Informality and Resilience: Denpasar City

Purpose Statement
This city specific problem statement presents an overview of the current situation of informal settlements and analyses their vulnerability through a climate lens. It intends to generate discussion that will enable the formulations of solutions aimed at more inclusive decision making.

Rationale
Informal settlements are situated in highly vulnerable locations and the conditions of its residents are worsened by their inability to adequately meet the basic needs due to their socioeconomic status. Their informal status makes it difficult for them to gain access to government services. This reality does not only aggravate their situation to cope with daily survival but also deprives them of the opportunity to enhance their capacity to respond to the potential impacts of climate change in their areas. They are thus the most vulnerable section requiring the most support. Building resilience within Informal Settlements will raise the city bottom line which will in turn lead to a more comprehensive city development.

Approach
The study adopted a mix of qualitative and quantitative techniques to capture data. Secondary review of literature, Key Personnel interviews, Participatory Learning Appraisals in the settlements and collection of primary data from the municipality was conducted.

Informal Settlements in Indonesia and their Context within the Policy Framework
As of 2014 an estimated 34.3 million or 21% of the urban population in Indonesia lives in slums (UN Data, 2014; Indonesia’s Ministry of Public Works, 2014) or spontaneous informal settlements called Kampungs. Kampungs generally comprise substandard infrastructure, small land areas and low quality building materials. Since the fall of the New Order regime, a new provision of housing was introduced as per the Amendment of 1945 Constitution, Article 28H (August 2000) stating that every Indonesian citizen is entitled to housing in a decent and healthy community. The new Housing and Settlement Areas Law was enacted in January 2011 and replaced the Housing and Settlement Areas Law of 1992. It provided a legal framework to advance the housing provision for low-income residents by stipulating housing subsidies and assistance for low-income residents.

Indonesia has been implementing three self-help housing policies including the Kampung Improvement Programme (KIP) launched in 1969, the Community-based Housing Development program (P2BPK), and the Self-help Housing Assistance (BSPS).

The KIP was the world’s first urban slums upgrading project and funded by the World Bank until 1982 to ensure the retention and improvement of existing housing stock and to provide serviced sites for poor families for constructing new housing for themselves.

Box 1: Within the context of this study the following are the definitions that have been adopted

Informal Settlements are residential areas where 1) inhabitants lack security of tenure 2) the neighbourhoods usually lack, or are cut off from, basic services and city infrastructure and 3) the housing may not comply with current planning and building regulations, and is often situated in geographically and environmentally hazardous areas.

Slums are heavily populated urban informal settlement characterized by poverty and large agglomerations of dilapidated housing often located in the most hazardous urban land.

The term ‘Climate Resilience’ describes the ability of a system to bounce back or recover from a climate imposed hazard. The resilience of an informal settlement increases and the risk of disruption decreases if it has benefited from investment in robust infrastructure that is adapted to local conditions and built to anticipate future climate threats.

References:
2. World Bank (2008), Approaches to urban slums; UN-Habitat (2015), Streets as tools for urban transformation in slums; Cities Alliance (2010), Building Cities; Cities Alliance, World Bank and UN-Habitat (2002), Cities without Slums
using self-help methods. In the 1980s, the KIP was reconfigured into the Community Infrastructure Program as part of the Integrated Urban Infrastructure Development Programme (IUIDP). The community-based housing development or Pembangunan Perumahan Bertumpupada Komunitas (P2BPK) is a housing provision program that promotes informal and community-based housing delivery. This program encourages active participation of communities in mobilizing resources including finance and labor to lower housing costs. The Ministry of Public Housing launched the Self-help Housing Assistance, known as BSPS for initials in Bahasa Indonesia, in 2006. The BSPS is aimed to assist low-income households in urban and rural areas in Indonesia. BSPS includes the development of new houses, the improvement of house quality, and the development of public infrastructure and utilities.

Following a National Housing Workshop in 1974, the Government of Indonesia established three key institutions to address housing problems including the National Housing Authority (Badan Kebijaksanaan Perumahan Nasional) which is responsible for formulating the national housing policy, the PERUMNAS Corporation which is responsible for providing low-cost housing in Indonesian urban areas; and the State Savings Bank.

