Nineteenth session*
Nairobi, 5–9 May 2003
Item 6 of the provisional agenda**

URBAN DEVELOPMENT AND SHELTER STRATEGIES IN FAVOUR OF THE URBAN POOR

Note by the secretariat

Introduction

1. The present note contains a theme paper on urban development and shelter strategies in favour of the urban poor for consideration by the Governing Council. Poverty eradication is the fundamental development challenge of the twenty-first century. The promotion of rights, capacities and basic needs of people living and often working in poverty has long been an objective of the international community, and poverty eradication featured prominently at the Millennium Assembly held in New York in September 2000. In his report to that Assembly, Secretary-General Kofi Annan declared that “extreme poverty is an affront to our common humanity”. In response, Heads of State from 189 countries committed themselves in the United Nations Millennium Declaration to halve the proportion of people living in extreme poverty by 2015. A specific element of this wider target is the commitment to double the number of people with access to safe drinking water within the same timeframe. The Millennium Declaration further committed Member States to have achieved by 2020, “a significant improvement in the lives of at least 100 million slum dwellers,” a target that had originally been set in the Cities Without Slums Action Plan. The inclusion of that target in the Millennium Declaration reflects an important recognition of the urbanization of poverty and the contribution of cities to poverty eradication.

2. Subsequently, the Secretary-General of the United Nations and the Administrator of the United Nations Development Programme (UNDP) launched the Millennium Project to coordinate the efforts of the United Nations system to assist Member States in realizing the goals of the Millennium Declaration. The General Assembly assigned to UN-HABITAT the responsibility for target 11 of goal 7, pertaining to Cities Without Slums. Specifically, it requested UN-HABITAT to work with Member States to monitor and

* In its resolution 56/206 of 21 December 2001, the General Assembly transformed the Commission on Human Settlements into the Governing Council of the United Nations Human Settlements Programme (UN-HABITAT), a subsidiary organ of the General Assembly. This session has been designated as the nineteenth instead of the first session of the Governing Council to signify the continuity and relationship between the Governing Council and the Commission on Human Settlements.

** HSP/GC/19/1.

K0263108     010203

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analyse the conditions of slums and informal settlements, develop advocacy instruments and promote programmatic activities that served to reduce urban poverty.

3. During the World Summit on Sustainable Development held in Johannesburg, South Africa, in August 2002, Member States adopted the Johannesburg Declaration on Sustainable Development. While this political declaration fell short of committing Governments to new goals, targets and timeframes, Governments agreed to include “adequate shelter” among the six basic requirements of sustainable development. It also set the target of halving the number of people without access to sanitation by 2015, a direct amplification of the millennium development goal. In order to augment the Johannesburg Declaration, Governments produced the Plan of Implementation of the World Summit on Sustainable Development referencing actions Member States could take to achieve sustainable development. The text is explicit in its reference to access to adequate shelter, land, drinking water and sanitation. The Plan of Implementation recognizes cities and other human settlements and the significance of “sustainable urbanization”. Good governance and broad-based decision-making and capacity-building at all levels, including by local authorities, are underscored in the text as essential to sustainable development.

4. The purpose of the present theme paper is to consider how approaches to urban development have evolved over time, and most recently with the advent of the above-mentioned international concern for urban poverty reduction. Specifically, how local actors, including governments at all levels, non-governmental organizations, professionals and people living and working in slums, have attempted to improve cities and urban centres in ways that are favourable to the urban poor. For ease of analysis, the paper considers two elements of urban development - urban management and shelter strategies.

5. Chapter one begins with a review of the evolution of urban planning and management approaches, from master plans to pro-poor urban governance. Chapter two examines the evolution of shelter strategies, from direct government supply to an emphasis on security of tenure for the poor. Some of the key lessons learned from both approaches are summarized in chapter three. Examples of current innovations in approaches to urban poverty reduction are described in chapter four, looking at contributions at the local, national and international levels. Finally, the paper concludes in chapter V by identifying issues for further discussion.

