A New Strategy
The election of socialist mayor Marta Suplicy in 2000 brought changes to how the housing problem would be managed. The new administration promised to spend R3 billion on housing during its term in office.

- The 1000 unfinished Cingapura housing units were to be completed.
- The new strategy would be designed to obtain maximum impact for minimum cost. The concept of the *mutirão* [self-help scheme] was resurrected, assisting families in self-construction or upgrading of their own homes.
- The house unit cost of self-help schemes was between R11,000 and R15,000 compared to over R20,000 for housing units in the Cingapura Project.
A flagship scheme to alleviate poverty in favelas is under way in Santo Andre.

Figure 13: Social inclusion in Santo Andre, Brazil

Santo Andre, with a current population of 650,000, is part of the Sao Paulo Metropolitan Area. The municipality is promoting an integrated Programme of Social Inclusion as a strategy to alleviate poverty. The objective of the programme is to establish new ways of formulating and implementing local public policies on social inclusion. Fourteen principal partners, local, national and international, are actively involved in the programme. Four areas were chosen for the pilot phase, selected through a participatory budgeting process, resulting in a total amount of US$5.3 million, which has been invested in the provision of urban infrastructure and services.

The project has seen the improvement of basic services in some of the worst neighbourhoods. Micro-credit facilities have been made available to small-scale entrepreneurs, while health care has been made more accessible through community health agents. Other social programmes have been implemented including literacy campaigns for adults and programmes aimed at street children. Recreational facilities have been made available, serviced plots have been transferred to families and low-income families re-housed in apartment buildings. An index has been developed to measure social inclusion and data collection is carried out on a regular basis. One of the most important results has been the engagement of a wide range of actors and the creation of effective communication channels. All activities have taken account gender participation and mainstreaming. The administration intends to extend the pilot programme to all slum areas in the city, through differentiated slum upgrading projects, while strengthening the approach towards regularisation of land tenure. In addition, the programme will attend to all families facing situations of extreme economic exclusion through a revised minimum income policy and through the up scaling of existing programmes. Three initiatives from Santo Andre on Good Governance, Traffic Management and Administrative Reform are featured on the Best Practices database.

The effective reduction of urban poverty and social exclusion in Santo Andre is based on a number of key principles:
• Well targeted government interventions in the urban sector can foster citizenship and enable people to create more urban livelihoods
• The active participation of the urban poor in decision-making promotes effective formulation and implementation of local action plans
• The participatory budgeting process, an innovative approach to urban governance and decision-making provides a real voice for the urban poor in both the allocation and use of municipal and other resources
• The Municipality of Santo Andre has shown that while effective leadership needs to be ensured by the local administration it, in turn, needs to be devolve decision-making and implementation powers to the community
• Inter-agency collaboration and effective channels of communication between various actors and stakeholders is critical to successful slum improvement and reduction of poverty and social exclusion
• Principles of equity, civic engagement and security are key to success.