



UN HABITAT

Regional and Technical Cooperation Division



ERITREA: NATIONAL AND CITIES URBAN PROFILE

ASMARA, MASSAWA & MENDEFERA



Eritrea National and Cities Profile

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ASMARA, MASSAWA & MENDEFERA

UNITED NATIONS HUMAN SETTLEMENTS PROGRAMME

REGIONAL AND TECHNICAL COOPERATION DIVISION

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FOREWORDS

The annual urban growth rate in Sub-Saharan Africa is almost 5 percent twice as high as in Latin America and Asia. It also has the world's largest proportion of urban residents living in slums, which today are home to 72 percent of urban Africa's citizens representing a total of some 187 million people. As more and more people seek a better life in towns and cities, the urban slum population in Africa is projected to double every 15 years in a process known as the urbanization of poverty. African cities are thus confronted in the new Millennium with the problem of accommodating the rapidly growing urban populations in inclusive cities, providing them with adequate shelter and basic urban services, while ensuring environmental sustainability, as well as enhancing economic growth and development.



UN-HABITAT is the lead agency for implementation of Millennium Development Goal (MDG) 7, Target 10 (reducing by half the number of people without sustainable access to safe drinking water), and Target 11 (achieving significant improvement in the lives of at least 100 million slum dwellers by 2020).

As part of our drive to address this crisis, UN-HABITAT is working with the European Commission (EC) to support sustainable urban development in African, Caribbean and Pacific (ACP) countries. Given the urgent and diverse needs, the agency found it necessary to develop a tool for rapid assessment to guide immediate, mid- and long-term interventions.

In 2004, UN-HABITAT's Regional Office for Africa and the Arab States took the initiative to develop the approach for application in over 20 countries. This was achieved in collaboration with other departments within the agency – the Urban Development Branch with the Urban Environment Section, the Global Urban Observatory, the Shelter Branch, the Urban Governance Unit, the Gender Policy Unit, the

Environment Unit and the Training and Capacity Building Branch. This new corporate approach is known as the Urban Profiling. The implementation of the Urban Profiling was launched thanks to contributions from the Governments of Italy, Belgium and the Netherlands. Today, UN-HABITAT is conducting city profiles in 18 new countries as part of the Participatory Slum Upgrading Programme financed by EuropeAid and its Intra-ACP fund. Also, Ethiopia, as well as 12 other African countries, are going to develop action plans for selected priority proposals presented in this document, the second phase of the new programme. The idea behind the urban profiling is to help formulate urban poverty reduction policies at the local, national and regional levels through a rapid, participatory, crosscutting, holistic and action-orientated assessment of needs. It is also aimed at enhancing dialogue, awareness of opportunities and challenges aiming at identifying response mechanisms as a contribution to the implementation of the MDGs.

The approach addresses four main themes: governance, slums, gender and HIV/AIDS, and environment. It seeks to build a national profile, and three settlements representing the capital or a large city, a medium-sized city, and a small town. The profiles offer an overview of the urban situation in each participating city through a series of interviews with key urban actors. This is followed by a city consultation where priorities are agreed. City-level findings provide input for the national profiling that is combined with a national assessment of institutional, legislative, financial and overall enabling frameworks and response mechanisms. The profiles at all levels result in supporting the formation of city and national strategies and policy development. Additionally, the profiling facilitates sub-regional analyses, strategies and common policies through identification of common needs and priorities at the sub-regional level. This provides guidance to international external support agencies in the development of their responses in the form of capacity building tools.

In Eritrea, the profiling was undertaken under the leadership of national and local authorities. This initiative has been carried out locally as well as

nationally. The Eritrea Urban Profile focuses on the findings of a desk-study, interviews with key actors, and country-wide consultations with key urban actors and institutions. Consultation participants agreed to address the salient urban issues including poverty, insecurity, corruption, pollution and crime - all problems that negatively affect investments and economic development. A consensus was reached on priority interventions in the form of programme and project proposals to be implemented.

I wish to acknowledge the contributions of Mohamed El Sioufi, who developed the concept of the urban profiling and Alain Grimard who is the Programme Manager. I also wish to cite those members of staff for their role in helping produce this report. They include Alioune Badiane, Kerstin Sommer, Clarissa Augustinus, Mohamed Halfani, Lucia Kiwala, Eduardo Moreno, and Raf Tuts.

I also look forward to supporting further their efforts in the urban development of Eritrea.



Anna Kajumulo Tibaijuka
Under-Secretary-General of the United Nations,
and Executive Director, UN-HABITAT

Historical evidences indicate that Urban Development in Eritrea dates back to the ancient times. However, it is during the Italian Colonial Period (1890 - 1941) that these ancient towns begun to flourish into modern planned towns and cities. Asmara, the Capital, was planned to an industrial town while Massawa and Assab were planned as port towns.



Mendefera and the remaining towns were planned as military garrison centers, mining, and agricultural towns. The British Colonial Period (1941 - 1952) was short and there was no significant improvement in the development and functioning of urban centers in the Country during this period. The period of Ethiopian Colonization (1952 - 1991) was also marked with the exploitation of urban centers and dismantling of the industrial establishments causing large scale destruction in Eritrea.

After Eritrea gained its independence in 1991, massive reconstruction and rehabilitation of urban facilities took place and the Government initiated a series of reforms placing governance at the forefront of its actions. However, the challenge awaiting is so great that it needs more commitment.

These and other urban related problems are posing strains on the limited resources the Government managed to gather. To adequately address these urban issues the Government is determined to work in partnership with all urban stakeholders and development partners. The Government's determination towards this cause is demonstrated through its participation in the urban Profiling. This rapid assessment of the urban issues helped to identify the priorities of the urban needs and propose remedial solutions. The Government strongly believes this participation in the exercise will lead into fruitful engagements.

Reiterating the Government's commitment to realize, with the assistance of its development partners, all the proposed recommendations forwarded in the Urban Profiling exercise, I would like on behalf of the Government of Eritrea, to express my appreciation to all who took part in developing this valuable document. My thanks are also extended to UN-HABITAT, the European Union and its member states who helped to produce the Urban Profiling document.

A handwritten signature in blue ink, appearing to read 'Abraha Asfaha'.

Honourable Abraha Asfaha
Minister for Public Works
Ministry of Public Works

EXECUTIVE SUMMARY



INTRODUCTION

Urban Profiling is an assessment of needs and capacity building gaps at the city level. It is currently being implemented in over 20 countries in Africa and the Arab States. Urban Profiling uses a structured approach where priority interventions are agreed upon through consultative processes. The Urban Profiling methodology consists of three phases: (1) a rapid participatory urban profiling, at national and local levels, focusing on Governance, Slums, Gender and HIV/AIDS, Environment, and proposed interventions; (2) detailed priority proposals; and (3) project implementation. RUSPS in Eritrea encompasses a national profile, and a single profile for the cities of Asmara, Massawa and Mendefera. This national report constitutes a general background, a synthesis of the four themes, Governance, Slums, Gender and HIV/AIDS, and Environment, and priority project proposals, both at national and city levels.

GOVERNANCE

The Government of Eritrea has since independence initiated a series of reforms with a view to decentralizing governance structures. The most notable and significant administrative reform undertaken by the government was abolishing the colonial provincial boundaries and reconstituting these according to development requirements and resources. As a result, six administrative regions were created under the Ministry of Local Government. The government appoints a

regional governor, and a regional council (Baito) is in charge of implementing national policies at the regional level. Additionally, the government initiated reforms to streamline the civil service and transfer civil servants to regional administrations. The reforms included training civil servants for more effective service provision. Furthermore, the Government of Eritrea created a National Agency for the Supervision and Privatization of Public Enterprises as part of the implementation of a macro economic policy to establish an efficient and outward looking economy led by the private sector. After the 1998 border conflict with Ethiopia, the government has played a major role in the reconstruction and rehabilitation of the economy. Increasing the allocation of resources is critical due to the weak private sector and limited capacity.

SLUMS

Slums in Eritrea are characterized by poverty and poor living conditions, with substandard housing, overcrowding and limited access to urban services. Slum residents are largely tenants. Overall policies and practices to address the needs of people in slum areas are poorly developed and many slum residents feel forgotten and neglected. Strategic urban planning, coupled with local economic development strategies and environmental planning, is essential for reducing spatial and economic inequalities in the urban areas. To comprehensively address urban poverty, the needs of slum residents must be considered in the planning process.

GENDER AND HIV/AIDS

There is a favourable environment promoting gender equality in the nation since the government instituted policies to promote women's issues. The National Union of Eritrean Women (NUEW) is active in promoting gender-related issues and the overall development of Eritrean women. This is partly the legacy of the struggle for independence, which saw the active participation of women on all fronts.

In general, HIV/AIDS prevalence rates are relatively low in Eritrea, with a national infection rate of 2.7 percent. But in recent years infection rates have been on the increase, with infected women outnumbering men. Infection rates are higher in urban areas than in the rural communities. As a response mechanism, the government's HAMSET programme (HIV/AIDS, Malaria, STIs and Tuberculosis) is actively fighting the HIV/AIDS pandemic.

ENVIRONMENT

Rapid urbanization puts pressure on the urban environment. Increasing numbers of vehicles, unplanned settlements, poverty levels, deforestation, loss of biodiversity and polluting industries negatively affect the urban environment. The urban poor suffer more from environmental degradation because they depend on natural resources like wood, water and fishing for their daily survival. To cope with the negative environmental impacts of urbanization, it is important that the Government of Eritrea comes up with measures to promote alternative sources of fuel and energy, and encourage environmental friendly means of transport. At national and local levels, the government needs to build its capacity to protect the urban environment.



BACKGROUND

INTRODUCTION

The Urban Profiling is a rapid, action-oriented assessment of urban conditions, focusing on priorities, capacity gaps, and existing institutional responses at the local and national levels. The purpose of the study is to develop urban poverty reduction policies at local, national, and regional levels, through an assessment of needs and response mechanisms, and as a contribution to the wider-ranging implementation of the Millennium Development Goals. The study is based on an analysis of existing data and a series of interviews with all relevant urban stakeholders, including local communities and institutions, civil societies, the private sector, development partners, academics, and others. This consultation typically results in a collective agreement on priorities and their integration into proposed capacity-building and other projects, all aimed at urban poverty reduction. The Urban Profiling is being implemented in over 20 African and Arab countries, offering an opportunity for comparative regional analysis. Once completed, this series of studies will provide a blueprint for central and local authorities and urban actors, as well as donors and external support agencies.

METHODOLOGY

The Urban Profiling consists of three phases:

Phase one involves rapid profiling of urban conditions at national and local levels. The capital city, a medium-sized city, and a small town are selected and studied to provide a representative sample in each country. The analysis focuses on four themes: governance, slums, gender and HIV/AIDS, and the environment. Information is collected through standard interviews and discussions with institutions and key informants, to assess the strengths, weaknesses, opportunities, and threats (SWOT) of the national and local urban situation. The findings are presented and refined during city and national consultation workshops and consensus is reached regarding priority interventions. National and city reports synthesise the information collected and outline ways forward to reduce urban poverty through holistic approaches.

Phase two builds on the priorities identified through pre-feasibility studies and develops detailed capacity building and capital investment projects.

Phase three implements the projects developed during the two earlier phases, with an emphasis on skills development, institutional strengthening, and replication.

