, only few months after PATS began and Imparato became task manager, the World Bank – prompted by Imparato - started planning *Viver Melhor II*, which promises to be one of the most important state government programs in the coming years.[66] Also in 2002, the Italian government committed to providing the government of Bahia with another grant, of €6 million.

Note that beside playing a fundamental role in delivering financial resources to the project, the close connections between Imparato, AVSI and the Italian Government, as well as the personal relationship between the Italian Ambassador to Brazil, Vincenzo Petrone, and AVSI's president Piatti, created a strong alliance between AVSI, the World Bank, and the Italian Government that had a major impact on the institutional arrangement of the project. In fact, as a result of these connections, the Italian Government – supported by the World Bank and Cities Alliance – decided to channel the Italian Grant through AVSI rather than CONDER, despite the fact that the grant is intended to be for the State government of Bahia.[67] AVSI therefore occupies a very powerful position in the project, which is reflected in the institutional arrangement of PATS. Although AVSI only provides 3% of the resources ($2 million out of $60 million), or 12% if we consider the Italian Grant, AVSI co-directs the project.

4.3 Marketing

In addition to securing the financing and support of the World Bank and Italian Government, the Ribeira Azul project has been very successful in marketing itself. Specifically,

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[66] In March 2005, the World Bank finally approved the disbursement of a $96 million loan to finance *Viver Melhor II*, extending the Ribeira Azul project and methodology to another 16 Municipalities of the state of Bahia.
[67] Interestingly, the public officials currently working in CONDER did not express any negative opinion about the Italian government's decision to channel the grant through AVSI. However, as we have seen in chapter 2, the decision of the Italian government faced the opposition of the Medici and his team.

AVSI's marketing strategy targeting international donors has been fundamentally important to the project in two respects. First, it increased high level officials and workers' commitment to the project. Second, it made international donors aware of the project, contributing to its fame as an exemplary model of slum up-grading.

AVSI's marketing strategy

AVSI's marketing strategy consists of a number of initiatives in Italy and in the international arena, aiming at disseminating the experience of the Ribeira Azul project, its participatory approach, and its methodology. In Italy, AVSI has presented the project three times at the Annual Meeting of the Catholic Movement "Community and Liberation" as an example of catholic commitment to social development. This Meeting is an important social, religious and political event that takes place annually in Rimini, Italy. Italian and international politicians, economists, public and private managers and citizens' groups participate in the meeting. The objective of this meeting is to generate discussion around different topics such as ethics, international development, and political reforms. In all three occasions in which AVSI presented the Ribeira Azul project, AVSI invited members of the government of Bahia to attend the meeting. In 1997, AVSI invited Sonia Fontes, CONDER's president at the time, in 2000, the newly elected CONDER's president Mario Gordilho, and in 2004 Mousallen, the director of SEDUR.[68]

AVSI's marketing strategy in the international arena includes the following components: participation in international conferences, organizing seminars in Salvador and abroad, and

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[68] SEDUR is the Secretariat for Urban Development of the State of Bahia, and it is the agency from which CONDER depends. The invitation of Mousallen to the Meeting, despite CONDER being in political competition with SEDUR, is motivated by the fact that SEDUR will be the decision making institution, responsible for planning, overall supervision and control of all Project activities and monitoring and evaluation in the next government Project Viver Melhor II. Therefore, AVSI has a vested interest in collaborating with SEDUR.

activities to disseminate the methodology used by the program. First, AVSI attends international

conferences with the purpose of presenting the project and expanding networks with other

organizations, In 1996, AVSI presented the project to the Habitat Conference in Istambul.

Because it is currently running around 100 projects in 35 different countries and has good

reputation with international donors, AVSI is often asked to present its experience in

international conferences.

