Aqaba’s Old Town: Proposed Model for Community Development within the Aqaba Special Economic Zone

by

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ABSTRACT

As a recently designated Special Economic Zone in 2001 and Jordan’s only port, Aqaba has been experiencing a major economic boom and rapid development at a scale previously unprecedented in Jordan. Under the governance of the Special Economic Zone Authority (ASEZA) investments and growth so far have largely focused on new developments bypassing the more distressed parts of the city. Community development and upgrading efforts in Aqaba have thus far fallen short. Efforts are scattered, jurisdictions are unclear, and there is a definite lack of a coherent strategy and clear mechanisms for community development within the Aqaba Special Economic Zone (ASEZ). This thesis examines the Aqaba Old Town critically and suggests developing it as a model for community upgrading and revitalization within ASEZ. Through examining the existing stakeholders and roles, I arrive at a suggested strategy for the Old Town that would serve as model for community upgrading within ASEZ.
In gratitude to Allah for all his blessings, and to my beloved parents, sister, and brother who are my joy and my inspiration.
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<th>Abbreviation</th>
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<tr>
<td>ADC</td>
<td>Aqaba Development Corporation</td>
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<tr>
<td>ASEZ</td>
<td>Aqaba Special Economic Zone</td>
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<td>ASEZA</td>
<td>Aqaba Special Economic Zone Authority</td>
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<tr>
<td>AZEM</td>
<td>Aqaba Zone Economic Mobilization Project</td>
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<tr>
<td>CBO</td>
<td>Community-Based Organization</td>
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<td>DOS</td>
<td>Department of Statistics</td>
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<td>HUDC</td>
<td>Housing and Urban Development Corporation</td>
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<td>JREDS</td>
<td>Royal Marine Conservation Society of Jordan</td>
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<tr>
<td>JRF</td>
<td>Jordan River Foundation</td>
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<tr>
<td>LCDC</td>
<td>Local Community Development Center</td>
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<tr>
<td>MOTA</td>
<td>Ministry of Tourism and Antiquities</td>
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<tr>
<td>NGO</td>
<td>Non-Governmental Organization</td>
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<tr>
<td>OPP</td>
<td>Orangi Pilot Project</td>
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<td>USAID</td>
<td>United States Agency for International Development</td>
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Chapter 1: Introduction

1.1 Intent
This thesis examines the Aqaba Old Town critically and suggests developing it as a model for community upgrading and revitalization within the Aqaba Special Economic Zone (ASEZ). As a recently designated Special Economic Zone in 2001 and Jordan’s only port, Aqaba has been experiencing a major economic boom and rapid development at a scale previously unprecedented in Jordan. Under the governance of the Special Economic Zone Authority (ASEZA) investments and growth so far have largely focused on new developments bypassing the more distressed parts of the city.

Recent initiatives are turning to Aqaba’s Old Town in an effort to include Aqaba’s existing fabric and neighborhoods in the development process. The Old Town represents the core of the city of Aqaba and is a prime example of a distressed neighborhood much in need of attention. The redevelopment of the Old Town can serve as a means for ASEZA to redefine its strategies and play a vital role in the development of the existing parts of the city, while at the same time bringing in the local community as active participants in revitalization efforts and the development process. An effort to inform the development process in Aqaba calls for the creation of a model for the revitalization of the Old Town of Aqaba that would serve as a prototype for future community development efforts within ASEZ, and provide upgrading strategies that are both comprehensive and inclusive in their nature.
1.2 Background

Aqaba occupies a unique position in Jordan, and differs from the rest of the kingdom in many aspects; whether it is in terms of system of governance, economy, or socio-economic development. In order to better study and inform the direction of community development in Aqaba one has to first understand the uniqueness of the circumstances in Aqaba, to be able to focus on the relevant issues affecting Aqaba and maximize its potentials to provide more pertinent solutions.

The current economic boom in Aqaba, the rapid development, and large investments taking place are, so far, all focusing on new development and have largely bypassed the older existing neighborhoods of the city. This threatens to alienate and leave behind the Old Town center, as well as the other existing neighborhoods in Aqaba.

Under the current (2001 – 2020) Aqaba master plan the Old Town falls within the Aqaba Town zone. Land use zoning designates half of the Old Town for commercial/mixed-uses, while still including existing uses (mainly residential), while the other half remains a residential zone. According to the master plan, the Old Town lies directly across from areas zoned for urban tourism, and also lies in proximity to other newly proposed developments such as the conversion of the Old Port and various other mixed-use developments that are to be carried out adjacent to the Old Town in areas of future growth. The Old Town’s location affords the opportunity to link to the new developments.

When speaking of the new developments currently being implemented in Aqaba it is important to note that they are larger than anything the country has seen before. In fact, Aqaba has already exceeded its targeted $6 billion in investments, attracting upwards of $8 billion in investments by 2006. Around 50% of these investments are in the tourism sector that gets the
largest share of the pie, exceeding both the industry and service sectors, which stand at 20% and 30% respectively. Mega tourism projects - advertised as the single largest direct foreign tourism investments in Jordan - are taking shape, such as the Ayla Oasis, which is valued at $750 million, Saraya Aqaba another world class resort at an estimated total cost of $900 million, and Tala Bay with a total expected cost of $500 million. The new tourism and hotel developments are expected to add at least 7,600 hotel rooms to Aqaba by 2010. (ADC)(Saraya)(Jordan Business)

Also, just recently made public at a December 2006 real-estate conference in Dubai, the Aqaba Development Corporation (ADC) has announced its plans for the $3 billion relocation of the Aqaba port. The five-year plan will include the relocation of Aqaba’s main port facilities which are now located at the heart of the city, moving them 20km down to the southern zone, close to the Saudi border. The relocation will free up the area for a proposed mixed-use waterfront neighborhood and business district that lies adjacent to the Aqaba Old Town.