6. The paper has benefited from discussions at the first session of the World Urban Forum (Nairobi, May 2002), the World Summit on Sustainable Development (Johannesburg, August 2002), and activities undertaken through the Global Campaigns for Secure Tenure and on Urban Governance and the Millennium Project.

I. EVOLUTION OF URBAN PLANNING AND MANAGEMENT APPROACHES

7. There have been four broad phases in the evolution of approaches to urban planning and management: master planning; strategic planning; decentralization and urban management; and urban governance. Over the years, there has been a gradual shift from physical and spatial planning carried out by the central Government or powerful sectoral ministries to a more decentralized management approach anchored in cities. The advent of deregulation and privatization, decentralization and local government reform together with democratization and popular participation has altered power relations and necessitated new forms of decision-making. Over time, a governance approach that seeks to reconcile competing interests and make the most of scarce resources has emerged as the dominant paradigm.

8. The traditional master plan consisted of a finite, long-term physical plan that was supposed to serve as the basis for future investment in infrastructure and included a detailed system for land-use regulation and control. It proved useful for cities characterized by slow population growth and high average incomes with enforceable land-use regulations. This approach, however, has proved inappropriate for many cities in the developing world, particularly in countries experiencing low economic growth and significant rural-urban migration. In general, the traditional master plan suffered from several major shortcomings. It was a physical plan emphasizing infrastructure and land-use segregation, without due attention to economic, social or
environmental considerations. The financial implications of the plan were rarely considered and, as a result, many plans were never implemented. It was typically coordinated with other sectors and socio-economic and financial strategies. Central government specialists or line agencies often served as the sole architects of the master plans. In many cases, these officials were skeptical of the contribution of the private sector and community groups to city management. From the perspective of the urban poor, the traditional master plan was divorced from reality. In many cases, the existence of the urban poor and their settlements was almost ignored. Land-use regulations and development controls were often poorly suited to incomes and livelihoods such as the home-based businesses of the urban poor. Most master plans were not designed through a process of substantial consultation with private actors and communities and rarely with the urban poor themselves. Ultimately, master plans proved too inflexible to respond to the rapid growth of informal settlements and in many cases in fact contributed to their proliferation.

9. In the 1970s and early 1980s, new planning tools were developed to address the shortcomings of the master plan approach. Structural plans were more general and flexible and sought to include social and economic dimensions. Action planning considered community participation the key to success and used local adaptation of experiences from other contexts in a learning-by-doing approach. While some had a significant impact, action plans were small in scale, often uncoordinated, and sometimes over-emphasized a process without producing results. They seldom really tackled the underlying socio-economic problems. Strategic planning, on the other hand, wedded a results-oriented approach to a continuous participatory process that involved community groups and the private sector. Strategic planning has continued to evolve and now includes strong elements of participatory visioning and promoting the city’s role in local economic development.

10. For the urban poor, these new tools succeeded in making printed plans more responsive to reality. Informal settlements were recognized and incorporated into plans. Building standards, land-use regulations and zoning standards became more flexible. The urban poor had an increasing say in urban planning, but their participation occurred at precise times during the project cycle, often only during the design phase.

11. In the 1980s, comprehensive urban planning approaches became problematic as the debt crisis bit into the budgets of most developing countries. Many Governments implemented austerity measures, accompanied by longer-term structural adjustment programmes. In cities, a sectoral focus was brought to bear as Governments sought to extricate themselves from debt by cutting back on all but the most essential services. In many countries, the poor suffered disproportionately from the effects of structural adjustment, as a result of loss of income and livelihoods.

12. Parallel to structural adjustment policies, most donors promoted an enabling approach, emphasizing small-scale government, increased efficiency and productivity and private-sector management. Some Governments enabled both markets and private-sector delivery of urban basic services, while others sought to balance government enablement of markets with government enablement of slum dwellers and their organizations. At the local level, the enabling approach ushered in the third phase of the evolution of urban development, which focused on urban management and decentralization.