Second, AVSI organizes international seminars in Salvador and abroad. For example,

while I was in Salvador, AVSI organized a seminar on decentralization to which it invited the

president of AVSI, the president of SEDUR, CONDER's director of the Ribeira Azul project,

and the Italian Ambassador to Brazil. In 2000, AVSI organized an international seminar on

cooperation in the state of San Marino, and invited the current president of CONDER Gordilho.

Third, AVSI organizes activities to publicize the Ribeira Azul Project, and more

specifically AVSI's methodology. The methodology consists of an integrated, participatory and

cross-cutting approach (PATS Implementation Plan 2001).[69] These activities include

international seminars that specifically aim at presenting, discussing and disseminating the

Ribeira Azul methodology, developing and publicizing a bilingual manual (Portuguese/English)

which contains the systematization of the methodology, and producing a video and a CD-ROM

for its dissemination (PATS Implementation Plan 2001). Note that so-called "integrated"

projects are often characterized by the integration of physical improvements with social

activities. Thus, it is not particularly surprising that AVSI also used an integrated methodology,

and despite AVSI's officials focus on disseminating the characteristics, the innovative content of

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[69] AVSI define its methodology as (1) *integrated* because it seeks to include all aspects, physical as well as social, that are part of the intervention; (2) *participatory* because it considers all stakeholders in the process as participants in the planning and execution of the actions; (3) is *cross-cutting* because it attempts to reflect the importance of elements such as gender and social capital, which are present in every aspect of the intervention (PATS 2001).

this methodology seems limited. However, due to astute marketing, AVSI's methodology is considered by high level officials of AVSI and CONDER and of the Italian Government and World Bank to be a fundamental and innovative contributing to the success of the Ribeira Azul project. Indeed, donors and project stakeholders believe that infrastructure and housing improvements could not have been implemented without AVSI's daily presence in the community and the provision of training courses, environmental talks, and technical and administrative support for community organizations.

Fourth, AVSI invites many Italian and international politicians, journalists and students to visit the project every year.[70] These visits are important because the infrastructure and housing improvement are quite impressive when viewed in person, especially when compared to the conditions of those who have not benefited from the project yet. As shown in the pictures contained in appendix I and III, there is a major difference between the environmental conditions of the areas where the houses on stilts are still present, and the areas where houses were built.

Because many governments fear that NGOs will take all the credit for the project, they often refuse to cooperate with NGOs. Interestingly, part of AVSI's marketing strategy is to present the project as a "government project", thus granting ownership of the project to the government. This approach is different than what I would have expected in that, while the project is indeed a government project and AVSI contributes only with limited funding, AVSI could, if it wanted, claim ownership of the project in the international arena because of its

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[70] In 2002, the project was visited by the following Italian top level politicians and Brazilian politicians: Baccini (undersecretary of the Italian Minister for Foreign Affairs), Casini of the Italian Parliament, the president of AVSI Piatti, a mission of Cities Alliance, a mission of the World Bank, the Governor of Bahia Paolo Souto (2002-2006), the Major of Salvador Imbassay (1998-2004). Only while I was in Salvador from June to August 2004, the project was visited by the following people: the Italian Ambassador in Brazil Petrone, two journalists of the Italian cooperation writing a story about the project, 30 students from the most prestigious Italian University, AVSI's president, the president of the Italian Catholic industrial association "Compagnia delle Opere," a World Bank evaluator and the Task Manager for a week, 2 graduate students from the US doing field work on the project, a journalist and a photographer working for the World Bank.

contacts. Additionally, CONDER has limited access international contacts, mostly, as we have

seen, because of the language barriers. I believe that presenting the Ribeiras Azul as a

government project is in AVSI's self interest in two respects. First, it prevents conflicts between

AVSI and the government of Bahia, since AVSI does not attempt to take all the credit for the

project. Second, the World Bank, Cities Alliance, and other donors express increasing interest in

promoting partnership between local government and NGOs, and therefore making it convenient

for AVSI to present itself as a partner of the government. In this way, AVSI, and ultimately

