RECONCILING CUSTOMARY OWNERSHIP AND DEVELOPMENT

5

Informal land systems within urban settlements in Honiara and Port Moresby

A snapshot

Informal land systems within urban settlements in Honiara and Port Moresby

Informal urban settlements are a growing and permanent feature of Pacific towns and cities, including Honiara and Port Moresby. Most of this growth is taking place on land with limited value, disputed title and/or customary title. Informal arrangements continue to evolve to provide some security of tenure for settler housing. But the security is still insufficient to alleviate overcrowding, inadequate basic services, crime, conflict and poverty.

If these issues are to be addressed, settlers must have greater security of tenure. But customary landowners fear that providing it will erode their claims to the land. Addressing the concerns of settlers and landowners simultaneously entails improving how land markets function and integrating informal arrangements into formal systems. This transition requires recognition that settlements are a permanent feature of the urban landscape.

Strategies to regularise informal settlements should engage all stakeholders, including customary landowners and municipal authorities. And more must be done to reduce the costs of regularising informal arrangements.

Experiences in Port Moresby and Honiara provide some important lessons.

- » Informal urban growth and tenure arrangements will occur whatever the regulatory framework.
- To reduce urban poverty and conflict, the security of tenure for housing must increase, which requires wide and careful engagement of all stakeholders.
- To the extent possible, informal land arrangements should be incorporated into the formal frameworks while reducing transaction costs and introducing user-pays mechanisms.

Contents

>>	THE SETTING	88
>>	CAUSES OF GROWTH IN INFORMAL SETTLEMENTS	89
»	THE NATURE OF INFORMAL SETTLEMENTS	90
»	INSECURE LAND TENURE AND POVERTY	91
>>	INFORMAL SETTLEMENTS IN PORT MORESBY	91
	Area and population	91
	Land types and administration	92
	General characteristics	93
	Transactions on land	95
	Security of land tenure	95
	Maintaining rights to improvements	96
>>	INFORMAL SETTLEMENTS IN HONIARA	97
	Informal settlements on customary land	98
	Post-conflict expansion of informal settlements	99
	Attempt to legalise the occupation of public land	100
	Features of informal settlement development	100
>>	LESSONS	102
	Accept informal urban settlement as a permanent feature	102
	Acknowledge that settlers are not deterred by a lack of secure tenure	102
	Account for the consequences of inadequate urban land with secure tenure	102
	Acknowledge what sustains informal arrangements	103
	Recognise the limitations of informal arrangements and the challenges of change	103
	Acknowledge the potential role of the private sector and civil society	104
>>	REFERENCES	105

The setting

Informal urban settlements are a feature of the urban centres of Papua New Guinea, and in Honiara, Port Vila, Suva and Tarawa. They are also appearing rapidly in other urban centres in the Pacific region. Some 80 per cent of the populations of Papua New Guinea, Solomon Islands and Vanuatu, and nearly half of the Fiji population live in rural districts where access to public services and employment opportunities remains poor. Consequently the drift from rural to urban areas has been increasing and is likely to continue to grow.

Of the 50 000 people in Honiara in 2006, for example, 17 000 were believed to have settled informally on government land and the informal population as a whole was estimated to be growing at an annual rate of 26 per cent (URS Australia 2006). In Port Moresby the 2000 census revealed that 53 000 people lived in informal settlements. This number is likely to have grown significantly since then. Suva, with a population in 2006 of around 200 000, is estimated to have an informal settlement population of 90 000. In Fiji 12 per cent of the total population of some 960 000 are believed to be living on land to which they have no legal title or customary rights (Chand 2007).

For the purposes of this case study, informal settlements are groups of households in localities and in conditions that contravene the laws and regulations of the state. More specifically, the breaches include those relating to the physical planning and building requirements of urban authorities and other state agencies. These settlements are characterised by haphazard housing, poor access to most basic amenities such as reticulated water, sewerage services and electricity, and at least some substandard (temporary) housing.

Informal settlements in Melanesian cities and towns are largely a post-independence phenomenon. The colonial administrations had placed tight restrictions—many that remained in force until the 1960s—on the migration of the indigenous populations from rural to urban areas. Towns in Melanesia were created principally for Europeans on the assumption that the strong attachment to the land of the indigenous populations would be sufficient to ensure they remained predominantly rural (Philibert 1988). These historical considerations explain the highly restrictive policies on informal settlements, which continue today, and are the foundation of the belief that informal settlements are a temporary phenomenon.