URBAN PROFILING IN ERITREA

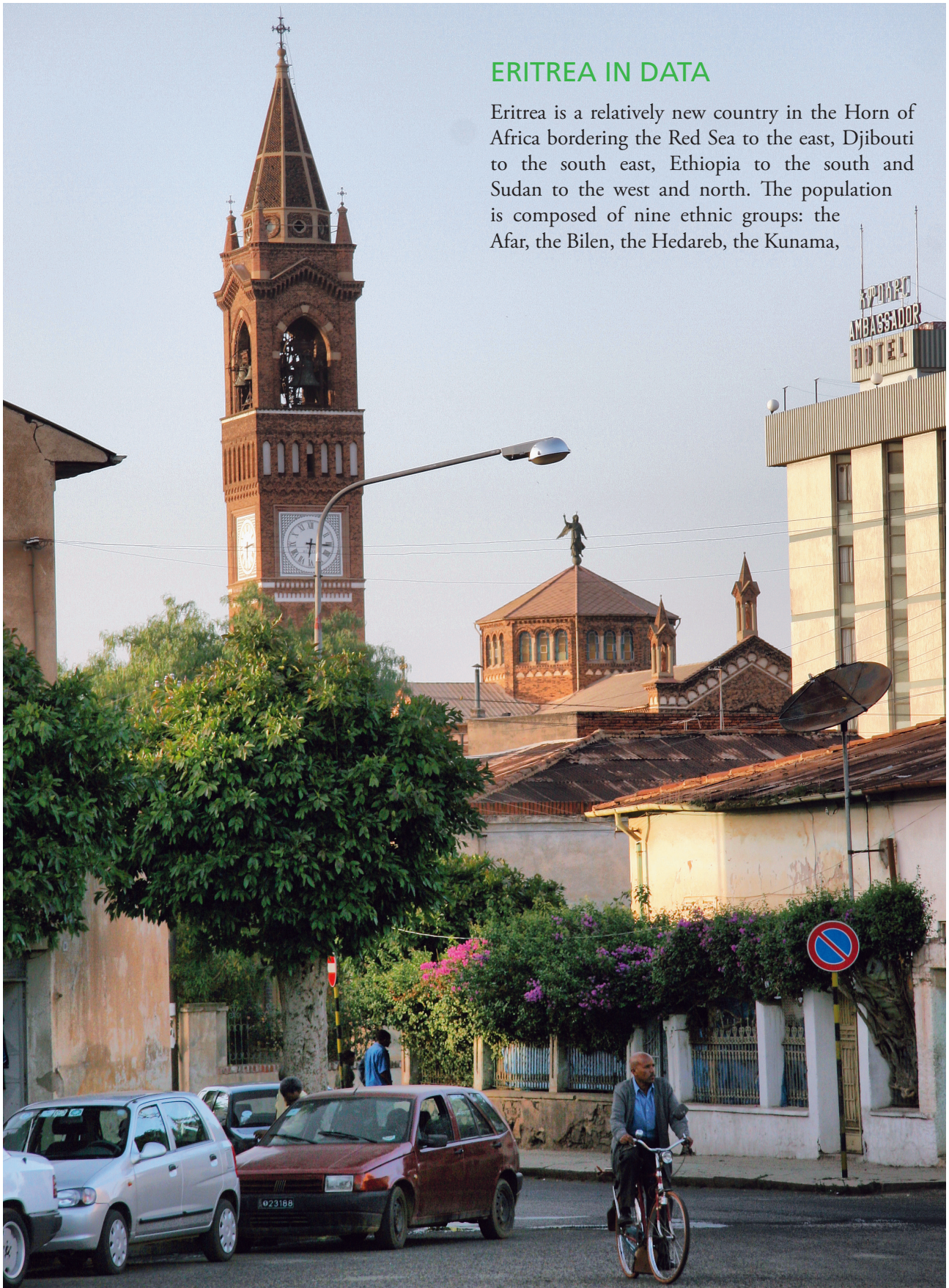
Urban Profiling in Eritrea covers the capital city, Asmara, the port city of Massawa and the city of Mendefera. The study involves from the outset the key respondent institutions at national and local levels.

The national consultation was conceived as a partnership platform including municipalities and other major stakeholders; the Ministry of Public Works was the focal ministry. The aim was to promote options for more formal institutional collaboration that should emerge as a coordination body integrating a wide range of urban actors in a single response mechanism.

REPORT STRUCTURE

This report consists of:

- a general background of the urban sector in Eritrea, based on the findings of the Eritrea assessment report, a desk study, interviews, and a national consultation that was held on July 7-8 2005 (see back cover for a list of participants in the National Consultation and bibliography). The background includes data on urbanization of poverty, population, education, health, administration, corruption and the economic situation.
- a synthetic assessment of four main areas – governance, slums, gender and HIV/AIDS, and environment – in terms of the institutional setup, regulatory framework, resource mobilisation, and performance; this second section also highlights agreed priorities and includes a list of identified projects; and
- a SWOT analysis and an outline of priority project proposals for each theme (this is the third and final section). The proposals covers both national and city levels, but are published as a single set of proposals due to their similarities and overlapping nature. Therefore, the Eritrea city profile (which focuses on three cities; Asmara, Massawa and Mendefera) does not have project proposals; these are covered in this national profile.



ERITREA IN DATA

Eritrea is a relatively new country in the Horn of Africa bordering the Red Sea to the east, Djibouti to the south east, Ethiopia to the south and Sudan to the west and north. The population is composed of nine ethnic groups: the Afar, the Bilen, the Hedareb, the Kunama,

the Nara, the Rashaida, the Saho, the Tigre and the Tigrinya. The administrative structure is composed of six zobas (regions), 58 sub-zobas, 699 administrative areas (kebabis), and 2,564 villages. About 80 percent of the population is rural and this group relies on agriculture for their livelihood. Eritrea is one of the many African countries that are primarily dependent on the agricultural sector. Urbanization rates are still relatively low and many cities are small with limited services.

ERITREA - FACTS AND CHALLENGES

Urban development in Eritrea has gone through a number of historical stages. The Italian period (1890-1941) witnessed the establishment of the main Eritrean cities and towns. The British colonial administration (1941-1952) slowed the urban development process and later, when the country was annexed by Ethiopia, the situation in urban areas went from bad to worse as a result of a 30 year war of independence. In particular, policies implemented by the Ethiopian military regime significantly damaged the economy and destroyed much of the infrastructure.

After gaining independence from Ethiopia in 1991, reconstruction and rehabilitation work started immediately and Eritrea went through a period of rapid and stable economic growth from 1993 to 1997, with annual GDP growth rates averaging 5.4 percent. When a border war with Ethiopia broke out in 1998, GDP growth declined to less than 1 percent in 1999. Since 2001, the “no war, no peace” situation, made worse by frequent droughts, has restricted economic development.

For successful socio-economic development and the achievement of the Millennium Development Goals, it is of vital importance for Eritrea to understand the role and needs of its cities and towns. Only by addressing urban sector needs through the participation and coordination of all the stakeholders can urban poverty reduce. Because of this, the Government of Eritrea has incorporated into its development targets the reduction of poverty and hunger, and the improvement of health, education, gender equality, the environment and other aspects of human welfare.

URBANIZATION OF POVERTY

Poverty in Eritrea has rapidly increased in recent times. During 1993-1997 when the economy registered high GDP growth rates, poverty was believed to be at its lowest level. Recently, two poverty surveys have been undertaken at the national level: the Households' Living Standard Measurement Survey and a Participatory Poverty Assessment. Their findings indicate that the poor constitute about two-thirds of the population. Slightly more than one-third of the population live below the poverty line (US\$0.60 per day) and the incidence of poverty is higher among women.

Furthermore, about 81 percent of small town residents are poor; 65 percent of the rural population are meanwhile classified as poor, and 39 percent of these are extremely poor. As a consequence of the poverty we find a proliferation of slums, degraded environmental conditions, reduced life expectancy, malnutrition, the inability to access basic services, a lack of appropriate housing, and increased vulnerability to HIV/AIDS and other diseases. However, while poverty heightens insecurity and criminality in many other African cities, the situation in Eritrea is different because of positive socio-cultural and communal factors and ways of life, as well as various coping mechanisms and efforts by the government to manage developments in favour of the poor. To improve the situation in urban areas and to address poverty at the national level, a comprehensive response is needed towards creating employment opportunities and encouraging investment.

ADMINISTRATION

Following Eritrea's independence in 1991, a transitional government was formed. After a referendum in April 1993 that formally declared Eritrea an independent and sovereign nation, the Government of Eritrea was established with three branches: the National Assembly (Baito), which constitutes the legislative body, the Executive Branch and the Judiciary, each with an independent status. Currently, the government is organized under 18 ministries, 5 commissions and two offices. The Government of Eritrea has established regional administrations through its proclamation no. 86/1996. Accordingly, six regions were created, each with three fully functioning levels of administration: the regional administration (zoba), the sub-regional administration (sub-zoba) and the village/area administration (kebabi). Together these constitute the local government of each region in the country.

Each regional administration has to develop the administrative capacity and facilities to provide effective services. Planning and related responsibilities are outlined with a focus on development programmes, people's needs, budgeting and public accountability.

TABLE 1:

GOVERNMENT BODIES INVOLVED IN HOUSING AND URBAN DEVELOPMENT	
Ministry of Land, Water and Environment	<ul style="list-style-type: none"> • Prepares land classification and decides on land use for various purposes. • Decides which site to be allocated for what purpose. • Approves the distribution of tessa and lease land.
Ministry of Public Works	<ul style="list-style-type: none"> • Provides technical assistance to the municipalities in making urban development plans. • Checks and approves house plans. • Provide building licences to architects, engineers, etc.
Housing Commission	<ul style="list-style-type: none"> • Returns nationalized dwellings to their rightful owners. • Its mandate is in the process of being finalized.
Rental Administration	<ul style="list-style-type: none"> • Registers private rental contracts in Asmara. • Maintains an inventory of state-owned buildings.
REGIONAL ADMINISTRATION BODIES INVOLVED IN HOUSING AND URBAN DEVELOPMENT	
Department of infrastructure	<ul style="list-style-type: none"> • Implements strategic urban development plans. • Provides transportation infrastructure. • Issues construction permits. • Controls the development of unplanned suburbs.
Economic development and Land Committee of Councils	<ul style="list-style-type: none"> • Implement strategies for local economic development. • Assesses disagreements between owners and tenants.

THE ECONOMIC SITUATION

Trade, commercial services, manufacturing, construction activities and agriculture are the major sectors that make up the urban economy. The service sector provides 65 percent of urban employment. This makes it the key sector in the urban economy, followed by industry, construction and agriculture. The informal sector is also important and contributes significantly to employment and incomes of the urban poor. The private sector is coordinated and supported by the Eritrean National Chamber of Commerce (ENCC), which provides trade promotion services and enterprise development while also undertaking research and training activities.

Eritrea is at present in a situation of 'no peace and no war'. This has negatively impacted on urban economic activities and the quality of life of urban residents. Businesses have slowed down with low turnover. Consequently, unemployment is rising, simultaneously aggravating urban poverty. There are significant challenges ahead to revive the economy once the border dispute with Ethiopia has been settled. The challenge for the future is to plan for sustainable economic and social growth based on Eritrea's comparative advantages.

These advantages include its geographic location, human resources, two major ports on the Red Sea (which has vast marine resources), tourism potential, and the government's commitment to development. All this suggests great potential for the country's rapid growth and development.

TABLE 2:

SECTORS AND THEIR PERCENTAGE OF GDP	
Agriculture	13.9%
Industry	24.4%
Service	61.4%

Source: World Bank, 2005

CORRUPTION

Corruption levels in Eritrea are low and the government has followed a zero-tolerance policy. However, in recent times concerns about corruption have increased. In many instances serious measures have been taken and cases of corruption have been made public through the mass media and other means. The government in 1997 established the National Accountability Commission, which has the capacity to administer and enforce rules, and ensure accountability of public officials. This institution has the power to investigate corruption allegations and prosecute those who have been involved in corruption.

TABLE 3:

TRENDS IN KEY EDUCATION INDICATORS - THE GENDER DIMENSION		
Indicator	1995	2002
Net Enrolment Rate (Primary) %	31.2	46
Female Net Enrolment Rate (Primary) %	31.5	43
Male Net Enrolment Rate (Primary) %	31.0	48.8
Female Gross Enrolment Rate (Primary) %	53.7	69.3
Male Gross Enrolment Rate (Primary) %	59.2	71.4
Female Net Enrolment Rate (Middle level) %	6.4	12.1
Female Net Enrolment Rate (Secondary) %	9.6	11.8
Proportion of female students at Asmara University (%)	11.7	13.4
Percent of women with no education (EDHS '95, 2002)	65.9	50.1
Proportion of women participants in literacy programmes (1997- 2003) %	-	92
Literacy programmes (female completion rate; 1997-2003)	-	71.3

Source: Eritrea Country Report, NUEW 2004

EDUCATION

The government is investing substantial resources in education as a result of its commitment to human resource development. Recently, the Ministry of Education (MoE) reformed the curriculum for all educational levels to make them more relevant to the country's economic development. The government policy towards education is centred on improved access and quality, and increased participation of girls at all educational levels.

Enrolment ratios for girls tend to decline as education progresses – gender disparities are low at primary levels and high at tertiary levels. The MoE is establishing new colleges as part of its programme to extend higher education opportunities to a larger segment of the youth. At present, the government provides free education at all levels. Access to education is open to all and primary education is declared a basic right.

