



UN-Habitat Support to Sustainable Urban Development in Kenya

Addressing Urban Informality

Volume 4: Report on Capacity Building for Community Leaders

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Executive Summary

This is the fourth in the series of reports titled *UN-Habitat Support to Sustainable Urban Development in Kenya*. The reports addresses the topic of urban informality and reports on a capacity-building session conducted by UN-Habitat for informal settlement leaders, which was also attended by county technical officers, members of county assemblies, national government officers, development partners, and civil society organizations.

This report covers a broad background of various important topics related to urban informality and planning, along with an overview of the course and outcomes of the capacity-building session. It is organized as follows. The first chapter provides a broad background on the institutions, international organizations, and past and present programmes addressing Kenya's urban issues. The second chapter explores Kenya's current urban situation, while the third chapter addresses the planning challenges and responses to informal settlements specifically. The fourth chapter discusses the outcomes of the capacity-building session and concludes by summarizing the key issues on urban informality in Kenya and the workshop outcomes.

Background

In 2010, the World Bank approved the Kenya Municipal Programme (KMP), which is co-financed by the Swedish International Development Agency (Sida) and implemented by the Government of the Republic of Kenya through its Urban Development Department. The programme was developed to support service delivery and governance improvements in Kenya's major urban centers, which accommodate the largest share of the country's urban population and contribute substantially to the nation's gross domestic product (GDP).

The Kenya Informal Settlements Improvement Project (KISIP) is another national urban programme designed to improve living conditions in informal settlements; it is also financed by both the World Bank and the Swedish International Development Agency. This project has four components: strengthening institutions and project management, enhancing tenure security, investing in infrastructure and service delivery, and planning for urban growth.

UN-Habitat's Participatory Slum Upgrading Programme (PSUP) was launched in 2008 as a joint effort between UN-Habitat; the African, Caribbean, and Pacific (ACP) States; and the European Commission. It recognizes informal settlement upgrading as a crucial strategy for enhancing the sustainability of cities and improving the living conditions of the urban poor – it revolves around the idea that real change requires a systemic outlook and a citywide implementation. It, therefore, works on policy change, budget allocations, good governance and management practices, and pilot projects, as well as partnership building.

UN-Habitat Support to the Sustainable Urban Development Sector in Kenya is funded by the Swedish Embassy in Kenya and has several main objectives: to improve coordination within the urban sector in Kenya; to improve the capacity of key actors for participatory urban planning management; to mainstream poverty reduction and human rights based approaches; to strengthen the Kenya urban network; to improve waste management; and to improve revenue mobilization.

Working towards these objectives, UN-Habitat collaborated with the national government Department of Urban Development Department to support the KMP planning process by building county governments' capacity, particularly targeting the human capital development of county technical officers, political leaders, and community leaders. To this end, UN-Habitat designed a capacity-building programme

structured according to the KMP implementation Clusters. Three main training phases have so far been carried out: Phase I for Clusters III and IV, Phase II for Clusters I and II, and Phase III for Informal Settlement Community Leaders in Kilifi and Mombasa Counties. This report focuses on Phase III, which sought to inform community leaders about urban planning, informal settlement upgrading, and local economic development. This effort is premised on the notion that community leaders play a critical role in – and should, therefore, engage actively with – urban planning and informal settlement upgrading at the county and urban levels. Indeed, many of the problems facing informal settlements would be better addressed by initiatives scaled to the municipal level.

Meanwhile, the Sustainable Urban Development Goals: Agenda 2030 includes a goal (Goal 11) to “make cities and human settlements inclusive safe, resilient and sustainable,” while the related New Urban Agenda will act as the framework to rethink how cities and human settlements are planned, built, managed, and inhabited for sustainable urban development.

Urban Informality and Kenya’s Urban Context

Urban informality is a defining characteristic of Kenya’s urbanization patterns. As cities and towns grow, informal settlements increase, while the informal economic sector continues to support a significant portion of the urban population. One of the main factors supporting the development of informal settlements is the inability of local and national governments to adequately manage rapid urbanization and to meet the evolving needs of cities and towns for urban planning and investment. Formal wages are also not able to cope with income generating needs of the increasing urban population, contributing to growth of the informal sector.

In 2009, 54.7% of Kenya’s urban population lived in informal settlements and it is estimated that this number increased to 56% in 2014¹. A similar trend has been observed in the informal economic sector. According to the World Urbanization Prospects, the 2014 Revision, Kenya’s urban population in 2014 was projected to be 11.5 million people.

Kenyan informal settlements are often close to major employment areas, such as industrial areas and commercial centers, along rivers and wetlands, along

infrastructure land reserves, on accessible peripheries, and on open public spaces. Overall, they are located in areas both suitable and suitable for development.

They face insecurity of tenure; are often composed of sub-standard housing; have inadequate infrastructure; suffer from socio-economic challenges; are excluded from formal planning regimes; and deal with environmental challenges. Several interventions have been undertaken in the past, ranging from forced evictions (“eradication”) and resettlements, to site and service schemes, redevelopment, in-situ upgrading, and regularization. However, the scale and impact of these interventions do not match the required outcomes.

Integrated Urban Planning Approaches to Informal Settlements

Informal settlements are a manifestation of urban exclusion and the socio-economic inequalities that have characterized urbanization not only in Kenya, but also around the world. In various cities, planning regulations and standards have been reluctant to adapt to the reality of urban informality, often designating the land on which informal settlements are located for other forms of development or imposing stringent regulations on their improvement; others simply fail to integrate them in city development schemes.

A citywide approach to planning and development that explicitly includes informal settlements as an integral part of the city has the potential to trigger wider, more extensive, coherent, and long-term upgrades to informal settlements. Such a strategy would introduce policies and strategies to identify and prioritize interventions, allocate budgetary funds, and establish systems for collaboration between different actors and mobilization of resources. Equally important, it has the potential to prevent the creation of new informal settlements.

There are three general approaches to upgrade informal settlements, which may be used individually or combined: 1) in-situ incremental upgrading; 2) re-blocking and redevelopment; and 3) relocating and resettlement. An intervention to a specific settlement can be a combination of two or even the three approaches. A number of cross-cutting issues inform each informal settlement upgrading project regardless of the approach used, and they should be taken into consideration when formulating strategies. Such issues include: institutional

and organizational arrangements; the financing aspects; participation; gender, youth, and human rights issues; and the socio-economic dynamics at play.

Outcomes of the Capacity-Building Session for Community Leaders

The session on integrated urban planning and informal settlement improvement took place in July 2015 in Mombasa, Kenya and was facilitated by UN-Habitat in collaboration with the KMP and the KISIP.

Participants included community leaders of informal settlements in Mombasa and Kilifi Counties², as well as leaders of Local Urban Forums in the respective counties, members of county governments (both technical officers and Members of County Assembly) and of the national government. The KMP and the KISIP, as well as the World Bank and the Civil Society Urban Development Platform (CSUDP), were also represented.

This session sought to a) enhance the integration of citywide planning interventions, citywide informal settlements improvements, and neighborhood-level planning and informal settlement improvements; b) promote shared visions and enhance the understanding of the roles of different actors and their areas of convergence; c) provide a common understanding of basic urban planning processes and emphasize a citywide approach to addressing informal settlements; and d) provide an opportunity to build partnerships between communities, civil society, international development actors, the private sector, and government to address urban informality.

The following topics were covered through a combination of presentations, group exercises, and open plenary discussions: a) the importance of planning and the relevance of conceptualizing urban informality as an integral part of urban centers; b) the significance of participation and stakeholder engagement; c) inclusive urban planning and development; d) participatory tools for enhancing tenure security and

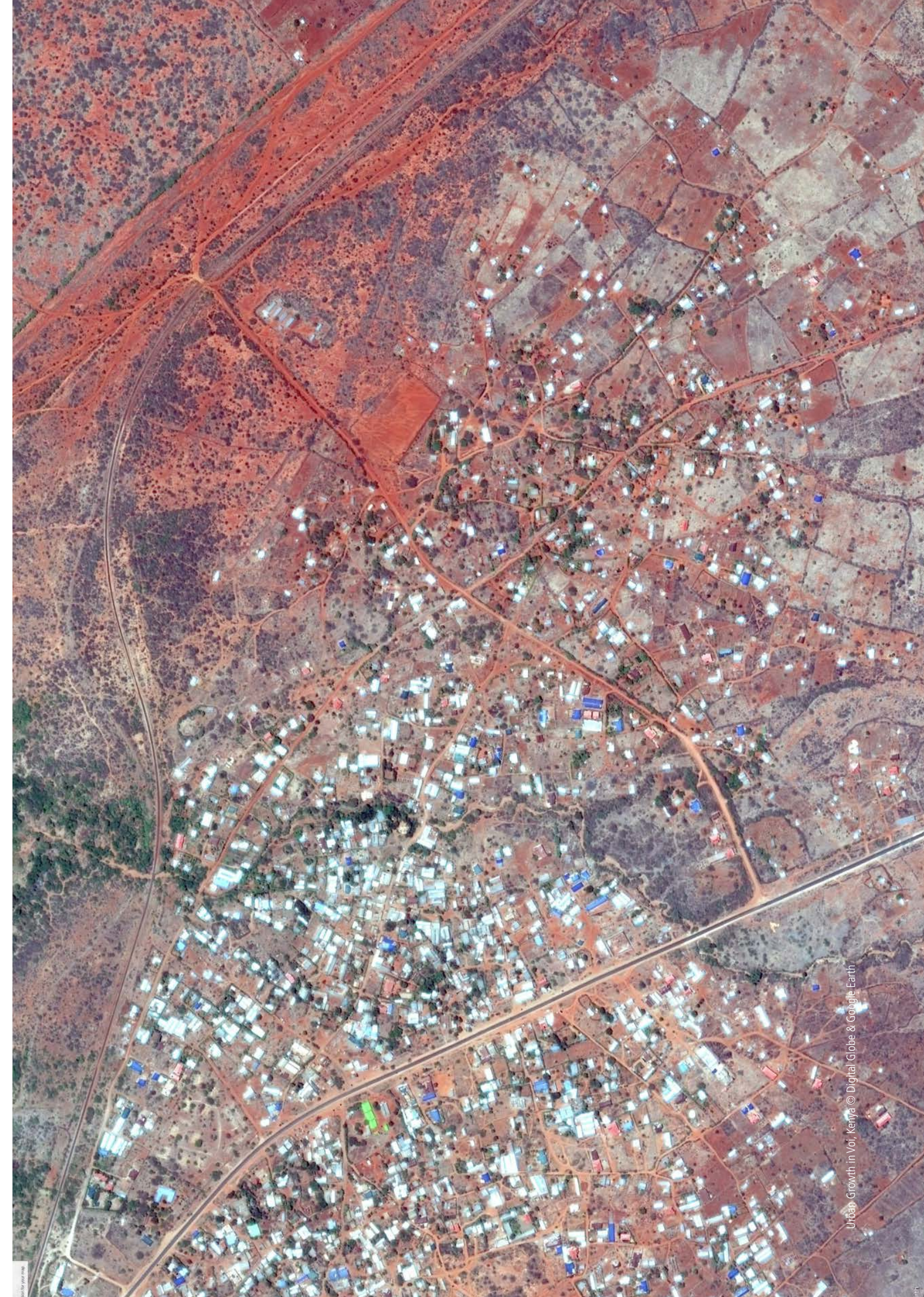
land tenure; e) integrating the informal economy into urban planning; f) approaches to improve informal settlements; g) delivering low-cost water and sanitation infrastructure; and h) delivering affordable housing.

