

HABITAT III URBAN DIALOGUES
Pretoria Thematic Meeting on Informal Settlements
7 - 8 April, 2016
Informal Settlements

Moderators: Melissa Permezel and Claudio Torres Roje, UN-Habitat and Juana Sotomayor, OHCHR

Dialogue Structure:

The Habitat III thematic discussion on Public Spaces took place over a two-week period from 23 March - 3 April 2016 prior to the two-day Thematic Meeting on Informal Settlements in Pretoria, South Africa on 7 - 8 April 2016.

The discussion was overseen by two substantive experts (“moderators”) from UN Habitat’s Slum Upgrading Unit, Nairobi who devised four general framing questions for the discussion (below) on each of the themes covered by the meeting’s plenary sessions, namely:

1. From informal settlements to sustainable neighbourhoods: Policy and strategy frameworks for a paradigm shift;
2. Urban planning and land use: Drivers for integrated, inclusive, safe and resilient sustainable human settlements;
3. Financing informal settlement/slum upgrading: Contributing to sustainable livelihoods and inclusive economic growth;
4. Together transforming a billion lives: Participatory approaches in planning, implementing and monitoring informal settlement/slum upgrading.

A third moderator joined from the Office of the High Commissioner for Human Rights (OHCHR), Geneva, with a view to identifying human rights perspectives within the general discussion.

The moderators responded to participants’ particular questions and comments, engaging them through an extensive discussion around approaches and strategies in the inter-related areas of tenure security and housing, livelihoods, safety and governance aimed at improving the living conditions of slum and informal settlements dwellers. Questions sought to encourage the exchange of experience, as well as get to the heart of practical difficulties and challenges faced by cities in providing shelter, employment and urban basic services and how to improve the quality of life, livelihood, social, cultural and economic opportunities for those living in slums and informal settlements.

The significant increase of the world’s urban population leads to a crisis of unprecedented magnitude in shelter and basic service provision. All these new urban dwellers need to be provided with shelter, employment and urban basic services. They also need to be given the recognition as legitimate urban dwellers who have a role to play in sustainable urbanization.

The limited capacity of most urban economies in developing countries, combined with weak governance and planning approaches and limited technical capacity, means that many basic requirements of the majority in urban centres cannot be

met. This has resulted in burgeoning informal sector incorporating housing, employment, and basic service provision.

In many developing countries, this affects around 67% of the urban population - in other words, most urban dwellers.

The dialogue looked at how to address the challenge of informal settlements and slums in a sustainable, inclusive and integrated manner, in order to achieve a viable response by 2030. Participants were invited to share their views on how informal settlement and slum upgrading can be effectively incorporated into the “New Urban Agenda” and help implement it.

Participation:

During the online discussion, more than 1,634 individuals visited the discussion forum at: www.habitat3.org/the-new-urban-agenda/pretoria, representing 126 countries, with the largest number of visitors from Ecuador, Kenya, South Africa, Mexico, Germany, Spain, India, the United States, France, Argentina, Brazil, Peru and Nigeria. The platform featured the ability for participants to translate the discussion pages into several dozen languages, which provided greater accessibility for participants to post and comment on the discussion in their native language.

Framing questions:

1. What policy and strategy frameworks will recognise and deliver the necessary improvements to the lives of informal settlers? - *35 replies*
2. How can urban planning and land use guide the development of integrated, inclusive, safe and resilient human settlements? - *10 replies*
3. What financing mechanisms are needed to support efforts to both improve physical conditions in informal settlements and stimulate local economic activities? - *6 replies*
4. How can participatory approaches be used to trigger necessary institutional changes and planning approaches to transform the lives of informal settlers? - *16 replies*

Key Recommendations from the Dialogue:

Summary of the Dialogue:

Q. 1. Policy and strategy frameworks that best recognize and deliver the necessary improvements to the lives of informal settlers

The scale of the challenge was outlined by a participant from Latin America who highlighted that a quarter of the urban population in the region live in informal settlements. Among the multiple challenges discussed by participants from Africa included lack of planning and development control, failed public policy implementation, land speculation and

“If we want sustainable neighbourhoods, cities and towns, the first thing we have to do is to involve slum dwellers in the discussion and the problem-solving process.”
- Augustín Algorta, Director Social, TECHO, Chile

corruption, poor governance structures and accountability, lack of integration of informal settlements into urban planning, lack of access to basic services, lack of affordable housing, as well as population growth rates exceeding expectations and rising unemployment, lack of clarity of the role of the private sector, etc. In addition, participants highlighted the challenge of **politics**, where politicians may not deliver on election promises to upgrade slums, or conversely may provide housing, money or promote settlements for political gain.

