QUICK GUIDE for participatory, city-wide slum upgrading

CITY-WIDE SLUM UPGRAADING FOR SUSTAINABLE URBANIZATION

SDG 11 Make cities and human settlements inclusive, safe, resilient and sustainable.

Target 11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.

Target 11.3 By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.

Target 1b Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions.
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The aim of this quick guide

City-wide, ‘at scale’ participatory slum upgrading refers to a strategic slum upgrading choice and approach to poverty alleviation. It emphasizes the integration of all stakeholders – including urban managers and slum dwellers themselves – and is a process undertaken across all scales - from the local to the metropolitan level. It is an inclusive, integrated, ‘city-wide approach’ which recognizes that slum and informal settlement dwellers must be part of, and integrated into development projects, linking local development with the broader urban environment.

Slum upgrading and prevention are recognized as key mechanisms to deliver the Sustainable Development Goal’s call to dramatically reduce poverty (Goal 1, 11, 17) and integrate slum dwellers into the broader urban fabric as a preemptive action to foster inclusive urban prosperity (Goal 11.1).

In light of the above, this quick guide:

1. Provides messages to understand the role slum upgrading plays in promoting city-wide sustainable urbanization and in achieving the SDG’s and
2. Outlines a set of recommendations and actions to promote inclusive city-wide slum upgrading.

The link between slums and sustainable urbanization

Well managed urbanization is a key mechanism to promote inclusive and equitable prosperity across all scales and groups. Urbanization trends over the last 20 years show that:

- Urban areas presently account for 70% of the world’s gross domestic product (GDP): 55% of GDP in low-income countries, 73% in middle-income countries, and 85% in high-income countries1.
- No country has ever achieved sustained economic growth, rapid social development and gender equality without urbanizing.
- Cities and towns provide access to education, exposure to new people, different cultures, spaces for innovation. Urbanization thus changes thinking and positively influences sustainable development.
- Urban areas are thus the engines of national economic growth.

Figure 1: Global trends showing the percentage of GDP accounted for by Urban areas versus Rural areas.

- At the same time, this GDP measure does not reflect the significant contribution of the informal economy in many countries, especially in developing countries with slums – representing a huge untapped potential.
- Urbanization is where mind-set change occurs for innovation and economic development. Cities and towns provide access to education, exposure to new people, different cultures, spaces for innovation. Urbanization thus changes thinking and positively influences sustainable development.
- Peri-urban areas are ‘hot-spots’ for livelihood activities and offer potential for growth and inclusive prosperity at a city-wide level.
- Unplanned urbanization comes at a cost: inequity and segregation produce slums which ultimately excludes many - undermining the capacity of urban centres to be a vehicle for prosperity2. Urban areas with significant proportions of slums and informal settlements are not as sustainable and prosperous as those who have successful alternatives to low-income housing and inclusive economic development3.

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1 United Nations system meeting document CEB High-Level Committee on Programmes CEB/2014/HLCP-28/CRP.5 23 September 2014.
Factors underpinning successful sustainable urbanization

Sustainable and inclusive urbanization is underpinned by:

1. A pro-poor vision which translates into inclusive actions (recognizes both the rights and value of slum and informal settlements dwellers as assets to the urbanization process, brings together all the key government partners and external stakeholders, focusses on socio-economic development directed by harnessing the informal economy and livelihood activities),

2. The comprehensive integration of sectors, governance arrangements and people (government departments, key actors and groups, joined up physical plans responding to key policy, legislative and regulatory elements),

3. A strategically focused on all scales (projects are directed at local impact but within a broader strategic focus of the city and region),

4. Appropriate and innovative financing mechanisms (sufficient investment for both upgrading and maintenance, pro-poor financing (micro-financing, community managed funds)),

5. An inclusive process. Sustainable urbanization works best when all urban dwellers are engaged and empowered, then improving the lives of slum dwellers in urban contexts is vital.

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The risks and costs of ignoring slums

The ongoing and long-term exclusion of large sections of the urban population results in an incremental cost to all urban dwellers (see Figure 2). The impacts include lost productivity, reduced innovation, health impacts, sense of social segregation, discontent and crime. They also include security prevention costs, lost tax revenue and reduced purchasing power. Poor living and working conditions also reduces the necessary organization and innovation required to re-create and secure long term jobs, livelihoods and cultural vibrancy. Table 1 outlines the costs of not addressing the 5 slum household deprivations.

Research also shows a clear correlation between urban prosperity and components like land rights and security of tenure: those urban dwellers that secure land rights, tend to have more social and economic stability. They are also more likely to be living in affordable and secure housing.

UN-Habitat research has shown that there are certain conditions that build urban prosperity and those that detract from it or significantly reduce the opportunity for prosperity, resulting in unsafe, unproductive urban environments. Table 2 highlights these factors.