The participants raised concerns and suggested recommendations for a way forward. They stressed the need for citywide planning processes to adequately address urban informality and for these to be well supported by national and county policies. Governments should also scale-up delivery of affordable housing and strive towards universal access to basic services. The participants emphasized that good urban governance and inclusive urban management are absolutely necessary to achieve meaningful impacts in these regards.

Overall, the participants found the workshop useful and important for the implementation of the KMP and the KISIP and called for greater coordination between the two programmes. The workshop raised vital policy issues to address in order to accelerate urban reforms in the country. The participants also noted that community leaders play a significant role in addressing urban informality and, thus, there is need for their greater involvement in decision-making. They emphasized the need to improve community leaders' capacity with regards to urban planning, public policy formation, and county/municipal budgeting and financing in order to enable their active participation. Finally, it was noted that, in order to scale up efforts to improve living conditions in the informal settlements, it is important to promote integrated urban planning at the city/municipal level and to strengthen the capacity of institutions that are charged with urban planning and management.

Notes

1. UN-Habitat. (2016). *Slum Almanac 2015/2016: Tackling Improvement in the Lives of Slum Dwellers*. UN-Habitat: Nairobi.
2. These community leaders represented organized community structures from informal settlements, mainly selected from the Kenya Informal Settlement Improvement Programme – Settlement Executive Committees; Local Urban Forums that are coordinated by the Civil Society Urban Development Platform; and the informal settlement leadership established by UN-Habitat's Participatory Slum Upgrading Programme in Mtwapa, Kilifi County.



Urban Growth in Voi, Kenya © Digital Globe & Google Earth

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Background

1.1. Overview

This report is the fourth in a series that document the capacity-building sessions conducted by UN-Habitat for county governments and planning schools through the KMP urban planning activities. The first and second reports focused on learning sessions designed for county government officers, both technical and political (members of county assembly). The third report reviewed an international student design competition that featured the 9 towns under the KMP planning component. The reports address the topic of urban informality and reports on the capacity-building session conducted for informal settlement leaders, but which also included county technical officers and members of county assemblies, national government officers, development partners (the World Bank), and civil society organizations (Local Urban Forum and Civil Society Urban Development Platform).

The report is structured as follows. The first chapter provides background information on urban informality and a brief history of the KMP, Kenya Informal Settlements Improvement Project (KISIP), UN-Habitat Participatory Slum Upgrading Programme (PSUP), and UN-Habitat Support to Sustainable Urban Development in Kenya and Capacity Building for Community Leaders, as well as an overview of Habitat III (the New Urban Agenda) and the Sustainable Development Goals (SDGs). The second chapter addresses Kenya's urbanization and urban informality context and discusses the significance of urban informality – informal settlements and the informal economy, the emergent key planning issues, recent interventions in informal settlements, and the major policy issues. The third chapter explores various approaches to informal settlements, including key crosscutting issues and the importance of integrated citywide planning. The fourth chapter reports on the discussions of the capacity-

building session, which involved leaders from Mombasa and Kilifi Counties, and key issues that emerged therefrom. The last chapter concludes by summarizing the key issues on urban informality in Kenya and the workshop outcomes.

1.2. Relevance of Urban Informality

The report interprets urban informality in the context of shelter and income generation activities. In 2003, UN Member States defined an informal settlement household as a group of individuals living in a dwelling that lacks one or more of the following conditions – the so-called five deprivations: 1) access to improved water, 2) access to improved sanitation facilities, 3) sufficient living area – not overcrowded, 4) structural quality/durability of dwellings, and 5) security of tenure.¹

Informal settlements are referred to using various terminologies, depending on their contexts or geographies: for example, *barrio*, *basti*, *bidonville*, *favela*, *ghetto*, *kampong*, *katchi abadi*, *masseque*, *shanty towns*, *skid row*, and *squatter cities*².

According to Cities Alliance, there are two main influences on the formation of informal settlements: urban growth and governance³. UN-Habitat attributes the creation of informal settlements to a series of interrelated factors including “population growth and rural-urban migration, lack of affordable housing for the urban poor, weak governance (particularly in the areas of policy, planning, land and urban management resulting in land speculation and grabbing), economic vulnerability and underpaid work, discrimination and marginalization, and displacement caused by conflict, natural disasters and climate change.”⁴

The world is rapidly urbanizing due not only to rural-urban migration and population growth, but also to conflicts and natural disasters. At the same time, some governments lack the capacity to effectively match the needs of urbanization, leading to severe shortages of adequate and affordable housing, infrastructure services, urban poverty and inequalities, urban management and governance challenges etc. Thus, the urban poor and disenfranchised have limited options, often relegating them to sub-standard housing, usually located within

informal settlements, some of which are in disaster prone areas, and indeed areas not suitable for urban development. The longer the incapacity of governments to address the needs of the urban poor and to focus on affordable housing, the greater the challenges and the more complex policy and planning interventions have to be to address the disparities. In various cities, informal settlements are marginalized – underserved, unrecognized, and unrecorded in official maps or registries, and development policies – for decades.



Mombasa Street Market © Flickr/Andrew Moore

Since the Millennium Development Goals (MDGs) were set over 15 years ago, significant efforts have been directed towards improving living conditions in informal settlements, including the target to “improve the lives of over 100 million informal settlement dwellers.” By 2014, more than 320 million people gained access to either durable or less crowded housing, improved water, or improved sanitation, surpassing this target. However, with population growth, the absolute number of informal settlement dwellers continues to grow, rising to over 880 million today, compared to 792 million in 2006⁵.

Urban informality exists both in developed and developing countries; however, globally, the majority of informal settlements are located in two regions – Southern Asia and sub-Saharan Africa, where 80% of the world’s poor reside.⁶

Many informal settlement dwellers work in the informal sector, as well as in other planned (“formal”) areas of the city in informal markets, street trade, services, or light industries. In many cities, the informal sector is large, accounting for as much as an estimated 60% of the city’s employment.⁷

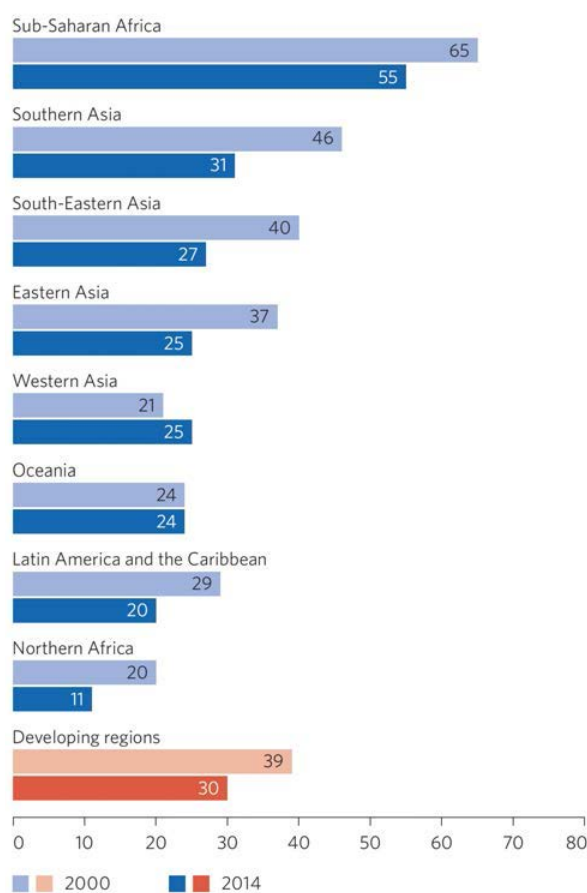
Regardless of the significant population living in informal settlements and of the critical role that the informal sector plays in the GDP of countries and socio-economic life of cities, informal settlement dwellers and the informal economic sector are continuously marginalized, suffering more spatial and policy exclusion than the rest of the city. This marginalization actively disadvantages a section of the population not only through poor living conditions, but also by limiting access to jobs and opportunities and through increased vulnerability to climate change-related disasters.

Therefore, informal settlements are not an isolated problem – they are integrated within the opportunities and challenges facing cities and should be analyzed and treated as such, through official national, regional, and citywide policies, strategies, and plans.