ASEZA defines itself as offering one-stop assistance covering all investment needs. The focus on new investment is worrisome. What benefits these new five-star developments will bring to the local community are issues that may not be at the forefront when attracting investors. A balanced view on development is needed here, one that would guarantee that local residents will benefit from the new investments taking place in the city.

Most of the development in Aqaba today is currently driven through public/private sector partnerships. Revitalization efforts and the development of existing neighborhoods have fallen by the way-side, and along with NGO/CBO involvement have been marginalized and largely excluded from the development picture in Aqaba. There are various donor-driven social and economic programs being implemented in Aqaba, but they are few, far between and uncoordinated. A more comprehensive and
coordinated approach is needed to incorporate these various endeavors into a coherent strategy for Aqaba’s development.

Jordan is now the recipient of large investments at an unprecedented scale, at a time when there is ever increasing focus on the Middle East. This is a critical period in the history of Jordan, and Aqaba in particular, and what takes place over the next ten years will have an enormous impact on the future of the country. Therefore it is integral that an assessment and reevaluation of the direction of the path of this development is carried out.

1.3 Challenge

In the midst of what is going on in Aqaba it is imperative to research, study, and identify different models for structuring community development within ASEZ that engage the various stakeholders and the local community. There is much going for the city of Aqaba today, including the older and less developed parts of the city such as the Old Town. An inclusive and comprehensive development approach to city of Aqaba would not only be beneficial to the new development, but would spill over and be of benefit to the entire city of Aqaba.

In line with the vision for Aqaba’s development, the rest of the city needs to catch up and be part of the picture. The challenge is to identify a model for community development within ASEZ that presents an alternative vision to the relationship between the city and its less developed parts. An inclusive and comprehensive development strategy for Aqaba’s Old Town would necessarily play a vital role in informing the direction of future development of Aqaba. It would serve as a model for incorporating the old fabric of the city in the new development strategies, and engaging the community in the development process. To arrive at this strategy it is therefore necessary to reexamine the existing mechanisms, institutions, roles and frameworks for development within ASEZ, to be able to redefine the community development
model within it and create one that could tackle the challenges present in the Aqaba Old Town, and present a sustainable and viable option that would positively impact it and integrate it within the larger city development context.

1.4 Thesis Structure
Chapter 2 places the Old Town of Aqaba within its historical, physical, statistical, institutional, and societal context. It necessarily frames the area to gain a better understanding of its contextual surroundings and its place in the larger picture in Aqaba. Chapter 3 digs deeper into the Old Town and provides a closer analysis of the various factors surrounding it and explores the area’s assets, weaknesses, opportunities, and threats, in order to identify a set of critical aspects of the area that would provide compelling opportunities that can be capitalized on for development. Chapter 4 examines case studies in community upgrading and slum development that provide valuable lessons, tools and mechanisms that can inform the community development process within the Old Town and ASEZ. Chapter 5 presents a recommended organizational and institutional model for the development of the Old Town. Chapter 6 presents the conclusions and examines various considerations for future development.
Chapter 2: Setting the Frame: Where the Old Town Stands

2.1 Historical Context

The earliest evidence of human settlement in the Aqaba area goes back to the 9th century B.C., when it was known as Aqabat Ayla (the pass of Ayla). Aqaba’s historic significance is owed to its location on various trade and pilgrimage routes throughout the consecutive periods of Ptolemy, Nabatean, Muslim, Crusader, Ayyubid, Mamluk and then Ottoman rule. With alternate trade routes emerging, Aqaba’s significance dwindled until the Arab Revolt during World War II, when it became a British supply center for the push northwards for the establishment of the Emirate of Trans-Jordan. Since then Aqaba has developed as Jordan’s only port, a free zone and a growing tourist destination. The historical remains of the medieval port city and a Mamluk fort still remain today (Khouri and Whitcomb).

Lying directly across from the remains of the Mamluk fort and the Sharif Hussein bin Ali house, the Aqaba Old Town is situated at the core of the city of Aqaba, and has links to an area that is historically rich, and is associated with the earliest days of the establishment of the Emirate of Trans-Jordan, which later became the Hashemite Kingdom of Jordan.

While Aqaba has a rich history, apart from the remains of the medieval port city of Ayla, the existing built heritage belongs to Jordan’s more recent past. Issues of cultural heritage in Jordan have only recently come to the forefront. In fact, prior to the approval of the 2003 Interim Law No. (49) for the Protection of Urban and Architectural Heritage (MOTA), Jordanian law only provided protection for antiquities constructed earlier than 1750 A.D. Up until that time Jordan’s late eighteenth and nineteenth century urban heritage lay unprotected, largely unacknowledged and uncelebrated, apart
from a few individual efforts. While the legislation has passed, proper implementation remains an issue.

2.2 Physical Context
The city of Aqaba is located at the northeastern tip of the Gulf of Aqaba in the southwest most part of the Hashemite Kingdom of Jordan. It is the kingdom’s only seaport. Aqaba is also the capital of the Aqaba Governorate, which covers area of 6600 square kilometers and has a population estimated at around 100,000 people (DOS). The Aqaba Special Economic Zone (ASEZ), which was established in 2001, encompasses an area of 375 square kilometers that includes 27 kilometers of coastline along the Red Sea, a precious resource and Jordan’s only outlet on the sea. The city of Aqaba is comprised of 28 districts.