The role of participatory, city-wide slum upgrading for inclusive and sustainable urbanization

Despite the global trend that the world is urbanizing⁴, many national, municipal and local governments have struggled to address the challenges of informality, slums and informal settlements, as well as capitalize on the benefits of urbanization for all urban dwellers. While many of the Millennium Development Goals were reached and many countries have improved their Gross Domestic Product, the gap between the rich and the poor continues to grow in cities and towns around the world as does the number of slum dwellers in many regions. It is estimated that there are now almost 1 billion people living in slums worldwide⁵ This figure underlines the ongoing challenge of slums to urban equity and inclusive prosperity and emphasizes the importance of rethinking current urbanization approaches. It highlights the need for more integrative and participatory approaches but also city-wide approaches that lead to structural change, the inclusion of slums dwellers into broader urban systems for development and prevention.

Footnotes:

The urgency of the inclusive and integrated approach to urbanization is echoed by recent debates on addressing the ‘unfinished business’ of the Millennium Development Goals and in setting a sustainable path towards achieving the Sustainable Development Goals (SDG’s). In this context, the SDG Urban Goal 11 is important to all urban managers, especially target 11.1 and 11.3 - By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums (11.1) and enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries (11.3).

Table 1 outlines the cost of not addressing the 5 deprivations in slums.

<table>
<thead>
<tr>
<th>5 SLUM DEPRIVATIONS as per the slum household definition</th>
<th>COST OF NOT ADDRESSING THESE</th>
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<tbody>
<tr>
<td>Water</td>
<td>• Quality of life impacts – time/effort/convenience cost</td>
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<tr>
<td></td>
<td>• Health impacts especially on children</td>
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<td></td>
<td>• Impact on livelihood and economic development</td>
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<tr>
<td>Sanitation</td>
<td>• Health impacts especially on children</td>
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<tr>
<td></td>
<td>• Impact on livelihood and economic development</td>
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<td></td>
<td>• Security risks for women and children</td>
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<tr>
<td>Overcrowding</td>
<td>• Quality of life impacts</td>
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<tr>
<td></td>
<td>• Health impacts especially on children</td>
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<tr>
<td></td>
<td>• Safety and security, especially for women and children</td>
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<tr>
<td>Durability</td>
<td>• Practical danger to household</td>
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<tr>
<td></td>
<td>• Health impacts (heat, cold)</td>
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<td></td>
<td>• Vulnerability to environmental and climate change impacts</td>
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<tr>
<td>Security of tenure</td>
<td>• Quality of life – sense of security and wellbeing</td>
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<td></td>
<td>• Lack of improvement investment in housing and community facilities</td>
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<td>• Impact on livelihood – remain at the subsistence level rather than develop into local economic development activities</td>
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6 UN-Habitat’s operational definition for a slum household was agreed through an Expert Group Meeting convened in 2002 by UN-Habitat, the United Nations Statistic Division and the Cities Alliance. By extension, the term slum dweller to define a person living in such a household.
Participatory city-wide slum upgrading is a tool to address the SDG’s because:

- Mind-set change is achieved: through the participatory and active engagement of a broad range of stakeholders (such as via the county/city teams), including slum and informal settlement dwellers themselves, the rights, value and capacity of the people living in poor urban areas is recognized (social and economic networks, cultural activities and local economic development) and efforts to realize their potential is supported.

- A ‘city-wide approach’ to slum upgrading is adopted: which maximizes the benefits of connecting people and planned interventions with other key and strategic urban developments, especially those related to road and trunk infrastructure and low income housing.

- Integration is achieved: as stakeholders recognize that urban issues cannot be addressed in isolation, but must be considered in terms of relationships - linkages between different interventions and how the urban context is ‘a system’ with interlinked stakeholders, institutions and components including the ones considered ‘informal’.

- Strategic guiding principals are adopted which set the roadmap for other sustainable development.

- A balance between thematic interests and needs in considered alongside geographical scale.

- Engagement and coordination are at the heart of the ‘city-wide’ process ensuring that stakeholders remain committed and involved. With strong leadership and local ownership it is easier to ensure participation and contribution from different groups in the society, especially slum dwellers. Stakeholder groups should be mobilized or created for continuous consultation and, at a later stage, for providing feedback into the planning process.

Factors involved in participatory city-wide slum upgrading

City-wide, ‘at scale’ slum upgrading refers to a strategic choice and approach to poverty alleviation. Slum upgrading recognizes that slum dwellers and informal settlers must be
part of broad planning and development planning, projects and funding allocations.

City-wide slum upgrading should therefore be reflected in metropolitan policy and embedded in the city’s spatial or master plans and capital investment plans – with attention to the challenges of forced evictions and gentrification. Slums and informal settlements are thus not an isolated planning intervention but part of the broader mainstream debate about the vision for urbanization. The key question for a city-wide approach is therefore how to create the physical and socio-economic connections between slums and the rest of the city?