On the other hand, **the informal economy** (or informal sector) continues to **play a significant role in providing incomes and employment for many in developing countries**, comprising half to three-quarters of all non-agricultural employment, according to the International Labour Organization (ILO),⁸ which defines the informal economy as coping strategies such as casual jobs, street vending, and small craft industries and services, and excludes illegality in business, such as tax evasion and underground activities like crime and corruption.⁹

The **informal sector should not be defined in a dichotomized manner (formal and informal)**, because the criteria of size, registration, payment of taxes, etc. does not necessarily distinguish between the formal and informal sector. **The informal economy manifests as a continuum of** situations defined by a set of factors that determine the position of each activity or business in the continuum. The linkages and relationships within this continuum or what end up constituting the “formal” or “informal” can be robust in various firms but be blurry in the policy context. For instance, a furniture showroom in an upmarket city district may stock carpentry products produced in an informal, makeshift workshop located elsewhere, even in an informal settlement. In this case, the furniture showroom is the “formal” firm, as it is registered as an official business activity, despite it stocking items produced by unregistered businesses, where the workers are most likely unprotected by legal contracts and work under harsh conditions.

Urban Population Living in Informal Settlements in 2000 and 2014 (percentage)



Source: United Nations. (2015). *The Millennium Development Goals Report 2015*. United Nations: New York.

Whereas the **informal economy helps reduce unemployment and underemployment and boosts entrepreneurship**, it does so at the expense of job security, good wages, and ideal and safe working conditions. The size of the informal economy varies from country to country.¹⁰ Informal enterprises in wholesale and retail trade, transportation, restaurants, carpentry, construction, and real estate dominate some of the largest and fastest growing sectors in African economies.¹¹ Besides, **a significant share of informal settlement households also derives incomes from the informal economy.**

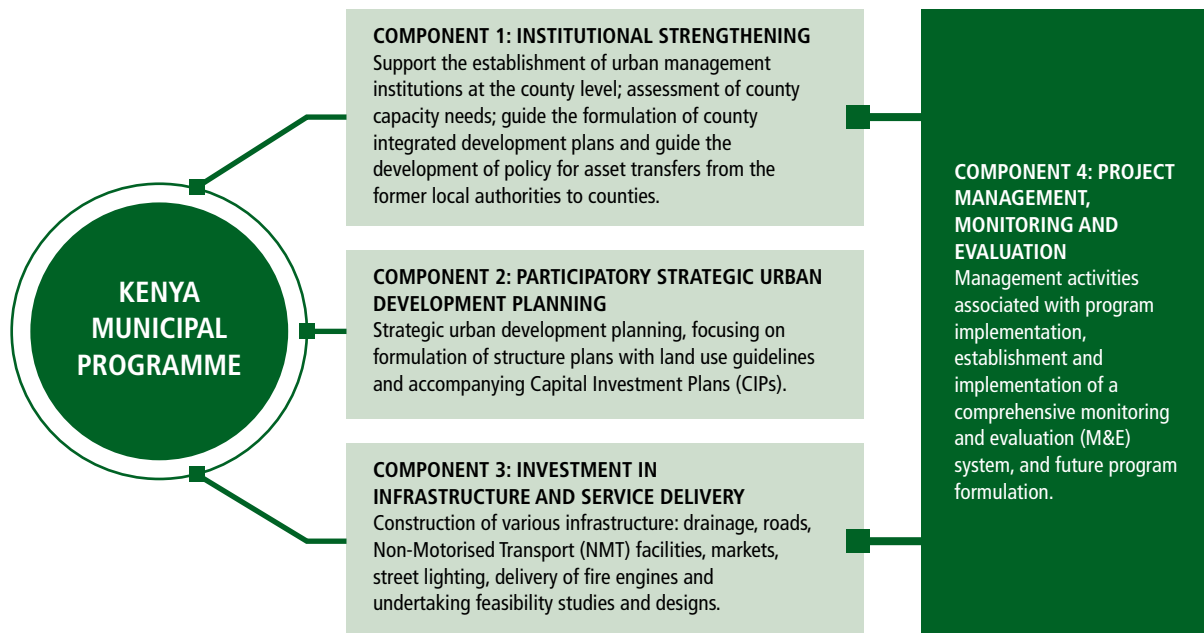
1.3. Kenya Municipal Programme

In May 2010, the World Bank approved the KMP with an initially planned closure date of 30 August 2015, later adjusted to 31 May 2017. The programme is co-financed by the Swedish International Development Agency and is implemented by the Government of the Republic of Kenya, through the national government’s Urban Development Department.¹²

The programme was created to help Kenya to attain sustainability by enabling its urban centers to function well, as they contribute significantly to the nation’s GDP. Kenya faces challenges of poor service delivery, declining infrastructure, rapidly sprawling growth, impoverished informal settlements, and increasing urban poverty, among others, which have profoundly undermined the path to full economic recovery and sustainable urban development. Over and above these challenges, the urban authorities are highly dysfunctional, characterized by ineffective urban planning, management, and governance, low budgetary allocations to development expenditure, and, even worse, minimal absorption of the same low budgets, discouraging investments and resulting in poor citizen confidence. The KMP was, therefore, formulated to support service delivery and governance improvement in Kenya’s major urban centers (then under the former Ministry of Local Government, but now managed within the framework of county governments).

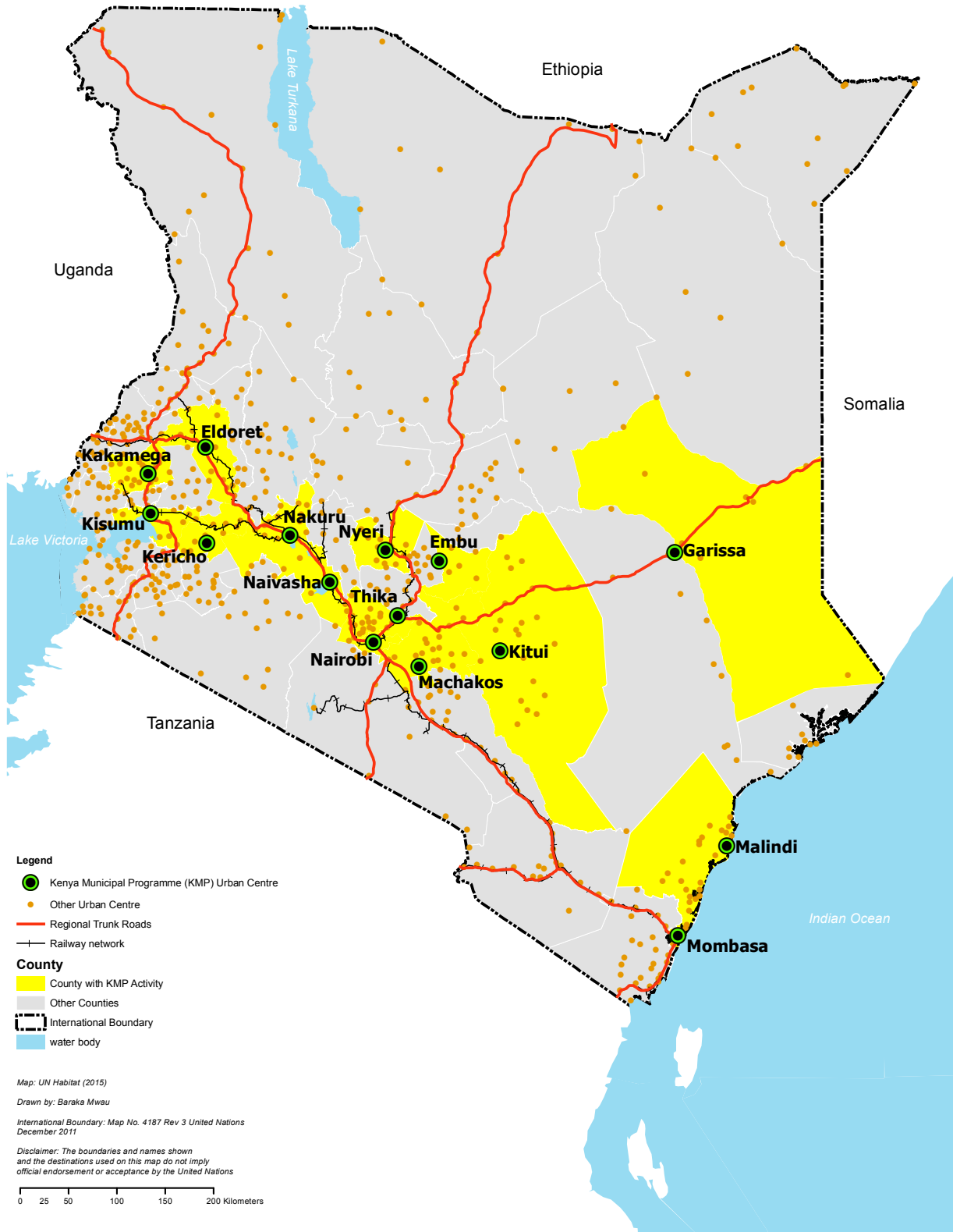
After the enactment of the Kenya Constitution of 2010, the Ministry of Land, Housing, and Urban Development became the executing agency for the KMP. However, the municipal agreements earlier envisaged were ended due to the dissolution of the existing municipalities

Organizational Structure of Kenya Municipal Programme



Source: UN-Habitat (Information Adapted from Kenya Municipal Programme)

Map Indicating KMP Counties



and introduction of county governments that were mandated to establish urban boards. The KMP may enter into agreements with the counties after “the National Treasury develops a policy governing the transfer of funds to counties for the implementation of donor funded projects.”¹³ Except for the city counties of Nairobi and Mombasa, the KMP urban centers have yet to establish these stipulated municipal boards. Nevertheless, through coordination with the respective county governments, implementing KMP activities became feasible.