13. Urban management came first, attempting to modernize local government management practices. In many ways, the move towards local government was welcome. Previously, central government agencies had been responsible for implementing large projects without building the capacity of local authorities. This phase also marked the return of urban issues to the international development agenda. However, urban management practices were developed according to the private sector bias of the time, often reflecting a top-down approach. Public-private partnerships were promoted and, to their credit, demonstrated that the urban poor were both willing and able to pay for services. In many cases, however, services did not reach the urban poor. Companies were unwilling to provide services at a loss and were not prepared for major investment in infrastructure to reach informal settlements. Meanwhile, local governments sometimes lost the potential for cross-subsidies by granting monopoly contracts to the private sector.
14. In the context of declining central government funds and demands by people’s organizations, non-governmental organizations and professional associations for more accountable and democratic local government, decentralization policies were promoted in the late 1980s and early 1990s. Legal and constitutional changes in countries such as Brazil, China, India, Mexico and the Philippines facilitated significant improvement in local governance. While in the early years of decentralization responsibilities were simply passed to the local level without ensuring adequate financing or local capacity to meet the new challenges (de-concentration), the situation has steadily improved over time. There have also been a variety of other reasons for the ineffectiveness of local government. Central government continued to control local resources and planning and there was limited local capacity to mobilize local resources. In addition, opposition parties tended to dominate local governments adversely affecting central government transfers and delegation of authority. Decentralization without adequate capacity and resources has in some countries caused negative impacts on human rights. Local corruption and patronage also had a negative impact on decentralization. During this period, the importance of politics in urban development began to be recognized.

15. In the early 1990s, the limits of growth-based policies and private-sector models were understood. Ecological sustainability and poverty reduction gained importance. Moreover, the materialistic definition of poverty that characterized policies between the 1960s and the 1980s was replaced by a multi-dimensional understanding of urban poverty. More recently, social exclusion has been increasingly seen as a contributing factor to poverty. The urban poor have been forced to adopt short-term coping mechanisms, with little opportunity to escape poverty. Families that can do so, work two jobs and cut back on expenses wherever possible, including on food, health and education. In this situation, the poor have no voice and no opportunity to participate in political life other than superficial exchanges with politicians at election time.

16. Recognition of the importance of politics and a new emphasis on the processes of social exclusion has led to the current urban governance approach. With it comes the recognition that successful, inclusive cities are achieved not only through money, technology or even expertise but also through improving the quality of urban governance. Effective local partnerships that equitably use limited local resources are seen as the key to urban poverty reduction. The urban governance approach consists of several elements. First, an attempt to define the appropriate roles of government, local authorities, the private sector, civil society in general and the urban poor in particular. Second, this approach incorporates lessons learned from urban planning approaches, recognizing the vital importance of participatory urban decision-making and vision.

17. Over the past decade, several practical measures have been developed to enhance the quality of governance relationships between key urban actors, with a view to maximizing the impact of urban poverty reduction efforts. Participatory budgeting, gender balanced representation in local government, integrity pacts between local government and the private sector and e-governance initiatives are examples of such innovations. Often the call for better urban governance is expressly linked to human rights. In some regions, particularly Latin America and the Caribbean, these rights are being used to promote the urban poor’s right to the city. Significant efforts are still required to ensure replication of successful good governance practices within countries and across regions. Measuring the impact of good governance measures on urban poverty reduction is another important challenge.

II. EVOLUTION OF SHELTER STRATEGIES

18. There have been several phases in the evolution of shelter strategies: (a) housing supply and slum clearance; (b) sites and services; (c) slum upgrading; and (d) secure tenure. These aspects do not fit into neat chronological periods. They have evolved, and in many countries variations have been combined to form an integrated, national shelter strategy.

19. Into the 1970s, shelter strategies in many developing countries were similar to those adopted in the 1950s in the developed countries. Social housing was the predominant approach, although with some variation: government-built housing estates, highly subsidized units, and rent controls for enhancing affordability. Significant government service provision reflected the needs of newly independent Governments to correct inequalities perpetuated by former colonial regimes, and the relative strength of their emerging economies. Subsidies, however, distorted real estate markets and often failed to reach their
intended beneficiaries, the urban poor. Often, the direct beneficiaries were middle-class families and civil servants. The urban poor, meanwhile, were subject to forced evictions and demolition. With the predominance of the master planning approach described earlier, informal settlements were not recognized and were regarded as a blight on the landscape of the modern city. Nonetheless, this period resulted in the emergence of non-governmental organizations that acted as advocates for the urban poor.