Causes of growth in informal settlements

The rapid growth in urban populations can be explained by a combination of the pull of urban centres and the push from rural areas. Employment opportunities, cash incomes and basic services are major pull factors. The expiry of land leases (in Fiji), tribal/clan conflicts (in Papua New Guinea), and the pressures of rapidly growing rural populations are major push factors. These factors are unlikely to diminish in the near future and, given the large rural populations involved, urban settlements in Pacific island countries are likely to continue to grow in the foreseeable future. Environmental degradation and climate change are also likely to exacerbate the pressures for urbanisation in atoll states, an issue of lesser concern within Melanesia.

People who migrate to urban areas face considerable incentives to locate in informal settlements. For example, such settlements often have unregulated access to water and electricity, and land prices are considerably lower than in formal settlements.²

Informal urban settlements with the poorest households are often located on marginal land, including riverbanks, steep gullies and mangrove swamps, and/or on land with disputed ownership.³ The implicit value of such land relative to its immediate surroundings is low and so the perceived risk of eviction by the landowner(s) is low. Settlements in such locations, however, are at a greater risk of being affected by natural disasters (for example, flooding).

There are several complex statutory requirements for establishing a formal settlement in major urban areas such as Port Vila, Honiara, Port Moresby and Suva (Chung & Hill 2002).⁴ Not surprisingly, the private sector has not taken up the challenge of making land available for housing for low-income households. The costs of registering land and building in compliance with statutory requirements for residential housing is well beyond the capacities of the average citizen. Most regulations pertaining to residential housing predate independence, making them a legacy of colonisation. The high standards for hygiene, sanitation and easements that apply to building public infrastructure are cases in point. This does not add up to a case for formalising informal arrangements but it is a case for lowering the costs of regulations. Formal arrangements are generally considered superior to informal arrangements since they give the holder the power to enforce their rights (Deininger et al. 2003). But weak states and poor governance, a characteristic of the Pacific, mute this advantage. Therefore there is a case for them legalising arrangements that already exist and are socially acceptable.

¹ Note that Melanesia has atolls as well and the inhabitants of these atolls face the same risks.

² The services are not free, but are either paid for by the political patrons of the settlements as is the case in Port Moresby or accessed illegally as is the case for water and electricity in Honiara.

³ There is evidence of informal settlements in Port Moresby and Suva, for instance, on prime land and occupied by a relatively high income group. Some have gone as far as investing in residential units for rental, especially in Suva.

⁴ In Vanuatu, as an example, no leases for housing can be issued until the plots have been 'adequately' serviced. This means that all of the following statutory instruments that apply to residential settlements must be complied with: Municipalities Act 1980, Land Leases Act 1983, Physical Planning Act 1986, Decentralization Act 1994, Public Health Act 1994, Customary Land Tribunal Act 2001 and several others still in the pipeline.

The nature of informal settlements

For people moving from rural to urban areas, a key concern is accessing land. Within Melanesia it is not the shortage of land per se that is the issue, but rather the lack of entitled/registered land. Settlers are not waiting for formal systems to deliver them tenure security. Instead informal arrangements are evolving to meet the demands of the settlers and the diverse challenges of existing land tenure arrangements. These informal arrangements vary from fairly sophisticated negotiations with landowners to land invasion and occupation. Settlers enforce their claims to their investments using means ranging from political patronage through to the threat of violence.

There is little evidence of a convergence among informal arrangements or towards the formal system. This 'market-driven' process is unlikely to provide tenure security for settlers or produce the community-wide benefits that can flow from more comprehensive land use planning. It also risks creating a system of property rights that parallels the formal one, but without protective mechanisms. Furthermore, the arrangements that have evolved are unlikely to address the wider social ramifications of the growth in settlements. This growth around regional cleavages, for example, has created pseudo tribes whose proximity risks conflict.

Accessing land for housing in urban fringes has been particularly problematic. Most alienated land in these areas has been developed or is already settled. As a result new settlements have spilled onto land held under customary title. The new settlers have often worked with the customary owners to access their land for housing. This approach has been somewhat successful, as evidenced by the level of investment in permanent and semi-permanent fixed assets such as housing, home businesses and fruit trees. Importantly, there have already been sales of real estate on land without secure title.

However, there are cases of customary landowners objecting to basic services being provided to settlers on their land for fear this will erode their rights to the land. As a result, Honiara, Port Moresby and Suva have suburbs with quality housing and services on land to which the homeowners hold title coexisting with overcrowded, ramshackle informal settlements.