In early 2010, the Indonesian National Government established the ‘National Team For The Acceleration of Poverty Reduction (TNP2K)’ through Presidential Regulation no. 15/2010 in response to the increasing rate of poverty and increasing number of slum areas across Indonesia especially in urbanized area. As a follow up to this Presidential order a Ministrual Decree was issued in the same year on the institutionalization of structure and the establishment of Local Poverty Reduction Coordination teams whose responsibility is to execute the tasks, activities at a city and regency level.

**City Introduction: Denpasar**

The city of Denpasar is the capital of the Bali Province, the island’s largest urban centre and the capital of its major tourist area- the Badung Regency. It is the primary economic node that integrates government, commercial and tourism activities. Denpasar’s urban core has a population of around 492,000 people and covers an area of 77.9 square kilometres. The city is divided into 4 districts- North, East, South and West Denpasar. According to Denpasar Mayor Decree Number: 188.45/509/HK/2012, there are thirty-five slums points in Denpasar spread in four Kecamatan/sub-districts. North Denpasar, East Denpasar and West Denpasar sub-districts have 9 slums points each while South Denpasar sub-district has 8 slums points which is predicted to keep growing.

**Situation Analysis**

Two slums were surveyed in Denpasar, both situated on privately owned land which is leased out to the residents.

**Banjar Pekambingan Renon Desa Dauh Purih Kec** is located on the banks of the Badung river in Denpasar Barat or West Denpasar sub-district and

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comprises of 201 households. Settlers are primarily migrants from surrounding areas like Lombok, Bali, Java Island and East Java who moved to Denpasar in search of better economic opportunities and education facilities. Services like water supply, sewerage, solid waste management are generally sourced from private companies rather than the local government and are taken up as initiatives of the community themselves. In some cases, residents depend on already present infrastructure provided by the land owners themselves. Relocation of residents from houses to government subsidized flats has met with limited success due to traditional practices, religious beliefs and socio cultural aspects which support dwellings in houses and not flats.

Banjar Yang Batu Kangen Kelurahan Dangin Puri Klod Kec is located near a temporary waste disposal site in Denpasar Timur or East Denpasar sub-district. Like Banjar Pekambingan Renon Desa Dauh Purih Kec., this slum too exists on privately owned land, leased out to the occupants each of who pay approximately 2-3 million Rupiah per year. Residents are migrants from Java and West Nusa Tenggara. As the slum is in close proximity to a temporary waste disposal site, the health of the residents is poor and is exacerbated by extreme rainfall events. The extent of municipal services like sanitation, storm water drainage, water supply and electricity depends on the proactiveness of the communities themselves and their engagement with the local government.

Despite living in houses made of poor construction material and having poor sanitary facilities, the residents feel that for a city like Denpasar, the current rent they pay is affordable and they can also access more important benefits like Education and Economic opportunities. The major limitation is their economic situation and the fact that government schemes like upgradation of houses cannot percolate within these localities due to the fact that the residents are tenants and not home owners. Services like sewerage connections, piped water supply can be availed from the government, but residents choose to take matters into their own hands, procuring some of these services from private organizations as they feel it is more economically viable to do so. Wells are dug to access ground water, toilets are self constructed without any appropriate sewerage collection system, and houses are erected from materials that are easily available. Overall, the residents in both slums surveyed were satisfied with the level of services they could avail and their quality of life.

Institutional Support

The different programmes and policies that are currently applicable to informal settlements in Denpasar city are summarized below.

- City of Denpasar Poverty and Slum Alleviation Strategy 2015 - 2019: This will focus on provision of technical assistance and capacity building for the local government institution, the local community and local facilitators, experts and consultants in order to improve program planning, implementation, monitoring and evaluation, to enable the community to live a hygienic and healthy life and improve the overall capacity in alleviating and preventing slum settlements. The strategy will also focus on land regularization for the urban slum settlement area and Community Cash Transfer Program as a stimulant to improve community’s self resilient, quality of settlement, and livelihood12.

- Housing Quality Improvement program (P2KKP): This particular program includes providing 100% access to clean water, reduction slum to 0%, and 100% access to clean sanitation by 2019, improving housing in slum area by providing 2700 USD per household (the city has include a 48.461 USD on yearly basis) to make homes more healthy and affordable in term of access to water and sanitation.

With regards to the slums selected, there are significant obstacles in the outreach of these programs given that the ownership of the land is private and therefore the onus of the improvement to basic facilities in the slums lies on these private landowners and their level of engagement with city officials.