CONDER, have access to World Bank and Cities Alliance funding that are specifically set aside

to develop urban upgrading initiatives that foster collaboration between local governments and

civil society actors. Note that this does not mean that the World Bank, Cities Alliance, or the

Italian Government do not give AVSI credit for the project. For example, the World Bank task

manager of the Ribeira Azul Project, the task manager of the PRODUR project, and the person in

charge of the project in the Italian Minister for Foreign Affairs all underline how the success of

the project "would have not been possible without AVSI."[71] Before analyzing the effects of

AVSI's marketing strategy and its relevance for the success of the project, I explain how AVSI

created the international network that it used to publicize the project and the methodology.

Origins of AVSI's capacity to market the project

AVSI's capacity to market the project in the international arena is the result of many

years of experience working with international donors, in which AVSI developed contacts and

skills to interact with them, and built its reputation as an effective NGO. Additionally, because of

the many projects in different areas of the world and different sectors, AVSI is often invited to

international conferences to present its experience. As mentioned in chapter 1, AVSI has over

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[71] Note that in session 3.4.3 we will present the different reasons that the different actors affirm to be the most important contribution of AVSI to the project.

30 years of experience in designing and implementing projects financed by international donors.

In addition, AVSI is currently involved in more than 100 projects in 35 different countries,

financed by different donors -- including the World Bank, the Inter-American Development

Bank, the Italian Government, the European Union, US Agency for International Development

(USAID) and British Department For International Development (DFID). Moreover, AVSI

holds General Consultative status with the UN Economic and Social Council (ECOSOC) in New

York and the UN Industrial Development Organization (UNIDO) in Vienna,[72] and is recognized

on the NGOs Special List of the International Labor Organization (ILO) in Geneva.

Furthermore, through the regular contact with international donors, AVSI built capacity

to interact with donors in both a literal and a "figurative" way. Such capacity grants AVSI the

possibility to play an intermediary role between CONDER and the international community.

According to CONDER's high level officials "AVSI is much more prepared than CONDER to

frame issues in the way donor agencies want, and knows what donors want to hear."[73] My

interviews with AVSI's director in Bahia reinforce this evidence, in that he often referred to

concepts such as "bottom up approach to development," "community participation," and

"partnership" that are typically used by international donors. Furthermore, because of its

international contacts and language skills, AVSI is the institution which presents the project to

international visitors and politicians. Finally, note that AVSI's capability to interact with

international donors in a literal and figurative way also results in AVSI's workers taking over the

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[72] The consultative status allows NGOs to provide inputs to the ECOSOC into its deliberations at public meetings and in its subsidiary bodies as well as in UN international conferences and their preparatory bodies. Each year the approximately 2000 NGOs now holding consultative status receive the provisional agenda of ECOSOC. They have certain privileges to place items on the agenda of ECOSOC and its subsidiary bodies; they may attend meetings, where they may submit written statements and make oral presentations to governments (http://www.ngocongo.org/ngopart/constat.htm).
[73] Interviews with high level CONDER's officials who participated to the meetings of the World Bank, AVSI and CONDER.

responsibility for writing project documents that should be written by CONDER's workers or by workers of the two agencies together.[74]

Increasing high level officials and workers' commitment to the project

AVSI's marketing strategy had two important effects. First, it increased high level officials' and workers' commitment to the project. Second, it provided the project with visibility at the international level, giving it the reputation of an exemplary slum upgrading initiative. I will now discuss the first one, whereas I will discuss the second one in the next session – specifically focusing on how marketing contributed to make the project known as exemplary.