1.4. Kenya Informal Settlements Programme

The Kenya Informal Settlements Programme, financed by the World Bank and the Swedish International Development Agency, is another vital national urban programme, designed to achieve improved living conditions in informal settlements. It became

operational on 30 June 2011, after approval by the International Development Association’s board. The project is structured on the following 4 components:

1. **Strengthening institutions and project management.** This component will support institutional strengthening and capacity building for the Ministry of Land, Housing, and Urban Development, select land institutions, and the select counties. It will also finance the management activities associated with program implementation and the establishment of a monitoring and evaluation system.
2. **Enhancing tenure security.** This component will support systematization and scale-up of ongoing efforts to strengthen settlement planning and tenure security in urban informal settlements.
3. **Investing in infrastructure and service delivery.** This component will support investment in settlement infrastructure, and, where necessary, the extension of trunk infrastructure to settlements. It will also support investment in basic infrastructure in select areas of urban expansion.



Nyalenda, Kisumu © Digital Globe & Google Earth

4. **Planning for urban growth.** This component will support planning and development of options that facilitate the delivery of infrastructure services, land, and housing for future population growth.¹⁴

The KISIP is implemented in 14 counties and 15 urban centers: Nairobi, Mombasa, Kisumu, Nakuru (Nakuru and Naivasha), Uasin Gishu (Eldoret), Kilifi (Malindi), Kitui, Machakos, Kiambu (Thika), Nyeri, Garissa, Kericho, Kakamega, and Embu. Except for Kisumu, the counties and respective urban centers are also part of the KMP.

1.5. UN-Habitat Participatory Slum Upgrading Programme

UN-Habitat's PSUP was launched in 2008 as a joint effort between UN-Habitat; the African, Caribbean, and Pacific (ACP) Group of States; and the European Commission.¹⁵

The PSUP has developed a set of principles and a working approach based on its recognition that informal settlement upgrading is an important strategy for improving the conditions of the urban poor and enhancing the social, economic, and environmental sustainability of cities. It focuses on the fact that real impact and systemic change are achievable when strategies are implemented on a large, citywide or national scale. It, therefore, works on policy changes and budget allocations that strengthen the capacity of local, central, and regional institutions through good governance and management, pilot projects, and policy development, as well as implementing different frameworks. It also supports engagement and partnership-building between relevant stakeholders using rights-based and gender-sensitive approaches. To these ends, PSUP organizes training and policy seminars with all stakeholders and provides support for local and national authorities.

The PSUP works according to the following set of defined principles¹⁶:

- Harnessing the positive forces of sustainable urbanization;
- Adopting a citywide, participatory approach to slum upgrading;
- No unlawful, forced evictions of slum dwellers;
- Empowering communities by allocating 10% funding to community-led development interventions;

- Good urban governance principles of transparency, accountability, participation, and decentralization;
- Mobilizing local, national, and international resources;
- National budget allocations and co-financing of PSUP pilot projects;
- Taking the rights and needs of slum dwellers into consideration; and
- Adopting a results-based management approach.

These principles are implemented through three phases:

1. Participatory Urban Profiling: producing urban profiles that provide a detailed understanding of the issues of certain cities or regions;
2. Participatory Action Planning and Programme Formulation: developing citywide slum upgrading strategies and neighborhood upgrading plans and selecting the priority actions needed in the analyzed cities or regions; and
3. Participatory Pilot Project Implementation: turning chosen activities into upgrading projects that are implemented.

Starting with 12 countries, the PSUP has now expanded to 34 countries and more than 150 cities. In Kenya, it is being implemented in Mtwapa town, Kilifi County, in partnership with the Urban Development Department of national government and the Kilifi County Government. It focuses on land regularization, water and sanitation improvement, and planning for titling. Currently, in 2 selected villages – Mzambarauni and Majengo – more than 2,500 households are being targeted for land titling (being given land tenure rights). The project is also working with Future Policy Modelling (FUPOL) to pilot an e-participation process in Mtwapa to support community mobilization efforts.

1.6. UN-Habitat Support to Sustainable Urban Development in Kenya

The Swedish Embassy in Kenya currently provides funds to UN-Habitat to implement the Support to Sustainable Urban Development Sector in Kenya programme. The main objectives of the programme are the following:

1. To improve coordination within the urban sector in Kenya;
2. To improve capacity of key actors for participatory urban and planning management;

3. To mainstream poverty reduction and human rights-based approaches;
4. To strengthen the Kenya urban network;
5. To improve waste management; and
6. To improve revenue mobilization.

Against this background, UN-Habitat has collaborated with Kenya's national Department of Urban Development towards supporting the KMP's planning process through capacity-building for county governments, targeting county technical officers, political leaders, and community leaders. UN-Habitat's capacity-building programme is structured according to the KMP Clusters and three main training phases have been carried out so far: Phase I (August-September 2014) for Clusters III¹⁷ and IV¹⁸, Phase II (November 2014 and April 2015) for Clusters I¹⁹ and II²⁰, and Phase III (July 2015) for Informal Settlement Community Leaders in Kilifi and Mombasa Counties. Training for Phase IV for Cluster V²¹ began in December 2015 with a learning session for members of county assemblies.

1.6.1. Rationale for Capacity-Building for Informal Settlement Leaders

The capacity building for community leaders was designed to **equip leaders of informal settlements with basic knowledge on urban planning, informal settlement upgrading, local economic development, and general municipal functions**. In particular, this capacity-building session was carried out within the framework of integrated strategic urban development planning and informal settlement improvement activities of the KMP and the KISIP.

The training was underpinned by the premise that community leaders are important to achieving sustainable urban development and should engage more actively in urban planning, in improving informal settlements, and in managing municipal affairs. They are also crucial in mobilizing and organizing communities for participation in plan formulation and implementation. However, community leaders can also be counter-productive; especially where elite capture tendencies infiltrates participatory processes. Furthermore, **where community leaders lack adequate knowledge of the issues at hand, they are unable to effectively articulate community issues within plan-making and municipal decision-making processes**. Their knowledge of problems and issues at local and citywide levels is, therefore, critical to their positive contribution towards integrated urban planning and development.

Often, a number of urban problems experienced in informal settlements can only be addressed by district-

or city-level interventions. For instance, flooding in an informal settlement could be related to the overall failure of the district or city drainage catchment system; hence, local interventions would be inadequate or would only constitute a temporary fix. Indeed, this is common in various citywide planning and informal settlement improvement processes worldwide. Thus, it is important for leaders to comprehend urban development issues to ensure that their engagement is more strategic and fruitful.

Democratization in many countries has also expanded the possibilities for communities to become involved in identification, formulation, and implementation of plans, programs, and projects. Since participatory processes often exist within informal settlement communities, there is a need for enhanced capacity and support that will result in bottom-up approaches leading to meaningful results. Furthermore, achieving the SDGs will require active involvement by all actors at all levels, including informal settlement leaders. Indeed, the New Urban Agenda recognizes the need to empower all actors to participate actively in shaping sustainable urban development. As part of the means for implementation, the New Urban Agenda states that nations "will promote capacity development as a multifaceted approach that addresses the ability of multiple stakeholders and institutions at all levels of governance, and combines the individual, societal, and institutional capacity to formulate, implement, enhance, manage, monitor, and evaluate public policies for sustainable urban development."²²



Sanitation Challenges in Mukuru, Nairobi
© Flickr/SuSanA Secretariat

1.7. Sustainable Development Goals and the New Urban Agenda

The MDGs target informal settlement dwellers in particular and, as previously mentioned, the target “to have achieved a significant improvement in the lives of at least 100 million informal settlement-dwellers” under Goal 7 (ensure environmental sustainability) was greatly surpassed, as more than 320 million people gained access to either durable housing or less crowded housing conditions, improved water, or improved sanitation.²³ However, as the absolute numbers of informal settlement dwellers have risen, the recently adopted 2030 SDGs need to address the issue.

The SDGs: Agenda 2030, based on the monitoring and evaluation of the MDGs and a series of global debates and discussions, takes a more comprehensive approach to poverty and informal settlements. Introducing for the first time a goal dedicated to cities and urban planning, SDG Goal 11 aims to “make cities and human settlements inclusive safe, resilient and sustainable.” Target 11.1 acknowledges the need to ensure access to “adequate, safe and affordable housing and basic services and upgrades slums.” Equally important and beneficial for informal settlements worldwide is the focus on comprehensive citywide approaches that tackle pressing urban issues.²⁴

It is not only Goal 11 that addresses urban centers; every single goal is relevant to cities and towns. For instance, to meet Goal 1 of “no poverty,” Goal 3 of “good health and well-being,” and Goal 6 of “clean water and sanitation,” cities and towns will be compelled to improve living conditions in informal settlements. In these settlements, under-investment in basic services and amenities, limited access to opportunities, etc. leads to deprivation.

After the adoption of the Sustainable Urban Development Goals, the United Nations Conference on Housing and Sustainable Urban Development: Habitat III convened in Quito, Ecuador, where the *New Urban Agenda, Quito Declaration on Sustainable Cities and Human Settlements for All* was adopted. This is a framework designed to steer the world towards sustainable urban development for the next 20 years by rethinking how cities and human settlements are planned, built, managed, and inhabited. The New Urban Agenda will also contribute to the implementation of Agenda 2030 for Sustainable Development, including SDG Goal 11 of making cities and human settlements inclusive, safe, resilient, and sustainable.