HEALTH

The health system in Eritrea has made great strides forward, despite the country's involvement in war with Ethiopia, which destroyed physical infrastructure and other financial and human resources. The health system is divided into three tiers: primary, secondary and tertiary levels. The lowest-level service delivery unit is the health station (staffed by a nurse or associate nurse), which usually has a catchment area with a 5 Km radius that includes several villages. In Eritrea, health service provision is almost exclusively carried out by the public sector, although the country also has a small, nascent private health sector. According to World Health Organization estimates, Eritrea's total health spending was US\$9 per capita or 4.3 percent of GDP in 2000, of which public expenditure was US\$6 per capita and private expenditure US\$3 per capita. Public expenditure on health is about 4 percent of the government budget – one of the lowest levels in Sub-Saharan Africa. Among the major diseases affecting people are malaria, HIV/AIDS, diarrhoea and acute respiratory infections.

TABLE 4:

TRENDS IN KEY HEALTH INDICATORS - THE GENDER DIMENSION (%)		
Indicator	1995	2002
Housing Commission	20	28
Rental Administration	49	70
Department of Infrastructure	43	53
Economic Development and Land Committee of Councils	72	48

Source: Eritrea Country Report, NUEW 2004

GOVERNANCE



Good economic governance in fiscal and financial matters is one of the pre-conditions for achieving broad-based, sustainable and pro-poor economic development. Although local governments are given some autonomy, there are capacity constraints related to technical and human resources that limit the implementation of major socio-economic programmes and projects. Local authorities are not able to prepare development programmes and projects independently without the support of the central government. Since ministerial functions have been devolved to the regional level, this arrangement requires the regional sector heads to be accountable to both their headquarters and to the regional governor, which has created an administrative conflict. Limiting ministries' provision of backstopping services in policy making and regulatory services is now helping to solve this problem. There is a need to improve the capacities of the local authorities to undertake the roles and responsibilities assigned to them, which can be done, for instance, by improving revenue collection capacities and decentralization.

INSTITUTIONAL SET-UP

- Local governments are legally empowered to mobilise revenue through taxes, fees and other charges.
- To a large extent, local governments receive only basic salaries from the central government. Local revenue is inadequate for undertaking substantive developmental activities. Staff quality is relatively poor. Therefore, local governments are weak and lack capacity, resources and qualified manpower to efficiently deliver services.

- Local governments have the power to allocate their financial resources with the approval of budgets by the central government.
- Lack of funds and weak implementation capacities constrain service delivery.
- Opportunities for partnerships among community based organizations (CBOs), non-governmental organizations (NGOs), the private sector, and other bodies have not been fully exploited.
- Inter-sectoral coordination is necessary for sustainable urban services delivery, which supports effective implementation and monitoring of projects.

AGREED PRIORITIES

- Improve revenue collection efficiency.
- Train municipal staff in participatory planning and budgeting, as well as conflict management.
- Improve community participation in urban decision making.
- Build capacities of the local authorities to effectively and efficiently perform their tasks.
- Explore public-private partnerships.
- Improve communication flow between local authorities and the civil society.

LEGISLATIVE FRAMEWORK

- Regional administrations are under the supervision of the Ministry of Local Government. Recent reforms transformed the ministry into a coordinating body.
- Local governments have limited capacity and expertise in the planning and design of projects and programmes.
- Regional administrations determine spending priorities on the basis of participatory decision making involving regional councils and other stakeholders.

PERFORMANCE AND ACCOUNTABILITY

- There is a need for strong regional government response mechanisms to identify community needs and priorities.
- A complaints procedure exists and there is enforcement of rules and regulations.
- The government appoints mayors, but the people elect regional councils.
- There is weak communication and information flow, owing to poor facilities and capacity limitations.
- Proper accountability, periodic reporting and performance evaluation mechanisms are in place.
- There are weak performance standards in reference to service delivery.

RESOURCE MOBILISATION

- Regional administrations rely on local revenue sources for most of their activities.
- Taxes and fees are the main sources of revenue.
- Central government finances major infrastructure works within towns and cities.
- Revenue collection is weak, and local governments often face shortages of funds.
- Capital funds are heavily dependent on availability of donor financing.
- Communities contribute either in cash or in kind for projects (usually 10 percent in Eritrean Community Development Fund projects).

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* Urban Sector: project proposals that address all thematic areas

SLUMS



INFORMAL SETTLEMENTS

Lack of adequate and affordable housing is a key indicator of urban poverty. Due to rapid population increases in the urban centres, the demand for housing exceeds its supply. The poor are forced to live in slums where urban services are inefficient or non-existent. Overall policies and practices to address the needs of people in slum areas have been poorly developed. There have only been a few cases of slum-upgrading and relocation efforts at the national level. Land issues are at the centre of slum improvement, but administrative limitations constrain access to urban land while high costs put land development beyond the urban poor. The situation is worse for slum dwellers dependent on the informal sector for their incomes. Meanwhile, high costs of building materials and labour hinder the creation of low-cost housing developments. International funding for slum-upgrading efforts is almost non-existent and there is a need to encourage it.

INSTITUTIONAL SET-UP

- Proclamation no. 58/1994 affirms that the government owns all land.
- The Ministry of Land, Water and Environment is responsible for land policy and land allocation.
- The Department of Land is authorised to oversee land management.
- The Department of Urban Development is under the Ministry of Public Works.
- There is a commission for rental houses.
- There have been limited slum-upgrading and relocation efforts.
- There has been limited involvement of NGOs, community-based organizations and other development partners in slum upgrading.
- The ENCC supports the informal sector and family businesses.

TENURE

- Proclamation no. 58/1994 and legal notice no. 31/1997 vest the ownership of land exclusively with the government.
- There are two types of land tenure for housing purposes, namely tessa land (free land by birth right in a citizen's village of origin) and lease land.
- The poor cannot access land in urban areas due to high development costs.
- The rent control act protects tenants from forced evictions.
- A high proportion of slum residents are tenants.
- Sometimes eviction is used, in the case of illegal slum residents.

RESOURCE MOBILISATION

- The financial capacity of regional administrations is limited.
- The revenue collection system at regional level is weak.
- The financial and technical capacity of municipalities is limited.
- Informal sector and small scale commercial activities are dominant in slum areas.
- A sustainable partnership system to mobilise financial resources is needed.

AGREED PRIORITIES

- Develop a slum-upgrading strategy and test it through pilot projects.
- Develop a slum-upgrading financing strategy.
- Improve the technical capacity of municipalities to engage in slum upgrading.
- Develop locally driven physical and strategic plans, and land information systems such as base maps for land management and property registration.
- Develop planning standards and licensing procedures that create an enabling environment for the informal sector. Provide human and financial resources for local authorities to perform planning functions.
- Obtain more financial support from the government and NGOs for the urban poor, and negotiate their better access to credit.
- Prepare and implement a policy to support local economic development.

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* Urban Sector: project proposals that address all thematic areas

GENDER AND HIV/AIDS

A new Labour Proclamation issued in 2001 provides for the legal protection of women in employment. The proclamation stipulates equal employment opportunities and maternity protection benefits for women. Women make up 27 percent of all government employees. However, their presence is more pronounced in the junior and clerical jobs than in senior or professional categories. By law the government reserves 30 percent of the parliament seats for women. Women are also fairly represented in NGOs such as National Confederation of Eritrean Workers and the National Union of Eritrean Youth and Students (NUEYS). The government developed and endorsed a new National Gender Action Plan, covering the period 2003-2008. Improving and expanding mother and child care services and reducing maternal and infant mortality are two of the six major objectives of the national health strategy. The interim Poverty Reduction Strategy Paper is another key national planning document addressing the issue of gender equality and women's empowerment. In the ENCC, there is a Women in Business Development Unit, which is a member of the African Women Network. The government is committed to fighting HIV/AIDS, sexually transmitted illnesses, malaria, and tuberculosis through its HAMSET programme. A multi-sectoral approach is followed to involve various stakeholders in controlling the HIV/ AIDS pandemic among the youth and other groups. There is also the Eritrean Social Marketing Group (ESMG), which is active in campaigning against HIV/AIDS, and distributing and selling condoms to make them accessible at a low price.

INSTITUTIONAL SET-UP

- The government ratified the Convention on the Elimination of Discrimination Against Women in 1995.
- The NUEW is the responsible body for women's issues.
- The government fights HIV/AIDS through its HAMSET programme.
- There are BIDHO associations for people living with HIV/AIDS (PLWHA) in some cities.

- Existence of micro-credit institutions supporting women, such as the Agency for Cooperation in Research and Development (ACORD) and the Micro Credit and Savings Programme (MCSP).
- There is a Centre for Gender Research, Studies and Resources at the University of Asmara.
- There is a Women in Business Development Unit in the ENCC.
- Eritrean Police are active in crime prevention and investigation of gender-based violence.
- Existence of Eritrean Social Marketing Group.

EMPOWERMENT AND ACCOUNTABILITY

- Women's representation in key positions is relatively low.
- There is no gender desk / unit in municipalities accountable for gender mainstreaming.
- The media is active in educating the public about gender and HIV/AIDS related issues.
- Women are under-represented in community-based organizations.
- Lack of gender disaggregated data and gender budgeting.
- HIV/AIDS stigma results in negative attitudes.
- Women entrepreneurs have participated in African Women Leadership Programme workshops.
- In ACORD activities, 40 percent of committee membership is reserved for women.
- Adult education and complementary education programmes exist.



RESOURCE MOBILIZATION

- Limited financial capacity of National Union of Eritrean Women.
- This national effort is strengthened by donations, grants and contributions from international organizations such as the Global Fund to fight HIV/AIDS, the EU, UNDP and other health-related international NGOs.
- Limited donor financing for women's issues.
- The ongoing effort to mainstream gender and HIV/AIDS across all sectors requires resource mobilisation.
- HAMSET funds are available to address HIV/AIDS issues.
- Women are less involved in income-generating activities.
- ACORD supports BIDHO PLWHAs and destitute and disadvantaged groups.

AGREED PRIORITIES

- Improve women's participation in the public sphere through training and capacity building.
- Develop a financing strategy for gender mainstreaming.
- Look for alternative funding for addressing HIV/AIDS issues.
- Support women's organizations.

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* Urban Sector: project proposals that address all thematic areas

ENVIRONMENT



Increased deterioration of the urban environment was a serious problem at independence. This was due to the war and recurrent droughts that negatively affected the country. Reflecting the importance it attaches to the environment, the government established the Ministry of Land, Water and Environment (MoLWE) to protect and promote the natural resources of the nation. The ministry through its various departments provides a more integrated approach to environmental protection. Among the major environmental problems in urban areas are solid and liquid waste, sewerage, industrial pollution and coastal pollution. Improved management of solid waste and sewerage in towns is the focus of the National Environmental Management Plan (NEMP). Equally important is strengthening institutional capacity, training to protect and manage marine resources of the nation, and looking for environmentally friendly energy sources.

INSTITUTIONAL SET-UP

- The NEMP was formulated in 1995.
- Government's administrative restructuring in 1997 created the Environment Department within MoLWE.
- The government signed and ratified the UN convention to combat desertification in 1994.
- There is an environmental division within each municipality.
- There is the Department of Land Resource and Environment.

REGULATORY FRAMEWORK

- There is no environmental policy but there are environmental guidelines.
- The Eritrean Environment Act awaits approval to be enacted as law.
- There is weak enforcement of environmental regulations.
- An Environmental Impact Assessment is required for business projects.
- Regional administrations have weak capacity to protect and regulate the environment.

AWARENESS AND ACCOUNTABILITY

- Environmental awareness is low at all levels.
- Capacity constraints, both technical and financial, lead to poor environmental governance.
- Education about environmental issues and sustainability is needed for leaders and communities.
- The Environment Department has limited professional manpower to investigate complaints and redress environmental damages.

- Regional administrations and municipalities have limited capacity to monitor, manage and communicate strategies for good environmental governance.
- There is weak information flow and a comprehensive database is necessary for environmental planning and informed decision making.

RESOURCE MOBILISATION

- Resources allocated for the environment are insufficient to curb environmental degradation.
- With few exceptions, environmental partnerships are few and largely unexploited.
- There is a lack of human and financial resources for environmental planning and management at regional and municipal levels.