Participatory policy-development - It was agreed that a priority for policy and regulations dealing with urban development should be to **recognize the people living in informal settlements** and slums, **put people first** and thus take the necessary steps towards fulfilling the right to adequate housing for all and the achievement of inclusive and sustainable cities and plans. Participants highlighted the necessity of **involving the inhabitants themselves** in developing policies in order to ensure these policies adequately recognize and deliver improvements to their lives. Several participants argued that policies should recognize people's potential, ingenuity, creativity and resilience. A contributor from Japan proposed the following principals to promote a people-centred approach:

- Build social capital by mobilizing people to come together and form community organizations;
- Place people at the centre of decision making, action and responsibility;
- Support people to plan their own development through Community Action Planning;
- Facilitate access to resources of the State, Local Governments, private sector and social capital through capitalizing land assets, legislation, procedures, incentives, etc.;
- Support people to implement their own development plans with technical assistance.

Human rights-based approach - Moderator Juana Sotomayor highlighted the importance of a **human rights perspective** to developing policies that recognize and deliver improvements to the lives of informal settlers. In her view, the vision of the 2030 Agenda for Sustainable Development - "No one left behind" can be a powerful call for equality and non-discrimination as core principles for this discussion.

"Promoting community participation whilst imposing urban development and housing models working better elsewhere will not solve the problem."

**- Prof. Sijekula Mbanga,
Nelson Mandela
Metropolitan University,
South Africa**

Role of government and local authorities - It was suggested that to promote public participation also requires a shift in emphasis in the policy thrust of government **from government as provider to enabler**, creating an **enabling environment** with policies that **maximize community participation and empowerment**. For example, it was argued that in **South Africa** the inclusion of **the right to housing for all** in the constitution has in some cases created a situation of 'housing expectation', and that current provision has not been able to keep up with demand. To help to meet the demand a few participants suggested create an

enabling policy environment which recognises what people can do and seeks to enhance it; recognises local knowledge, including the promotion of indigenous knowledge systems, and modifies building regulations and laws to create space for what people have historically been doing.

It was cautioned that policies and strategies alone are not sufficient - all stakeholders, including public authorities must work together, show willingness to engage and commitment to the transformation process. An example was shared from **Korogocho, Kenya** where a slum upgrading project successfully brought together landlords, tenants, investors and government representatives to allocate housing and improve roads and drainage.

Other participants argued that the State has a role in **providing financing** for low-cost housing projects and slum upgrading initiatives, as well as **creating an enabling regulatory framework** to promote **private sector** construction and housing improvements in low-cost housing areas. For example, a participant from Kenya suggested designating 'Special Planning Zones' where developers could benefit from significant tax breaks and concessions in construction technology, materials and standards, on condition of building to State-defined minimum standards for adequate housing.

Integration of informal settlements into urban plans and services - Participants from Africa and Latin America highlighted the importance of integrating and ensuring residents of informal settlements have access to basic services, including drinking water, sanitation, roads and healthcare. The example was shared of Brazil, where despite progress in adapting and integrating favelas into Brazilian cities up until 2010, since then there has been a reversal, with an expansion in these settlements and degradation of spaces and buildings. It was suggested that the reasons for this include the resistance of municipal authorities to providing adequate basic services (such as water, sanitation, electricity, roads, etc.), as well as delays in including informal settlements in city planning.

Tenure security - Contributors highlighted that **security of tenure (a key component of the right to adequate housing)** is key in ensuring quality of life and the potential for long-term improvements for informal settlements. The **Community Land Trust (CLT) model** was proposed as a way to guarantee that the land on which communities are settled can be held in perpetuity for the benefit of its residents. It was argued that this can allow long-term improvement of the area and progressive regularization of households and upgrading. One successful and innovative example shared was the case of **Puerto Rico's Caño Martín Peña CLT** (see examples below) in the **United States**. However, participants cautioned that CLTs require close monitoring and oversight, and many countries will first need to develop the necessary legal frameworks and policies to support the establishment of CLTs.