The Old Town within the City
The Aqaba Old Town covers an area of 492,000 square meters and lies just south of the Aqaba city center, north of the Salah al-Din neighborhood, west of the Shallalah neighborhood, and east of the Great Arab Revolt Plaza on the Aqaba harbor. It is bounded by Prince Muhammad St from the North, Mecca St. from the east, the King Hussein bin Talal road (Corniche road) from the west, and a large drainage wadi in the south separating it from the Salah al-Din neighborhood.

Even though the name might indicate otherwise, the Old Town is in fact not the oldest part of the city, even though it lies close to the Ottoman fort and what remains of Aqaba’s early twentieth century built heritage. The Old Town is a densely populated, low-income neighborhood that had originally developed in the late 1940s as a squatter settlement on land owned by the Jordanian government (Al Daly 5).
Figure 2.1 – Map of Jordan showing the location of Aqaba.

Source: University of Texas Libraries.
<http://www.lib.utexas.edu/maps/middle_east_and_asia/jordan.gif>
Figure 2.2 – Map of ASEZ showing land use according to Gensler master plan (2001 – 2020).

Source: Aqaba Special Economic Zone Authority <www.aqabazone.com>
Figure 2.3 – Map of Old Town in relation to Aqaba City.

Source: Aqaba Special Economic Zone Authority <www.aqabazone.com>
Figure 2.4 – Aerial view of Old Town.

Source: Aqaba Special Economic Zone Authority
Figure 2.5 – Aerial view of Old Town showing land use.

Source: Aqaba Special Economic Zone Authority
Figure 2.6 – Views of the Old Town housing stock.

Source: Photographs by author.
Overview of Aqaba planning and development

Aqaba’s planning and development can be seen through several distinct phases (Kardoosh, Jordan):

1. Prior to the signing of the 1994 peace treaty with Israel development was slow. In 1966 Doxiadis Associates were contracted by the government to carry out development studies for the coastline south of Aqaba, in collaboration with the Jordan Trade and Development Office.

2. Post 1996, concerted efforts to develop Aqaba started, with an exploration of the feasibility of converting it into a free zone.

3. In 2001 the Aqaba Special Economic Zone (ASEZ) was established with the passing of the Aqaba Special Economic Zone Law, No. 32, of the year 2000.

4. Gensler Architects and international economic consultants The Services Group (TSG) prepared a comprehensive master plan for ASEZ as part of a technical assistance project (2001-2004). The resulting ASEZ master plan (2001 – 2020) provides the basis for current planning, development, and investment in Aqaba.
Table 2.1 indicates how each of these development plans affected the Old Town of Aqaba.

Table 2.1 - Aqaba Old Town in Planning Strategies

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<td>The Doxiadis development plan only included the coastal stretch (4km deep) extending from the southern outskirts of Aqaba (and the Old Town) to the Saudi border. It did not include the development of the existing Aqaba Town. The plan was abandoned as it did not take into account the effects of the Israeli occupation of the West Bank on Jordan's economy.</td>
<td>The Gensler master plan illustrates land use and circulation within the immediate area of Aqaba Town, which includes the Old Town. Under this plan the northern part of the Old Town is proposed for commercial/mixed uses, as new proposed uses, while the south remains designated for residential uses. The definition of new uses will still include existing uses.</td>
<td>The Gensler master plan forms the basis of current planning efforts in Aqaba. ADC commissioned the Jordan River Foundation to carry out a study of the social and economic needs of the Old Town as a precursor for comprehensive development plans for the area.</td>
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Source: Prepared by author

The Old Town’s Community Development Context

Following is a brief summary of community development, upgrading and studies that have been carried out concerning the Old Town of Aqaba:

- 1993: A study was carried out jointly between the Harvard Center for Urban Development Studies and the Jordanian Housing and Urban Development Corporation (HUDC) that aimed at the development of sustainable improvement strategies for low-income communities in both Amman and Aqaba. The study focused on assessing planning processes and sustainable development strategies that aimed at developing more effective linkages with central and local government (CUDS).
- 1993-1995: HUDC carried out an intensive upgrading project in the squatter settlement of the Old Town. The project involved securing land tenure for the residents through cooperation with the local authorities, as well as upgrading of infrastructural services in the area (Al Daly).

- 1996: The Housing and Urban Development Corporation participated in the UN conference Habitat II best practices competition with three projects. One if which was planning strategies for sustainable development in the case of Aqaba (HUDC).

- 2004: The Aqaba Zone Economic Mobilization (AZEM) carried out an assessment of Non-Governmental Organizations in Aqaba.


- 2006: AZEM prepared a strategy for community development in Aqaba. The study tackled the difficulties of involving local communities, and achieving public participation in the development process.

- 2007: The Aqaba Development Corporation (ADC) commissioned the Jordan River Foundation to carry out a study of the social and economic needs of the Old Town as a precursor for comprehensive development plans (ADC) (JRF).

2.3 Socio-Economic Profile

Based on the preliminary data available from the Jordan’s 2004 census, the city of Aqaba today has a population of 89,000, which is well over half the population of the whole of the Aqaba governorate that stands at 110,000. Aqaba is a noticeably young city, with 74% of its population under the age of 34 years (DOS). Of Aqaba’s twenty-eight districts, five are the most densely populated: al-Rawdah, al-Doha, al-Shallalah, the Old Town, and al-Radwan.