20. More progressive Governments would either use resettlement or clearance and redevelopment to respond to the growth of informal settlements. Both strategies were inspired by economic motives. They freed valuable land for development, which in turn had a multiplier effect on the local economy, particularly in the construction sector. Resettlement involved relocating the urban poor to new developments on the city’s periphery. This proved expensive for the relocated population and undermined social networks, increased travel costs, and destroyed the informal livelihoods of the urban poor. Clearance and redevelopment, on the other hand, involved moving slum residents to temporary accommodations while waiting for permanent accommodation, often into high-rise housing. The results were largely the same as those of relocation. High-rises did not support social networks or the running of small businesses from home. Ultimately, high costs proved prohibitive.

21. In the 1970s, two new approaches were developed: sites and services; and urban upgrading. Although devised by Governments, these approaches were widely promoted in cities such as Dakar, Jakarta and Lusaka. Using the sites and services approach, Governments supplied basic infrastructure and services, and residents invested in constructing housing. In some cases, houses were even provided, recognizing the need to supply some form of shelter as well as serviced plots. The sites and services approach was more affordable, produced quick and visible results and, in some cases, contributed to the development of an informal rental market, which became the dominant form of shelter for the urban poor in many countries.

22. In some other ways, however, the sites and services approach proved less positive. The scale of projects was insufficient to respond to the massive urban growth of the period. Patronage, downward raiding by the middle class and insistence on home-ownership and full cost recovery made many schemes unaffordable to the urban poor. There was a clear lack of political commitment to address the needs of the urban poor, caused in part by the emergence of market and enabling strategies that advocated a non-interventionist approach on the part of the State. Finally, a lack of policy and institutional reform prevented the scaling-up of the benefits of successful schemes.

23. The urban upgrading approach evolved parallel to that of sites and services. Urban upgrading came in two variations: neighborhood-specific and city-wide. City-wide upgrading provided a minimum standard of service for the entire city, for example, water distribution. This approach broadened the provision of services, but sacrificed the economies of scale of the comprehensive approach and sometimes resulted in digging up the same road to install different services. Neighborhood upgrading, by contrast, offered the urban poor additional support, in the form of access to loans, security of tenure, training and other social goods. Social programmes, however, had uneven results. An enduring impact of early sites and services and urban upgrading programmes was that these gave legitimacy to emerging community-based organizations that promoted the interests of the urban poor.

24. In the wake of the structural adjustment policies of the early 1980s, Governments withdrew from the housing sector and adopted an approach along the lines advocated by the World Bank in which Governments relied on the private sector as the primary engine for housing delivery. Specific sector support focused on land administration and the development of housing finance institutions. By the late 1980s, however, it was recognized that the austerity measures and the single-minded promotion of exports had gone too far. In 1987, the Global Strategy for Shelter to the Year 2000 was launched, promoting an enabling approach that recognized the potential contribution of the private sector, but focused on social issues and promoted participatory decision-making. Many countries, however, adopted shelter strategies that were never implemented owing to a lack of human and financial resources. Given the limited role for government under the enabling approach and the emphasis in that approach for the Government to enable the private-sector, housing slowly disappeared from national strategies and from the international development debate.
In 1996, the second United Nations Conference on Human Settlements (Habitat II) held at Istanbul, Turkey, from 3 to 14 June 1996 made great strides towards putting housing back on the international agenda. The Habitat Agenda adopted at Habitat II promoted the gradual realization of the right to housing at par with other cultural, political and economic rights. It also emphasized the need for affordable shelter, access to land for the urban poor, the promotion of secure tenure and the elimination of the practice of forced evictions. Furthermore, Member States pledged in Istanbul to strengthen partnerships, not only public-private partnerships, but also strategic alliances between local authorities and people’s organizations as a means to achieve affordable shelter for all. Despite its clear emphasis on shelter for the urban poor, however, the Habitat Agenda was seen by some activists as a wish-list rather than a realistic programme of action, evidenced by the absence during the period following Istanbul of shelter strategies actually favourable to the urban poor.

