

TC Document

I. Basic Information for TC

▪ Country/Region:	CHILE
▪ TC Name:	Support to the Ministry of Housing and Urbanism of Chile in the Anticipation, Measurement and Inclusion of Precarious Settlements through a Cadastre
▪ TC Number:	CH-T1263
▪ Team Leader/Members:	Vera Benitez, Luis Felipe (CSD/HUD) Team Leader; Doherty Bigara Rodriguez, Jennifer (CSD/CCS) Alternate Team Leader; Saiz, Ana Maria (SCL/MIG) Alternate Team Leader; Adler, Veronica (CSD/HUD); Alaimo, Veronica (SCL/LMK); Avila, Francy Dianela (CSD/HUD); Brusa, Federico (CSD/CCS); Eschoyez, Guillermo Antonio (LEG/SGO); Maria Villota (CSD/HUD); Robles Alzamora, Paola A. (CSC/CCH); Rojas, Francisca Maria Magdalena (CSD/HUD); Salas Parra, Cristian Andres (CSD/CCS); Sepulveda Vasquez, Carolina Elizabeth (CSD/HUD)
▪ Taxonomy:	Client Support
▪ Operation Supported by the TC:	No apply
▪ Date of TC Abstract authorization:	28 May 2021.
▪ Beneficiary:	Republic of Chile, through the Ministry of Housing and Urbanism
▪ Executing Agency and contact name:	Inter-American Development Bank
▪ Donors providing funding:	Japan Special Fund(JSF)
▪ IDB Funding Requested:	US\$189,000.00
▪ Local counterpart funding, if any:	US\$21,000.00 (In-Kind)
▪ Disbursement period (which includes Execution period):	12 months
▪ Required start date:	October, 2021
▪ Types of consultants:	Consulting Firm
▪ Prepared by Unit:	CSD/HUD-Housing & Urban Development
▪ Unit of Disbursement Responsibility:	CSC/CCH-Country Office Chile
▪ TC included in Country Strategy:	Yes. Improved quality of life for the population
▪ TC included in CPD:	No
▪ Alignment to the Update to the Institutional Strategy 2010-2020:	Diversity; Environmental sustainability; Gender equality; Institutional capacity and rule of law; Social inclusion and equality

II. Objectives and Justification of the TC

- 2.1 **Objective.** This Technical Cooperation (TC) aims to support the increase of public investment in housing and urban development sectors by strengthening the capacity to measure and monitor needed investments in precarious settlements through the design and execution of a new national cadaster.
- 2.2 Specifically, this TC will: (i) develop a mechanism to provide reliable, consultative and constantly updated information on migrant households that inhabit informal settlements; (ii) update the methodology used to carry out the 2019 cadaster by

incorporating new digital tools and strategies to be scalable and replicable throughout the national territory capable of registering migratory flows; and (iii) introducing multidimensional parameters, such as migratory, climatic, social and health that allow obtaining detailed information on migrant households that inhabit the new settlements. A transversal goal of this CT is to transfer knowledge from the Japanese experience to the government of Chile in relations to natural hazards response and resilient urban planning.