The Old Town’s population is estimated at 7,800 people (around 9% of the total population of Aqaba). Combined with al-Shallalah, the Old Town contributes about one-fourth of the total employment in the region. The Old
Town in particular is home to about 34% of non-Jordanian employment in Aqaba, which is the highest concentration of foreign labor in an area in Aqaba. Employment in the Old Town is mainly concentrated in transportation, storage and communication, public administration, construction, and wholesale and retail trade sectors, as well as repair of motor vehicles. Employment in the private sector is dominant especially for male employment in the Old Town. Male employment is more dominant in the Old Town, owing to the large concentration of non-Jordanian work force there.¹

2.4 Governance

ASEZA

With the establishment of ASEZ in 2001, the Aqaba Special Economic Zone Authority (ASEZA) was established by law as an autonomous institution empowered with regulatory, administrative, fiscal and economic responsibilities to govern within ASEZ. The board for ASEZA is a six-member Commission that includes a Chief Commissioner as head. The board is appointed by the cabinet and reports directly to the Prime Minister (Law). Upon its inception ASEZA effectively assumed the roles of the former Aqaba Regional Authority (ARA) and Municipality of Aqaba.

ASEZA’s role in the lives of Aqaba residents is that of regulator, and central government authority. The relationship with the local community is not one of trust that ASEZA has their best interest in mind. Tension exists as ASEZA is perceived to be focusing on attracting investments and creating a favorable environment for investors, with less emphasis on improvement of conditions for residents of Aqaba. This coupled with the expectations on the part of the local community to partake in the benefits of Aqaba becoming a special zone lies at the root of the tension. ASEZA’s authority therefore is

¹ 96% of the non-Jordanian labor force in Aqaba is male. The Jordanian labor force is 88% male.
contested at times. Placing more emphasis on the needs of the local community, gearing investments to the revitalization of the city, and involving the local community will prove a step forward in the relationship between ASEZA and the local community.

**The Aqaba Development Corporation (ADC)**

In 2004, ASEZA launched the ADC as a new private sector organization and the development arm for ASEZA. The ownership of Jordan’s ports, Aqaba’s airport, strategic parcels of land and the development rights for these assets have been transferred from ASEZA to ADC. It is ADC’s task to realize the (2001 – 2020) master plan through the development of these assets (ADC).

**2.5 Community Development and Civil Society**

There are 28 Non-Governmental Organization (NGOs) operating within ASEZ, these include local and as well as international NGOs. The seven most active NGOs are:

- Princess Basmah Center
- Royal Marine Conservation Society of Jordan (JREDS)
- The Union of Voluntary Societies
- Aqaba Women’s Welfare Society
- Aqaba Islamic Welfare
- The SOS Children’s Village
- The Jordanian National Red Crescent

The most active NGOs in the Old Town are the Jordanian National Red Crescent Society, the Royal Marine Conservation Society of Jordan, and QuestScope.
2.6 Summary: What’s Going on in the City?

- Community has long suffered from economic marginalization as part of the remote Governorate of Aqaba. Focus on development had always been related to tribal affiliations, and Aqaba was considered a remote outpost.
- Aqaba lies within a special economic zone, and is governed by special powers. The circumstances in Aqaba are unique.
- There is a large presence of capital in the city. Investments are pouring in.
- The government is focused on attracting large new investments, and providing an attractive investment and infrastructure environment for investors.
- Large private sector presence in the city, and is a visible partner in the development of the city.
- There is no mandate for comprehensive community development within the city.

- Tensions between ASEZA and the local community exist. Mainly due to the lack of ability to voice their concerns and engage in dialogue with the governing authorities.
Chapter 3: Analysis of Aqaba Old Town

This chapter examines Aqaba’s Old Town and provides an analysis of the various factors surrounding it. It explores the area’s assets, weaknesses, the opportunities it presents, as well as the threats to its well-being, in order to identify a set of critical aspects of the area that would provide compelling opportunities that can be capitalized on for development.

3.1 Assets

Location
The Old Town has a prime location in the City of Aqaba. It is strategically located close to the commercial center of Aqaba, the hotel districts, and the existing port. It is also well connected to the transportation network and lies in the middle, accessible to both the industrial zone in the north and the southern industrial zone.

Land Tenure
Prior to the upgrading project carried out by the Housing and Urban Development Corporation (HUDC) in the early nineties the Old Town was a squatter settlement on government-owned land. The HUDC project secured tenure for Old Town residents.

Heritage Connections
The Old Town overlooks the Gulf of Aqaba, and lies right across from the recently named Greater Arab Revolt Plaza that boasts what might very well still be the tallest free-standing flag pole in the world, after it snatched the title from Amman’s flag pole. The Aqaba fort, and the house of the late Sherif Hussein, the great grandfather for Jordan’s current King Abdullah II, who lead the Arab revolt and is the founding father of the Kingdom are right across from the Old Town. The pole and the fort are symbols of Aqaba anchoring itself in its history and its national heritage.
**NGO Activity**
While the work of NGOs and CSOs overall in Aqaba is disjointed and not very robust, there are in fact several local NGOs active in the Old Town, in particular, the Red Crescent Society, which is located in the Old Town, as well as JREDs and the Princess Basmah Center. The NGOs are very much aware of the importance of their role, but require capacity building and support to enable them to be better equipped to carry out their role in the communities that they serve. Also, with the new contract signed with ADC, the most prolific national social and economic development NGO, the Jordan River Foundation (JRF) is now in the Old Town carrying assessment of the Old Town’s needs in preparation for more comprehensive development. The entrance of large national NGO into the Old Town is encouraging since Aqaba had been at a disadvantage in terms of social and economic development work.