How informal arrangements have evolved to date is context-specific but the motivation for each arrangement is the same—to meet the demands of the settlers for greater security to their fixed investments while protecting the rights of the landowners. Tenure security in the informal settlements on customary land in Port Moresby has been cemented over time through investments in physical and social infrastructure. This approach is being experimented with on alienated land in Honiara by converting temporary occupation licences (TOLs) into fixed-term estates (FTEs) with leases of 50 years. However, the governments of Papua New Guinea and Solomon Islands are making every effort to take back control of urban growth and reclaim land and income lost as a result of informal settlements.

Insecure land tenure and poverty

Insecure land tenure, as is generally the case for informal settlements, and poverty are closely associated. Evidence that such tenure is a cause of poverty in the Pacific can be gleaned from four separate perspectives (Chand & Yala 2006; Chung & Hill 2002; URS Australia 2006).

- 1 Insecure tenure has induced large family groups to settle close to each other to provide security for people and property. But large households involve sharing income, an arrangement that taxes the most productive member.
- 2 Opaque ownership rights to land has exposed settlers to multiple and sometimes cascading taxation by their patrons and, in some cases, by a multitude of landowner groups.
- 3 Incidences of regularising tenure have nearly always been followed by rapid improvements in housing quality.
- 4 Informal settlement has made access to basic services difficult. Settlers often share toilets and water sources and lack facilities for disposing of waste.

Informal settlements in Port Moresby'

AREA AND POPULATION

Port Moresby has a total land area of 240 square kilometres. By 2000 the population had grown to almost 255 000 from 112 000 in 1980—a population growth rate of 4 per cent a year. The population density in 2000 stood at 1059 people per square kilometre. According to the 2000 census, the net migration to Port Moresby from elsewhere in the country was 77 124. The census data show that the majority of migrants were young adult males, possibly arriving in the city in search of income-earning opportunities.

Informal urban settlements are a relatively recent phenomenon. In 1945, Port Moresby had six villages but no informal settlements. The 1980 national census revealed 34 informal settlements with a total population of 11 270. In contrast, the 2000 census recorded 55 informal settlements with a total population of 53 390. The data reveal that on average a new informal settlement was established each year over the 20 years to 2000 and the settlement population grew at an annual rate of 7.8 per cent—twice the population growth rate of Port Moresby overall—in this period.

Much of the evidence in support of the claims made in this section is drawn from a recent detailed household survey undertaken by the authors in their investigation on how urban land is used for housing in Port Moresby (Chand & Yala 2006). The authors surveyed a random selection of both settlements and households with the objective of drawing inferences for the whole population. The authors are aware of attempts by non-government organisations to improve housing in informal settlements and villages outside of the urban boundary, and planned initiatives of the National Capital District Commission to formalise settlements.

Census data show that new arrivals in Port Moresby are moving into informal settlements. There is also anecdotal evidence to suggest that some of the earlier settlers are moving from formal housing into the settlements to access 'free' utilities and cheaper land. At the above-mentioned rate, the informal settlement population in Port Moresby will double every nine years while the population of Port Moresby as a whole will take twice as long to double.

LAND TYPES AND ADMINISTRATION

Captain John Moresby annexed the state land on which Port Moresby is located for Britain in 1883. The customary landowners displaced are the Koiarai, Motu and Koitabu tribes. These tribes continue to threaten legal action to reclaim ownership of the annexed land within the National Capital District of Papua New Guinea.

The land in the National Capital District is held under two forms of control—state and customary. All state land is formally administrated by the Land Act 1996 and related laws. The National Capital District Commission is responsible for physical planning while the National Land Board and the Department of Lands and Physical Planning are responsible for allocating and administering, respectively, all state land. Customary land is administered through customary law. Even though customary law is unwritten and culture-specific, its application is sanctioned by the Underlying Law Act 2000 and the Constitution.

The customary law that applies to land held under customary control within the National Capital District is that practiced by the Motu, Koita and Koiarai people. This land is passed down through a patrilineal (male) inheritance system. It should be noted, however, that customary land formally converted to freehold through the Land Tenure Conversion Act 1963 lost its customary status, and the statutory laws pertaining to alienated land apply to its use.