- 2.3 Although, according to the World Bank, Chile is considered a high-income country, it is also one of the countries with the highest level of inequality in Latin America and the Caribbean. Its Gross Domestic Product (GDP) in 2019 was US\$282,318 billion, and its Gross National Income (GNI) per capita US\$15,010. Therefore, even though there are high-income people who have better quality of life, a significant proportion are low-income and more likely to be destitute and vulnerable. Informal settlements, known in Chile as "*campamentos*", together with self-construction, define the habitat of the population not served by the formal market. *Campamentos* lack basic services, quality public spaces, and decent, affordable/housing, which are considered essential elements for urban social inclusion, productivity, and human wellbeing. They are typically located in peripheral lands, on residual or contaminated soils, and exposed to natural and climatic hazards, including earthquakes.
- 2.4 According to the Ministry of Housing and Urbanism of Chile (MINVU) National Cadaster of informal settlements, there were 657 informal settlements and 27,000 families residing in them in 2011, with a population of (either total number or percentage of total or urban population in Chile). The 2019 National Cadaster found an increase of 802 *campamentos* with 47,050 households. A survey carried out by the NGO Techo¹ in 2021 found a total of 969 *campamentos* with 81,643 households, concentrated mainly in the north and south-central regions of the country. Compared with the 2019 cadaster, the number of households increased by 73.5%, showing the historical maximum in terms of households living in *campamentos*. There is a correlation between the increase in informal settlements and the growth of the country's migrant population, as many immigrants, unable to access the formal housing market, have sought housing solutions in the informal market.
- 2.5 **Justification.** Since the creation of the Informal Settlements Program by MINVU in 2011, only two cadasters were developed in 2011 and 2019, due mainly to their high cost. One of the greatest challenges of MINVU's Informal Settlement Program is to improve its ability to anticipate, quantify, and monitor the growth of precarious settlements. Therefore, the MINVU currently needs support to: (i) generate disaggregated information to understand, predict, and make more informed decisions regarding precarious settlements; (ii) develop a strategic approach to anticipate migratory flows to adapt and to improve the urban and social integration of incoming families in alignment with the Country Strategy Guideline's to focus on the improvement of the quality of life of the population; and (iii) incorporate worldwide experiences of anticipation, preparation, travel, arrival, reception, integration, and eventual return to frame a national housing policy that takes migration into account.
- 2.6 Given the urgent need to improve the process of the Chilean government to obtain more accurate data and a more detailed characterization of the households, this TC

¹ Techo, meaning "roof", is a nonprofit and non-governmental organization that fights extreme poverty in Latin America.

intends to contribute both to the design and implementation of the National Cadaster that aims to detect and register new *campamentos*, since 2019.

- 2.7 **Learning from the Japanese experience.** Japan International Cooperation Agency (JICA) cooperation programs worldwide –including LATAM– has experience in data collection and surveying slums and informal settlements in LATAM, such as the Project for Application of State of the Art Technologies to Strengthen Research and Response to Seismic, volcanic and Tsunami Events, and Enhance Risk Management in Colombia (2015) can be a valuable source of knowledge to implement to the Chilean National cadaster of informal settlements, systematically evaluate their growth, and develop a tool to prioritize them according with a risk factor. Specifically, the development of new systems can strengthen the capacities of beneficiaries, such as universities and government to implement new strategies and technologies to monitoring different aspects related to climate change and risk reduction in Chile.
- 2.8 **IDB Strategy Alignment:** This TC is consistent with the Second Update to the Institutional Strategy (UIS) 2010-2020 (AB-3190-2) and it is expected to contribute to the Corporate Results Framework (IDB Group Corporate Results Framework, 2020-2023) (GN-2727-12) by strategically aligned with the development challenges of: (i) Social Inclusion and Equality, since it aims to integrate families that lives in informal settlements through a diversity and gender approach. It is also aligned with the cross-cutting issues of: (i) Gender Equity and Diversity, by generating actions that reduces the diversity and gender, ethnic and LGBTQI gaps for the households living in the “*campamentos*”; (ii) Institutional Capacity and Rule of Law, since it strengthens the institutional and instrumental capacities of MINVU to respond to the challenges of high housing demand; and (iii) Climate Change as it seeks to identify population at risk and opportunities for mitigation. It is also consistent with the Vision 2025 and its three medium term goals of reactivation of the productive sector, promotion of social progress, and strengthening governance (AB-3266 paragraphs 4.4 to 4.14) that will address the challenge of migration (AB-3266, Box 2) as well as digital agenda given that promotes the automatization of cadaster data. Additionally, the TC is consistent with the Country Strategy for Chile 2019-2022 (GN-2946) when addressing the improvement of the population's quality of life, including: (i) services of the State to the citizen; and on cross-cutting issues of: (ii) gender and diversity by improving the Precarious Settlement Cadaster's survey by adding questions related to gender and LGTBQ population², that will impact on a more informed decision-making process for vulnerable populations.

