

LAV Series

LAV PEOPLE CENTERED SLUM UPGRADING: South Africa and LAC Exchange

SECOND SESSION

Thursday 11th June 2020

14.00h-16.30h South Africa

09.00h-11.30h Sao Paulo
07.00h-09.30h Bogotá, Mexico City
06.00h-08.30h Guatemala City

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APPROACHES TO INFORMAL SETTLEMENT UPGRADING IN A COVID-19 ERA: THE KOSOVO UPGRADING PROJECT

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Summary

A Housing Laboratory or “LAV” focused on informal settlement upgrading in the context of COVID-19 is being carried virtually in the period May - July, 2020. The LAV will establish a platform for exchange between LAC practitioners to share their experiences with South Africans working on informal settlement upgrading. The first of a set of three to four exchanges took place on 7 May and a second virtual exchange is scheduled for the **11th of June 2020, and will focus on the Kosovo Upgrading Project, located in Cape Town, South Africa.**

The Kosovo Upgrading Project, driven by the Western Cape Provincial Government at State level in line with (i) **Metropolitan-City Wide Spatial Plans** offers the possibility of an exchange of perspectives on (ii) **high density informal settlement in-situ upgrading**, and the (iii) **correlation between density and the requirements for social distancing/Hygiene for Covid-19**. Despite (iv) weak human development indices/HDI (poverty, unemployment skills and financial assets), the community is shaped by (v) **great social assets** (a relatively well established community of some 30 years); huge potential for (vi) **urban integration** and (vii) alternative **tenure option possibilities** to offer (viii) **alternative housing options** linked to (ix) **economic development** that caters for (x) **household life cycle choices**.

Key Words

Alternative Housing, Covid-19, Economic Development, Informal Settlement, Social Assets, Tenure, Upgrading, Urban Integration, Urban Operations, Slum Upgrading, Urban Planning.

Background

Despite a policy commitment to in-situ upgrading of informal settlements, the persistence and experience of upgrading South Africa’s informal settlements have frustrated their residents and policy makers for some time. According to a 2018 report by the Socio-Economic Rights Institute, there are, at a minimum, between 2.9 and 3.6 million people living in informal settlements, in South Africa. Other data suggest that there are at least 1.2 million vulnerable households in more than 2,700 informal settlements in South Africa, that are acutely at risk – and now more particularly as a result of the Covid-19 pandemic. The General Household Survey 2017 indicates some 13.6% of households live in informal housing. Residents in informal settlements have a heightened risk of exposure to disease due to limited access to adequate housing, water, sanitation, hygiene facilities and electricity.

While informal settlement upgrading is a long-term, incremental process, the Covid-19 pandemic has created an additional urgency, offering the opportunity for more focused and targeted dialogue about the most appropriate interventions to enable rapid upgrading of informal settlements

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We are fortunate that the policy space is conducive. The flagship Upgrading of Informal Settlements Programme (UISP) was acknowledged as a policy priority in which a special national upgrading support programme (NUSP) was being geared up by the Department of Human Settlements for scaling up of the programme just pre Covid-19. The National Development Plan (NDP), Integrated Urban Development Framework (IUDF), Spatial Planning and Land Use Management Act (SPLUMA), and UN Sustainable Development Goals (SDGs) all emphasise the importance of informal settlement upgrading and participatory approaches. These national (and global) policy frameworks framed a series of partnerships with key government departments of Cooperative Governance and Traditional Affairs (COGTA), Department of Planning, Monitoring and Evaluation (DPME) and the National Treasury and in particular its own City Support Programme (CSP). However, the Covid-19 pandemic has posed new challenges to the planned phasing in of the upgrading programme. The Department of Human Settlements, Water & Sanitation initially adopted an approach that focussed on a set of priority projects emphasising de-densification, to which Civil Society Organisations responded within a virtual consultative engagement platform with a position paper offering the terms for a framework for responding to COVID-19 based on deep experience of organising communities for upgrading. The position paper arrived at the same time as a number of municipalities, NGOs and private sector entities were already utilising innovative and inventive implementation methodologies to improve the lives of informal settlement dwellers. This bottom up experience within a conducive policy environment offers the basis for deeper engagement and joint learning across scales and stakeholders, and the formation of innovative partnerships at all levels, including the local level. These dynamics form the backdrop to this initiative.

To this end, the larger trajectory of upgrading informal settlements and the robustness of legal, financial and planning frameworks in many countries in Latin America, combined with recent responses to Covid-19, might be useful for South African policy makers, civil society organisations, and other stakeholders, as they consider the strategy and tactics they each pursue to realise an appropriate approach.