Activists, practitioners and policy makers have in recent years sought to revive the housing agenda yet again, but this time by identifying security of tenure as an aspect of shelter, one that is emotive and that, by its very nature, necessitates the direct participation of the urban poor. Security of tenure – the elimination of unlawful evictions and the availability of residential tenure that renders slum dwellers urban citizens – is a strategic entry point to affordable shelter strategies and urban upgrading that can address head-on the relationships in slums between structure owners, tenants and local authorities. This is especially relevant in urban areas of Sub-Saharan Africa where rent is highly commercialized and tenants form a majority of the population of informal settlements. The focus on systems of tenure favourable to the urban poor (temporary occupancy rights, lease agreements, as well as free-hold title) has the added advantage to provide a realpolitik approach to upgrading. It builds on existing practices and socio-political arrangements in informal settlements, recognizing slum dwellers and their organizations as genuine development partners. The move towards security of tenure has been accelerated by the number of violent forced evictions without due legal process, and by the illegal appropriation of land by squatters through land invasions and by persons with political influence through land grabbing.

III. LESSONS LEARNED IN URBAN DEVELOPMENT AND SHELTER APPROACHES

An over-riding lesson drawn from the above paragraphs is that neither urban development nor shelter strategies have been effective at reaching the urban poor. Where they have reached the urban poor, their positive impact has not been able to keep pace with rapid urbanization. Where successes have occurred, they have often been based upon partnerships across levels, with diverse actors working laterally through a negotiated process to overcome conflict and realize improvements in the living and working conditions of the urban poor.

More specifically, at the local level, the following lessons have been learned:

(a) There is a need to integrate shelter strategies into a framework of governance for urban development. New forms of partnership are required between popular organizations, local authorities, professional organizations and the private sector to address the shelter and urban development priorities of the urban poor;

(b) Civil society and the urban poor must have the right to participate in urban development. The promotion of such rights is not only ethical, it is also economically viable. As genuine development partners, the urban poor release their productive potential and orient development activities in a manner that reflects the reality on the ground. Their contribution should be recognized as a vital resource and integrated into urban planning and management;

(c) The urban poor must have the capacity to participate effectively. In the absence of strong, city-wide networks of associations of slum dwellers, the urban poor cannot participate effectively. Worse, they may be vulnerable to manipulation. Strong organizational capacity, often based on local resource mobilization, strengthens the quality of urban poor partnerships with state and non-state actors;
(d) Local authorities are assuming an enabling role that requires development of new competencies in areas such as negotiation of agreements with the private sector and stimulating local economic development, enhancing conflict resolution skills, and empowering community organizations;

(e) The participation of the formal private sector in urban development should be one of engagement and not charity. The financial and building sectors need to combine forces and share risk with local authorities and non-governmental organizations to develop products and provide services accessible to the urban poor. Local authorities should also open up competitive bidding for urban service delivery to non-governmental organizations and the informal private sector.

(f) Capacity-building efforts must be designed to support local processes, but must also be linked to follow-up investment in physical infrastructure and policy and legislative reform, which contribute to urban poverty reduction.

29. At the national level, the following lessons have been learned:

(a) Governments have an important role to play in developing national policies and legislation for reducing urban poverty. These include national policy frameworks on land, housing, urbanization and slum upgrading. These should include revenue-generating mechanisms that allow local authorities to apply development strategies for the urban poor that explicitly recognize the contribution of cities to poverty reduction;

(b) Sectoral ministries – local government, land, and housing – need to identify mechanisms for cooperation such that they facilitate, rather than frustrate, efforts by local governments to assume new competencies. This is required by the integrated, multi-sector character of urban poverty;

(c) Countries have followed different paths in dealing with urban poverty. Specific national contexts must be recognized in designing policies and strategies.