**Women’s Groups**
Women’s welfare is in fact the most active field of NGO activity in the city of Aqaba today, with six NGOs out of the twenty-eight active NGOs operating in women’s welfare and child and social welfare. These include the Jordan National Forum for Women, the Business and Professional Women’s Association, the Aqaba Women’s Welfare Society, the Women’s Program Center (UNRWA), and Ayla for Social Development.

**3.2 Weaknesses**
**Marginalization**
The Old Town of Aqaba has so far been marginalized. Old Town residents feel they are ignored, and bypassed by development. The views the community expressed at the community meeting in the Old Town held by the JRF to launch their study in the Old Town presented a snapshot of the pent up frustrations and feeling of marginalization experienced by members of the Old Town community. Some professed to feeling they were being
“treated like lepers” by ASEZA, saying that there was stigma attached to living in the Old Town of Aqaba.

**Poor infrastructure**
There has not been much investment by ASEZA in the infrastructure and upkeep of the Old Town. The main infrastructure improvements carried out in the Old Town were part of the HUDC upgrading project carried out in the early 1990s, which included connecting properties to utility networks (water, electricity and sewage), as well as a network of asphalt roads, and leveled footpaths leading all properties to roads.

**Relationship with Authorities**
As a result of the various changes taking place in Aqaba, the local community has a tense relationship with ASEZA. There are wide perceptions that ASEZA gives priority to attracting investment over the life of the city and the interests of the local community. The community is expecting to reap benefits from Aqaba’s special status, yet there is no real communication with the community to manage expectations, nor to discuss their concerns regarding the negative aspects of Aqaba’s new growth.

**Differing Interest Groups**
The community of the Old Town cannot be said to be coherent. It has the highest concentration of non-Jordanians in Aqaba, and naturally has various subgroups with different interests. In addition to the non-Jordanian guest workers the community the Old Town’s make up is similar to the rest of Aqaba in that includes both people who have moved from various other cities in Jordan, as well as influxes from Palestine. With the new economic boom, a new wave of people is coming into Aqaba from the north of Jordan.

**High Unemployment**
Unemployment in the Old Town among the 15-29 age group is around 75%, and around 21% among the 30-49 age group. 91% of the unemployed are
Jordanian. There is significant female unemployment in the Old Town. Around 76% of unemployed women are housekeepers. (AZEM, Economic Profile)

3.3 Opportunities

Proximity to jobs
The Old Town’s location places it in a central location between the various work opportunities in the city of Aqaba as well as in the north and south of Aqaba. As opposed to ADC’s plans to move labor housing villages to the north and south respectively, having an available labor pool within the city has benefits for both the local community as well as for employers.

Young population
Jordan has a youthful population. The same hold’s true of the city of Aqaba, and the Old Town in particular. The youth have infinite potential, and the investment in their education will help build that asset.

Available work force
The population of the Old Town is young, and has potential for being economically active.

Economic opportunities in Aqaba
There are many economic opportunities arising in the city. A focus on economic development and reviving the Old Town would prove beneficial to spur on community development and provide sustainability for Old Town upgrading efforts.

Job training
New job opportunities in the service, hospitality and industrial sectors are emerging. Job-specific training for the Old Town inhabitants would improve their employability, provide them with job opportunities, and help serve the need of Aqaba’s large employers.
Figure 3.1 - Location of Old Town in relation to new development projects.

Source: Prepared by author.
3.4 Threats

Loss of Livelihood
The various changes taking place in Aqaba today have some negative effects on the economic life of the city’s inhabitants. One group that suffers particularly is the Old Town fishermen who are now being encouraged to look for other sources of livelihood, since there are large restrictions on where they can fish and find bait. The fishermen argue that they can no longer fish at all.

Encroaching Development
The Old Town has a prime location across from the Great Arab Revolt Plaza, and has views of the Gulf of Aqaba and lies just north of the port area, which will turn into some of the most valued real-estate in Aqaba as part of the port redevelopment plan. Shallalah neighborhood to the east of the Old Town is being relocated, and the assumption would be that the land which belongs to the government will also be developed.

Relocation/Resettlement
The Old Town is clearly in danger of being relocated to the outskirts of the city, as is being done with the neighboring Shallalah neighborhood. Shallalah has set the precedent, and the Old Town community is under the fear that they will suffer the same fate as the tendency is to move the residents, clear the area and redevelop it.

3.5 Goals for Development
It is important to approach the development of the Old Town through the leveraging of existing assets and opportunities in the Old Town. There are inherent advantages to the Old Town, and the goal of development should be to capitalize on these assets. I propose to focus on the following goals:
Integration into the fabric of city: The Old Town’s location positions it to uniquely serve the city of Aqaba, it is centrally located, accessible and convenient to jobs in the hotel, transportation, and industrial sectors. The stimulation of upgrading and improvement in the Old Town will elevate the locale and help it become part of the development picture. After all, the Old Town will be neighbor to some of the most highly valued real-estate in the port redevelopment plan.

Integration into economic life of the city: The Old Town possesses a large and young workforce that provides an untapped pool of employment that is a valuable resource. It’s close, it’s convenient and it is full of energy and a willingness to learn.