The key difference in participatory slum upgrading from conventional upgrading is that:
1. People – key stakeholders including slum and informal settlement dwellers themselves – lie at the heart of the approach and
2. That proposals to upgrade a slum are embedded in broader visions and plans of the city and that there is a constant conversation - institutional, policy, planning, stakeholders (including slum dwellers themselves) between the proposed urban renewal of the slum and how it links in with plans for the rest of the urban environment.
3. Plan (such as a national or city-wide slum upgrading strategy) that recognizes slums and provides guidance on how to integrate them into broader city Master or Spatial plans.
4. Potential financing arrangements across the phases of the city-wide proposal.
5. Identification of key stakeholders – government departments and institutions, non-government organizations and slum dwellers.
6. Mechanisms to engage stakeholders and benefit from their knowledge including from slum dwellers themselves.

Benefits of an inclusive, city-wide approach to slum upgrading
There are significant short and long-term benefits in a participatory city-wide approach to slum upgrading. These include:
• Supporting the development and implementation of pro-poor policies and international frameworks and human rights obligations. Participatory city-wide slum upgrading is a tool to fulfill these requirements and achieve long-term change.
• Reducing urban inequalities and the costs of slums–segregated urban areas with concentrations of poor, unhealthy and insecure citizens. This affects productivity and security, and reduce social inclusion. Strengthening the social and mixed use of the urban environment is a positive step in this regard.
• Strengthening equitable prosperity outcomes – by balancing the mandate to provide basic services and improving the lives of slum dwellers with the prospect of increased revenue streams, livelihood generation and innovation.

Actions for participatory city-wide approaches to slum upgrading
There are clear actions that urban managers can take which help promote sustainable and inclusive urbanization - and thus create tangible benefits for all. These include five basic steps:
1. Recognize and support the rights and potential of slum dwellers by starting a participatory, city-wide slum upgrading process.
• Communicate the benefits of including slum dwellers as opposed to eviction as an options.
2. Understand the key population and slum trends in your town or city.
• Ensure the best and most recent data is available, both qualitative and quantitative so that the ‘big-picture’ is clear balanced alongside local needs and interests. This is achieved by developing quantitative disaggregated city-wide data sets and detailed qualitative reports on vulnerable groups.
• Ensure that the following key questions can be answered:
  i. What is the most up to date population of the town or city?
  ii. What is your the present slum population and the proportion living in slums across urban areas?
Generate visual maps of the slum areas to understand and demonstrate the scale of the challenge.

iii. Review current approaches to managing population increases and slum challenges? Are they the best mechanisms, policies and institutions in place?

3. Develop strategic teams and find ‘champions’ for improving the lives of slum dwellers (see Figure 3):
   • Identify individual and institutional ‘city-wide’ champions who understand the importance of seeing slum dwellers as positive contributors to the inclusive urban prosperity dynamic.
   • Develop a city-level slum upgrading country team. Link with any pre-existing national planning group and ensure the team is made of senior decision makers across all key thematic areas.
   • Start meaningful conversations between policy makers and ensure plans speak to each other and reflect the overview vision for sustainable urban development.

4. Review financing mechanisms and priorities for urban development
   • Review ‘big ticket’ development plans (infrastructure, economic, environmental, waste management and affordable housing plans) and ask if they are pro-poor and how slums can be included into the development agenda.
   • Investigate what financing mechanisms are available and pro-poor in terms of being directed at key basic infrastructure and in facilitating local community physical improvements and capacity development. Note that many stakeholders, including local communities are willing to contribute individual resources to practical projects.

5. Identify some ‘quick win’ projects and interventions to demonstrate the value of the participatory, city-wide approach to stakeholders, ensuring that slum dwellers themselves are engaged (and might have a useful project to propose).

**Figure 3:** Undertake actions with a range of key stakeholders who can promote urban development for all and improve the lives of slum dwellers
WHAT IS SUSTAINABLE URBANIZATION?

Sustainable urban development can be defined as the spatial manifestation of urban development processes that creates a built environment with norms, institutions and governance systems enabling individuals, households and societies to maximize their potential, optimize a vast range of services so that homes and dynamic neighborhoods, cities and towns are planned, built, renewed and consolidated restraining adverse impacts on the environment while safeguarding the quality of life, needs and livelihood of its present and future populations.


To improve the lives of slum dwellers, UN-Habitat promotes the following key recommendations and actions.

**KEY RECOMMENDATIONS:**

- Recognize the rights and contributions of slum dwellers.
- Integrate them into the broader urban context to facilitate sustainable and inclusive urbanization.