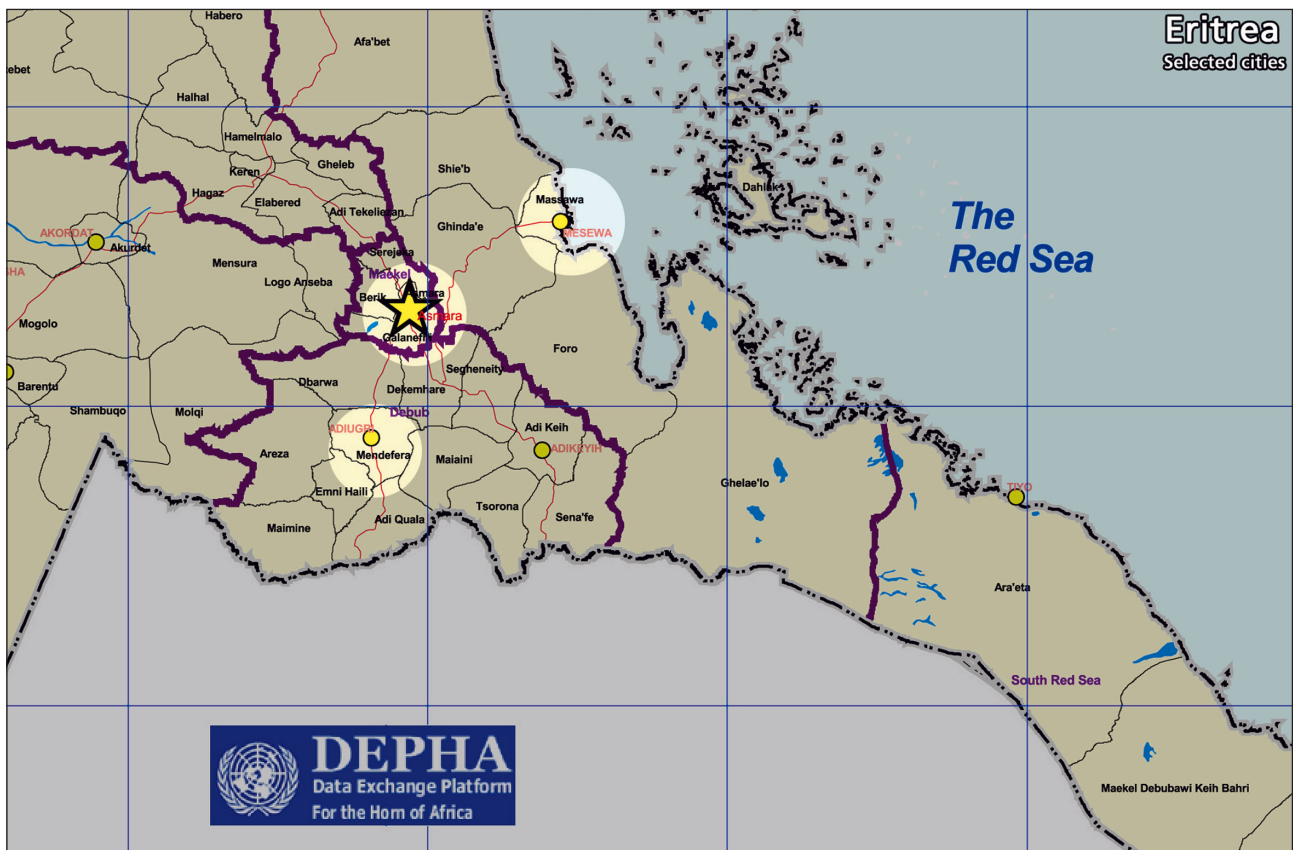
AGREED PRIORITIES

- Develop a national environmental policy.
- Conduct an assessment of the main environmental needs and gaps, and formulate environmental action plans at national, regional and local levels.
- Train and build capacities in environmental planning, management and governance.
- Conduct public education and awareness campaigns on environmental issues.
- Establish sustainable financial strategies for environmental issues.
- Explore broad-based partnerships in addressing environmental problems.

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* Urban Sector: project proposals that address all thematic areas

THE SELECTED THREE CITIES



ASMARA

Asmara city is the principal and capital city of the newly independent nation of Eritrea. It is also the administrative capital of the Central Region (Zoba Maekel) and the central government. Since independence, the city has been overwhelmed by fast population growth as a result of the influx of freedom fighters, rural-urban migration, returnees from abroad and expellees from Ethiopia. Consequently, it is accommodating around 450,000 people, 54% of the urban population in the country.

Asmara is well linked with the rest of the country. Many of the manufacturing and service sector activities are concentrated in and around the city. Most of the import and export companies, financial institutions, NGOs, international organizations, and diplomatic missions are located in Asmara. The city's potential for growth is constrained by a number of factors, above all because of financial and technical resource limitations, as well as because of poor regulatory and implementation frameworks. The city will prosper and contribute to the economic development of the nation if these problems are addressed and above all, if peace is secured in the region.

MASSAWA

Massawa is Eritrea's port city located at the Red Sea coast about 120 Km northeast of Asmara. It has an estimated population of about 43,600 and the town is the regional capital of the Northern Red Sea region. It is endowed with a natural deep water harbour. Historically the city developed from an island port town of the Turkish/Egyptian times in the colonial era to a trading and industrial town in modern Eritrea. The commercial sector of Massawa is composed of several large industries, a number of medium and small enterprises, bars, shops, and substantial tourism developments, such as hotels and restaurants. A major employer in the town is the port which has around 2,000 workers. In the past ten years large investments have been made and the port has recovered from the massive destruction caused during the Fenkel Operation in 1990 to liberate Massawa. Significant investments can be seen in housing developments, the new airport, the power station at Hirgigo, the harbour extension, and road and infrastructure construction. The planned Free Zone in Massawa is expected to change the port city in the future into a commercial, distribution and industrial centre. The economic situation of Massawa will improve if critical problems of housing and water supply are addressed.



MENDEFERA

The city of Mendefera is located 54 Km south west of Asmara. It is the administrative centre of the Debub region with a geographical size of 658.8 hectares. The population of the city is estimated to be about 32,000 - 35,000 people. It is well connected with many parts of the country through an asphalted road network. Historically the city is famous for its commercial activities and trade in salt, honey and spices with

Ethiopia. After independence the city has made rapid changes particularly in reference to socio-economic services such as education, health, markets and other facilities. But there are great challenges ahead in the provision of urban services such as water, sanitation and sewerage systems. If these are properly addressed the city will contribute to the development of the region as well as of the nation.



BACKGROUND

ADMINISTRATION

Asmara and Mendefera municipalities have seven departments, whereas Massawa has five. Asmara Municipality employs a total of 3,036 employees whereas Massawa has 271 employees and Mendefera 159. Around 33-39% of the municipality staff are women, mainly concentrated in the departments of administration and social services. Commonly, the departments in the cities suffer from shortage of qualified staff and absence of adequate facilities, computers in particular. Additionally, high turn-over of qualified staff and department heads has been a problem.

ECONOMIC SITUATION

Revenue collection is not effective and the full revenue potential is far from realized in all the three cities. There are problems of facilities, shortage of skilled manpower and lack of computerisation and networking systems. Major sources of income are services and taxes. The financial activities are not strictly guided by budget rules and regulations, and proper budgetary systems have been introduced only in the beginning of 2005 with the exception of Massawa which still does not have a budgetary system. The revenue is mainly spent on general service provision, salaries and employment benefits, and the capital budget is spent on equipment, furniture, buildings and other investments.

URBAN SERVICES

Urban services are not equally distributed and in general the urban poor do not have access to many services. Piped water, electricity and telephone systems are available for those who can afford to pay and thus they are mostly found in the new residential and commercial areas. The municipalities are working towards equitable distribution of urban services such as water, electricity and sanitation. Provision of such services are also constrained by the huge capital investments required, which are usually beyond the budgetary capacity of the city administrations.

PUBLIC TRANSPORT

There are great differences between the three cities in reference to their public transport facilities. Asmara has a wide array of public transport facilities, such as buses, taxis and minibuses although horse carts and bicycles are also widely used in areas not easily accessible by motor vehicles. Massawa also has a well developed transport system but Mendefera does not have public transport facilities, and the residents rely on bicycles and horse and donkey carts. In Asmara and Massawa there is a need to incorporate traditional means of transport in the transport planning and management.

STREET LIGHTING

Street lighting is functional in all the cities, particularly the city centres, but most slums are without street lights. Efforts have been taken to extend the street lighting. For example, in 2004, ERN 5,4 million was spent on street lighting in Asmara. As the cities are growing rapidly, there is a need to extend street lighting to cover all the areas in order to enhance security, particularly for women.

SOURCES OF ENERGY

The cities are dependent on imported refined fuel for motorized transport, air transport, industrial activities, and commercial production of electricity. Electricity is provided by the Eritrean Electricity Authority (EEA). The major source is the Hirgigo power plant in Massawa, which has recently acquired a new diesel power station. Additionally, Asmara receives some of its electricity from the Belesa power plant. Many of Asmara's residents have access to electricity while many households use kerosene and natural gas for cooking. Additionally, firewood is still used for cooking, particularly in the smaller cities.

HEALTH

Access to health care differs according to income levels. The middle and high income groups have better access to health care as compared to the poor, who are mainly served by government hospitals while the higher income groups go to private clinics. Many of the hospitals are old and lack adequate facilities and staff. For better provision of health services, attention should be given to human resource requirements, renovation of existing facilities and acquisition of the necessary hospital equipment.

EDUCATION

All the cities have educational services from primary to secondary schools. Asmara has relatively better educational facilities compared to the other cities in the country. In addition to government-run schools, it has some private, religious and international schools, and it hosts the country's only university. Most of the educational facilities in Mendefera and Massawa are government-run, while two religious schools exist in Mendefera. All the cities attract students from the smaller, adjacent towns and villages. The quality of education is believed to have deteriorated and the government has pledged its commitment to promote education, which has translated into the establishment of new colleges, introduction of new curricula and increases in teachers' salaries in order to strengthen their motivation. Education is free and there is broad access by all classes of the society. However, students from poor households drop out early in order to assist their families to earn an income.

GOVERNANCE

The overall performance of all the city administrations is negatively influenced by lack of financial, technical and human resource capacities. The revenue collection capacities are generally weak and the cities suffer from lack of computerization. Asmara has some computers but there is a shortage of trained staff who could make use of this equipment. Additionally, shortage of skilled labour and low salaries in all the cities affect morale and performance causing high turnover. The cities are developing strategic plans which utilise a participatory approach in designing action plans and programs. Although the cities do not have Citizens' Rights Charters, they have clear, participatory mandates in service provision. Additionally, the city councils have close working relations with various urban stakeholders and they often act as a bridge between city residents and the local authorities. The city administrations have not been externally audited and there is a need to develop new, or in the case of Asmara, existing internal audit systems. Tenders and lists of those who win contracts are publicly advertised. For effective governance, there is a need for coordination of all departments and service delivery units. Training and improved incentive systems are also crucial for better performance.

INSTITUTIONAL SET-UP

- The mayors are appointed by the government.
- Each city has a city council and administrative areas with their own administrators.
- Each city has Baito members who are elected by the people.
- The city councils have close working relations with various institutions.

REGULATORY FRAMEWORK

- Municipal governments are autonomous in local revenue collection and spending revenue.
- Major sources of income are taxes and income from services and revenue collection is not effective.
- Declining business activities negatively affect taxes and incomes collected by city administrations.
- Limited donor funding.

PERFORMANCE AND ACCOUNTABILITY

- Complaints services within the city councils exist but there are no Citizen's Rights Charters.
- Budgetary systems have been recently introduced but they are not publicly accessible.
- The city administrations have internal audit systems but they have not been externally audited.
- Tenders and lists of those who win contracts are publicly advertised.
- Some systems of measuring performance to assess work effectiveness are in place.

AGREED PRIORITIES

- Improve revenue collection efficiency and community participation in urban decision making.
- Train municipal staff in participatory planning and budgeting, as well as conflict management.
- Build capacities of the local authorities to effectively and efficiently perform their tasks.
- Improve communication flow between local authorities and the civil society and explore public-private partnerships.