GENERAL CHARACTERISTICS

Settlements in the National Capital District have emerged on land with three distinct ownership types—state, customary and disputed. A randomly selected sample survey of 441 households in 12 informal settlements of Port Moresby conducted in 2006 (Chand & Yala 2006) revealed interesting insights on life in settlements and how settlers acquired tenure security for the land settled on (Tables 1 and 2).

Among the key findings are that:

- » state land was settled on before land held under customary title
- * the first settlements were formed following World War II by 'carriers' recruited by the allied troops from the surrounding region to help in the war effort
- * the descendents of these people claim legitimacy to their place of abode based on the sacrifices their parents made for the sovereign nation of Papua New Guinea.

The settlers pointed out, moreover, that the colonial administration had settled them and thus had responsibility for their rights to the land settled on. Many adults living in the older settlements—Koki, for example—claim this to be their home even though their parents came from the surrounding Central, Gulf and Western provinces. The Motu–Koitabuans, however, refute such claims.

TABLE 1 » SUMMARY DATA FROM A SAMPLE SURVEY OF PORT MORESBY INFORMAL SETTLEMENTS, 2006										
Settlement name	Landowner	Year first settled	Population (2000 census)	Number of households	Number of households interviewed					
Koki	State	1952	4 939	450	45					
Saraga	State	1960	2 243	446	45					
9-mile	State	1970	5 927	922	91					
Erima	State	1970	4 063	673	67					
Gorden Ridge	State	1975	2 702	441	44					
8-mile	State	1982	2 683	458	46					
Gorobe	Customary–state	1967	1 070	128	13					
Hohola	Customary–state	1981	1 015	188	19					
Savaka Bundi	Customary	1971	970	154	15					
Popondetta	Customary	1972	799	140	14					
Vadavada	Customary	1977	2 048	363	36					
Taurama	Customary	1990	447	62	6					
Total			28 906		441					
Nata Cattlements averaged by two of landaupar and first year cattled										

Note: Settlements arranged by type of landowner and first year settled. **Source:** Chand & Yala (2006).

TABLE 2 » HOUSEHOLD CHARACTERISTICS OF A SAMPLE OF PORT MORESBY INFORMAL SETTLEMENTS											
	Male headed households	Age of household head	Household heads with no education	Persons per household	Dependants per household	Household monthly income	Household heads self- employed				
Settlement name	%	years (average)	%	no. (average)	no. (average)	kina (average)	%				
Koki	89	40	9	17	6	1739	33				
Saraga	91	39	11	9	3	537	31				
9-mile	93	42	11	9	3	658	64				
Erima	81	43	31	10	3	830	61				
Gorden Ridge	73	42	24	8	3	735	35				
8-mile	93	39	13	8	3	545	54				
Gorobe	100	51	23	8	3	390	62				
Hohola	95	41	11	11	5	1183	68				
Savaka Bundi	73	38	7	9	3	392	33				
Popondetta	86	38	14	10	4	548	53				
Vadavada	92	41	31	7	3	489	31				
Taurama	100	49	33	5	2	210	83				
Source: Chand & Yala (2006).											

An interesting finding from the survey is that households from particular provinces tended to settle in groups to provide security for each other and their property. This form of group insurance can, however, ignite conflicts over issues brought from their tribal home or region and from competition for land and other resources within the Port Moresby setting.

The settlements were found to be full of entrepreneurial activity. Services available ranged from tucker shops, billiard tables, hairdressing services, repair shops and trade stores to illegal activities such as bootlegging. Permanent structures, some with septic toilets, television antennae and electricity generators, were discovered as was a commercial complex valued by the proprietor at K300 000 built on land with no formal title in the name of the investor. For the most part, settlements were accessible only to residents—strangers were not welcome within them.

TRANSACTIONS ON LAND

Between 11 and 71 per cent of households had acquired their land from the owner—the Department of Lands in the case of state land, and customary owners (or claimants of being such) for land under customary title. There were anomalies, however. In two settlements on state land, the settlers claimed to being settled by former politicians and thus drew their claim to the land through political patronage. These settlers were active in the National Capital District Commission and national politics so as to maintain political support as an instrument for tenure security.

There was evidence that houses were sold and purchased despite the lack of clear legal titles to the dwellings and without the consent and/or knowledge of the landowners. These exchanges took place on all forms of property—from the most developed to vacant land over which claims remained to be formally established. A number of settlers reported buying their plots, often with improvements, from others. The price paid for land varied considerably between settlements and there was no clear, discernible difference in the price paid for land between the three land tenure types. Similarly, there was no distinct difference in the level of investments made by informal settlers, whether the land was state-owned, customary-owned or had disputed ownership.