In the Latin America and Caribbean region responses to Covid-19 are centred on a strong movement of grassroots, social, philanthropic organizations and their networks of solidarity to: meet the immediate needs, food and economic security and provide basic hygiene and health care and information to vulnerable populations. A group of local and national governments is active and responsive, prioritizing attention to informal settlements, in all cases the role of grassroots communities and their networks have proven to be essential for the Covid-19 responses, to (i) identify needs, (ii) map the situation, (iii) calibrate the responses, and (iv) implement interventions in precarious situations.

In Costa Rica, a shift in recent years toward a more comprehensive, multi-stakeholder and inter-institutional approach to informal settlements has facilitated the launch of a national protocol to minimize the impact of the Covid-19 pandemic. The protocol mobilizes central government ministries, local governments and representatives of informal settlements to not only track and map the presence of the coronavirus, but as important, to plan for and deliver water and sanitation to the informal settlements, as well as sites for temporary housing and self-isolation. In Colombia, a concerted effort to regularize informal settlements over the years has allowed the Municipality of Bogota to integrate those settlements

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into city and district-level plans that guide the introduction, expansion, and funding of services and infrastructure. That experience has allowed the city to identify and work with local communities and organizers to curb the spread of the virus and ensure adequate access to water and other services, responses in Bogota include even housing improvements.

Mexico is conducting a series of multi-stakeholders debates on Covid-19 led by SEDATU (Secretary for Agrarian and Urban Territorial Development) with support of Cities Alliance among other agencies, on a thematic set that includes low income housing, informal settlements, mobility, metropolitan governance with the objective of mapping out local responses and identify means of support from the national government, including potential review of the legal framework. There is a clear view from the side of the national government that this is time for a radical paradigm shift on how urban planning has been pursued in the country¹.

Other national governments such as Argentina, Colombia and Chile are pursuing a wide range of strategies encompassing the housing sector as a whole that includes (i) moratoriums for payment of services and utilities, rent and mortgages, (ii) establishment of guarantee and social protection schemes; (iii) measures to protect and boost the construction sector as a whole; aiming to protect the lowest income households from the economic impacts of the pandemic and simultaneously already establish the grounds for counter-cyclical measures and economic recovery.

Many of these measures are oriented not only towards responding to Covid-19, but rather beyond, understanding that in a region with 40 years' experience in slum upgrading it is no longer reasonable to accept that a significant part of its population doesn't have access to basic services as water, lives at high levels of vulnerability and can't attend to the public health guidelines of staying at home, simply for not having one, or due to its precarious and dense conditions. Argentina has started a process to identify available land and structure a public land bank to attend needs of new housing complementing slum upgrading efforts with new operations funded by the Interamerican Development Bank and the World Bank led both by national and local governments.

A series of debates in form of "Laboratorios de Vivienda (LAVs)²" have been conducted at the sub-regional and regional levels in LAC, and as a result of a recent LAV held on the 14th of April, national governments from the Central American Region signed a joint declaration for the regional reconstruction, with the objective to jointly (...) *design mechanisms, in order to mitigate the damage and also to lay the foundations for a sustainable recovery and social reconstruction.*

*(...) And to the central importance of **developing informal settlements** as a key opportunity for social integration, an inclusive and resilient urban regeneration that generates added value to all levels and make*

¹ As stated by Secretary Roman Meyer from SEDATU at the launching of the Covid-19 debates on 16th of April. <https://www.facebook.com/175326165978876/videos/1586316218188570/>

² Housing Laboratories in English, are a component of the wider knowledge platform known as the Urban Housing Practitioners Hub or UHPH, an open platform for the exchange, gathering and dissemination of practices, knowledge, and stakeholders working around housing and urban habitat in Latin America and the Caribbean.- <https://www.uhph.org/en/sign-in>

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use of the construction sector for employment creation and economic development on the territory. Equally, the access of adequate housing will be promoted within an integrated system of infrastructure, services and quality public space.³(...)

Objectives of the LAV

The LAV will adopt the methodology of debate developed in the Latin America and Caribbean region premised on multi-stakeholder, horizontal and equal participation; practitioners and researchers that simultaneously share experiences and contribute to the debate and directions to an agreed set of questions that integrates a collectively built concept note. It is primarily a space for deep reflection and exchange about issues related to housing, informal settlements, and habitat.

The overarching purpose of this LAV is to identify strategies and tactics for local government and civil society organisations to engage constructively in support of an appropriate short to medium term approach to informal settlements upgrading in South Africa, that also incorporates a response to the particular impact of the Covid-19 pandemic. To this end, the focus of the dialogue is on experiential exchange, around a series of key questions. Participants will share knowledge, experiences, good practices and technical assistance on ongoing policy developments, local government implementation efforts, and current programmes and projects to support an appropriate COVID-19 response for informal settlements.