**KEY ACTION:**

- Develop city-wide slum upgrading strategies and pro-poor National Urban Policies to achieve the integration of slum dwellers and to promote sustainable urbanization.
Table 3: Additional Recommendations and Actions

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<thead>
<tr>
<th>ADDITIONAL RECOMMENDATIONS</th>
<th>ADDITIONAL SPECIFIC ACTION</th>
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<tbody>
<tr>
<td><strong>RECOGNIZE SLUM DWELLERS</strong></td>
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<tr>
<td>Change the view that slum dwellers are illegal. Recognize the limited choices that slum dwellers have in terms of employment, housing etc. and the impact of weak governance and planning frameworks. Institutionalize a more positive outlook focusing on what slum dwellers contribute to the broader urban environment (employment, livelihood activities, local economic development and cultural activities).</td>
<td>- Start meaningful conversations, via an integrated planning approach (using a city-wide slum upgrading strategy as a trigger), between your policy makers, key departmental heads and politicians, to foster mind-set change.</td>
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<td>Support efforts to realize slum dweller’s potential and harness their energy. This includes making commitments to a no forced evictions approach and to the right to adequate housing.</td>
<td>- Undertake an inventory to understand the slum economy and its contribution to the rest of the city.</td>
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<tr>
<td>LINK SLUM UPGRADING WITH SUSTAINABLE PROSPERITY FOR ALL</td>
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<tr>
<td>Understand and promote slum upgrading as a mechanism to facilitate local economic development and sustainable urbanization for all.</td>
<td>- Form a team to understand how slum upgrading would work in your town or city.</td>
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<tr>
<td>Recognize that urban issues cannot be addressed in isolation, but must be considered in terms of relationships - linkages between different departments, interventions and how the urban context is ‘a system’ with interlinked components.</td>
<td>- Undertake an inventory of current strategic plans and development projects to ensure that they are integrated and include slums and slum dwellers.</td>
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<tr>
<td>MAKE ‘INCLUSION’ A KEY FOCUS IN URBANIZATION APPROACHES</td>
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<tr>
<td>Make inclusion a key focus for facilitating city-wide prosperity which includes slum dwellers. Ensure your urbanization approach facilitates inclusion across all dimensions (economic, social, cultural, environmental).</td>
<td>- Institute a broad stakeholder group to develop a city-wide slum upgrading strategy which emphasizes the strengths of slum dwellers and slums.</td>
</tr>
<tr>
<td>Ensure slum upgrading is participatory in its design and implementation. Remember to ensure key decision makers take part as well as slum dwellers themselves. Everyone has relevant ideas on how to achieve inclusive urbanization.</td>
<td>- Your planning frameworks to understand if participatory planning is mandatory to promote your inclusivity agenda and adjust if necessary.</td>
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<tr>
<td>PROMOTE SECURITY OF TENURE FOR ALL</td>
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<td>Make security of tenure a clear pre-condition of your city’s or town’s prosperity agenda. Consider different forms of land tenure available, including recognition of use and access rights, leases etc above and beyond land ownership to make everyone safe and active.</td>
<td>- Using ‘sustainable prosperity for all arguments’, make a political commitment to improve security of tenure for slum and informal settlement dwellers using the continuum of land rights approach (utilizing options including long-term leases, space use rights, community tenure).</td>
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<tr>
<td>GET RELEVANT INFORMATION TO PROMOTE INCLUSIVE URBANIZATION</td>
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<tr>
<td>Ensure that there is an institution or department effectively gathering disaggregated city wide data on all urban dwellers – especially the ones living in informal settlements and slums in peri-urban areas. Get the most up-to-date information to understand the inclusive prosperity opportunities (especially what informal economy activities could be supported) and bring together the stakeholders to support and areas to improve.</td>
<td>- Review what data is being collected and by whom.</td>
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<tr>
<td>- Strengthen and integrate existing mechanisms for data collection and analysis.</td>
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<tr>
<td>- Ensure the collected information is analyzed and the results shared for biggest policy and programmatic impact.</td>
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<tr>
<td>ALLOCATE FUNDS FOR SLUM UPGRADING THROUGH PARTNERSHIPS</td>
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<td>Develop a financing strategy based on national and local resources including the identification of stakeholder resources and capacity to maximize impacts and outcomes.</td>
<td>- As part of the National or City-Wide Slum Upgrading Strategy, allocate funds for incremental slum upgrading over an agreed time frame.</td>
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<td>Dedicate funds for slum upgrading through key partnerships across all levels of government but also including the international community, local organizations and the private sector.</td>
<td>- Foster financing partnerships including how slum dwellers themselves can contribute resources to slum upgrading (sweat equity).</td>
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<tr>
<td>- Develop micro-financing mechanisms and community managed funds for adequate housing, improvements to basic services and local economic development.</td>
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Key References:


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