SECURITY OF LAND TENURE

A number of people interviewed for this case study whose housing is on state land reported that the state could evict them and so their security of tenure rested on maintaining strong political patronage. The politicians they depend on for support, however, have an incentive *not* to provide secure property rights because it may erode their electoral base.

There were considerable differences in how settlers availed themselves of land held under customary title for housing. They ranged from land invasion—where a pioneer identified an empty piece of land, built on it and then surrounded the development with members of their clan and tribe—to explicit arrangements with customary landowners to access their land.

Under explicit arrangements, settlers sometimes made a large upfront payment on acquisition followed by regular payments of much smaller amounts or sometimes made a smaller upfront payment followed by larger, ongoing contributions. The regularity of payments differed. Some were monthly and some irregular and were driven by landowner requirements (for funerals or bride-price money).

The settlers substantiate their claim to the land they occupy in several ways. The most sophisticated included producing statutory declarations with the Commissioner of Oaths; others kept receipts for all payments made. One particular community—the Oro Development Community—has finessed arrangements whereby a formal intermediary collects rents, stores records and deals with disputes between settlers and customary landowners. This may be a model for regularising settlements that is worthy of further consideration.

Landowners have expressed fear of losing their land to settlers, particularly when outnumbered by people from the tribe or district of origin of the settlers. In one case, landowners simply refused to accept payments from settlers, fearing such payments would legitimise the claims of the settlers to the land settled on.

Settlers reported that most customary landowners refused to provide formal titles to the land settled on. Based on interview responses it is estimated that the proportion of households without formal title to the blocks of land on which their homes were built ranged from 55 per cent in Erima to 100 per cent in Gorobe and Saraga.⁶

MAINTAINING RIGHTS TO IMPROVEMENTS

In all but three settlements, rooms were available for rent but only one household among the 441 households interviewed had an entire house for rent. Occupation was deemed essential to maintaining rights to the property. Thus original owners who could not live in their property had relatives live in it instead. This also explains why renting rooms was common but renting houses was not.

The tendency for settlers to coalesce according to family, clan, tribe, province, profession and so forth could be as much a cause as a consequence of a weak state unable to enforce property rights within settlements. Because police attend to only the most serious of crimes, settlers provide their own security. The net result is that settlers provide security for only themselves and outsiders have problems reaching settlers or their settlements.

There is evidence that customary claimants have encroached on the rights of the state over alienated land. While the state claims ownership rights over Gorden Ridge, Koki and Saraga, settlers have reported making payments to customary landowners for land settled on. This is a clear case where state ownership of land has regressed to those who claim customary rights.

The encroachment may benefit the settlers and the customary claimants, but it comes at a cost to the state. Settlers revealed a perception of greater tenure security through arrangements with customary landowners than through existing arrangements with the state. They reasoned that:

- * they had greater trust in the traditional arrangements for accessing land for housing
- » they had the capacity to counteract landowner claims should the need arise
- * the state had the means to evict them by force should it wish to do so.

Informal settlements in Honiara⁷

The city of Honiara is built on alienated land, which is surrounded mostly by land held under customary ownership. Most of the informal settlements are on state land. Some 25 per cent of Honiara's population resides on state land. The majority still has no legal right to do so and has no tenure security to the land on which they live and have food gardens.

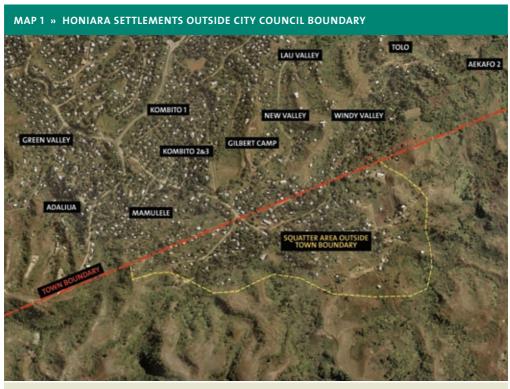
Since the 1970s Honiara has had a formal system to enable settlers to acquire public land for housing. The temporary occupation licences, issued by the Commissioner of Lands with annual rental payments to the (then) Department of Lands, have provided the formal channels through which public land has been accessed for housing. This system has had three significant drawbacks.