Part of the New Urban Agenda Declaration reads: “we reaffirm our pledge that no one will be left behind, and commit to promote equally shared opportunities and benefits that urbanization can offer, and enable all inhabitants, whether living in formal or informal settlements, to lead decent, dignified, and rewarding lives and to achieve their full human potential.”²⁵



Langas, Eldoret © Digital Globe & Google Earth

Notes

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2



Informality and Kenya's Urban Context

2.1. Overview

This chapter focuses on Kenya's urban informality. Urban informality (informal settlements and the informal economic sector) is a defining characteristic of Kenya's urbanization. As cities and towns grow, the proliferation of informal settlements has increased. Likewise, the growth of the informal economic sector continues to provide a livelihood for a significant percentage of the urban population. Associated with this phenomenon is the inability to adequately manage increasing urbanization resulting in urban planning and investments being unable to match the needs of the burgeoning urban areas. This chapter highlights some of the key issues concerning urban informality in Kenya – issues that are important for both the development and implementation of urban planning and management policies.

2.2. Urbanization and Informal Urban Development

By 2050, Kenya's urban population will have grown to almost 50%, with an expected growth rate of 4.15% for the period 2015-2020 and 3.06-3.97% for the successive years leading to 2050. The current urban population, estimated at 12 million people, represents about 26% of the total country population (rural and urban).¹

As this transition unfolds, the current capacity of urban centers to meet the demands of this increasing urban population is inadequate. Insufficient infrastructure and housing, urban inequalities and poverty, insufficient land use planning, and environmental degradation, among other challenges, continue to undermine the transformative power of Kenya's urban areas.

In 2014, approximately 56% of the country's urban population lived in informal settlements.² According to the World Urbanization Prospects, the 2014 Revision, Kenya's urban population in 2014 was projected to be 11.5 million people. The close relationship between urbanization and growing informality in Africa has resulted in the expansion of the built environment into peri-urban areas.³ Kenya is no exception. With municipalities' limited capacity to supply adequately serviced land, inability to effectively plan cities and towns, and ineffective urban governance, there is **a significant shortage of affordable housing**. This has led to the emergence of informal property and housing markets, among other compounding issues. Indeed, not only do low-income citizens and the urban poor seek housing on the informal housing market, but a portion of the middle-income households also does.

As a result, informal land sub-divisions and construction continue to fuel urban sprawl and peri-urbanization, catalyzed by the increasing demand for affordable housing across the socio-economic divide. For instance, new areas of development in the Nairobi Metro region, such as Syokimau, Ruai, Kitengela, Ruiru, Juja, and Ngong, embody a combination of "formal" and "informal" urban development processes. Within the urban core, the consolidation and densification of informal settlements has attracted some infrastructure investment. A similar trend exists in Kenya's other major urban centers – Mombasa, Kisumu, Nakuru, and Eldoret.

A combination of various factors, including rapid urbanization and ineffective urban management, dysfunctional urban land and housing markets, and socio-economic imperatives, have triggered the growth of informal settlements in different spatial contexts. Informal settlements are located in proximity to major employment areas, such as industrial and commercial centers, along riparian areas and wetlands, along infrastructure right of ways, on peripheries where land is initially available and accessible, and in open public spaces.

Varied Spatial Forms Depicted By Informal Settlements in Kenya



Kangemi, Nairobi © Digital Globe & Google Earth



Majengo, Kitui © Government of Kenya



Mukuru, Nairobi © Digital Globe & Google Earth



Likoni, Mombasa © Digital Globe & Google Earth



Maili saba, Nairobi © Digital Globe & Google Earth



Dandora, Nairobi © Digital Globe & Google Earth

A report by UN-Habitat on informal settlements acknowledges that **“spatial forms and physical locations of informal settlements vary from region to region, from city to city and even within the same city.”**⁴

2.2.1. General Features of Urban Informality

Urban informality in the Kenyan context is established within the formal-informal continuum of urban development and does not exist as a formal-informal dichotomy. This continuum applies to the interrelation and various aspects of urban development, the built environment, the economy, and service provision. Indeed, the categorization of urban informality varies significantly.

Currently, informal developments are not just those established in protected lands or reserved public land, but a significant portion also exist in areas suitable for development. **Often, the degree of variation and deviation from official planning regulations is used to define what constitutes an informal versus a formal development.** In some cases, regularization has been used to reconfigure this variation and deviation.

A settlement’s history of land occupation and power relations fundamentally influence its subsequent tenure arrangements. This affects the position of the settlement in the formal-informal continuum and, hence, its bargaining power in municipal decision-making frameworks and interactions with the wider urban economic systems. Cases of regularization are common in settlements whose property owners have assumed full rights over their land – for example, settlements formed through informal land-division, ownership, and transfers.

Informal settlements also develop in previously planned areas through deviations from approved plan, design and building regulations, often creating higher densities characterized by sub-standard housing and limited public spaces. A good example of this is Nairobi’s informal tenement housing areas that often develop in inadequately planned areas. Informal tenements are multi-story flats, often built in contravention to planning and design regulations, with inadequate infrastructure services and sometimes on contested land tenure, resulting in inadequate living conditions.

Furthermore, **existing planned areas can degenerate into sub-standard living areas,** such as poorly managed government housing areas or low-income areas initially planned as low-density areas that have subsequently undergone strong densification without any guiding plan and legislative framework, resulting in informal or illegal housing extensions and modifications, loss of

open spaces, and decreasing infrastructure capacity. This phenomenon is common in Nairobi’s old public housing areas e.g. Kaloleni, Shauri Moyo, Ziwani etc. and tenant-purchase developments.

Closely linked to informal settlements **are informal enterprises and forms of employment.** Informal settlements create mixed-use neighborhoods, where various types of economic activities exist, some formal (licensed and registered per regulations), some not so formal, where uncoordinated growth results in incompatible land uses and increased hazards. For example, the informal construction sector is a fundamental feature of Kenya’s urban informality, playing a significant role in the supply of affordable housing within informal settlements⁵, as well as in the formal housing markets, especially through supply of labor and materials. Casual laborers sourced from informal settlements can be found on many – if not all – construction sites in major urban areas. Importantly, there may be cases of regulated financial lending institutions like banks and savings and credit cooperative organizations that finance construction projects, such as the informal tenement buildings, in the informal housing markets.

The economic activities and employment types in informal settlements are not only informal, but also have links to the regulated formal sector through supply and value chains. For example, it is common to find informal settlement dwellers working under formal employment contracts in industries and factories. Further, informal sector traders sell goods produced by regulated industries in informal settlements.

Moreover, **informal services like water supply sourced from municipality grids are common in informal settlements.** Financing of informal economic activities is also often sourced from regulated institutions like banks, micro-financing banks, and mobile money services.⁶ It is, therefore, misguided to interpret urban informality as a distinct sphere; rather, there are strong relations within the formal-informal continuum.

2.3. The Significance of Urban Informality

The importance of urban informality is evident in the role played by informal settlements in providing housing and access to the city, as well as the vital economic role played by numerous informal economic activities throughout the economy.

2.3.1. Significance of Informal Settlements

Often, informal settlements are viewed as an informal sub-sector of the property market. (In Kenya, this is defined as the informal sub-sector of the rental housing market.) Although the proportion of tenants to structure owners or landlords varies, in general **a significant fraction of urban households occupy housing on rental arrangements.** A recent study by the Government of Kenya indicates that urban renting households spend more than 30% of their monthly income on housing.⁷ Furthermore, **a study in Nairobi indicated that 92% of households were rent-paying tenants.**⁸ This sub-sector offers the low-income urban households a foothold in the city, by filling a critical housing gap for affordable housing that formal housing markets have been unable to fill. However, the housing provided by this sub-sector is not necessarily “low-cost,” because its inadequacy undermines the living conditions and compels households to spend extra money for basic services that normally come with housing (e.g., water, sanitation, and electricity).

The **limited affordability options in the entire formal housing market push many households to the informal rental housing markets.** Housing finance and access to mortgages is a privilege few can afford. For example, considering an “average loan size of Ksh7.5 million

(US\$82,924), average mortgage interest rate of 15.8 per cent, 90 per cent loan-to-value and assuming a 25-year loan, the repayment of such loan would be Ksh 100,740.40 (US\$1,113.8).⁹ A 2012/2013 housing survey by the Government of Kenya and the Kenya National Bureau of Statistics reported median income levels of between Ksh20,000 (US\$200) and Ksh25,000 (US\$250).¹⁰



Housing, Mathare Valley, Nairobi © Flickr/SuSanA Secretariat

BUILDING

National Housing Corporation

(A) NUMBER AND VALUE OF HOUSES COMPLETED BY COUNTIES, 2010 - 2014

TABLE 87 (A)

County	Number					Value (Ksh Million)				
	2010	2011	2012	2013	2014	2010	2011	2012	2013	2014*
Nairobi	310	215	488	376	243	910	1,210	1,979	1,725	502
Kisumu	-	40	-	-	-	-	72	-	-	-
Kakamega	80	-	-	-	-	131	-	-	-	-
Total	390	255	488	376	243	1,041	1,282	1,979	1,725	502

* Provisional

(B) NUMBER OF HOUSES COMPLETED IN KENYA, 2006 - 2014

TABLE 87 (B)

County	Number									
	2006	2007	2008	2009	2010	2011	2012	2013	2014*	
Nairobi	230	230	40	116	310	215	488	376	243	
Other Counties	99	60	38	225	80	40	-	-	-	
Total	329	299	78	341	390	255	488	376	243	

* Provisional

Source: National Housing Corporation



Informal Shacks and Tenement Housing, Nairobi © Baraka Mwau

Thus a vast majority of urban households cannot afford mortgages. Moreover, the on-going rural-urban migration phenomenon has made informal settlements the entry points – the “arrival city”¹¹ – where shelter is accessible.

It is important to note that the informal rental-housing sub-sector has suppressed demand for adequate housing and has contributed towards a **1.85 million housing unit backlog**. For instance, in 2009, over 1.5 million units in informal settlements contributed to the housing backlog. Calculations based on 2009-2014 figures indicate that Kenya needs another 132,000 units per annum, assuming a population growth rate of 4.4% and an average household size of 3.4 persons. Meanwhile, should annual housing development remain at 50,000 units, as reported by the Ministry of Land, Housing, and Urban Development, **a recurrent gap of 82,000 units annually compounds the existing deficit**.¹²

With a huge housing backlog and surging demand, the National Housing Corporation (NHC) – the government agency charged with housing development – has been unable to match supply with demand, even when combined with the formal private sector markets. The table on page 14 indicates the recent housing projects undertaken by the NHC.