The LAC experiences that will be shared are underpinned by the notion of the ‘right to the city’ as it is emphasised in the New Urban Agenda, highlighting the need to critically engage with the relationship between COVID-19 responses and wider processes shaping the production of social and environmental justice in the city. The right to the city perspective aims to support exchanges and dialogue by calling on reflections on how policy and planning responses contribute to the integration and materialization of civil, political, economic, social, cultural and environmental rights. In the context of informal settlements, the right to the city perspective emphasises the need to address the socio-political discrimination created by spatial exclusion, which continue to produce inequalities in South African cities. Furthermore, this perspective also hopes to promote particular principles and instruments to advance to address such issues, such as the promotion of the social function of land, property and the city (New Urban Agenda), as well as democratic governance of the city.

By evaluating the various strategies that have been put forward by government and the responses from practitioners and civil society there is an opportunity to critically review these against emerging lessons and experiences from LAC, and other contexts, where the COVID-19 pandemic has taken hold. This initiative has the possibility to contribute to further learning, research, documentation, data and

³ Available at: <https://www.sisca.int/comunicaciones2/noticias/1183-centroamerica-prepara-plan-de-recuperacion-reconstruccion-social-y-resiliencia-ante-la-covid-19>.

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information on short term emergency actions and medium-term measures to ensure that responses are context appropriate and locally responsive.

Framework for Discussion and Key Questions

This second session of the LAV will focus on the Kosovo Upgrading Project in Cape Town, South Africa. Latin American and South African practitioners will provide specific technical advice from a multisector perspective, assess the potential for replication in other South African Cities, and identify what major policy changes in the regulatory, legal, financial and planning frameworks are required to address slum upgrading at scale, on the urgent pace set by the COVID-19 pandemic.

In addition to the Kosovo Upgrading Project presentation, brief snapshots of similar experiences from cities will be provided, including one Latin American experience aiming to illustrate the dialogue among practitioners.

There are critical issues identified jointly through the first session of the LAV and the preparatory meetings summarized in the following paragraphs, which should frame the next LAV sessions.

In terms of costs, it is quite clear the centrality of land, nevertheless it is important to understand how the principle of the social function of the property applied to zoning and land use can actually reduce market prices and might have an impact in terms of reducing overall project costs and implementation times. The same applies for building typologies, as for understanding the impact in terms of costs of increasing density and opting for collective, self-build construction modes and green technologies for example.

- Land: property rights, security of tenure.
- Zoning, land use rules and density policies.
- Cost-benefit: scalability equation.

Considering the high level of costs and diversity of investments needed at household, community and city levels, the financial engineering of slum upgrading and urban renovation projects is a key aspect.

- Subsidies at household levels and its applicability to specific projects.
- Coordination and alignment of public budgets: national and local (multisector).
- Land based finance: bonds, land readjustment, urban operations, others.
- Household's savings.
- Social housing modalities: new houses, improvements, rental, cooperatives.

How decision making processes occur will affect directly the social sustainability and potential scalability/replication of a certain model; decisions around physical space reorganising (in a bottom up colloquism referred to as 'reblocking'), and resettlement of households whose security of tenure is uncertain are very sensitive and in the absence of a clear set of parameters, or an agreed framework for

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action, risks are high that a project will not proceed and /or be sustainable. Therefore, it is important to map what kind of data, social capital, governance mechanisms, and social safeguards are in place, and how this is integrated into city planning and development.

- Data: community collected data, official statistics.
- Governance: mechanisms for participation at community and city levels.
- Resettlement: protocol and transparency of rules.
- Density policies, use of underutilized and vacant land.

The socioeconomic impact of Covid-19 is expected to be significant for informal settlements, their residents and those that make a living informally (described in some of the literature as survivalist economies), emphasizing the vulnerability of this population. Therefore, a strong social organising approach is required for the planning, design, implementation and monitoring of slum upgrading projects. Strengthening social capital is key.

- Social and economic integration - social work and public policy.
- Community based organizations, mobilization and participation.
- Households life cycle choices.

The following **questions** will guide the discussion on the feasibility and scalability of the Kosovo Upgrading Project vis a vis the current policy framework in South Africa, and what could be changed based on the Latin American experiences:

1. What are the key elements of the financial framework and what needs to be changed and/or created? Subsidies, public, household and private investments, land-based financing.
2. Social function of land, densities & sustainability: how to maximize use of well located areas (reducing costs and increasing social and environmental sustainability) through city and national regulatory and legal frameworks?
3. Governance: what are the roles and responsibilities at community, city, regional and national levels in its interface with knowledge institutions?