- It has been anything but temporary, and the settlements have increased in both housing and population density, and expanded outward since the first licences were issued.
- » Dwellings have been constructed without systematic provision of access corridors and services. The Honiara City Council has not collaborated on planning with the national lands agency, so the TOL areas have been poorly planned.
- » Compliance with TOLs, particularly in keeping the licences valid, was poor from the outset, but fell sharply after the civil unrest began in the late 1990s.

⁷ The discussion on Honiara settlements is based on URS Australia (2006) report and information collected from a field visit to Honiara by Satish Chand from 20 to 24 June 2007. Gilmore Pio provided invaluable research assistance for the fieldwork.

INFORMAL SETTLEMENTS ON CUSTOMARY LAND

While the boundaries of Honiara City are not clearly defined, there is evidence of informal settlements spilling over onto land held under customary title (Map 1). In Guadalcanal where Honiara is located, rights to land under customary title are passed through a matrilineal (female) system of inheritance. To the best of the authors' knowledge, no research has been undertaken to determine how settlers have acquired this land for housing. While houses built on public land with registered title were more permanent in terms of construction, such differences were not obvious on TOL land compared with customary land. A visit to the Mbokona Valley, for example, showed permanent structures built on customary land as much as on adjoining TOL land.



Source: Gilmore Pio, Surveyor, Honiara, Solomon Islands.

POST-CONFLICT EXPANSION OF INFORMAL SETTLEMENTS

After the conflict in Guadalcanal between 1999 and 2003 was quelled and the Regional Assistance Mission to Solomon Islands (RAMSI) began in July 2003, settlers who had moved to Malaita at the height of the conflict returned and households returned from rural Guadalcanal to Honiara. The bulk of resettlements were on state land within the vicinity of the city.

Post-conflict settlements have continued to be haphazard and have spilled out from allocated TOL land onto customary land, a trend expected to continue for the foreseeable future. While the planning and administration of all land in Solomon Islands is the responsibility of the Ministry of Lands, Housing and Survey, enforcing responsibilities for areas beyond the city boundary falls on the provincial government. The Minister of Land for the Guadalcanal Province and his Permanent Secretary confirmed they had limited powers over land dealings within the province.

Honiara's population has been growing at an annual average of 6 per cent, nearly twice the national rate of 3.5 per cent. The growth rate of the settlement population in the three years after the arrival of RAMSI, however, was recorded at 26 per cent. A recent survey of 3103 households revealed growth rates in individual zones, each comprising approximately 50 households, of anywhere between 8 and 103 per cent (URS Australia 2006).

It remains to be seen whether the high rate of settlement growth will continue. Reasons for a possible tapering of growth rates include a slowdown in the return migration from Malaita and the hinterlands of Guadalcanal. However, the lack of employment opportunities in the rest of the country and the fact that some 85 per cent of the population still lives in rural areas and the outer islands suggest that the potential for migration to urban areas remains significant. The pattern of growth in informal urban settlements in Melanesia provides reason to believe that the settlement population of Honiara will continue to expand by around 6 per cent a year.

Compounding the problems of growth in informal settlements is the displacement of urban residents living in quality housing around the periphery of the city caused by an influx of expatriates as part of RAMSI. These arrivals have pushed up the cost of quality housing and pushed settlers further away from the centre. The higher rents have also induced growth in construction around the city.

ATTEMPT TO LEGALISE THE OCCUPATION OF PUBLIC LAND

The use of TOLs for settlement since the beginning of the conflict has declined significantly, both as the capacity of authorities to enforce compliance has declined and as settlement populations have risen rapidly. Survey results of settlements show that fewer than half of the settlers ever held a TOL and only 2 per cent held a valid (up-to-date) TOL.8

The categories of settlers without a TOL include:

- » relatives of the TOL holder who have built close to the original premises
- squatters who have built houses on vacant public land within the settlement area
- residents who have rented land from a TOL holder
- » those who have purchased premises informally from an existing TOL holder
- » residents with long-expired TOLs.

As part of broader public sector reform, the Ministry of Lands, Housing and Survey is considering ways to raise compliance with TOLs in an attempt to recover rental arrears. However, both the ministry and the settlers recognise that evicting settlers in large numbers is not practical. Amicable and acceptable solutions are the only options to consider.