Governments often do not find upgrading attractive for political display, because the upgraded areas are of too low a standard to be good "show pieces" (Otiso 2003). However, AVSI's marketing strategy succeeded at increasing both high level officials' and workers' commitment to the project. High level officials benefit personally and politically from the greater international visibility of the project and connections with World Bank officials and Italian politicians. CONDER's president Gordilho, as well as the director of the Ribeira Azul project, have had the opportunity to travel to Washington, DC and Rome. Additionally, as mentioned above, AVSI invited three Bahian government officials' to the Annual Meeting of the CL in Italy. These invitations were important in increasing political commitment to the project because they provided Bahian politicians with an understanding of the economical and political power of AVSI's supporters in Italy. The most striking example of the relevance of the participation in the CL Annual Meeting to increase the commitment of Bahian politicians to the project is represented by Gordilho's visit in 2000. When he started his term in 2000, Gordilho

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[74] According to CONDER's staff, AVSI is also the "master of project document writing," precisely because of its many years of experience in working with international donors.

was skeptical about a greater involvement of CONDER in the Ribeira Azul project because he preferred CONDER to be involved in infrastructure projects in richer area of the city of Salvador. Gordilho is an engineer, who used to work in private sector, first in the construction industry and then in banking, and he never had experience in managing projects in poor communities. Moreover, he is a top-down manager, unwilling to delegate responsibilities. However, as a result of his participation to the Annual Meeting, as well as an international meeting that AVSI organized in the State of San Marino, Gordilho acknowledged that CONDER's participation in the Ribeira Azul project represented a "window that is a unique possibility," and committed to work from then on with AVSI to solve the problem of Alagados.[75] Additionally, CONDER and other high officials of the state government who are not in direct contact with international institutions such as the World Bank perceive CONDER's president Gordilho and the Director of the Ribeira Azul Project Fonseca as having higher status because of their international contacts. Another example of the effects of marketing on increasing high level officials' commitment to the project is showed by the feelings of pride and honor expressed by the director of the Ribeira Azul project Fonseca during international meetings where he presented the project and during CONDER's internal seminars.

Social workers and engineers of both CONDER and AVSI also increased their commitment to the project as a result of the marketing strategy. Many expressed their feeling of pride and described their dedication to their job as a result of being the staff of a project that is known not only in Bahia but also worldwide, is financed by different international donors, and visited by many important personalities. Thus, workers became more dedicated to their job. For example, even a worker who considers herself underpaid for the work she does, and is not

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[75] The international meeting in San Marino saw the participation of the high level officials of the Italian Minister for Foreign Affairs, international donors, including the World Bank and Cities Alliance, Italian and International academics.

satisfied with her working environment, affirmed that "I do not change job because this project is famous, and surrounded by prestige. I want to be part of the success, that is why I work hard and want to do the best I can to improve the living conditions of the inhabitants of the area." Additionally, she added, "I will not have problems in finding a job when the project is over because everybody knows it."

4.4 Becoming an "exemplary" project

Two factors contributed to make the Ribeira Azul Program an exemplary project: (1) AVSI's marketing strategy and (2) the set of indicators used by international donors such the World Bank and Cities Alliance to evaluate projects.

The role of AVSI's marketing strategy

While so far we have discussed how marketing contributed to the success of the project we did not touch upon how it contributed to make the project exemplary. AVSI's marketing strategy contributed to the portrayal of the project as an exemplary model among international donors and the Italian government, by helping to promote the international reputation of the Ribeira Azul project while hiding some of its shortcomings.[76] While other projects that had equally important shortcomings were considered failures, AVSI's marketing succeeded at becoming exemplary despite the fact that community participation in project design is limited, and that the infrastructure built by the project is not maintained. Further, the project is unable to recover costs from beneficiaries. The fact that World Bank officials still consider this project to be exemplary, despite these failings, is striking, particularly given that cost recovery is a central

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[76] Note that this is not to say that the project was not successful. The project was indeed successful at implementing components such as resettlement, and inter-agency cooperation (at least between CONDER and AVSI) that are generally particularly challenging in slum upgrading projects.

criteria for World Bank assessments of project success.[77] The question remains as to whether AVSI's reluctance to talk about the project's short comings (in particular the problems of sustainability with regards to maintenance) and the continual efforts to present the project as a success is preventing AVSI and CONDER from learning from mistakes and making adjustments in the future. For example, while AVSI is focusing on marketing the project, it has not carried out any evaluations of the project, including of the social activities to understand which ones have been more or less successful. In addition, the wide recognition of the success of the project has not stimulated innovation or modifications of the methodology, which instead has been systematized to be used in the next government projects. Finally, while I would have expected that marketing increased the cost of poor performance, thus stimulating institutional learning, this does not seem to be the case of the Ribeira Azul project. In fact, as we have seen, marketing seems instead to succeed at hiding project shortcomings rather than helping correcting them.