SLUMS

A large number of urban residents in Asmara, Massawa and Mendefera live in slums. In Massawa the figure is over 50% whereas in Asmara it is around 23%. These slums are characterized by inadequate access to water and sanitation, self-built structures made of poor building materials, prevalence of health problems, overcrowding, and lack of security. Additionally, most slums dwellers rely on the informal sector and small-scale businesses for their survival. Their access to credit and other financial assistance is limited due to lack of income and collateral and hence, they are not in a position to improve and upscale their businesses. Lack of access to land and high cost of labour and building materials contribute to the further expansion of slums. The municipalities do not have any slum upgrading strategies and no budgets are dedicated for slum upgrading. Further, there are no community based organizations, NGOs or private sector entities working to upgrade slums. Therefore, only few responses exist addressing the acute shortage of housing but the existing housing projects mainly cater for the higher income groups. It is important to build the capacity of the municipalities to deal with slums. To this effect, training is needed for incorporating slum upgrading activities within the cities' wider development strategies.

REGULATORY FRAMEWORK

- Government land policy gives equal rights to men and women.
- There are criteria and working guidelines in the distribution of urban land, which gives priority to some groups.
- There are no slum upgrading strategies.
- Residential houses that are built according to the plan can be sold once they have fulfilled government requirements.
- Rights to land are guaranteed by the government if the land is properly used according to agreed plans.
- There is private rental house regulation fixing rents and prohibiting forced evictions.
- There is weak regulatory framework for government owned houses rented for residences and businesses.
- There are some policies in place to promote local economic development to support the urban poor.

THE INSTITUTIONAL SET-UP

- City councils have limited capacity to engage in slum upgrading activities.
- There are no officers in charge for slum areas.
- There are no CBOs, NGOs or private sector entities working in slum upgrading.

RESOURCE MOBILISATION

- The financial capacity of the municipalities is weak and they have no budget for slum upgrading or shelter development.
- There is limited financial assistance for slum residents.
- Access to credit for the poor is limited due to lack of income /collateral.
- Businesses in slums are mainly small-scale and of informal nature and women participate in credit associations.

TENURE SYSTEM

- Secure land rights in slums is not possible and rental in slums is as low as ERN 20 per month.
- A rent control proclamation exists and evictions are prohibited.
- The poor are mostly excluded by market-based land pricing and serviced lease land.
- The commissions of rental houses are give priority to demobilise women fighters, old people and orphans in allocating rental houses.

AGREED PRIORITIES

- Develop locally tailored slum upgrading strategies and improve the technical capacity of municipalities to engage in slum upgrading.
- Develop locally driven physical and strategic plans and land information systems, such as base maps for land management and property registration.
- Obtain more financial support from the government and NGOs for the urban poor, as well as negotiate their better access to credit.
- Prepare and implement policies to support local economic development.

GENDER AND HIV/AIDS

In general, the government policy towards gender equality and empowerment has a long tradition dating back to the independence struggle. The city administrations do not have gender units but they closely collaborate with the National Union of Eritrean Women (NUEW) on gender issues. NUEW, together with some other institutions, engages in training in micro-credit schemes and income generating activities, sensitisation workshops, lobbying, as well as advocacy campaigns. The HIV/AIDS prevalence rates are higher in urban than in rural areas and the national infection rate is 2.7%. In regards to HIV/AIDS issues, the Ministry of Health through its HIV/AIDS, malaria, STIs, and tuberculosis (HAMSET) project coordinates various activities on HIV/AIDS prevention, support and care. As part of the HAMSET project, the number of VCT centres has increased considerably and HIV testing is now compulsory at marriage. There is BIDHO Association of PLWHAs supported by the Government of Eritrea and some donors. Overall, there are good partnerships to promote HIV/AIDS concerns, and also some to promote gender mainstreaming. To enhance gender sensitivity and awareness and to reduce HIV/AIDS infections, it is crucial to support capacity building efforts of NUEW, municipal administrations and city councils.

INSTITUTIONAL SET-UP

- Gender streamlining and analysis is part of some aspect of recruitment, planning and projects.
- There are no gender units within the municipalities but close collaboration with NUEW on gender issues exists.
- Gender activities are undertaken by NUEW, such as training and sensitisation workshops, lobbying and advocacy groups.
- HIV/AIDS policy is in place, but records are kept by the Ministry of Health.
- There is BIDHO Association of PLWHAs supported by the Government of Ethiopia and some donor bodies.
- No gender budgeting is introduced.
- The Ministry of Health through its HAMSET project coordinates HIV/AIDS activities.

EMPOWERMENT AND ACCOUNTABILITY

- The municipalities have a commitment to empower women and to promote their active participation in economic and political affairs.
- Women are not adequately represented in key positions.
- Basic awareness of gender and HIV/AIDS issues exist within the municipalities.
- Female condoms have been introduced as part of an awareness campaign and trial by HAMSET.
- Some maternal privileges exist within the city administrations, such as paid maternity leave.
- NUEW, MLHW, police departments and the judiciary provide some protection against gender-based violence.
- Some counselling and advisory services for women exist. HIV/AIDS care and support training for volunteers exist.
- There are VCT centres and compulsory HIV tests (at marriage).

RESOURCE MOBILISATION

- No budgets dedicated to gender issues.
- There are HAMSET funds available to address HIV/AIDS issues.
- Some partnerships exist to promote gender and HIV/AIDS issues.
- Small donations are given to women's organizations, such as NUEW, by the municipalities.
- Women have limited access to credit and other financial assistance.

AGREED PRIORITIES

- Improve women's participation in the public sphere through training and capacity building.
- Develop a financing strategy for gender mainstreaming.
- Look for alternative funding for addressing HIV/AIDS issues.
- Support women's organizations.
- Improve awareness on gender and HIV/AIDS issues.

ENVIRONMENT

Years of war and recurrent droughts have negatively affected the urban environment in the three cities. These, combined with population growth and urbanization, have contributed to environmental problems such as industrial pollution, lack of effective solid waste disposal and inadequate sewerage systems, as well as coastal pollution. The city administrations have limited financial and human resources to respond to these environmental challenges. In addition, there are no environmental policies in place and the enforcement of the existing regulations is weak. Lack of environmental awareness among the general population as well as the city administrations further intensifies the environmental challenges facing the cities. Therefore, environmental planning and management should be at the centre of strategic planning. There is also a need to promote communication and partnership building for better environmental governance. The city administrations need to develop partnerships with CSOs and the private sector to address urgent environmental issues.

POLICY AND REGULATORY FRAMEWORK

There is no environmental policy and enforcement of environmental regulations is weak.

There is an environmental guideline, which is commonly used in feasibility studies.

The city councils have no policy for public involvement to promote good environmental governance.

There are limited resources and inadequate environmental training.

INSTITUTIONAL SET-UP

- The municipal governments are the leading authority concerning urban environmental issues.
- There are CBOs and private sector entities with environmental concerns.
- There is close collaboration with the Environment Department of the Ministry of Land, Water and Environment.
- The municipalities mobilise CBOs and private and other institutions for environmental sanitation campaigns.

RESOURCE MOBILISATION

- Limited environmental budgetary allocations.
- The main budgetary source is from municipal governments.
- There is collection of local revenue for environmental sanitation.
- There are few public toilets where nominal user fees are collected.
- There is limited external funding for the urban environment.

PERFORMANCE AND ACCOUNTABILITY

- The municipality is unable to undertake environmental assessment, monitoring, planning, and management.
- There is limited capacity and supporting equipment to ensure environmental cleanliness.
- There is an environmental protection and sanitation division in the municipalities.
- There is an environmental issue complaint reporting mechanism.
- There are public meetings and media campaigns about environmental issues.

AGREED PRIORITIES

- Develop a national environmental policy.
- Conduct an assessment of the main environmental needs and gaps and formulate environmental action plans at national, regional and local levels.
- Train and build capacities in environmental planning, management and governance.
- Conduct public education and awareness campaigns on environmental issues.
- Establish sustainable financial strategies for environmental issues.
- Explore broad-based partnerships in addressing environmental problems.

URBAN SECTOR

URBAN SECTOR N°1	Project proposal
	Local Economic Development

LOCATION: Eritrea, Asmara region.

DURATION: 36 months.

BENEFICIARIES: Urban communities, informal sector, business communities, and local authorities.

IMPLEMENTING PARTNERS: Selected municipalities, private sector, Eritrea National Chamber of Commerce, micro-credit institutions, regional administrations, and UN-HABITAT.

ESTIMATED COST: US\$500,000

BACKGROUND: The greater Asmara metropolitan area has around 450,000 inhabitants, which is close to 50 percent of the total national urban population. The area covers satellite villages that are growing fast because of increasing urbanization. The last decade has witnessed rapid population growth and a subsequent demand for urban livelihoods; this poses serious challenges for the sustainable growth of the city. Urban poverty is on the increase due to the sluggishness of the economy and high population pressures. The informal sector is a major employer for the urban poor. In spite of the city's dominant role in national urbanization, it lacks the necessary resources for local economic development to meet the increasing demands of the residents. Local economic development should be encouraged through pro-business policies and by attracting investments that generate employment.

OBJECTIVES: To build the capacity of town stakeholders to promote local economic development and thus enhance the attractiveness of the town as a business location, benefiting both the informal and formal sectors.

ACTIVITIES: (1) Initiate preparatory activities involving Local Economic Development (LED) methodology. UN-HABITAT will adapt LED tools, with a focus on those in the 'Strategic Planning for Economic Development' toolkit. Local partners will then be selected and trained in the use of these tools, in preparation for the subsequent implementation of LED activities. (2) Develop LED strategy, implementation framework and action plans. An LED strategy for

Asmara will be developed utilizing existing information and additional investigations where necessary. As the LED process is participatory, LED consultations will be held among stakeholders in Asmara. These consultations will help develop a LED strategy and implementation framework, build commitment to the LED process, and assist stakeholders to plan for the subsequent implementation of LED activities. UN-HABITAT will draw on its extensive experience of designing and conducting similar consultations in other countries. A report will be produced documenting the LED consultation and setting out the LED strategy, implementation framework and action plans. (3) Implementing the LED strategy and action plans. UN-HABITAT will submit the consultation report to stakeholders to secure their approval and institutional commitment to the LED process, strategy, implementation framework and action plans. This will be a critical stage in institutionalizing the LED process. UN-HABITAT will provide technical assistance in the implementation of selected action plans, with a focus on building the capacity of Asmara City Council to provide leadership in the LED process. (4) Evaluate the LED process. Under this activity, UN-HABITAT will conduct a forward-looking evaluation with a focus on how to improve the LED process, enhance the availability and use of information on LED opportunities, and develop guidelines for replication in other Eritrean towns.

OUTPUT: An LED strategy for Asmara, an implementation framework and action plans. Local stakeholders with the capacity to promote LED.

STAFF REQUIRED: Experts in economics and institutions.

GOVERNANCE

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS	PRIORITIES
DEVOLUTION OF POWER				
<p>Proclamation no. 86/1996 gives power to regional administrations.</p> <p>There are local institutions responsible for local economic and resource management.</p> <p>Active community participation.</p>	<p>Local governments are constrained by financial and technical limitations.</p> <p>There is a shortage of qualified skilled labour, limiting implementation capacities.</p> <p>Lower inter-sectoral coordination at regional level.</p>	<p>Better planning and coordination of projects and programmes at national level.</p> <p>Effective use of financial, technical and human resources for development.</p> <p>Forge partnerships among all development partners and regional administrations.</p>	<p>The prevailing “no war, no peace” situation.</p> <p>Insufficient revenue mobilisation and capacity constraints in the regions.</p>	<p>Build capacities of the local authorities to effectively and efficiently perform their tasks.</p> <p>Improve inter-sectoral coordination at regional level.</p>
FISCAL DECENTRALIZATION, RESOURCE MOBILISATION AND FINANCIAL MANAGEMENT				
<p>There is a framework for fiscal decentralization.</p> <p>Local governments are legally empowered to mobilise revenue through taxes, fees and other charges.</p>	<p>Revenue collection is weak and local governments often face shortage of funds.</p> <p>Lack of funds constraints local government's service delivery.</p> <p>Shortage of skilled manpower in finance and accounting.</p> <p>Lack of computerisation and information technology (IT) use in revenue collection and financial management.</p>	<p>Government commitment to support institutional capacity building for fiscal decentralization.</p> <p>There is wide unexplored revenue potential in the regions.</p> <p>Introduction of budgetary systems and proper financial control.</p>	<p>Shortage of skilled manpower in finance and accounting.</p> <p>Corruption.</p> <p>High turnover of workers and low salaries.</p> <p>Weak economic conditions and growing poverty.</p>	<p>Improve revenue collection capacity of local authorities, for instance through computerisation.</p> <p>Train staff in finance and accounting.</p>
PERFORMANCE AND ACCOUNTABILITY				
<p>Strong regional government response mechanisms for identifying community needs and priorities.</p> <p>Existence of complaints procedures and enforcement of rules and regulations.</p>	<p>Weak communication and information flow owing to poor facilities and capacity limitations.</p> <p>There are weak performance standards for service delivery.</p> <p>Poor motivation of workers and code of conduct enforcement.</p>	<p>There are proper accountability, periodic reporting and performance evaluation mechanisms.</p> <p>Human Resource Development policy exists to strengthen staff skills and administrative performance.</p> <p>Encouraging institutional strengthening through capacity building.</p> <p>Low crime rates compared to neighboring countries.</p>	<p>Lack of continuous monitoring and evaluation.</p> <p>Poor data collection and information gathering.</p>	<p>Training of city council and municipal staff.</p> <p>Improved communication strategies and information flow.</p> <p>Improved revenue collection.</p> <p>Participatory planning and budgeting.</p> <p>Equitable pricing and distribution of urban services.</p> <p>Cross-subsidization.</p> <p>Strategic planning.</p>

GOVERNANCE N°1	Project proposal
	Revenue Collection Strategies with pilot components

LOCATION: Eritrea (national, regional and local levels), with pilots in Asmara, Massawa and Mendefera.