For the main urban centers, provisional reports indicate that in 2014, the number of residential buildings completed by the private sector was 6,026 units nationwide. In Nairobi, provisional reports indicate that a significant fraction of the new residential buildings were units offering only one habitable room¹³ – 1,299 units out of the 4,848 units reported. **Single room occupancy is popular in informal settlements in the city**. This type of occupancy results in overcrowding, which has related social challenges in addition to the inherent health concerns.

Consequently, the urban poor and low-income citizens have limited options. There are four primary forms of informal settlements, categorized by design typology, in cities and the major towns: shack-dominated, tenement-dominated, a mix of shacks and tenements, and low-rise row housing. Most of them offer single-room occupancy on a rental basis. They provide “affordable” housing, though with a utility value that is not necessarily commensurate with the money paid as monthly rent.¹⁴

Essentially, **housing is highly inadequate in informal settlements**. The Kenya 2009 population census indicated that over 30% of the population lived in informal settlements. The largest city, Nairobi, had an estimated 1 million of the 3.2 million people living in informal settlements, with only 3% of this 1 million living in a house constructed of durable materials and connected to water and electricity.¹⁵

2.3.2. Significance of the Informal Economy

Of the non-agricultural employment in developing countries, in North Africa 48% is informal, in Latin America 51%, in Asia 65%, and in sub-Saharan Africa 72%.¹⁶ **In Kenya, around 61% of the non-agricultural urban work is informal and over 90% of new jobs are in the informal sector**.¹⁷ Kenya’s informal sector (locally known as the *jua-kali* sector) is a major source of employment for urban households, especially within informal settlements. According to national employment statistics, the informal economy’s share of total jobs was 70% in 2000¹⁸, rising to about 83% in 2014. Out of the 799,700 new jobs created in 2014, the informal economy contributed 661,352.¹⁹ In a study undertaken in Nakuru in 2012, 90% of street traders interviewed reported street trading as the household’s main income and only 4% said their household’s main income was from formal employment.²⁰



Nakuru Buspark Area, Nakuru © Digital Globe & Google Earth

Indeed, informal sector employment accounts for close to 53% of the labour force, with Nairobi and Mombasa reporting a slightly lower percentage. **Youth (15-24 years of age) make up close to 84% of employment in the informal sector.** This means that, in recent years, there has been a declining capacity in the formal sector to create employment.²¹ There is also a gender dimension in the urban informal economy: **as of 2011, 82% of domestic workers and 62% of street vendors were women (accounting for 14% and 15%, respectively, of all employed urban women).**²²

Activities in this sector include small businesses, such as street vending, open air markets and other forms of retailing, service provision (e.g., transportation and cleaning and laundry), and industrial activities (e.g.,

carpentry, welding and metal works, and forms of manufacturing), but excludes illegal activities. The sector has evolved and now incorporates activities in transportation, manufacturing, communication and technology, and even professional services (offered informally without taxation).

Informal housing is another key sub-sector of the informal economy. The informal rental system is a primary source of income for many, although it operates mostly to the disadvantage of rent-payers who pay high prices for poorly maintained housing units, to the economic benefit of the house owners. For example, **in 2004, Nairobi's informal rental real estate market generated US\$31 million, from an estimated informal settlements' population of 810,000 people (with a 92% tenancy rate).** This sum was higher than the city's annual budget for investment, operations, and maintenance and was sufficient to leverage commercial housing development of US\$358 million, with a 20-year repayment period, at an interest rate of 6%.²³

The urban informal economic sector manifests in various spatial forms, including in streets, open public spaces, markets, and in residential areas, such as informal settlements. For example, a study done in 2011 in Mathare Valley informal settlement, Nairobi, revealed that an estimated 87% of the households derive their livelihoods from casual labor or informal businesses, 61% of these from within the settlement.²⁴ The dynamics vary across urban centers. In 2011, 19% of employed people in coastal urban centers were street



Street Vendor, Nairobi © George Kirui

NUMBER OF PERSONS ENGAGED IN THE INFORMAL SECTOR BY ACTIVITY¹, 2011 - 2015

	'000				
Activity	2011	2012	2013	2014	2015*
Manufacturing	1,893.0	1,956.4	2,124.1	2,364.9	2,544.7
Construction	251.7	270.4	277.9	307.3	320.5
Wholesale and Retail Trade, Hotels and Restaurants	5,787.6	6,130.9	6,364.9	7,120.4	7,509.3
Transport and Communications ²	651.6	747.4	875.5	369.5	392.5
Community, Social and Personal Services	932.1	985.2	1,031.0	1,152.1	1,219.2
Others	432.6	438.2	476.7	531.8	573.4
TOTAL	9,948.6	10,528.5	11,150.1	11,846.0	12,559.6
Urban	3,245.3	3,405.5	3,973.7	4,208.1	4,458.0
Rural	6,703.3	7,123.0	7,176.4	7,637.9	8,101.6

* Provisional

¹ Estimated

² Includes mainly support services to transport activity, series revised

Number of Persons Engaged in the Informal Sector © Government of Kenya

traders, compared to 7% and 8% in Nairobi and other urban centers, respectively.²⁵ It, therefore, means that the conceptualizations of the informal settlement as both a residential and economic function and of the street as both a public space and an economic space have fundamental implications on the effectiveness of policy and planning interventions. In undertaking street planning and design, consideration for informal economic activities is fundamental. Likewise, informal settlement improvements must be comprehensive, integrating spatial, physical, and socio-economic dimensions to develop sustainable neighborhoods.

This calls for **policy makers to pay attention to the various constraints undermining the productivity of urban informal economic activities**. The inadequate recognition and integration of urban informal economic activities in formal urban planning and design and in policy and investment decisions compounds the challenges facing the sector in Kenya. Inadequate infrastructure facilities and services (e.g., electricity, water and sanitation), insecure tenure for business spaces, difficulties in accessing capital, unstable incomes, poor working conditions, and limited access to social protection (e.g., pension schemes and medical benefits) stem from the inadequate integration of the sector in the economy.

At the national level, Kenya has formulated various policies and programs to improve the productivity of the sector. These include Sessional Paper No. 1 of 1986, "Economic Management for Renewed Growth," which was a milestone towards the formalization of the informal sector and the creation of micro-finance

lending institutions and Sessional Paper No. 2 of 1992, "Small Enterprise and *Jua Kali* Development in Kenya," which developed a comprehensive framework for informal economy and small enterprise improvements. Additionally, in 2006, the government adopted the Small Micro-Enterprises Act.²⁶

Urban centers have tried mixed policy, planning, and investment approaches to informal economic activities. For example, although Nairobi has planned and built market areas, such as Muthurwa, City Market, and various street stalls, it has also witnessed conflicts – at times violent²⁷ – between city enforcement officers and street traders (who lack alternative space, such as planned market places and designated streets). Similar experiences have been observed in Mombasa, Kisumu, and Nakuru.

However, **integrating urban informality into urban planning and development can expand a city's job opportunities and improve informal economic activities' productivity**. This results in more inclusive and sustainable urban development.²⁸

Furthermore, studies have indicated that the informal economy offers opportunities for maximizing tax revenue in Kenya: according to the Institute of Economic Affairs, in 2008 the informal economy had a tax potential of 79.3 billion Kenya Shillings. With its growth to approximately 24.3% of the country's GDP by 2012,²⁹ a financial analyst with the Parliamentary Budget Office argued that about Ksh200 billion in taxes over 3 years had not been collected due to the lack of proper revenue collection from the informal sector.³⁰ However, it is incorrect to state that informal economic

activities do not contribute in any way to local revenues. In almost all of Kenya's urban areas, **informal traders pay various fees to government**, such as regular trading and market fees. Various small business enterprises also pay for annual trading licenses rather than weekly fees.

In particular, **informal settlement upgrading and interventions have to incorporate economic issues** and, more so, address the informal economic sector, as it sustains a significant portion of informal sector households. For instance, some households reside in a particular informal settlement and derive a livelihood from the informal economic sector of the settlement or elsewhere in the city. For the latter, such households must undertake work trips. Other households derive their income from informal economic activities, but live in formal housing. This demonstrates that engaging in the informal economic sector does not necessarily result in low incomes that would preclude living in formal housing areas. There are also households in informal settlements, whose income from informal economic activities could enable them to move into better, formal housing; however, often, uncertainties surrounding the sustainability of their incomes undermine their resilience. For example, a 2012 study revealed that 73% of Nakuru street vendors experienced decreased income within the previous year.³¹

In Kenya, the majority of people employed in the informal sector have lower average incomes than those in the formal sector.³² The ILO has further observed that the growth in casual jobs, from 17.9% in 2000 to 30.1% in 2010, aggravates the employment challenge in Kenya.³³ They note that employment within the informal sector limits households from various opportunities and forms of social protection.

Importantly, **linkages between formal and informal economic activities are significant**. The supply chains of various goods and services involve both economic sectors. For example, informal casual workers (sometimes drawn from informal settlements) work on formal economy construction sites; and some street traders sell items purchased from licensed factories and distributors; artisans from informal settlements and make-shift informal workshops supply products to formal businesses. Policy makers must recognize these linkages and thus **consider urban informality as an integral part of the country's urbanization**. Inclusive policies and plans must, therefore, play a significant role in addressing the informal sector's challenges and guide its transformation.

2.4. Key Planning Issues for Informal Settlements

There are fundamental challenges that characterize informal settlements. They include insecurity of tenure, sub-standard housing, inadequate infrastructure and services, socio-economic challenges, exclusion from formal planning regimes, health, security and vulnerability.