The role of the set of indicators of success used

The second reason why the Ribeira Azul program became well known as an exemplary slum upgrading project is related to the set of indicators of success that are used by the World Bank and Cities Alliance to evaluate projects. Cities Alliance has among its primary objectives "improving the living conditions of the urban poor by developing city-wide and nation-wide slum upgrading projects" and "scaling up successful initiatives" to expand the impact of successful projects (Cities Alliance Charter). The World Bank, on the other hand, evaluates outcome according to three factors: the *relevance* of the intervention's objectives in relation to country needs and institutional priorities, *efficiency* (the extent to which the objectives have been – or are expected to be - achieved without using more resources than necessary) and *efficacy* (the

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[77] Interview with Christine Kissides, World Bank Official.

extent to which the developmental objectives have been -or are expected to be - achieved) (OED

Evaluation Approach). If one evaluates the Ribeira Azul Program according to Cities Alliance's

objectives and the World Bank's outcome indicators, this project can be truly considered

exemplary. In fact, it started only targeting 15,000 people, it scaled up to target 150,000, and it

secured financial resources to be again scaled up to become a state-wide initiative in 2006.

Additionally, as we have seen, the project has built infrastructure and housing, thus meeting the

efficacy indicator.

On the other hand, the project is less successful if another set of indicators of success is

used. For example, if one assesses project success by looking at the involvement of its

beneficiaries in decision making and project design, or the likelihood of the project to be

maintained, the Ribeira Azul project cannot be considered as successful. This suggests that

when looking at exemplary projects, one needs to understand according to which set of criteria

they are considered successful. Furthermore, it suggests that powerful players such as the World

Bank and Cities Alliance, and their definition of project success play a major role in creating and

disseminating a model. Summing up, this project became well know as exemplary because the

World Bank and Cities Alliance use a specific set of indicators of success according to which

this project truly represents a success, and this set of indicators do not include "participation of

the community" and "maintenance of the infrastructure built."

4.5 Conclusion

This chapter presented two activities in which the project is successful: raising financial

resources and marketing. Specifically, it showed that because of a close personal connection

between the Italian Government and AVSI – through the Director of the Italian Development

Cooperation and AVSI's president, the project succeeded at receiving a $5 million grant of the

Italian Government. Additionally, the close involvement of the current World bank task manager of the Ribeira Azul program in the preparatory phase of the Social and Technical Assistance program financed by the Italian government (PATS) created a solid link between the World Bank and CONDER and AVSI. As a result, the World Bank will provide a $96 million loan to finance a $160 million slum upgrading initiative that will include 16 Municipalities of the State of Bahia, using the same methodology of the Ribeira Azul project. Moreover, AVSI's marketing strategy targeting Italian politicians and international donors increased high level officials and workers' commitment to the project. Furthermore, AVSI's marketing explained how – despite its shortcoming – the Ribeira Azul project has been recognized as an exemplary project and how - if one assesses the Ribeira Azul project using the indicators used by the World Bank and Cities Alliance – this project can be considered truly successful.