DURATION: 12 months.

BENEFICIARIES: National, regional and local authorities, business communities, and residents.

IMPLEMENTING PARTNERS: The city councils in Asmara, Massawa and Mendefera, national and regional finance departments, IT donors and UN-HABITAT.

ESTIMATED COST: US\$700,000

BACKGROUND: Local governments are legally empowered to mobilise revenue through taxes, fees and other charges and they also have the power to allocate their financial resources after the central government approves budgets. However, most municipalities suffer from inefficient revenue collection, partly due to a lack of computerization and networking systems. The municipalities are not able to fulfil their service delivery mandate due to lack of financial resources. Most of the revenue collection work is done manually; there are limited staff with computer skills, as well as acute shortages of computers and related facilities at all levels. It is important to undertake an institutional situation analysis and review procedures in order to assess whether there are other reasons that contribute to inefficient revenue collection systems across Eritrea. It is essential to assess alternative revenue sources and consult with ratepayers and city stakeholders in order to make recommendations for improvements. It is likely that the establishment of IT network systems and training for municipal staff will be urgently required, to strengthen the institutional capacity at national and local levels. Computers and related accessories will be needed to effectively establish IT networks and contribute to enhanced services delivery, revenue collection and financial management.

OBJECTIVES: To formulate strategies to improve revenue collection, compliance and transparency, and to improve the capacities of the national and local governments to undertake effective revenue collection. This can be done, for example, by introducing IT

systems and computerisation, along with staff computer training.

ACTIVITIES:(1) Institutional and needs assessment of national, regional and local levels, through information-gathering interviews with key departments associated with revenue collection and financial management. (2) Mini-consultations with key departments to be co-developed, revenue collection priorities to be agreed upon, and a SWOT analysis of their revenue management to be conducted. (3) Assessment of potential alternative revenue sources. (4) Interviews with selected business sector stakeholders and other ratepayers to determine key issues to be addressed in terms of compliance, improved management and collection. (5) Ensure that property and service rates are equitable, and where needed, propose modified rates. (6) Interviews with the national revenue authority. (7) Consultation workshop with all stakeholders to present the findings and discuss priority interventions to address the gaps. (8) Report on improved strategies and recommendations for the national and local authorities to implement. (9) Support implementation of approved recommendations through pilot projects in the cities of Asmara, Massawa and Mendefera, including establishing IT systems, institutional capacity building and staff training. (10) Monitor, evaluate and document the processes.

OUTPUTS: A report complete with recommendations for improving the overall revenue collection nationally, regionally and locally. Pilot projects completed in Asmara, Massawa and Mendefera, with improved revenue collection systems.

STAFF REQUIRED: Full-time institutional and public finance experts and IT specialists.

GOVERNANCE N°2	Project proposal
	Financing cost recovery rules for urban services

LOCATION: Eritrea (national, regional and local levels).

DURATION: 12 months.

BENEFICIARIES: National, regional and local authorities and communities.

IMPLEMENTING PARTNERS: Municipalities, regional administrations, research institutions, line ministries, donors, and UN-HABITAT.

ESTIMATED COST: US\$200,000

BACKGROUND: Many Eritrean cities have problems with effective urban services provision due to shortage of funds and limited technical capacity. At the same time, maintenance of existing urban services poses additional burdens for the fiscally weak city administrations. Most urban infrastructure is constructed with central government funding and support from donor bodies. In the past, most urban services were subsidized and this created problems with cost recovery and effective maintenance. It is important to undertake studies on financing and cost recovery in providing sustainable services to urban residents.

OBJECTIVES: To design and develop a sustainable long term financing strategy for urban services. To encourage pro poor provision of urban services. To promote equity and efficiency in service delivery.

ACTIVITIES: Review current financing practices and pricing schemes for urban services. Look for viable pricing strategies in relation to cost recovery. Promote resource mobilisation for expansion of services.

OUTPUTS: Efficient, equitable and sustainable urban services.

STAFF REQUIRED: Economists, financial analysts and engineers.

GOVERNANCE N°3	Project proposal
	Establish a citizens' forum for urban decision making

LOCATION: Eritrea (national, regional and local levels).

DURATION: 10 months.

BENEFICIARIES: The civil society in the three cities and the city councils.

IMPLEMENTING PARTNERS: Civil society organizations, city councils and UN-HABITAT.

ESTIMATED COST: US\$80,000 per city

BACKGROUND: There are civil society organizations that operate in the three cities. There are also many individuals who are not part of any group but who would like to participate in urban decision making. Several constraints prevent the community sector from fully participating in city affairs. Many are not aware of their rights and duties, and there are no Citizens' Rights Charters to guide residents in their communication with the municipal council. In addition, the civil society organizations are not coordinated, so they rarely cooperate although there is enormous potential for collaboration. For the community sector to be able to participate fully in urban decision making, the above issues need to be rectified.

OBJECTIVES: Establish a locally run Citizens' Forum that is responsible for bringing together the various community groups, as well as individuals. The forum will improve people's access to the municipal council, improve cooperation, organise workshops for the formulation of the Citizens' Charter, and offer continuous training and updating on relevant information. It is also expected to run awareness campaigns and educate residents on their rights and duties.

ACTIVITIES: (1) Assess the activities, priority needs and future plans of civil society organizations, neighbourhood organizations and individuals active in the three cities. (2) Organise an awareness campaign on the Citizens' Forum in order to ensure broad-based participation. (3) Organise a consultative meeting with stakeholders in order to formulate the concept of a Citizens' Forum, taking into consideration the urban realities in the three cities. (4) Prepare an annual action plan on the priority issues, including budgets and future fund-raising activities. (5) Employ two local full-time community focal points who will take the lead in the organization and management of the Citizens' Forum. (6) Organise awareness campaigns, workshops, meetings and trainings based on the priorities identified by the stakeholders in the initial consultation. (7) Put in place monitoring and evaluation mechanisms to monitor the operations of the Citizens' Forum, and document the experiences to benefit other cities.

OUTPUTS: Creation of a Citizens' Forum in each of the three cities that brings together various community groups and individuals that would like to participate in urban decision making. The Citizens' Forum meets on a regular basis to discuss relevant issues in the spirit of cooperation and mutual understanding. It coordinates the various activities of different civil society organizations operating in the three cities and works towards the creation of joint responses to and actions for the municipal council. It also organizes regular workshops and training on important issues as identified by the participants. Each Citizens' Forum has two local full-time employees and various volunteers who will be responsible for the running of the forum.

STAFF REQUIRED: Part-time coordinator/facilitator (short-term) with expertise in community relations and two local community focal points.

GOVERNANCE N°4	Project proposal
	Local authority capacity building and training

LOCATION: authorities in Asmara, Massawa and Mendefera.

DURATION: 12 months.

BENEFICIARIES: Council staff and elected leaders in the three cities, and city residents.

IMPLEMENTING PARTNERS: City councils in the three cities, NGOs, relevant line ministries and UN-HABITAT.

ESTIMATED COST: US\$200,000 per city

BACKGROUND: The ability of local authorities to deliver services and respond to other needs of their residents and private sector entities depends on their capacity to facilitate and participate in urban development. Local authorities must create an enabling environment for service delivery and slum upgrading for the activities to succeed. However, local authorities are often ill-equipped to deal with these challenges and lack the skills and knowledge to facilitate these processes. The councillors are often not aware of their roles and responsibilities, and the council staff lacks the

skills and knowledge to perform their tasks effectively and efficiently. Therefore, the council's capacity needs to be built so that it can facilitate urban development processes in a sustainable and transparent way. Capacity building and training is required, utilizing the existing UN-HABITAT training tools in elected leadership, municipal finance, participatory planning, participatory budgeting, and conflict management, as well as tools in GIS methods.

OBJECTIVES: To build the capacities of the council staff and elected leaders to perform their tasks more effectively and efficiently, in order to improve governance and the sustainability of urban interventions in the city.

ACTIVITIES: (1) Conduct a training needs assessment of the elected leaders and council staff in each of the three cities. (2) Identify a focal point within each council to act as training coordinator. (3) Identify an external training institution to carry out the training. (4) Design and develop or identify relevant training courses on the basis of the training needs assessment, and formulate training plans for each staff member and the councillors utilizing UN-HABITAT training materials (customized to suit the local conditions). (5) Establish a continuing programme of comprehensive training in identified subject areas. (6) Pilot test the toolkits by providing training for the council staff in the identified areas. (7) Monitor and evaluate the programme.

OUTPUTS: A training needs assessment completed and an external training institution identified to carry out the training. A training focal point identified and briefed about his/her duties. Individual training plans prepared for council staff and elected leaders, and a training programme formulated, carried out and evaluated.

STAFF REQUIRED: A team of trainers specialised in training and capacity building in elected leadership skills, municipal finance, participatory planning, participatory budgeting, conflict management and GIS methods; and internally identified staff members with expertise in training and capacity building to act as training coordinators.

SLUMS

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS	PRIORITIES
REGULATORY FRAMEWORK AND INSTITUTIONAL SET-UP				
<p>Existence of government institutions responsible for land and urban development.</p> <p>Provision of equal rights to land for all citizens (men and women).</p>	<p>Few municipalities have updated maps and records.</p> <p>Budgetary limitations for urban development.</p> <p>Very few municipalities have strategic development plans.</p> <p>Low level of intersectoral coordination and lack of environmental impact assessments.</p>	<p>Government's continuous institutional support to municipalities and regions.</p> <p>The existence of a good forum to learn from the experiences of each municipality.</p> <p>Periodic updating of regulations and guidelines for urban development.</p> <p>Tailor-made training for small-scale business and the informal sector.</p>	<p>Weak regulatory instruments and mechanisms.</p> <p>Shortage of qualified staff and limited capacity.</p>	<p>Develop locally driven physical and strategic plans and land information systems, such as base maps for land management and property registration.</p> <p>Improve inter-sectoral coordination.</p>
RESOURCE MOBILISATION				
<p>The percentage of revenue collected in some municipalities is improving.</p> <p>Regional administrations are creating encouraging environments for businesses.</p> <p>Low levels of corruption and financial embezzlement.</p>	<p>Inadequate revenue collection by regional administrations and municipalities.</p> <p>Shortage of qualified staff in finance and accounting.</p> <p>Reluctance of financial institutions to finance slum upgrading.</p>	<p>Encourage informal sector activities.</p> <p>Mobilise donor funds.</p> <p>Expand micro-credit facilities for the poor.</p>	<p>Declining business and economic activities.</p> <p>Limited donor funds.</p>	<p>Improve revenue collection efficiency.</p> <p>Develop a slum-upgrading financing strategy.</p> <p>Train staff in finance and accounting.</p>
SQUATTER UPGRADING				
<p>Community participation and cooperation.</p> <p>Pro-poor government policies.</p>	<p>No officer in charge of slum areas.</p> <p>No slum-upgrading strategy.</p> <p>Limited financial resources geared towards slum-upgrading efforts.</p> <p>Poor information dissemination.</p> <p>Limited involvement of NGOs, CBOs and other development partners in slum upgrading</p>	<p>Possibilities for slum improvement and commercial development.</p> <p>Tessa land allocation.</p> <p>Experience of some successful slum-relocation programmes.</p>	<p>Conflict of interest and differences in slum-upgrading visions.</p> <p>Slum residents feel excluded and neglected.</p> <p>Increasing poverty.</p>	<p>Institutional capacity building.</p> <p>Develop slum-upgrading strategies.</p> <p>Develop low-cost housing strategies.</p> <p>Coordination of NGOs and CBOs.</p> <p>Combat unemployment and declining urban economic activities.</p>

SLUMS N°1	Project proposal
	Formulation of a national slum upgrading strategy

LOCATION: Asmara, Massawa and Mendefera.