30. At the international level, the following lessons have been learned:

(a) International organizations have had considerable influence on national poverty reduction approaches and efforts in many countries through policy-based lending practices. This is, in part, a result of the use of consultative approaches such as the poverty reduction strategy paper. Such initiatives would benefit from greater, more genuine participation of civil society and the urban poor, and a stronger focus on the urban dimension of poverty and its eradication.

(b) Similarly, urban poverty must be a central component of the Millennium Project, the United Nations Development Group, the United Nations Development Assistance Framework and the Common Country Assessment processes of UNDP;

(c) There is a need to develop new mechanisms to reach and support effectively the initiatives of the urban poor without undermining the legitimacy of national and local governments, which have important roles to play in the reduction of urban poverty.

IV. INNOVATIVE APPROACHES TO URBAN DEVELOPMENT AND SHELTER STRATEGIES

31. In many cases, the lessons described above are being applied through innovative approaches to urban management and shelter strategies. The following paragraphs briefly describe examples at the local, national and international levels.

32. At the local level, examples of innovation include:

(a) Community-led Infrastructure Finance Facility (CLIFF): CLIFF was designed to provide strategic support to community-initiated housing and infrastructure projects that have a potential for
scaling-up. The facility will provide bridging loans, guarantees and technical assistance to initiate medium-scale urban rehabilitation initiatives. It intends to attract commercial, local and public-sector finance for additional schemes. CLIFF is currently being tested in India;

(b) Municipal sanitation project, Mumbai, India: the National Slum Dwellers Federation of India together with the Society for Promotion of Area Resource Centers secured a tender from the Municipal Corporation of Greater Mumbai to construct 300 communal toilets in difficult slum areas. The two organizations construct the toilet blocks, creating sanitation for 1,000 households and at the same time mobilizing slum dwellers in the neighbouring area to undertake a range of upgrading initiatives. The Municipal Corporation tender demonstrates the capacity of alliances between non-governmental organizations and community-based organizations to provide urban basic services more effectively than the local authority or the formal private sector;

(c) Porto Alegre, Brazil: A participatory budget process has been used to allocate $700 million in capital investments over the past 10 years. The city has been divided into 16 areas, each of which elects local representatives to various committees responsible for reviewing past budgets and programming future expenditures. The approach has democratized the budget process, ensuring that municipal investments do not serve only the needs of middle and upper-class residents but also the needs of poorer regions. As a result, citizenship has been strengthened and people are more willing to pay taxes;

(d) Twins initiative: Hyderabad and Secunderbad, India: The twin cities are at the leading edge of experiments to harness the power of the Internet for development through integrated citizen service centers. These centres are a one-stop shop for key public services, including payment for electricity, water and property taxes; application for permits, licenses, and registrations; issuance of birth or death certificates and encumbrance certificates; and valuation of properties and building permits. The degree to which the Internet can improve access of the urban poor to key city information will be monitored with great interest over the coming years.

33. At the national level, examples of innovation include:

(a) Urban Community Development Office, Thailand: This Office operates a loan facility for poor urban communities. Funding is provided for small-scale projects that strengthen the capacity of the poor to earn stable incomes, gain access to housing with secure tenure, and improve the quality of urban infrastructure. The fund is managed by local communities such that households identify priorities, establish loan criteria, furnish loans and administer repayment. More recently, a community environment fund was established for distributing loans averaging about $2,000. Loans of this size could not be administered by the central Government or international organizations and represent an important model for providing support directly to the urban poor;

(b) Local Authorities Transfer Fund, Kenya: The Ministry of Local Government has established a fund to enable local authorities to improve the delivery of services to their citizens in what is regarded as a major step for a country that has historically been reluctant to delegate authority. Each year, local governments prepare a service delivery plan as a means for prioritizing their budget allocations. The priorities are drawn from the national poverty reduction strategy paper with specific attention given to delivery of services to low-income groups. The plans must be prepared through a participatory process involving non-governmental organizations, business groups, and slum dwellers and their organizations.