Conclusions

This paper examined the Ribeira Azul slum upgrading project in order to understand how it worked and draw some lessons for designing projects. This project is worth a closer look because the World Bank and Cities Alliance considered it exemplary, and, as such, a model for other projects. However, when I started looking at the project, I realized that the Ribeira Azul presents two important shortcomings. First, the project is not successful in ensuring community participation in project design and decision making. Second, as in many other infrastructure projects, in Ribeira Azul infrastructure is not maintained properly, which is an indicator of the project's limited sustainability. On the other hand, despite these shortcomings, the project has been successful in delivering infrastructure and housing, securing financial resources to scale up, and marketing its methodology and accomplishments among international donors. Finally, the massive marketing realized by the NGO AVSI and the particular set of indicators that international donors typically use to evaluate project performance contribute to explain why this project is worldwide known as an exemplary project. There are seven main lessons that emerged from my analysis of the Ribeira Azul project and I will present each of them in turn.

1. Community participation in housing design and decision making is not a prerequisite for success

Community participation in project design and decision making is not always necessary to successfully complete construction of houses and infrastructure improvements. Participation – at least in so far as community members' influence on project design and decision making - is limited in the Ribeira Azul project. Community members complained about their lack of involvement in the planning phase of the infrastructure and housing improvements, as well as their limited influence over the design of the houses. Nevertheless, the Ribeira Azul project was

successful at providing houses, building infrastructure such as drainage systems and roads, and improving access to water, sanitation, and electricity. There are three five main reasons why CONDER and AVSI succeeded at building housing and infrastructure. First, the poor living conditions of the inhabitants of Alagados and Novos Alagados, and the high costs of maintenance of the houses on stilts, motivated project beneficiaries to support the project. Second, CONDER's decision to limit resettlement by land-filling the tidal area where stilt houses were present also encouraged people living in those areas to allow their house to be replaced because of the improvement in living conditions of on ground housing. Third, CONDER's decision of stopping paying to maintain the walkway made of planks that connect houses on stilts indirectly pressured the inhabitants to participate in the project. Fourth, CONDER's decision not to collect payments for the houses also facilitated the beneficiaries' acceptance to resettle or to receive a house they were not happy with. Finally, small changes to project design that were introduced to accommodate community members' needs were also critical to speed up construction.

2. NGOs are not necessarily representative of the community

In Ribeira Azul project the presence of an NGO, AVSI, in the implementation of infrastructure projects did not ensure that community members' needs were taken into account – at least for what regards housing design and decision making. This suggests that, at least in this case, there is a myth about NGOs being close to the community and able to respond to community members' concern that needs to be debunked. AVSI is not perceived by project beneficiaries as an independent from government because of AVSI's close collaboration with CONDER. Additionally, because AVSI did not want to jeopardize this close collaboration with CONDER, it did not play the intermediary role between the community and CONDER that we

would expect from an NGO. Finally, my interviews suggest that there is a trade-off between scaling up and ensuring community participation. In fact, when the project was smaller and fewer donors were involved, project staff had more time to interact and a closer relationship with community members.

3. Government can also have the capacity to customize solutions to community's needs

In contrast to the widespread belief that centralized infrastructure agency do not have the experience or human resources to directly interact with community members, in this project the state government agency CONDER was successful in customizing solutions to community's needs. This was possible thanks to a group of socially-minded committed technicians working for CONDER who developed a close relationship with the community.

4. "Engineers in need" work with social intermediation specialists

While technical staff often refuses to cooperate with social intermediation professionals or to take into account their technical inputs, this was not the case in the Ribeira Azul project. In this project, engineers successfully cooperated with social intermediation specialists and took into account their technical suggestions when social intermediation specialists made their work easier. This is because these engineers had limited – if any – experience in working in poor communities and therefore found it helpful to have social intermediation specialists dealing with community members' complaints and concerns. Furthermore, informal interactions over lunch breaks also created opportunities for exchange between engineers and social intermediation specialists and increased engineers' trust and willingness to listen to social intermediation specialists' suggestions.