A pilot project was undertaken within the broader land administration project funded by AusAID from 2000 to 2007 (see Case Study 15, 'Strengthening land administration in Solomon Islands'). It advocated a participatory approach to inform, educate and involve informal settlers in the reform process, and supported a government program to convert TOLs into fixed-term estates, which have an initial lease of 50 years. About 350 FTEs have been offered to informal settlers with or without TOLs, who had settled in the pilot areas, and this process is being continued by the ministry. The pilot project assisted settlers with establishing roads and footpaths throughout their settlement areas, but addressed only a small proportion of the total area of informal settlement in Honiara. This is a bold initiative and one likely to result in lessons that can possibly be adapted to other Pacific island countries.

FEATURES OF INFORMAL SETTLEMENT DEVELOPMENT

A survey of existing settlements clearly shows older settlements have better quality housing while newer ones have in the main temporary or semi-permanent structures built without municipal approval. The poorer standard of building, combined with the fact that some of the newer settlements are on steep slopes, creates major risks in the event of a natural disaster such as an earthquake or landslide following prolonged rain. Houses could collapse on each other and/or cascade down steep slopes, causing major loss of life and property.

Settlement areas with reasonable access to basic infrastructure such as roads, electricity and water have grown the most rapidly. However, while these services have raised the implicit value of property they have also created congestion. These areas are also fertile ground for informal arrangements to provide long-term access to land and sometimes illegal access to electricity and water. These are also the areas where many of the arrangements seen to have developed in Port Moresby are at a nascent stage of development.

Housing densities have increased through infill while new settlements have appeared on what in 2003 was vacant land. The absence of government control has meant that some households have claimed land adjoining their premises. In several cases, claimants have lied about having FTEs over the sites to stop others from laying claim to vacant land.

There is also some evidence of land invasion. In a few cases, extended families are building premises close to each other on vacant land and blocking off access to others. This resonates with the problems of agglomeration witnessed in a more mature form in Port Moresby. The risks of such expansion are overcrowding, the spread of disease due to a lack of waste disposal facilities, increasing crime between families (tribes) and increased susceptibility to natural disasters.

FTE land that is close to the city is being developed for quality housing to take advantage of the rapidly rising rental market following the arrival of expatriates. Some of this land is held by the Honiara City Council. It is also being settled informally as the council is unable to prevent the chaotic nature of development on its property.

The rapid growth of the settlement population presents a formidable challenge to the Ministry of Lands, Housing and Survey on how to accommodate developments within the formal system. Some problems the ministry faces could be of its own making, however. It has been slow to enforce compliance with existing TOLs and has provided verbal permission to people wishing to settle in some areas of the city. A widely held perception that there is corruption in allocating land and issuing TOLs and FTEs has not helped to rein in a settlement process that has been largely out of control since 1999.

Current strategies being canvassed to resolve these issues require an elaborate, efficient and honest administration. A pilot has been proposed whereby a newly established Land Development Planning Group would take responsibility for coordinating the development of subdivisions across government agencies while supporting the regularisation of existing settlements.

Lessons

ACCEPT INFORMAL URBAN SETTLEMENT AS A PERMANENT FEATURE



A failure to acknowledge the reality of urban growth is one factor that has prevented landowners and governments in the Pacific region from controlling informal urban development.

Urban settlers are a permanent feature of the Pacific landscape, a fact that needs to be accepted by the wider population. While settlers are sometimes seen as a problem, they provide much of the hard labour needed in the cities in which they live and supply most of the garden produce consumed by urban residents. There are both powerful push and pull factors responsible for the swelling urban settlements, including tribal conflicts and income-earning opportunities, which are unlikely to disappear in the foreseeable future.

ACKNOWLEDGE THAT SETTLERS ARE NOT DETERRED BY A LACK OF SECURE TENURE



Urban areas will grow despite a lack of secure land tenure. Informal arrangements have evolved to provide the minimal level of tenure security required for settler housing to occur.

Most urban growth is occurring on land with limited value, with disputed title, and/or where the land is held under customary title. The high costs of regulating formal housing, the lax enforcement of the regulations, and the access to unregulated and often subsidised services such as water and electricity are plausible factors responsible for the growth of informal settlements.

ACCOUNT FOR THE CONSEQUENCES OF INADEQUATE URBAN LAND WITH SECURE TENURE



The lack of access to urban land with secure tenure has resulted in negative spillovers that have an impact on wider society, such as poverty, overcrowding, increased conflict and loss of public revenue.