(c) Poverty Alleviation Programme, Morocco: Initiated in 1998 by the Government, action plans have been formulated in Casablanca, Marrakech and Tangiers focusing on three areas: income generation, access to housing and basic services, and social integration. An important innovation has been the testing of new approaches to governance that involve groups in open dialogue that have historically been marginalized and socially excluded from municipal decision-making forums;
(d) The Grootboom case, South Africa: The inhabitants of a squatter community near Cape Town, which had applied without success for public housing, changed tactics and occupied public land in 1998. They were then evicted and their property destroyed by bulldozers. In the meantime, another squatter community had occupied their former land. They settled in a sports field and filed an application with the municipality for provision of minimal shelter and basic services. In 2000, South Africa’s Constitutional Court ruled that it was the Government’s obligation to achieve the progressive realization of the right to housing, particularly for the urban poor. More broadly, the ruling signifies that some human rights, at least in South Africa, may be legally enforceable in court;

(e) The Philippines Urban Forum: The Philippine Housing and Urban Development Coordination Council, the Department of the Interior and Local Government, the League of Cities of the Philippines, the Homeless Peoples Federation of the Philippines, the Urban Poor Colloquium, the Shelter Advisory Group and international donors have established the Urban Forum to promote coordinated urban development. The Forum identifies possibilities for collaboration, sharing successful experiences. The Forum is an important example of urban reflection, and cross-sectoral and multi-stakeholder collaboration. The successful launch of the Global Campaigns for Secure Tenure and on Urban Governance in October 2002 demonstrated the potential application of the Forum, where a comprehensive national action agenda was developed and immediate implementation actions where taken. A presidential executive order declared idle public lands available for re-allocation to the urban poor. During the follow-up event to the launch of the two campaigns, several local authorities translated that executive order into land allocation for slum dwellers through conventions signed jointly by local authorities and community representatives, showing the determination of stakeholders to move forward;

(f) City Statute, Brazil: In July 2001, Brazil adopted the City Statute, widening the powers of cities to manage urban development in four dimensions: providing guidance regarding the urban policy sections of the 1988 Constitution; regulating urban land-use, including land markets, as a means of combating spatial segregation; institutionalizing participatory urban planning processes; and promoting more democratic land tenure regularization processes. The Statute is significant in its support for more democratic and accountable municipalities, yet its implementation depends on broad mobilization of Brazilian society. The city of Rio de Janeiro has started an ambitious secure tenure programme (the Favela Bairro programme) through the titling of the land to the benefit of slum dwellers. Sao Paulo also engaged in an innovative programme aimed at protecting the urban poor from violent evictions, through a process where the municipal government plays an intermediary role between owners and squatters. Alternative options are proposed to the owners such as tax compensation, advantageous “building potential” in other areas, etc.;

(g) Scaling-up local success, Tanzania: Building on 10 years of successful use of a participatory planning process, Tanzania is incorporating the approach of Environmental Planning and Management into its national human settlements development policy. Project success in Dar es Salaam is being replicated in cities throughout the country;

(h) National slum policy, India: The Government of India is attempting to raise awareness of the process of slum formation and the options available for integrating slums into urban areas. It proposes to engage in legislative and policy reform to ensure sustainable urban upgrading and establish a participatory national framework for achieving policy objectives. While only a draft, the policy is significant in several ways; it recognizes that slums are an integral part of the urban area and that all urban residents should have access to certain minimum basic services irrespective of their tenure status. It also promotes gender equality and is based on the experiences of community organizations. There is tremendous interest in monitoring the effectiveness of the policy and its implementation.

34. At the international level, examples of innovation include:

(a) Slum/Shack Dwellers International: This is an umbrella organization of federations of slum dwellers and non-governmental partners from 12 countries in Asia and Africa. It has pioneered the concept of horizontal learning, by which slum dwellers themselves take responsibility for building the capacity of slum dwellers and their organizations in other countries to claim their right to adequate shelter and services.
through negotiation with local and national governments. It has been successful in influencing the poverty reduction policies of key donors, including the World Bank, to make them more responsive to the priorities and needs of the urban poor, and has been a key architect of the Global Campaign for Secure Tenure;