Seeking innovative solutions - A participant from the Philippines advocated developing **innovative affordable housing policies**, such as co-sharing, land-pooling, etc. but cautioned that the fundamental challenge is to shift the mind-set of stakeholders who prefer to keep to traditional forms of housing provision.

Local economic activities - One participant recommended that in addition to basic services, settlements upgrading should also be accompanied by **livelihoods ventures** to provide opportunities for income-generation and ensure local people are able to stay in and maintain upgraded settlements.

Addressing the causes of informal settlements - Several participants proposed recommendations to stem the development of informal settlements, ranging from policies to disperse centres of economic activity to relieve the pressure on central areas, to allocating land for new settlements.

Quality and reliable data - Finally, in order to facilitate policy-making and implementation, several participants advocated adequate collection of **improved data** on informal settlements and the need to ensure that people living in informal settlements are not rendered invisible by not being included in census and other qualitative and quantitative data collection methodologies.

“qualitative and reliable data [...] are critical to helping the development and efficacy of the policies that will bring due recognition not only to informal settlement and slum dwellers, but also to the continuous contribution they actually make to the broader urban environ in which they live.”

- Claudio Torres, Discussion Moderator

Q. 2. How urban planning and land use can guide the development of integrated, inclusive, safe and resilient human settlements

In terms of key challenges, participants spoke of the roles of spatial strategies and town planning schemes as well as guidelines for minimum building standards, the need for incremental housing approaches and the challenges associated with planning standards.

In terms of recommendations and a way forward, some of the ideas focussed on:

- The development of guidelines for minimum planning standards to improve understanding and responses to the adequate housing challenge.
- The demarcation of spaces for social and cultural activity - although this should also perhaps be extended to spaces which promote livelihood and economic development.
- Preservation of the multi-use function of community and public space in slum contexts to promote economic, social and cultural capital.
- The positive role local and municipal governments must play in engaging with slum dwellers and enforce appropriate standards.
- The role of national policies to promote the recognition and inclusion of slum dwellers and the mandate for the integration of informal settlements and slums into the broader urban environment via slum upgrading actions.
- Using human rights as a basic framework to understand the impacts of urbanization on slum dwellers and to guide responses.

- Utilizing the proposed Global Platform for Right to the City for the organization of social actors.

Q. 3. Financing mechanisms needed to support efforts to both improve physical conditions in informal settlements and stimulate local economic activities

Examples were shared of successful mechanisms to finance the upgrading of informal settlements including the Community-Led Infrastructure Finance Facility (CLIFF) in Nepal and other countries worldwide, which aims to “support slum dwellers to improve their lives” by addressing their housing and basic services which are not adequately provided by the local government. It does this by providing affordable finance to Implementing Partners who in turn provide loans and make strategic investments, such as the purchasing of land (see example section below). Also shared was another interesting model in terms of funding streams, ACHR’s Asian Coalition for Community Action (ACCA) programme, which supported groups in over 165 cities in 19 countries in financing community-led initiatives for citywide upgrading. Through this they aim to create a significant number of precedents and models of community-driven citywide upgrading to start influencing policy and make these initiatives shift from less known, unusual projects to more mainstream, well-recognised practices (see below).

Other suggestions of increasing financing to improve conditions in informal settlements included, from South Africa:

- Improve coordination between funding sources, including public sector investment, corporate social investment, emergency donor aid and community income generation.
- Ensure financing models have realistic timescales; provide interim basic services where more permanent infrastructure solutions cannot be realised; ensure temporary services provide a progression of the community towards increased dignity.
- Neighbourhood Development Visions should guide the financing of development interventions. Establish (or recognize existing) Neighbourhood Development Trusts, similar to Rural/Village Development Trusts, which facilitate coordination and put the interests of communities before everything.

From Latin America:

- Provide financial support to communities to participate actively in the transformation of their communities.
- Incorporate different forums of ownership: promote community ownership, regulating private ownership and consider the participation of state-owned land.
- Expand and strengthen mechanisms of security of tenure of land and housing and redistribution policies such as value capture and sumptuary taxes on properties.

- Strengthen economic capacity, facilitating the organization of more social process of work, production, distribution and exchange between people.
- Funding should also include the promotion of:
 - Participatory budget at different levels of the public sector.
 - The development of public spaces that combine co-management and self-management.
 - The organization of housing cooperatives and habitat and of solidary community development.
 - Guarantee access to credit, promote savings and include coordination mechanisms between dwellers to improve production costs.