The consequences of a lack of land with security of tenure for urban housing include:

- * the high cost of housing in the formal settlements
- * the poor access to basic services in informal settlements
- » the higher levels of poverty and overcrowding in informal settlements
- * the higher levels of dispute and conflict over land and resources
- * the loss of public revenue from unregulated access to utilities such as water and electricity in the informal settlements.

ACKNOWLEDGE WHAT SUSTAINS INFORMAL ARRANGEMENTS



In the absence of access to secure tenure, informal arrangements evolve to enable the construction of homes and the sale of land and housing. However, this evolution is often sustained by entrenched ethnic/tribal rivalries and political patronage that risks creating a system of property rights that parallels the formal system.

In the absence of secure urban land tenure, settlers and landowners (state and customary) have developed arrangements to meet their needs for greater security and certainty. These have provided a sufficient level of tenure to permit people to construct homes on land to which they have no legal title. However, the arrangements that have evolved differ markedly for land held by the state and land held under customary title, as well as across settlements. Actions taken by settlers have varied from:

- » invading land and physically defending their occupation
- » seeking and maintaining political patronage in return for settlement on state land
- making payments to landowners and retaining all evidence of the payments for the land settled on.

RECOGNISE THE LIMITATIONS OF INFORMAL ARRANGEMENTS AND THE CHALLENGES OF CHANGE

LESSON 5

There needs to be a transition from the informal arrangements into the formal planning, land administration and dispute resolution systems.

6

If utilities are to be provided to the settlements, a user-pays system needs to be devised.

The arrangements that settlers and landowners (state and customary) have developed to provide greater tenure certainty are sometimes at each other's expense and often with little consideration of the effect these arrangements have on the wider community. Informal land arrangements in Port Moresby and Honiara are not sophisticated and are unlikely to evolve naturally to the point whereby they can mitigate the negative consequences of informal urban settlement, such as the lack of access to utilities, overcrowding, poverty and crime.

Addressing the need for utilities would be easier in Honiara than in Port Moresby since the bulk of land settled on in Honiara is owned by the state while the newer settlements in Port Moresby are on land held under customary title.

ACKNOWLEDGE THE POTENTIAL ROLE OF THE PRIVATE SECTOR AND CIVIL SOCIETY

7

The limited capacity of the public sector calls for greater participation by the private sector and civil society in making land available for formal housing.



Any sustainable strategy to increase the tenure security of settlers would have to be wholly or partly self-funding and be complied with voluntarily by the majority of settlers.

None of the Pacific island nations have the luxury of time to address the growing problems of informal settlements or have the administrative capacity to enforce compliance with existing legislation pertaining to urban settlements.

Lowering the costs of compliance and providing some targeted subsidies or funding to encourage the private sector/civil society to become involved in providing landowners and settlers with some land administration and dispute resolution services, as is already happening to a limited degree, is one way to increase access to urban land with secure tenure.

The private sector and landowners could be invited to fill the market void for tenure security within the urban fringes for urban housing. A strategy that fulfils the demands of settlers and landowners simultaneously can be both good for business and good for development.

References

- Chand, Satish 2007, '50/50 by 2020: poverty and redistributive politics in post-independence Fiji', *Pacific Economic Bulletin*, vol. 22, no. 2, pp. 22–35.
- ——& Yala, Charles 2006, 'Improving access to land within the settlements of Port Moresby', IDEC Working Papers 07/04, Crawford School of Economics and Government, Australian National University, Canberra, viewed September 2007, <www.crawford.anu.edu.au/degrees/idec/working papers/IDEC07-04.pdf>.
- Chung, M & Hill, D 2002, *Urban informal settlements in Vanuatu: challenge for equitable development*, report prepared for the Pacific Islands Forum Secretariat and UN Economic and Social Commission for Asia and the Pacific, Pacific Operations Centre.
- Deininger, K, Feder, G, Gordillo de Anda, G & Munro-Faure, P 2003, 'Land policy to facilitate growth and poverty reduction', *Land Reform*, 2003/3, special edn, pp. 5–18, viewed September 2007, <www.fao.org/docrep/006/y5026e/y5026eo3.htm>.
- Philibert, J 1988, 'Women's work: a case study of proletarianization of periurban villages in Vanuatu', *Oceania*, vol. 58, no. 3, pp. 161–71.
- URS Australia 2006, 'Solomon Islands Institutional Strengthening of Land Administration Project (SIISLAP II): tenure conversion of temporary occupation licenses—milestone # 8', report prepared for AusAID, URS Australia Pty Ltd, Canberra, 4 August.