2.4.1. Insecurity of Tenure

Land tenure in Kenya is categorized under public land, community land, and private land.³⁴ With informal settlements, the nature of the occupation is of critical concern; it can be considered squatting, informal subdivisions and construction, informal occupation agreements, etc. Often, intricate tenant-owner/landlord relations exist in rental housing, while in coastal urban centers, the land tenure issues in informal settlements are characterized by informal arrangements between residents/occupiers and absentee landowners, which are often referred to as "tenant-at-will" arrangements.

Many of Kenya's informal settlements lack legalized land tenure arrangements. Where legal property rights (**de jure rights**) are absent, a number of the settlements have developed informal **de facto property rights**. Combined with increased agitation for human rights, *de facto* property rights have reduced forced evictions and helped settlements attract a certain level of investment in improved housing and infrastructure. Altogether, threats of, or actual, forced evictions have not ceased and cases have recently been reported in Dunga Unuse,³⁵ while other settlements have experienced higher risks of forced evictions, such as Bangladesh informal settlement, in Mombasa. These recent forced evictions were linked to large infrastructure projects and private sector development interests.³⁶

Tenure has also played a significant role in infrastructure and housing improvements in informal settlements. **Addressing land tenure and administration is part of the process towards meaningful interventions in informal settlements**. Policy makers should note that with limited home ownership in cities and major towns, attempts to provide serviced land to or regularize tenure for the urban poor or low-income households is prone to "better-off" households, which may also be unable to access formal housing markets, buying off such beneficiaries. Thus, small-scale interventions targeting tenure regularization and site and service schemes end

up benefitting better-off citizens through displacements and gentrification.³⁷ This means that the scale of interventions must strive to match or be aligned to addressing citywide demand.

2.4.2. Sub-standard Housing and Crowding

This is typical in almost all informal settlements. Housing, as provided by the informal housing markets is often characterized by inadequate space, insufficient utilities (water, sanitation, energy, etc.), sub-standard materials and or building techniques, and poor design (poor ventilation and lighting, poor access and orientation, etc.). Furthermore, the number of occupants per habitable room in informal settlements (2.6) is higher than the city (Nairobi, 1.7) or national (1.55) averages or, indeed, than basic recommended standards; hence, crowding.³⁸ Similarly, densities in informal settlements are relatively higher than city and national averages, with some being extreme. **Improving the quality of housing, therefore, refers not only to the housing structure, but also to the accompanying services and amenities, including open public spaces and green areas.**

2.4.3. Inadequate Basic Services and Amenities

The provision of basic services: transportation, water and sanitation (including sewerage, storm drainage, and solid waste management), electricity and amenities, health and education facilities, public spaces, and recreational facilities are relatively inadequate in informal settlements. A combination of various factors has contributed to this, including insecurity of tenure, unbalanced infrastructure development that often disadvantages informal settlements, ineffective urban planning, a lack of robust inclusive policies and programs, and inadequate incentives to attract private sector service providers.

Where basic services are available, they are often inadequate and, at times, accessed at comparatively higher costs to standardized tariff costs.

To address the gap, informal infrastructure services systems and amenity provisions have developed in informal settlements. For instance, a 2011 study that looked at Mathare Valley informal settlement in Nairobi established that 68% of households relied on informal electricity services, 9% had “formal” connections, and 22% had electricity connection.³⁹

Where private utility companies control water and electricity delivery, the connection fees and consumption tariffs may hamper access. Even when the companies are amenable to extending access, the associated risks may prevent investments – these risks include uncertainties surrounding the existence of a

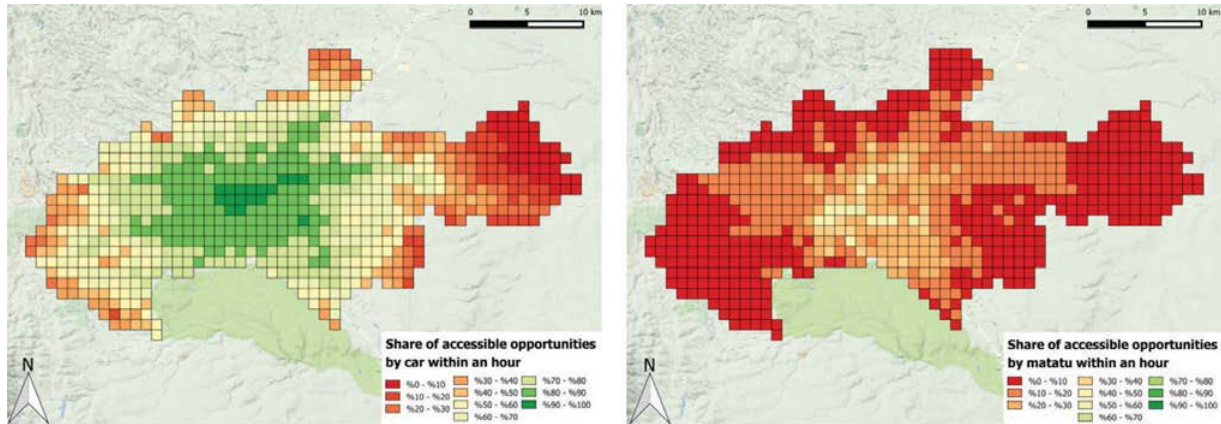
settlement owing to insecurity of tenure; settlements in hazardous areas, such as flood plains; or power line reserves. Without subsidization and other methods of enabling wider access, attaining universal access to such basic services is a major hindrance to the desired transformation of informal settlements.

Notably, the costs of infrastructure development are usually high in informal settlements due to poor layout, which may require compensation to create rights of way, and physical (geographical) conditions, which may demand expensive technological designs. A good example is the additional cost of developing storm drains and sewerage in informal settlements prone to floods owing to topography and slope. A situational analysis report conducted in Kisumu revealed that most informal settlements in the city are located on the eastern belt that has a high water table, low gradient and poorly drained soils.⁴⁰

The inadequate provision of basic services in informal settlements leads to relatively higher mortality rates due to a lack of services like clean water and sanitation. A recent survey of Nairobi’s informal settlements established that diarrheal diseases are the leading causes of death among children aged five years and below; the second leading cause is pneumonia. These two illnesses are caused by poor access to water and sanitation services and poor housing conditions characterized by crowded and poorly ventilated single rooms that also serve as kitchens, with charcoal and kerosene used for cooking and or lighting.⁴¹



Walking to access water in informal settlement in Kitui
© Sammy Wambua



Share of accessible employment opportunities within one hour of traveling for cars (left panel) and matatus (right panel)
 © Columbia University CSUD (2005); University of Nairobi C4D Lab (2014), MIT Civic Data Design Lab; 2012 population density from Bright, Rose, and Urban (2013); car travel times computed from OpenStreetMap road layers. Adapted from The World Bank (2016), Kenya Urbanization Review.

2.4.4. Socio-Economic Issues

Informal settlements continue to face a myriad of socio-economic factors, mainly inequality and poverty, low incomes, unemployment and under-employment, a prevalence of communicable diseases, lack of social security systems, and overall inadequate access to opportunities.

2.4.5. Vulnerability, Health and Security

A combination of several factors, including the issues listed above; expose the residents of informal settlements to various vulnerabilities, such as environmental and climate-change-related threats and disasters, fire outbreaks, epidemics of water-borne diseases, insecurity, and conflicts and violence, significantly undermining the resilience of informal settlement communities. In September 2011, an estimated 120 people perished in a fire in Mukuru-Sinai informal settlement, Nairobi⁴², and a cholera outbreak in 2015 was centered in Nairobi's informal settlements of Kibera and Mukuru. In April 2016, the failure of planning and design regulations coupled with poor construction methods was among the factors linked to a disaster involving the collapse of a sub-standard tenement housing in Huruma, Nairobi, where a death toll of 51 persons was reported⁴³.

Notably, **fires are made worse by ineffective disaster response systems**, compounded by the spatial organization of the informal settlements. For example, responding to fires is often hampered by inaccessible roads, lack of fire hydrants, and fire breaks (because of extreme densities with limited open spaces), etc. Thus, **simple planning and design interventions can enhance disaster preparedness**, for example, by opening up streets to improve connectivity and allowing for the movement of emergency vehicles.

Urban informal settlements also possess positive

urban development qualities, which interventions should aim to retain and enhance. They include the **integration of residential and business activities**, which defines streets in informal settlements; **social cohesion**, which nurtures communal life; **compactness**, which increases land capacity and contributes to reducing sprawl and reinforcing agglomeration advantages; and **affordability**.

2.4.6. Institutional Adaptive Capacities

Previous approaches to urban planning and policy in Kenya have failed to address existing informal settlement challenges and prevent the growth of new ones. Urban centers still lack a dedicated policy on informal settlements and an effective institutional set-up for guiding a coordinated sustainable approach. Combined with weak urban management structures, which are characterized by inadequate human resource capacity⁴⁴, fiscal limitations, ineffective urban planning and design, and weakened governance systems, achieving planned urban development is challenging for most urban centers. Consequently, urban growth persists without adequate planning and development coordination. Thus, **cities and towns in Kenya lack the requisite adaptive capacities to supply sufficient serviced plots for low-cost housing**, to provide affordable mass public housing for the rapidly growing populations, and to address the equally pressing demands arising from inefficiencies of existing urban development.



Infrastructure development challenges © David Apunda

2.5. Recent Interventions in Informal Settlements improvement

Several interventions have been undertaken in the past, ranging from forced evictions (“eradication”), resettlements, site and service schemes, redevelopment, and in-situ upgrading and regularization. However, their scale and impact have yet to match the desirable outcomes or the demand, partly due to inadequate coordination of various actors in urban development, which include government, private sector, civil society (communities in informal settlements and non-governmental organizations), and international development partners. This lack of coordination means that the available resources for various interventions yield piecemeal outcomes and, at times, can become counterproductive, particularly when there is program and project duplication. Additionally, interventions at the planning and policy level are unstructured.