4. How participatory approaches can be used to trigger necessary institutional changes and planning approaches to transform the lives of informal settlers

Some of the key issues identified by participants and highlighted by the Moderators included:

- **Lack of recognition of slum dwellers**, especially by various levels of **government** who often adopt only a negative view of slums and the people living there.
- Many professionals sometimes **lack certain skills and knowledge** to implement a **more inclusive approach** to improving the lives of slum dwellers.
- The **impact of slum life** on the different groups living there remains limited. Many experiences are defined by gender, disability, age and ethnicity and these should be understood to inform upgrading and prevention approaches.

Some of the very useful recommendations on a way forward included:

- All stakeholders but especially governments have to **recognize people living in slums** and see their positive dimensions. There is a lot of effort and energy to be harnessed and supported.
- Participatory and community-led organizations that work across whole countries and regions can have more weight and wider impacts on legislation and policy decisions. This is particularly so if they join together to achieve improvements to the lives of slum dwellers.
- The important role **micro-financing** can play in promoting local change for slum dwellers.
- The role of Political as a backdrop to actions, inclusive processes and procedures. This includes the acceptance of civil society and other such local implementing agents.
- Recognition that slums contain many **positive features around mixed use**, etc. that should be preserved whilst at the same time addressing the very serious deprivations occurring there.
- Recognise the **energy efficiency** that is operating in slums as people re-use and recycle.

- Recognise the significant **role that women play** in and involve women as heads of households and through the very dynamic informal economy activities that they are involved with. These roles and skills should be harnessed both in the slum upgrading process and for the prevention of new slums.
- Explore the **role that professionals** can play to share their skills and knowledge to a broader stakeholder group as part of skill sharing.

Successful examples shared:

Puerto Rico, United States - Puerto Rican Caño Martín Peña Community Land Trust (CLT) project is an innovative example of how the CLT model can be used in the context of informal settlements to guarantee that the land on which communities are settled can be held in perpetuity for the benefit of its residents. This can allow long-term improvement of the area and progressive regularisation of households and upgrading.

<http://worldhabitatawards.org/winners-and-finalists/project-details.cfm?lang=00&theProjectID=D195A6BE-D4AE-52C7-704921754734A1A2>

EU framework for National Roma Integration Strategies up to 2020 - takes a more holistic, interdisciplinary and participatory approach than has been used in the past to the socio-economic integration of the 10-12 million Romani people across the European Union, focusing on: improving education, employment, healthcare and **housing conditions**. While previously the main responsibility was deemed to lie with the public authorities, activities under the new strategy will also include the active involvement of Romani NGOs, local residents and Roma communities themselves, using public participation and inter-disciplinary teams, and aiming to change the general public's perception of Romani community members.

Nepal and 14 other countries - The CLIFF programme (Community-Led Infrastructure Finance Facility), coordinated and partly funded by UK-based organisation Reall (<http://reall.net/>) has lessons to share in terms of financing the upgrading of informal settlements. CLIFF defines its core work as, 'to support slum dwellers to improve their lives and find lasting solutions to urban poverty'. CLIFF aims to address housing and basic services of slum dwellers, which are not adequately addressed by the local government or private sector. CLIFF provides capacity grants and revolving capital funds to its Implementing Partners who use the revolving funds to offer loans and to make strategic investments, such as the purchasing of land. Instead of giving one-off grants, CLIFF helps establish organisations in Asia and Africa with the capacity to provide slum dwellers with access to affordable housing finance. This approach not only facilitates the construction of affordable homes and neighbourhoods, it also generates enough financial return to allow the organisations it funds to achieve financial sustainability. In Nepal, this approach has enabled CLIFF investment to act as venture capital, proving the viability of projects that then achieve investment from established banks and lenders. CLIFF supported more than 70 housing and infrastructure projects in Asia and Africa between 2010 and 2014.

<http://worldhabitatawards.org/winners-and-finalists/project-details.cfm?lang=00&theProjectID=3E57BAFE-D4AE-52C7-70492DF993F97409>

ACHR's Asian Coalition for Community Action (ACCA) programme - Provides an interesting model in terms of funding streams. It has supported groups in over 165 cities in 19 countries in financing community-led initiatives for citywide upgrading. Through this they aim to create significant number of precedents and models of community-driven citywide upgrading to start influencing policy and make these initiatives shift from less known, unusual projects to more mainstream, well-recognised practices. <http://www.achr.net/activities-acca.php>

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