DURATION: 36 months.

BENEFICIARIES: National, regional and local authorities and communities.

IMPLEMENTING PARTNERS: Municipalities, regional administrations, research institutions, line ministries, civil society organizations, the private sector, financial institutions, donors, and UN-HABITAT.

ESTIMATED COST: US\$6,000,000

BACKGROUND: Eritrea's housing sector is faced with a combination of challenges and strains. For instance, urbanization combined with high population growth rates has contributed to the formation of slums, which host a large percentage of Eritrea's urban population. The slums are characterized by widespread poverty, high unemployment, deficient housing and urban services, and poor security. Eritrea does not have a national slum-upgrading strategy and no government sponsored slum upgrading has taken place for many years, mainly due to a lack of financial and technical resources. The central government depends mainly on external donor support for slum upgrading. There is a need to develop an effective and sustainable strategy for slum upgrading that includes a financing strategy to mobilise funds for these activities. Additionally, there is a need to test the strategy in pilot projects in Asmara, Massawa and Mendefera.

OBJECTIVES: Improve the living conditions of the resident slum dwellers by improving and providing basic community services, generating opportunities and possibilities for job creation and supporting income generation and job security.

OBJECTIVES: Develop a sustainable, long-term slum upgrading strategy that includes a financial strategy. The objective of the pilot project is to test the strategy and its usefulness, and concomitantly improve the livelihoods of people living and working in the selected slums. The strategy also intends to address inappropriate policies that contribute to the growth of slums and the worsening of living conditions in the slums.

ACTIVITIES: (1) Organise a national consultation with all the relevant stakeholders in order to formulate the basic concepts of the national slum-upgrading strategy. (2) From the stakeholders form a core group of those who are to be involved in the drafting of the policy. (3) Research and study best practices from other countries. (4) Formulate the national slum-upgrading strategy, including a financing strategy. (5) Plan and design pilot projects that will test the strategy in selected slums in Asmara, Massawa and Mendefera. (6) Officially launch the national slum-upgrading strategy and the pilot projects. (7) Complete the pilot projects. (8) Monitor, evaluate and document the processes.

OUTPUTS: A national slum-upgrading strategy formulated and launched and the strategy tested in the form of pilot projects, which are well documented for further learning experiences.

STAFF REQUIRED: Team with expertise in slum upgrading, economics, finance, institution building, architecture, engineering and the informal sector.

SLUMS N°2	Project proposal
	Supporting small-scale enterprises

LOCATION: Selected communities in Asmara, Massawa and Mendefera's slums working in small-scale enterprises.

DURATION: 24 months.

BENEFICIARIES: Small-scale entrepreneurs in selected slum communities in the three cities.

IMPLEMENTING PARTNERS: The local authorities, civil society organizations, the private sector and UN-HABITAT.

ESTIMATED COST: US\$650,000

BACKGROUND: A large share of the income in the three cities is generated by small-scale informal enterprises, although no exact figures exist on the percentage of people working in the informal sector. Small-scale enterprises have great potential for economic development but the lack of adequate infrastructure (roads, electricity and water) and the right regulatory framework severely constrain their development. To

allow poor areas to develop economically, it is necessary to understand their role in the city economy, and to map the needs of and opportunities for small-scale entrepreneurs.

OBJECTIVES: Promote economic development and income generation activities, and reduce economic vulnerability and urban poverty among small-scale entrepreneurs in the slums of the three cities. It must be ensured that the project takes into consideration the different roles and needs of male and female small-scale entrepreneurs, and that it caters for these differences.

ACTIVITIES: (1) Select slum communities in Asmara, Massawa and Mendefera that can host pilot projects. (2) Conduct physical, social and economic mapping of small-scale enterprises and their economic activities and priority needs. (3) Undertake stakeholder analysis to identify potential development partners. (4) Conduct a study of financing mechanisms, future costs of operations and possible investments, to optimize and support existing income-generation activities. (5) Introduce new activities to complete and diversify the local economy within a coordinated framework. (6) Set up a revolving fund with seed capital for enterprise development. (7) Set up savings groups. (8) Formulate a training programme in entrepreneurship and business management, including training tools. (9) Conduct training. (10) Document the training experiences and publicise them.

OUTPUTS: Improved livelihoods of the selected participants (both men and women) working in small-scale enterprises, resulting in improved living standards and poverty reduction.

STAFF REQUIRED: Team of trainers and finance experts.

GENDER AND HIV/AIDS

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS	PRIORITIES
INSTITUTIONAL SET-UP				
<p>Existence of NUEW with years of experience in women's issues.</p> <p>HAMSET project and its activities on HIV/ AIDS.</p> <p>Multi-sectoral coordination to fight HIV/ AIDS.</p> <p>Formation of BIDHO PLWHA associations.</p> <p>Active public participation in crime prevention and information on gender-based violence.</p>	<p>Lack of both financial and human capacity constrains the promotion of gender and HIV/ AIDS concerns.</p> <p>Poor information and response mechanisms.</p> <p>Limited gender mainstreaming and no gender budgeting.</p>	<p>Continuous HAMSET activities.</p> <p>Micro-credit facilities for women (e.g. ACORD, MCSP).</p> <p>Positive government policy towards women.</p> <p>Increasing membership in BIDHO PLWHA associations.</p> <p>Existence of Voluntary Counselling and Testing (VCT) clinics.</p>	<p>HIV/AIDS stigma results in negative attitudes.</p> <p>Limited financial support to gender and HIV/ AIDS concerns.</p>	<p>Build human resource capacities in gender and HIV/ AIDS mainstreaming, for example through training.</p> <p>Develop financing strategies for addressing gender and HIV/ AIDS issues.</p>
RESOURCE MOBILISATION				
<p>HAMSET and donor financing for gender and HIV/AIDS issues.</p> <p>Government budgetary allocation for HIV/ AIDS issues.</p> <p>NUEW mobilisation of resources for gender issues.</p>	<p>Inadequate financial resources in municipalities and regions.</p> <p>Partnerships and prospects for international funding not adequately explored.</p>	<p>Potential for partnerships and prospects of international funding.</p> <p>Introduction of regular budgetary use for planning and implementation.</p> <p>Saving and micro credit schemes for women.</p> <p>Support for income generating activities.</p>	<p>Lack of skills and capacity.</p> <p>Growing HIV/ AIDS prevalence.</p> <p>Lack of awareness.</p>	<p>Develop financing strategies for addressing gender and HIV/ AIDS issues.</p> <p>Explore partnerships and prospects of international funding.</p> <p>Support saving and micro- credit schemes for women.</p>
EMPOWERMENT AND ACCOUNTABILITY				
<p>Active involvement of NUEW in women's affairs.</p> <p>Active involvement of government and CSOs in gender and HIV/ AIDS issues.</p> <p>The potential of mass media to raise awareness about gender and HIV/ AIDS agendas.</p>	<p>Women's representation in key positions is relatively low.</p> <p>Lack of education on gender issues.</p> <p>Disparity in education levels and unequal opportunities for boys and girls.</p> <p>Socio-cultural factors hindering women's participation and development.</p> <p>No special office for women's issues in the municipalities.</p>	<p>Training, advocacy and awareness raising activities by NUEW.</p> <p>Expansion of women's micro-credit and saving schemes.</p> <p>Existence of VCT clinics.</p> <p>Affirmative action in higher education.</p> <p>Promotion of girls' education by the MoE and other partners.</p> <p>Centre for Gender Research, Studies and Resources at the University of Asmara.</p> <p>Existence of Women in Business Development Unit in ENCC.</p> <p>Gender sensitivity training for teachers by MoE/UNICEF.</p>	<p>Increasing number of commercial sex workers and underage prostitution.</p> <p>HIV/AIDS stigma, resulting in negative attitudes.</p> <p>Prevailing male-dominated culture and traditions.</p> <p>Weak economic and educational levels of women.</p> <p>Continued FGM practices.</p>	<p>Develop appropriate gender policies and strategies.</p> <p>Collaboration with women's organizations.</p> <p>HIV/AIDS prevention and control.</p> <p>Strengthening women's participation in community organizations.</p> <p>Support saving and micro- credit schemes for women.</p> <p>Support BIDHO and enhance HAMSET efforts.</p> <p>Support the elimination of violence and traditions that are harmful to women.</p>

GENDER N°1	Project proposal
	Gender and HIV/AIDS mainstreaming in service delivery

LOCATION: Selected municipalities.

DURATION: 24 months.

BENEFICIARIES: National, regional and local authorities, residents and PLWHAs.

IMPLEMENTING PARTNERS: Line ministries, municipalities, regional administrations, NUEW, NUEYS, communities, community-based organizations, NGOs, BIDHO, HAMSET, donors, and UN-HABITAT.

ESTIMATED COST: US\$300,000 per municipality.

BACKGROUND: The government has a clear policy on gender equality and HIV/AIDS prevention and care. However, due to capacity limitations the implementation has not been effective. The policies recommend a mainstream approach to gender and HIV/AIDS in preparation of strategic plans. The local authorities require internal work-based policies for education and sensitisation of staff on gender and HIV/AIDS issues and external response policies to orientate all service delivery and reinforce gender and HIV/AIDS strategies.

OBJECTIVES: To assess needs and help local authorities plan and develop institutional responses that are institutionalized and sustained. To enable local authorities to lead and facilitate gender and HIV/AIDS mainstreaming responses in service delivery.

ACTIVITIES: (1) Undertake a needs assessment of the existing internal work policies, actions and service delivery policies. (2) Assess ongoing activities. (3) Mobilise a local consultation involving all stakeholders to develop a mainstreaming plan to address gender and HIV/AIDS issues. (4) Develop guidelines for follow-up actions and recommendations.

OUTPUTS: A needs assessment completed of the existing work policies and actions, and service delivery policies. Ongoing gender and HIV/AIDS activities assessed. A local consultation held. Guidelines for follow-up action and recommendations developed. The national gender and HIV/AIDS policies successfully mainstreamed in service delivery.

STAFF REQUIRED: Institutional experts and gender and HIV/AIDS experts.

GENDER N°2	Project proposal
	Training in gender disaggregated data collection

LOCATION: Selected municipalities.

DURATION: 12 months

BENEFICIARIES: City and regional administrations, local communities, NUEW and NUEYS.

IMPLEMENTING PARTNERS: Line ministries, municipalities, regional administrations, NUEW, NUEYS, local communities, city and regional councils, community-based organizations, NGOs, BIDHO, HAMSET, private sector, donors, and UN-HABITAT.

ESTIMATED COST: US\$100,000

BACKGROUND: Collection of gender disaggregated data is generally weak, making it difficult for city and regional administrations, as well as the central government, to assess the gender impact of urban service delivery. This constrains the accountability and responsiveness of service providers, and makes monitoring their effectiveness difficult. It is important to conduct training for selected municipal staff in gender disaggregated data collection for gender planning and mainstreaming, and then mainstream this within the urban observatories.

OBJECTIVES: Generate gender and HIV/AIDS focused data to develop and monitor performance based accountability in urban service delivery. Train service providers in cities and regions to collect data that will help assess their effectiveness.

ACTIVITIES: (1) Identify pilot municipalities. (2) Undertake a training needs assessment. (3) Prepare training tools. (4) Deliver training and develop and implement pilot projects to test knowledge in data gathering and analysis. (5) Train city and regional administration officers in monitoring and evaluation. (6) Develop guidelines for replication in other areas.

OUTPUTS: Institutionalized gender disaggregated data collection and evaluation that promotes performance based accountability by orientating urban services toward being responsive, effective and measurable.