Looking at informal settlements through lens of climate change

Past Hazards

### CURRENT SCENARIO

<table>
<thead>
<tr>
<th>Social</th>
<th>Physical</th>
<th>Water Supply</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>Housing</td>
<td>Semi-permanent housing structures taken on rent</td>
</tr>
<tr>
<td>1442</td>
<td></td>
<td>Land is leased at Rp 2,000,000/year on which a semi-permanent structure is built. Houses can be rented in the area for a rental fee of Rp. 300,000/month</td>
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<td><em>Note: These wells are either constructed by the land owner or the lessee depending on the type of land leased. In some cases, several families share a well. There is an option of availing water from the city through the State Water Company (PDAM), but residents do not prefer this.</em></td>
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<table>
<thead>
<tr>
<th>Education</th>
<th>Sanitation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Most of the adult population has been educated up to middle school. Literacy rates are quite high ranging between 90% - 96%</td>
<td>Every house has an open bottom toilet and septic tank. Septic tanks are rarely emptied and the sewerage often gets discharged directly into the drains and then the river without any form of treatment</td>
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</table>

<table>
<thead>
<tr>
<th>Crime</th>
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</thead>
<tbody>
<tr>
<td>Very low crime rates due to the dominant role of the traditional tribe leader</td>
<td>Relatively safe with strict punishment meted out to transgressors by the community itself</td>
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<table>
<thead>
<tr>
<th>Addiction</th>
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<tbody>
<tr>
<td>Restricted to alcoholism, however, addiction is negligible due to strong religious sentiments</td>
<td>Palm wine consumed, but low instances of alcoholism</td>
</tr>
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<th>Leadership</th>
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<tr>
<td>Traditional tribe leader holds a dominant position within the community</td>
<td>Traditional tribe leader called the Kelian holds a dominant position within the community and ensures that the law is upheld</td>
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<th>Voting rights</th>
<th></th>
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<td>National identity document- Kartu Tanda Penduduk (KTP) is held by all</td>
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**Note:**

- **Health:** Diarrhoea and Dengue commonly occur.
- **Water Supply:** Water for household purposes is sourced from wells/ tube wells. However, drinking water is purchased at Rp 5000 per 15L. These wells are either constructed by the land owner or the lessee depending on the type of land leased. In some cases, several families share a well. There is an option of availing water from the city through the State Water Company (PDAM), but residents do not prefer this.
- **Sanitation:** Every house has an open bottom toilet and septic tank. Septic tanks are rarely emptied and the sewerage often gets discharged directly into the drains and then the river without any form of treatment.
- **Solid waste Management:** Waste is collected by a community appointed cleaning officer who dumps it at the temporary waste disposal site without any form of segregation. This is then transported by the local authorities to a dump yard. The entire slum pays 1,000,000 - 1,500,000 Rp. per month for the collection of waste.
- **Storm Water Drainage:** Though drains exist, sewerage mixes with the storm water and is let into rivers through the drains.
- **Leadership:** Traditional tribe leader holds a dominant position within the community.
- **Electricity:** Residents have access to electricity provided by PLN (State electricity company).
- **Voting rights:** National identity documents and comprehensive voting rights for all.
- **Connectivity:** Good connectivity to the rest of the city with the distance between the settlement and the public utility region being around 500m. Roads are either made of asphalt or concrete. Public facilities are situated within a short distance from the slum (20 - 150m) and can be accessed by foot or motorcycle. Roads are either made of asphalt or concrete.
- **Health:** Puskesmas (community health center) is situated within a radial distance of 2-3km from the settlements.
- **Education:** Access to education is good. Elementary and middle schools are situated within a radial distance of 2-3km from the settlements.
## SCENARIO

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<td>Waste is collected by a community appointed cleaning officer into a community bin from where the government organizes the transportation of the waste to a waste disposal site located 5km from the slum. The entire slum pays 1,000,000-1,500,000 Rp per month for the collection of waste</td>
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### Economic

- **Workforce**
  - Majority of the residents are employed in the informal sector as construction workers, motorcycle and taxi drivers, domestic help and scavengers

### Health

- Diarrhoea and Dengue commonly occur

### Sanitation

- Every house has a concrete/brick open bottom toilet and septic tank. Septic tanks are rarely emptied and the sewerage often gets discharged directly into the drains and then the river without any form of treatment