(b) International Union of Local Authorities policy on urban poverty: In 2000, this organization adopted a new policy on its role in poverty eradication. Significantly, the policy recognizes that social exclusion is not only morally unjust and a violation of human rights, but it is also socially damaging and economically unproductive. The policy advocates that all local authorities adopt a sustainable development strategy that explicitly favours social inclusion;

(c) Cities Alliance: The World Bank, UN-HABITAT and 10 bilateral agencies have joined forces to promote city development strategies and large-scale slum upgrading favouring the urban poor. Lessons from previous approaches have been incorporated into the guiding principles, including an explicit focus on poverty reduction. The Cities Alliance departs from conventional, isolated projects to promote city and nation-wide programmes designed to support local initiatives, especially where poor communities have built social capital and have established partnerships with government, and to link capacity-building to investment follow-up;

(d) Global Campaigns for Secure Tenure and on Urban Governance: UN-HABITAT and its partners have launched two global campaigns with a strategic focus on urban poverty reduction. Secure tenure is promoted as a key mechanism for advancing the rights of the urban poor and unlocking their productive potential, while good urban governance is seen as an essential element for poverty reduction. Both campaigns bring together the urban poor, city officials, national governments and external support agencies to design and implement national plans to promote security of tenure and good urban governance. These include programmes to upgrade slums and informal settlements, underpinned by policies and practical measures to promote good urban governance, together with programmes to strengthen the capacity of organizations of the urban poor and local authorities to advance development strategies favorable to the urban poor.

(e) World Urban Forum: In May 2002, UN-HABITAT hosted the first World Urban Forum in Nairobi, gathering over 1,200 participants from 80 countries, of which 500 were either slum dwellers or from their organizations. A departure from conventional intergovernmental meetings, the Forum replaced the activity of negotiating agreements with open, free-ranging dialogue on pertinent issues of urban development. The dialogues included securing tenure and stopping forced evictions, decentralization, the right to the city, and tools and frameworks for upgrading slums. In a parallel series of dialogues during the Forum, participants prepared for the World Summit on Sustainable Development, articulating a practical strategy for sustainable urbanization;

(f) Millennium Project: The Project was established by the Secretary-General to coordinate the efforts of the United Nations system to assist Member States in realizing the goals of the Millennium Declaration. The General Assembly assigned UN-HABITAT with the responsibility for implementation of goal 7, target 11, that is by 2002, to have achieved “a significant improvement in the levels of at least 100 million slum dwellers”. The Project harnesses slum dwellers, activists, educators, practitioners and policy makers in a task force dedicated to achieving target 11. Together with the task force and the networks represented in it, UN-HABITAT works with Member States to monitor and analyse the conditions of slums and informal settlements, and to develop advocacy instruments and promote programmatic activities that serve to reduce urban poverty.

V. ISSUES FOR FURTHER DISCUSSION

35. While some of the experiences described in the previous section are in the early stages of implementation, it is possible to highlight some issues for further discussion by the Governing Council:
(a) If affordability is the key issue for the poorest of the urban poor, which models are capable of delivering shelter and urban services at the pace of urbanization? Which strategies can be adopted at the local and national levels to improve the access of the urban poor to rental housing? Which housing finance systems are available for the poor and resilient to economic shocks?

(b) What are the obstacles that prevent community-based and non-governmental organizations from scaling up their initiatives and having an impact on public policies for urban poverty reduction?

(c) Which urban governance systems are necessary to support the initiatives of the urban poor, particularly for the scaling-up of successful initiatives? Which forms of public-private partnership can provide the poor with access to infrastructure and affordable basic services on a sustainable, city-wide basis?

(d) What are the implications for local and national governments of rights-based approaches that create entitlements for the urban poor? How can rights-based approaches best be complemented by strategies to increase the capacity of the urban poor to claim their rights?

(e) What is the role of national governments in the development of social and economic policies, including employment generation policies, in order to strengthen the livelihood options of the urban poor? How can the poor and civil society be better involved in the democratic design and implementation of these policies?

(f) How can international and bilateral organizations contribute most effectively to urban poverty reduction? What can be done to promote decentralized development cooperation involving municipalities and communities more directly?