III. Description of Activities/Components and Budget

- 3.1 **Component I. Design and implementation of a Cadaster for the Informal Settlements Program with migration focus.** This single component will support the increased capacity to monitor and upgrade the data of households living in precarious settlements through the design and development of the cadaster (product) for new “*campamentos*”, through modern digital tools. The component will focus on gathering geo-referenced data to produce information on the national stock of informal settlements across Chile.
- 3.2 **Expected results.** The TC is expected to produce the following results: (i) a methodology for measuring and monitoring migration and their settlement in

² LGTBQ, Lesbian, Gay, Bisexual, Transgender, Queer or Questioning.

"campamentos"; (ii) information on the field work and supervision that contains the surveys, a digital database with complete and detailed information on each of the houses and dwellings in the "campamentos"; and (iii) multidisciplinary analysis of the results obtained that indicate recommendations for the implementation (carry out) of future cadasters, and trends regarding the increase of "campamentos" in the selected regions including a multisectoral focus.

- 3.3 The total budget of this TC is US\$210,000 and it is to be financed as follow: US\$189,000 through the Japan Special Fund Poverty Reduction Program (JPO) and US\$21,000 by the local counterpart as in-kind contribution.

Indicative Budget (US\$)

Activity/ Component	Description	JPO Funding	Counterpart Funding -in- kind	Total Funding
Component I. Design and implementation of a Cadaster for the Informal Settlements Program with migration focus	Support the increased capacity to monitor, and upgrade campimeters (result) through the design and development of the cadaster (product) for new "campamentos", through modern digital tools.	US\$189,000	US\$21,000	US\$210,000
Total		US\$189,000	US\$21,000	US\$210,000

IV. Executing Agency and Execution Structure

- 4.1. IDB Strategy Alignment: The Bank will execute this TC through the Urban Development and Housing Division (CSD/HUD), in coordination with Migration Division (SPH/MIG) by request from the Ministry of Housing and Urbanism. Given the intersectoral nature of this initiative and the need for impartiality regarding contracting and the difficulty of coordinating between multiple institutions in the current context, the CSD/HUD will be the responsible Division for the technical supervision and administration of this TC, in conjunction with the Bank's Country Office in Chile (CSC/CCH).
- 4.2. The justification for this TC to be executed by the Bank is to facilitate the coordination of the activities with the consulting firm and to contribute with the bank and the Japan International Cooperation Agency (JICA) experience in the matter. The execution of the activities by the Bank will facilitate the improvement of the methodology implemented and the standardization of the survey with international standards that include gender and diversity, and migratory perspective. Finally, the result of this TC will strengthen the portfolio under execution by MINVU in Chilean informal neighborhoods. Specifically, the TC will contribute both to the design of a new survey and methodology, and the implementation of the National Cadaster of informal settlements.
- 4.3. A final external evaluation will be carried out to determine the level of compliance with the objectives of the TC to be executed after the delivery of the final product by the consulting firm.

- 4.4. All activities to be executed under this TC have been included in the Procurement Plan (Annex IV) and will be contracted in accordance with Bank policies as follows: (a) AM-650 for Individual consultants; (b) GN-2765-4 and Guidelines OP-1155-4 for Consulting Firms for services of an intellectual nature; and (c) GN-2303-28 for logistics and other related services.

V. Major issues

- 5.1 Due to the need for joint work for the execution of the cadaster, the main risk is linked to coordination for the implementation of the actions described between the Bank and the consulting firm within the context of COVID-19. Therefore, the Bank will seek to mitigate these risks by requesting the consulting firm for the development of an operational field guide with a protocol with simple precautions the chance of being infected or spread the virus to execute the activities that do not compromise the health of anyone. This guide can be implemented for future large-scale surveys in informal settlements by the Chilean government. In addition, the Bank will ask for an execution schedule with milestones and critical dates that adjust to the COVID-19 measures taken by the Chilean government.

VI. Exceptions to Bank policy

- 6.1 The project does not include exceptions to Bank policies.

VII. Environmental and Social Strategy

- 7.1 The activities financed by this TC will not have negative environmental or social impacts. According to the Environment and Safeguard Compliance Policy (OP-703) this operation is classified as category "C" (See [Safeguards Policy Filter Report](#) and the [Safeguard Screening Form](#)).

Required Annexes:

[Request from the Client - CH-T1263](#)

[Results Matrix - CH-T1263](#)

[Terms of Reference - CH-T1263](#)

[Procurement Plan - CH-T1263](#)