### Leadership

- Traditional tribe leader holds a dominant position within the community

### Education

- Access to education is good. Elementary and middle schools are situated within a radial distance of 2-3km from the settlements.
Figure 2: Future projections and vulnerabilities of Denpasar Informal Settlements

<table>
<thead>
<tr>
<th>SOCIAL</th>
<th>PHYSICAL</th>
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<td>Increased population will put additional pressure on resources and services.</td>
<td>Increased chances of flooding in proximity to the river and in temporary houses, especially where located near waste disposal sites.</td>
</tr>
<tr>
<td>Increase in spread of water and vector borne diseases</td>
<td>Increased chances of plywood housing catching fire, especially where located near waste disposal sites.</td>
</tr>
<tr>
<td>Increase in incidences of heat stress</td>
<td>Contamination of ground water, especially in areas close to the rivers.</td>
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<tr>
<td></td>
<td>Increased pressure limited water sources. Increase in overall expenditure on water.</td>
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<td></td>
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<td></td>
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<td></td>
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<td></td>
<td>Increase in pressure on limited health services.</td>
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</table>
### SOCIAL

- Increased population will put additional pressure on resources and services.
- Increased chances of flooding in houses situated in close proximity to the river and in temporary houses.
- Increased chances of plywood housing catching fire especially where located near waste disposal sites.

### PHYSICAL

- Impact on working duration which is proportional to their income for majority of the residents.
- Poorer productivity rates.

### ECONOMIC

- Increased spread of water and vector borne diseases.
- Increased chances of plywood housing catching fire especially where located near waste disposal sites.
- Poorer productivity rates.
- Increase in incidences of heat stress.
- Contamination of ground water due to flooding especially in areas close to the rivers.
- Increased pressure on limited water sources. Increase in overall expenditure on water.
- Overflow of sewerage into houses putting health at risk and encouraging water and vector borne diseases.
- Heightened unhygienic conditions facilitating breeding of vectors and spread of diseases.
- Increased water logging due to waste disposal in drainage channels.
- Increased chances of fires in waste piles especially where located near waste disposal site and heightened unhygienic conditions.
- Increase in chances of water logging due to poor drainage.
- Overflow of mixed water into the settlement due to overburdening of the infrastructure.
- Increase in pressure on limited health services.
earthquakes, strong wind and landslides. Given the population density, Denpasar is also prone to other types of disaster, such as flood-related disease outbreaks and poor sanitation. Slum settlements in the city are particularly vulnerable to fire hazards.

Climate Projections
In the absence of downscaled climate impacts for Denpasar city, the country level projections for Indonesia were reviewed (refer Karmalkar et al, 2006 and Measey. 2010). It was found that the following impacts could be expected:

- An increase in the mean annual temperature by 0.9 - 2.2°C by the 2060s
- A variation in rainfall by -12% to +20% by the 2090s
- A sea level rise of 0.18- 0.59 m by 2100

Climate Change and the Informal Settlements
Taking into account the climate projections and the current state of the social, physical and economic systems within the slums, major vulnerabilities are summarized in figure 2.

Problem Statement
Summarizing the situation of Denpasar within the city, the following is the problem statement.

The biggest issue faced by the targeted slums is their economic status and livelihood security. Furthermore, due to the legal status of the land they live on, institutional mechanisms aimed at slum alleviation and better housing cannot reach them. As a result housing and sanitation services are poor having significant impacts on the residents’ health. Their physical location further increases their vulnerability to climate change and disaster. The impact of the climate risks identified will only exacerbate the situation unless the residents are able to advocate for better land rights.

- These slums exist on private land and the dwellers pay rent to private land owners.
- Infrastructure is poor with regards to housing, sanitation services, and storm water drainage.
- Their physical environment poses significant risks to their health and in the event of a disaster, their lives.

Most of the population of the slums is employed in the informal sector which has no guarantee of job security or a steady income.

Institutional relief cannot reach the residents of the slums surveyed as the land and houses are owned by private entities.

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<tr>
<td>Despite all this however, the communities do not advocate for better land rights, which could be due to a lack of awareness on the schemes and benefits of the same.</td>
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<tr>
<td>The strong presence of a Kelian, deep rooted religious beliefs and a basic level of education within the slums binds the communities in the slums surveyed together.</td>
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Disclaimer: Information collated through FGDs, KPIs