5. Lack of coordination with or without political party alignment

Inter-governmental political competition between different level of governments and party politics were very powerful forces in shaping project design and implementation. More specifically, inter-governmental competition between the state of Bahia and the Municipality of Salvador caused the exclusion of the Municipality - which is the institution responsible for maintenance - from the initial phase of design and implementation of the project. Even when the Municipality and the state government came to be controlled by the same party – i.e. the PFL – the Municipality was still excluded from playing an active role in the Ribeira Azul project. This is striking because one would expect greater cooperation when two agencies are controlled by the same political party. Such exclusions has two explanations related to party politics: (1) the PFL party decided to strategically spread the limited resources available to the Municipality in dissident areas of the city of Salvador rather than in the area of the Ribeira Azul project where there already was a strong PFL contingency; (2) the leader of the PFL party, controlling CONDER, and the mayor of Salvador, also from the PFL party, had a personal rivalry that resulted in competition between the two organizations.

6. The important role of marketing

Marketing can play a very important role in increasing the commitment of high level officials and workers to the project, and, ultimately, contributing to the success of the project. Indeed, the NGO AVSI intensively promoted the project among international donors, a situation that created the opportunity for project officials and politicians to establish direct contacts with international donors. As a result of these contacts, high level officials benefited personally and politically from a greater involvement in the project, which ultimately increased their commitment to and interest in the project. Furthermore, marketing also increased workers' commitment. In fact, project staff felt proud of being part of such a well known project and this

feeling resulted in greater dedication to their job. AVSI's marketing strategy included the presentation of the project in international conferences, the systematization and dissemination of the methodology through the publication of manuals, and the organization of seminars. In addition, AVSI repetitively invited CONDER and state government high level officials to international meetings in Italy. Similarly, many international politicians and authorities visit the project in Brazil, providing more opportunity for higher level officials to interact with international officials. However, it is important to note that marketing can have some drawbacks. Specifically, marketing may have prevented AVSI from innovating and learning from past mistakes. For example, while focusing on marketing, AVSI did not carry out any evaluation of the project.

7. Success depends on the set of indicators used

This project is truly successful according to the set of indicators of success used by the World Bank and Cities Alliance and namely "ability to scale up" and "ability to build infrastructure." Instead, the project is much less successful if other indicators of success such as "community participation in project design" or "sustainability of infrastructure improvements" are used. Indeed, if one assesses the Ribeira Azul project using these last indicators, one will find that the project is not particularly successful because, as I illustrated in the paper, the project did not elicit sufficient community participation and the lack of involvement of the municipality (the main actor in charge of maintenance) may jeopardize project sustainability. However, because the World Bank and Cities Alliance use the first set of indicators to evaluate projects, this project is portrayed as exemplary. This lesson is an indication of the important role that powerful players in the development field, such as the World Bank, Cities Alliance, and their definition of project success, play in creating and disseminating models for slum upgrading.

APPENDIX I: Neighborhoods of Alagados and Novos Alagados

Araças I and II

Novos Alagados II Etapa

Novos Alagados III Etapa

Enseada dos Cabrito

Novos Alagados I Etapa

NOVOS ALAGADOS

Baia Tainheiros

Mudança

Baxia do Caranguejo

ALAGADOS

Mangueira   Alagados I

Joanes Azul

Joanes Centro Oeste

Alagados VI

Alagados V

Alagados II

Alagados IV

Alagados III

Picture: Texeira (2002)

APPENDIX II: Comparison between Novos Alagados before and after the intervention

Novos Alagados I and II Etapa:
1984 and 2003

Source: AVSI

On the left hand side, the tidal zone is occupied by the houses on stilts. On the right hand side, the houses on stilts have been removed and substituted with houses. Additionally, a costal road has been built.

APPENDIX III: Houses on stilts

A) Pier

b) View of the houses on stilts from the bay. As you can see, the water is full of trash.

c) House on stilts

APPENDIX IV: Houses before and after the intervention

On the left hand side, pictures of the houses on stilts after the land-fill has been done, but before they have been replaced by new houses. On the right hand side, the costal road, and some examples of the houses provided by the project.

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