More efficient use of development funds: On the face of it there is an economic argument to upgrading the Old Town rather than relocating it. The costs of relocating 17,000 people from the neighboring al-Shallalah squatter settlement to the newly constructed Karamah neighborhood stand at $30 million. A facile comparison of relocation costs for the Old Town would place the figure in the neighborhood of $14 million. When one takes into consideration all the accompanying social, cultural, and economic costs on the community it becomes apparent that an investment in the upgrading of the Old Town in the amount of $14 million - an amount that it is assumed that ASEZA and ADC are willing to pay if relocation is considered – would in fact bring greater benefit to the community and the city at large.
Chapter 4: Lessons in Community Upgrading

The analysis of case studies in the development of slum and squatter settlements is intended to examine similar experiences in upgrading informal settlements to identify and extract lessons and tools for upgrading and development that would assist in building a model for development within the Aqaba Old Town, and ultimately in the Aqaba Special Economic Zone (ASEZ).

These case studies are not meant to provide an overview of the entire field of study and are not representative of the entire spectrum of upgrading and development strategies. Instead they are picked selectively particularly for their ability to shed light on methods, mechanisms, tools, and practices that would provide avenues relevant to the achievement of the defined goals for the development of the Old Town of Aqaba.

4.1 Tondo Foreshore, Manila, Philippines

The urban development of the Tondo Foreshore slum of the Manila took place between 1975 – 1982. The project aimed at providing urban services to the 180,000 residents of one of the most politically volatile slums in the capital (Viloria-Williams 83).

The project focused on providing services such as water supply, sanitation, roads, and community facilities. Its main success is that it showed an efficient way to approach the urban development of slums that focused on granting citizens tenure rights, and stimulating upgrading within the community. The following are some of the lessons learned:

- It was found that upgrading rather than relocating the slum provided for greater savings for the government. The cost of upgrading the neighborhood was estimated to have cost only 25% of what it would have cost to move the slum-dwellers to new housing resettlement areas.
- Upgrading the community in place proved less disruptive of community structure.
- There was extensive community participation in the process which was a positive feature of the program, although it did provide for more complexity in execution.
- The project resulted in the increase of the institutional capacity of government authority, building experience in the area of slum development where there had been none. The National Housing Authority (NHA) now operates as the sole provider of these services in Manila.
- The project provided a city-wide approach to slum improvement, regularization, and NGO and CBO partnerships that can be applied to a larger scale.

4.2 Orangi Pilot Project, Karachi, Pakistan
The upgrading of the Orangi slum of Karachi, Pakistan that has a population of 1.2 million was conceived as a pilot project to guide future slum development initiatives. It was initiated in 1980 – 2000. Four institutions were established with autonomy to make up the Orangi Pilot Project (OPP). These included a research and training institute, a charitable trust, a health and development association, and the OPP Society that operates to channel the funds.

The emphasis of the project was to provide sanitation, encourage economic enterprise, provide low-cost housing, health programs and an educational program. The emphasis was on the community-based approach rather than a top-down model. The project aims at replicating the models of success in regularization and infrastructure development. Some of the lessons learned:

- The OPP development was NGO- and CBO-initiated development.
- Local investment is what covered the cost of internal upgrading.
- OPP is an infrastructure development model that provides a more balanced relationship between government and local community, with more power given to the local community.
- The importance of the role of NGOs in organizing people. Community mobilization is an essential aspect of the project.
- Recognizing the role that people can play. Once they are organized, people can apply pressure on the central government to perform.
- Enlightened leadership, government flexibility and willingness to capacity build are integral components of the development process.
- International donor agencies are rarely around for long periods of time. Community development is a process that takes time, and therefore not suited to limited time interventions.

4.3 Rabat-Sale, Morocco
The slums in Rabat are either located on private plots of land, or on publicly owned plots of land, as the situation is in Aqaba. Interventions in the 1970s and -80s focused on providing improvements in the slums, and in some cases restructuring that involves upgrading on a larger scale (UN-Habitat 224).

Overall the experiences of slum development in Morocco yield the following lessons:
- Resettlement into public housing estates was abandoned as a solution since it meant relocating people to areas in the periphery that were outside the urban areas, and did not provide adequate services.
- There is social exclusion and deep marginalization of inhabitants of informal settlements, especially given the urban expansion that is taking place all around.
- Failure of early initiatives was due to lack of poverty alleviation and social support components.
- Not enough emphasis was given to participation and partnerships.
4.4 Tools for Development

The lessons gleaned from the case studies yield a list of strategies and considerations that would help formulate the directions of development in the Old Town and guide the format of the development model:

- Upgrading rather than relocation: As the case studies above have shown, upgrading communities in place through a participatory process is considered to be the current best practice when dealing with informal neighborhoods and squatter settlements. In addition to the lower comparative costs of upgrading versus relocation, this approach takes on a more holistic view of the communities and takes into account the various aspects surrounding the life of the community, and are not limited to merely focusing on housing or infrastructure as relocation often does (UN-HABITAT 132).

- Public participation: If upgrading efforts are to be sustainable within communities it is integral to elicit public participation and involvement, both in the formulation of the development strategy, and in contributing to the implementation. This will enhance the effectiveness of policies. Participation proves to be of even greater importance for communities that are in fact marginalized and set apart culturally or economically within the city.

- Institutional capacity building: Current organizations in Aqaba lack the experience and capacity to deal with the issues related to community development and urban upgrading. It is important to define strategies and build authority and experience to better enable institutions to deal with the various issues surrounding urban upgrading.

- Creating partnerships enhances development: broad-based partnerships that include public and private sector as well as NGOs and CBOs would contribute more holistic solutions to urban upgrading issues.
Chapter 5: Models for Old Town Upgrading

5.1 Introduction: Who Does What?

To be able to identify an institutional and organizational model for community development it is important to understand the existing institutional structures and the key stakeholders and active parties in the community development process in the Old Town and Aqaba today.