STAFF REQUIRED: Coordinator with expertise in gender based urban research.

ENVIRONMENT

STRENGTHS	WEAKNESSES	OPPORTUNITIES	THREATS	PRIORITIES
ENVIRONMENTAL PLANNING AND MANAGEMENT				
<p>Major urban centres are within the responsibility of city administrations.</p> <p>Government has a commitment to the protection of the environment and the sustainable use of natural resources.</p>	<p>Insufficient resources and lack of equipment for environmental management.</p> <p>Inadequate institutional capacity to enforce environmental measures.</p> <p>Resource constraints including land and building materials for low-income housing in urban areas.</p> <p>Lack of planning tools for informed decision making.</p> <p>Limited partnerships with the community and private sector.</p>	<p>Relatively unpolluted environment.</p> <p>Public-private partnership for environmental protection and optimizing resources.</p> <p>Technical training for staff at all levels to assess needs and plan resources for environmental management.</p> <p>Collaboration among different ministries and institutions to respond to environmental hazards.</p> <p>Consolidate early warning and disaster preparedness mechanisms.</p>	<p>Lack of information and coordination.</p> <p>Lack of planning and environmental management skills.</p> <p>Shortage of resources for environmental issues.</p> <p>Inappropriate technology and unsuitable location of some industries.</p>	<p>Train and build capacities in environmental planning, management and governance.</p> <p>Establish sustainable financial strategies for environmental issues.</p> <p>Explore broad-based partnerships in addressing environmental problems.</p>
ENVIRONMENTAL EDUCATION AND AWARENESS				
<p>Preparation of NEMP through participatory means.</p> <p>Awareness campaigns through mass media.</p>	<p>Low public environmental awareness.</p> <p>There is weak information flow and an insufficient database on the environment.</p> <p>Capacity constraints.</p> <p>Shortage of expertise in environment-related disciplines.</p> <p>Weak institutional mechanisms for regular review, monitoring and evaluation.</p>	<p>Leadership sensitisation on environmental issues.</p> <p>Develop regular monitoring mechanisms at municipal and regional levels.</p> <p>Promotion of good practices, public involvement and awareness (e.g. annual environmental awards).</p>	<p>Lack of environmental awareness and negligent behavior.</p> <p>Lack of education on environmental regulations and standardization.</p>	<p>Conduct public education and awareness campaigns on environmental issues.</p> <p>Ratification of environmental policies.</p> <p>Promote partnerships and collaboration.</p> <p>Explore donor funding and international cooperation.</p> <p>Mobilise resources and broad-based stakeholder participation.</p>

ENVIRONMENT N°1	Project proposal
	National urban environment training programme

LOCATION: Selected local authorities in Eritrea.

DURATION: 12 months.

BENEFICIARIES: Staff in selected local authorities, regional councils, line ministries and local communities.

IMPLEMENTING PARTNERS: Selected local governments, University of Asmara, relevant line ministries, donors, and UN-HABITAT.

ESTIMATED COST: US\$500,000

BACKGROUND: Good environmental management requires adequate resources and strong institutional mechanisms. Environmental issues have received low priority in the past and as a result the urban environment has deteriorated. Since independence, efforts have been made to protect the urban environment despite human and financial constraints. There is a need to strengthen the level of understanding and concern for good environmental practices and management at the national level. A comprehensive training programme for public officers at all levels is required to facilitate the implementation of improved environmental management by cities and regional authorities.

OBJECTIVES: To strengthen and consolidate environmental knowledge and awareness, facilitate resource allocation and improve implementation of urban environmental management activities.

ACTIVITIES: (1) Training needs assessment at all levels. (2) Training tools development and training of trainers. (3) Training in urban environment issues and planning for selected municipalities. (4) Monitor and evaluate effectiveness of the programme.

OUTPUTS: Improved understanding of environmental issues and national environment policy. Training on budgeting, planning and good management, strengthened capacity to support environmental concerns.

STAFF REQUIRED: Coordinator, various short-term trainers in environmental planning and management, urban planners, and a monitoring and evaluation team.

ENVIRONMENT N°2	Project proposal
	National environmental awareness programme

LOCATION: Eritrea (national, regional and local levels), with pilots in selected municipalities.

DURATION: 12 months

BENEFICIARIES: Local and regional authorities and residents in selected municipalities.

IMPLEMENTING PARTNERS: Ministry of Education, Department of Environment, city and regional administrations, line ministries, NUEW, NUEYS, University of Asmara, donors and UN-HABITAT.

ESTIMATED COST: US\$250,000

BACKGROUND: Environmental concerns have been given little attention in Eritrea due to low awareness levels and the lack of resources and prioritization. There is an urgent need to provide communities, particularly students, the private sector and municipalities, with information about the main environmental issues facing the nation so that they can prioritize them and actively address them, changing their behavior if necessary.

OBJECTIVES: To run awareness campaigns that focus on Eritrea's key environmental issues, in selected cities, schools and workplaces. The campaigns will utilise national TV and radio, and other media. To raise awareness of the main environmental issues in Eritrea and to promote a sense of ownership and responsibility for environmental resources.

ACTIVITIES: (1) Establish a broad-based stakeholder working committee to be in charge of the campaign. (2) Assess levels of environmental awareness among public, private and community sectors in selected cities. (3) Develop an awareness campaign focusing on the priorities agreed upon in the working committee. (4) Develop training tools and select a team of trainers. (5) Mobilise stakeholders for the campaign. (6) Implement the awareness campaign. (7) Document the experiences.

OUTPUTS: A working committee formed. Environmental awareness levels assessed. Awareness campaign formulated and completed. Improved awareness of the main environmental issues.

STAFF REQUIRED: Coordinator/facilitator with expertise in environmental awareness campaigns and a team of trainers.

ENVIRONMENT N°3	Project proposal
	Environmental action planning with a pilot project component

LOCATION: Three selected local authorities in Eritrea.

DURATION: 24 months.

BENEFICIARIES: Local authorities and residents.

IMPLEMENTING PARTNERS: Local authorities, relevant line ministries, civil society organizations, an academic institution, environmental organizations, and UN-HABITAT.

ESTIMATED COST: US\$50,000 per city; pilot projects US\$700,000

BACKGROUND: Eritrea's cities are faced with a wide variety of complex environmental problems. However, environmental issues do not feature high on the agenda of local governments, which commonly lack a vision, a clear strategy and financial resources to respond to present environmental challenges. Local authorities require proactive and sustainable environmental planning and management of activities, with the broad participation of local stakeholders. These issues can be addressed by developing local environmental action plans with local stakeholders through a participatory process. Involving the public in monitoring the implementation of environmental activities can also contribute to improved environmental governance.

OBJECTIVES: Each selected city has to prepare and agree on an environmental profile and identify key issues that require urgent action. The aim is to establish thematic working groups that formulate environmental strategies and action plans, which are then tested in a few selected pilot projects. Concurrently, the aim is also to develop the capacity of the national, regional and local authorities to devise and implement integrated environmental action plans, incorporating participatory planning and monitoring, and partnership approaches.

ACTIVITIES: (1) Prepare an environmental profile of each city and identify priority issues involving key stakeholders in a consultative process. (2) Organise a city consultation involving key stakeholders to agree upon priority interventions and an environmental vision and strategy for the city. (3) Establish and operationalize thematic working groups to negotiate issue-specific strategies. (4) Formulate strategies and action plans. (5) Identify training needs within local authorities to develop their capacity for integrated environmental planning and management, in order to add value to planned environmental interventions. (6) Develop training tools. (7) Deliver technical training that addresses a range of training elements, e.g. physical surveying skills, participatory planning and monitoring, programme formulation, and project cycle management. (8) Test the agreed strategies and action plans by undertaking local pilot projects. (9) Document the processes. (10) Develop guidelines to replicate the approaches.

OUTPUTS: An environmental profile created and priority areas agreed upon by all the urban stakeholders. Thematic working groups established and operationalized and strategies and actions plans formulated. Pilot projects completed in the agreed priority areas. Capacity of local authorities comprehensively improved to take the lead in environmental planning and management.

STAFF REQUIRED: Coordinator with expertise in environmental management and participatory planning and environmental experts on pilot project themes.

ACRONYMS

ACORD	Agency for Cooperation in Research and Development	MoLWE	Ministry of Land, Water and Environment
AIDS	Acquired Immune Deficiency Syndrome	MoND	Ministry of National Development
ARI	Acute Respiratory Infection	MoPW	Ministry of Public Works
AWAN-EA	African Women's Network – East Africa	NAC	National Accountability Commission
CBO	Community-Based Organization	NASPE	National Agency for the Supervision and Privatization of Public Enterprises
CEDAW	Convention on Elimination of Discrimination Against Women	NCEW	National Confederation of Eritrean Workers
CSO	Civil Society Organization	NEMP	National Environmental Management Plan
DHS	Demographic and Health Survey	NGO	Non-Governmental Organization
ECDF	Eritrean Community Development Fund	NSEO	National Statistics and Evaluation Office
EEA	Eritrean Electricity Authority	NUEW	National Union of Eritrean Women
EIA	Environmental Impact Assessment	NUEYS	National Union of Eritrean Youth and Students
ENCC	Eritrean National Chamber of Commerce	PERA	Proclamation to Establish Regional Administrations
ERN	Eritrean Nakfa (national currency)	PLWHA	People Living with HIV/AIDS
ESMG	Eritrean Social Marketing Group	PMU	Project Management Unit
FGM	Female Genital Mutilation	PPA	Participatory Poverty Assessment
GDP	Gross Domestic Product	PRSP	Poverty Reduction Strategy Paper
GoE	Government of Eritrea	SMEs	Small and Medium Scale Enterprises
HCBE	Housing and Commerce Bank	SSA	Sub-Saharan Africa
HIV	Human Immunodeficiency Virus	STI	Sexually transmitted illness
HLSMS	Households' Livings Standards Measurement Survey	SWOT	Strengths, weaknesses, opportunities and threats
IT	Information Technology	UN-HABITAT	United Nations Human Settlements Programme
LED	Local Economic Development	UNDP	United Nations Development Programme
MCSP	Micro Credit and Savings Programme	UNICEF	United Nations Children's Fund
MDG	Millennium Development Goal	VCT	Voluntary Counselling and Testing
MLHW	Ministry of Labour and Human Welfare	WHO	World Health Organization
MoE	Ministry of Education	WRD	Water Resource Department
MoF	Ministry of Finance		
MoH	Ministry of Health		
MoLG	Ministry of Local Government		

TERMINOLOGY

Baito	Assembly	Tessa land	Every Eritrean has his/her village of origin. By birth right every one is entitled to a plot of land for free in the specific village of origin. The size of the plot may vary from village to village depending on the size of the land the village claims as its own. This piece of land that is freely granted to each member of the village is called 'Tessa land'.
BIDHO	Literally means challenge. The organization represents people affected by HIV/AIDS.	Zoba	Region
Kebabi	Literally means area of locality. Administration of aggregate villages referring regularly to five villages in near vicinity of each other.		

ERITREA CONSULTATION

ATTENDANCE LIST

NAME AND ORGANIZATION

H.E. Mr. Abraha Asfaha	Ministry of Public Works
Medhanie Estifanos	Ministry of Public Works
Beyene Araya	Eritrean National Chamber of Commerce
Kibrom Asmerom	MoLWE
Azieb Berhane	NUEW
Gebrehanes Berhe	NUEW
Tsehaitu Daniel	Eritrea National Chamber of Commerce
Habte Desbelle	MoH
Yemane Fessehazion	Commission of Rental Houses
Solomon Fikadu	Housing and Commerce Bank
Hagos Ghirmai	BIDHO Association
Yosef Habetmatriam	City of Mendefera
Menghis Habtezion	Zoba Maeke
Abraham Hagos	City of Mendefera
Hizbawit Hagos	City of Mendefera
Yeshi Haile	UNICEF
Hasebenebi Kaffel	ACORD Eritrea
Tadesse Kidane	Municipality of Asmara
Asha Ali Nur	NUEW
Semere Russom	Zoba Maekel
Semer Abay	Municipality of Asmara
Sonya Spruit	Municipality of Asmara
Fana Tesfamariam	City of Massawa
Nrayo Teclé	Eritrean Police Authority
Dr. Iyob Tekle	MoH
Zeineb Umer	NUEW

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