Old Town Community

Most important is the Old Town community itself. As with the rest of Aqaba, but even more so, it is a diverse community as was established earlier. It includes owners and renters, Jordanians and non-Jordanians, and therefore those who view Aqaba as their permanent home, and others who are more transient. So far there have not been effective mechanisms to involve the local community in the development process. In the early 1990s HUDC had aimed to elicit community involvement and participation in the upgrading project they carried out by establishing a community development program, and organizing workshops to raise awareness and encourage the development of CBOs and local initiatives. Low participation on the part of women in the upgrading process was noted, and their involvement was sought later on in the community center’s activities (Al Daly 6).

ASEZA

Is the regulatory body of the ASEZ, and is a vast organization of around 1450 employees. ASEZA’s presence in the life of the Aqaba community is palpable as the ultimate authority in Aqaba, but so far there has been little to no meaningful communication between the community and ASEZA mainly because there are no formal channels of for this communication to take place. A community advisory board of 16 Aqaba dignitaries was established as an attempt to achieve communication with the community, but the board falls short of achieving that goal. The membership is not representative of the Aqaba community, nor does the board have effective communication with the
Community or ASEZA. It is ill-equipped to act as communication conduit with the local community (AZEM Strategy).

Community and social development work within ASEZA falls under the purview of ASEZA's Local Community Development Directorate (LCDC). The LCDC is situated under ASEZA’s Investment Commission and is tasked with the social and economic development of ASEZ. The roles of LCDC are not clearly defined and its strategy is drawn without coordination with the larger objectives of ASEZA.

**ADC**

While ADC was established in 2004 by government decree as the development arm for ASEZA, it operates as a private sector organization that is mandated with developing Aqaba in accordance with the 2001 – 2020 master plan. Within its mandate ADC also strives to carry out community development projects to fulfill its corporate social responsibility. An example of ADC community development initiatives is the signed agreement with the Jordan River Foundation in 2007 to carry out a field survey and needs assessment of the Old Town. ADC also has announced a scholarship fund for Aqaba in the amount of $1 million over four years, as well as the establishment of a community development fund for $500,000. Other initiatives in education have included school and community support programs, such as the adoption of a public boys’ school in the Old Town as a means to reach the community, as well as the establishment of language labs and a career knowledge center at the school.

**Aqaba Governorate**

ASEZ falls within the Aqaba Governorate, and the jurisdiction of the Aqaba Governorate Office and the Social Development Directorate extends over the entire governorate. The roles of the Social Development Directorate overlap with those of the LCDC, and in fact are much better defined in terms of strategy (AZEM Strategy).
International Aid Organizations
Foreign aid organizations are present in Aqaba, the most active of which is USAID. In fact, one of the more visible initiatives in Aqaba is the USAID established program AZEM (Aqaba Zone Economic Mobilization). It was established in 2004 to help support and provide technical assistance to both ASEZA and ADC. Its main focus is to help bolster the economic environment in Aqaba, build capacity, help streamline government, as well as enhance the role of civil society (AZEM). One of AZEM’s latest activities in 2006 is preparing a community development strategy for ASEZ.

One more noteworthy point regarding foreign aid is that while part of the aid goes to capacity and institutional building, it also constitutes an independent source of funding that is sometimes channeled through NGOs to reach the local communities directly.

NGOs
There are a number of non-governmental and civil society organizations active in Aqaba, covering various sectors, but most focusing on social welfare, health and micro finance. The NGOs have direct connections with the communities they are active in, but they are lacking in capacity, training, and experience. The majority of NGOs receive funding from external resources with modest budgets that average between $14,000 and $19,000. A fostering of these NGOs, will enable them to become more effective in carrying out their roles of mediating between the community and the government, as well as perform their services within the communities.
Figure 5.1 – Existing institutional structure of community development activity in Aqaba

It is observed that community development efforts in Aqaba are diffused, uncoordinated, and carried out in varying degrees by different actors. There is some overlap between the varying actors in the tasks they carry out, but there are also areas that are neglected. Aqaba is lacking a comprehensive community development strategy, and there is a conspicuous lack of community voice and participation.

The most evident and urgent problem facing community development efforts in Aqaba today is the lack of communication and proper channels for this communication to take place on all levels. The current structure of institutions and organizations operating in partial or full capacity in community development of Aqaba is one that does not allow for a clear flow of information within the organizations themselves, between the various organizations that might overlap in their duties, nor with the communities that they purport to serve. This lack of coordination, undefined strategies, overlapping jurisdictions and the absence of means with which the
community can actively participate and engage in the development conversation present serious obstacles facing community development efforts within ASEZ.

5.2 Criteria: What Do We Need?
Learning from the current state of affairs, and in order to create a more effective mode of carrying out development work it is important to define the elements necessary to achieve a more successful and meaningful community development process. The following are the main ingredients necessary for the creation of a more effective and comprehensive solution to community development efforts:

- Funding: It is integral to achieve financial solvency and make funds available to community development work. The source and mode of funding are important in that the funds should enable community development work to be carried out independently and unencumbered by strings and restrictions. With funding comes power, and independence in decision making ability.

- Institutional mandate to build a program for community development: It is clear from the current situation that none of the active organizations has a clear mandate to carry out community development work within ASEZ. Community development so far lies marginal in the larger agendas of Aqaba’s institutions. If meaningful progress is to be made on the community development front, an organization with a mandate focusing on community development must be created with clear goals and definition of tasks.

- Local capacity to implement: the mechanisms for implementing the community development work, through local channels have to be
created, supported and maintained to carry out the work on the ground.

- Community participation: a vital ingredient in the community development process should be the participation of the communities in all the stages, starting with the early planning stages and setting the priorities for development. It is integral to establish official channels for communication to assure the unobstructed flow of information.

### 5.3 Institutional Model

Guided by above mentioned criteria a proposed institutional model for the community development of the Old Town is presented, with the view that it would be replicated to provide a city wide solution for community development within ASEZ.

**Action plan**

- Creation of a community development fund: With the achieved $8 billion in investments, and the projected $12 billion in investments by 2020, Aqaba is booming. As the case has always been in Jordan, land is the greatest asset, and land is the main commodity ASEZA and ADC are leveraging with investors. Arguably, most investments in Aqaba are in real-estate rather than in productive units and hence are not creating tangible economic value for the city of Aqaba. The sale of land for investment purposes should be used to generate revenue for revitalization and community development in Aqaba. A percentage of all land investment transactions should be set aside in a specially designated community development fund. In the case of the Old Town, ADC and ASEZA will be mandated to create an Old Town community development fund fed by investments generated for the $3 billion port relocation plan.
Create an institution, a mandate and a strategy: the Old Town is located in the Aqaba Special Economic Zone, surrounded by special opportunities, conditions, and governance. It has already been established that there is a void in community development in ASEZ. This necessitates the creation of a special independent entity, with a mandate to carry out community development work within the Old Town. The entity will be financially independent, and will have disposal of the community development fund.

Build capacity to implement/receive: Part of new entity’s mandate is to build capacity and prepare each party to play the appropriate roles, which it is to facilitate, enable, or provide technical expertise.

Create conduit for communication and community participation. Participation should be on equal footing, early on in the process. Community should be able to define their priorities.

Structure
The new proposed entity, the Old Town Community Development Corporation (OTCDC) is a non-profit corporation created for the specific purpose of carrying out community development work in the Old Town of Aqaba. Its main and independent source of funding would be the newly created community development fund.

The OTCDC would operate as the authoritative body governing community development in the Old Town. OTCDC would also head a public/private committee that includes representatives of the active stakeholders in Aqaba: ADC, ASEZA, NGOs, and the Old Town community. The committee’s main purpose is to coordinate among all the parties involved in community development and governance of the Old Town and to define a strategy for the directions of this community development.
Under the OTCDC various divisions would exist each covering an aspect of the community development formula. Under AZEM’s proposed community strategy for Aqaba, a restructuring and redefinition of the roles of the LCDC were proposed (AZEM Strategy 27). The streamlined LCDC was stripped of tasks overlapping with the Social Development Directorate, and other division within ASEZA.

The restructured LCDC can function as OTCDC’s implementation arm. The OTCDC should be independently staffed, with motivated and qualified individuals. One should be wary of inheriting government bureaucrats from ASEZA, especially when incorporating the LCDC.

The formation of both the Old Community Development Fund, and the OTCDC require political will, and institutional commitment on the part of government to establish them and continue supporting them. Royal support can be garnered for the community development model, through attracting sponsorship for the Old Town community Development initiative possibly from Queen Rania al-Abdullah’s office. The NGO she chairs, the Jordan River Foundation is already on the ground carrying out the study of the Old Town. The OTCDC and its mandate would jibe with issues the Queen focuses her charitable work on, such as micro-finance and economic development.
Mechanisms
The OTCDC operation will take into consideration the following:

- Managing expectations: It is vital to communicate with the community, engage them in dialog, and understand their expectations and priority. Communication with the community should be one that gives them an equal voice.
- Keep easy access to city center - assuage community's fears, build on their assets. Stop treating them like they are a problem.
- Start with tangible improvements. Start with success to build trust.
- Increase community buy-in, guarantee sustainability of development
5.4 Assessment

The assessment of initiatives carried out through this community development model, should focus on how successful they are in the three aspects:

*Urban impact:* integration with the city, regularization, improved infrastructure, improved housing conditions (Brakarz).

*Social impact:* reduced poverty, improved health and sanitary conditions.

*Economic impact:* improved real-estate prices, better economic opportunities/activities.

**Roles**

- **Government:** urban policies, creation of mechanisms, and revenue
- **Civil Society:** support and organize residents, mediate with authorities, channel international aid.
- **Private Sector:** investments, employment, extension of services.
- **International Organizations:** knowledge and experience dissemination, technical and financial support.
Chapter 6: Conclusions

6.1 Development Criteria

- Making it a priority to integrate low-income settlements, beyond mere regularization programs.
- Priority to improve infrastructure
- Improve quality of life, and relieve economic and social problems plaguing the areas.
- Involving public participation ensures the alignment of interests and the smooth implementation and cooperation.
- To achieve effective public participation it is important to strengthen community-based organizations as a means to organize the community and channel the participation.
- Structures of decision-making that involve the community early on in the process.
- Leadership from within the community
- Availability of financial support for community development can be achieved through public-private partnerships as well as a specially designated community development fund.
- Balance between the different institutions
6.2 Future Directions of Development

Important considerations:

- Achieving direct input from the community, creating channels of communication.
- Recognizing the neighborhoods through their assets.
- Achieving community mobilization and assuring the community helps define development priorities.
- Revised strategy and renewed vision and commitment on part of government.
- Public/Private partnerships that directly benefit local community, build acceptance.
- Build the capacity of NGOs and CBOs, aware of responsibility, not well equipped.
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