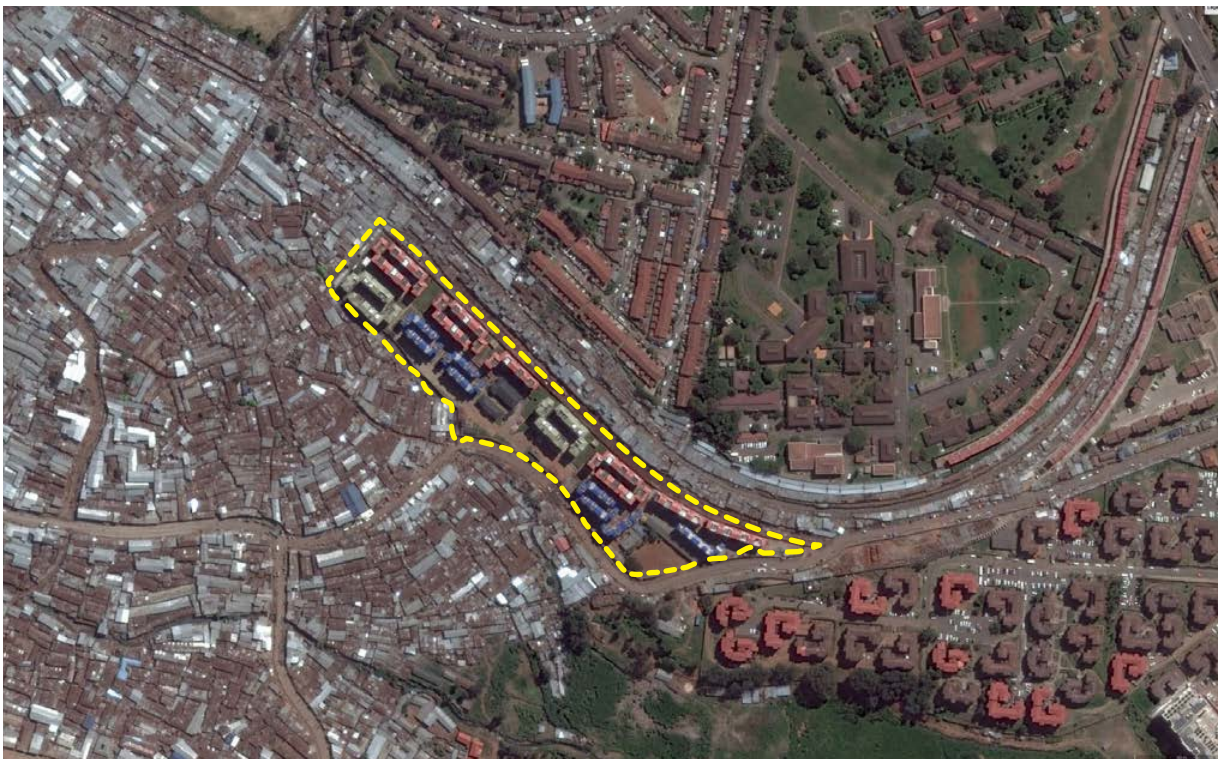
In the immediate post-independence period, Kenya invested in social and public housing programs. However, the unprecedented high rate of urbanization that ensued, matched with a rising incapacity to plan and manage urban growth, led to the initiatives’ collapse. In the aftermath, informal settlements grew significantly and municipal abilities to manage urban centers gradually declined.

In response to the growing challenge, **the government designed site and service schemes in the early 1970s to provide serviced plots to targeted beneficiaries**, mainly low-income residents. These included the Umoja and Dandora neighborhoods in Nairobi and Makongeni in Thika. **Makongeni was conceptualized to accommodate 60% of Thika’s projected growth and Dandora was designed to cater to 5% of Nairobi’s growth.** The government executed implementation of the schemes with support from external funders, such as World Bank, which specifically supported the Dandora scheme. **These projects were based on the notion that low-income households can incrementally develop their housing.** However, inadequate planning and design, policy, and legal mechanisms caused the projects to fall subject to market forces.⁴⁵ Today, high-rise informal tenement buildings, which are largely not developed by target beneficiaries, shape the landscapes of Dandora and Umoja. **Even so, Site-and-Services projects marked an important time in Kenya’s urban planning – a period that saw concerted efforts towards planning and infrastructure investments that opened-up new areas for urban development.**

From that time up to 2004, when the government launched the **Kenya Slum Upgrading Programme (KENSUP)**, there was no significant nation-wide program on informal settlements, except small-scale projects that targeted specific settlements and were narrow in scope. These small-scale and uncoordinated interventions were, and still are, driven by both government and civil society groups. This program was set-up as a collaborative initiative⁴⁶ “to improve the livelihoods of people living and working in informal settlements in the



Soweto Redevelopment, Kibera, Nairobi © Digital Globe & Google Earth, 2009 **(Before)**



Soweto Redevelopment, Kibera, Nairobi © Digital Globe & Google Earth, 2015 **(After)**

urban areas of Kenya through housing improvement, income generation, and the provision of security of tenure and physical and social infrastructure.” This program launched a project to rehabilitate the Soweto East section of Kibera and a temporary relocation site was created therefore – the Mavoko housing project, among other projects in Mombasa and Kisumu.⁴⁷

Later, in 2011, another national program for informal settlement improvement was launched: the **Kenya Informal Settlement Improvement Programme (KISIP)**. It was implemented by the Government of Kenya and jointly funded by the World Bank, Swedish International Development Cooperation Agency (Sida), and the French Agency for Development (AFD). It was set up with an overall goal “to improve living conditions in informal settlements in selected municipalities in Kenya” carried out under four main objectives: (1) strengthening institutions and program management, (2) enhancing tenure security, (3) investing in infrastructure and service delivery, and (4) planning for urban growth.⁴⁸ As of January 2016, KISIP had managed to complete several projects, including providing tenure security for 13 settlements and the rehabilitation of 17.5 km of road and 11 km of drainage in various informal settlements; the improved infrastructure projects have benefited an estimated 250,000 people.⁴⁹

In 2015, the government, through the Kenya Power Company, partnered with the World Bank’s Global Partnership Output-Based Aid (GPOBA) to connect 150,000 households in informal settlements nationwide to the national electricity grid.⁵⁰

Other important **small-scale interventions** carried out by the private sector, cooperative societies, and civil society focus on infrastructure, livelihoods enhancement, and low-cost incremental housing. These are often undertaken on the urban peripheries where land is affordable: for example, **Kaputei town was created by Jamii Bora Trust to accommodate 10,000 people.**⁵¹

In-situ upgrading programs include Nairobi’s Huruma, Kambi Moto, Mahira, Redeemed, and Ghetto, Gitathuru, and Ex Grogan villages.⁵² Infrastructure-led interventions at the settlement level mainly focus on water and sanitation and security of land tenure: for example, the experimental **Community Land Trust in Voi town**⁵³ and the recent land titling process in Likoni, Mombasa County.⁵⁴ Unfortunately, some of these small-scale interventions are isolated pilots that do not scale up.

The PSUP, a partnership between UN-Habitat and the Ministry of Land, Housing, and Urban Development, is currently upgrading two settlements in Mtwapa, Kilifi County.⁵⁵ Two **upgrading projects in Korogocho**, Nairobi and in the Kilifi informal settlements are implemented jointly between the Kenyan and Italian governments under the Kenya-Italy Debt for Development Programme (KIDDP).⁵⁶

Despite these and other initiatives, the informal settlements challenge remains a key impediment to attaining sustainable urban development in Kenya. Whereas these interventions have, in various aspects, accomplished their designed objectives, some limitations have undermined their effectiveness, including the following:

1. A lack of a national and municipal policy framework to comprehensively address informal settlements;
2. Ineffective program or project design and implementation, including technical, financial, and socio-economic aspects;
3. Ineffective approaches to participation;
4. Inadequate coordination between civil society and government, across civil society organizations, and across government levels and agencies;
5. Fiscal limitations, including inadequate municipal budgeting for informal settlement programs;
6. A lack of integration within various aspects of interventions – physical and infrastructure, housing, socio-economic, governance, etc.;
7. Highly specialized interventions (at times ideologically driven) that are disconnected from citywide planning and development frameworks, making it difficult to integrate, coordinate interventions, and mainstream various projects into municipal budgets; and
8. Plans and designs that fail to recognize the space and functional needs of the already established informal economic activities in informal settlements or household access to employment areas; hence, limiting sustainability.

2.6. Summary of Key Issues for Policy Attention

The integration of urban informality into mainstream citywide planning and policy processes is imperative to achieving sustainable urban development in Kenya. This requires planners and policy makers to pay attention to the following:

- 1. Institutional capacity:** The political, fiscal, and technical capacities of county governments and their respective urban management institutions in relation to integrated urban planning and urban renewal, urban governance, land administration and management, delivery of low-cost affordable housing and basic services (at scale), etc.
- 2. Inclusive growth:** Meeting the current and future infrastructure needs involves addressing the needs of existing developments, both formal and informal, with the increasing demand for expanding infrastructure to new areas of development.
- 3. Enhancing local economic development:** This includes increasing opportunities for the urban poor and low-income households.
- 4. Financing:** Enhancing access to various forms of credit, including affordable housing finance schemes and entrepreneurship funding programs to support the informal economic sector.
- 5. Urban planning reforms:** Recasting approaches to urban informality by promoting integration for a more equitable distribution of the benefits of urbanization to promote inclusive and sustainable urban development.
- 6. Promoting citywide strategies:** Addressing urban informality by designing programs that deal with issues of informal settlements and informal economic activities at a citywide scale and that integrate with regular county/municipal budgeting.



Street Scene in Pipeline Area, Nairobi © Baraka Mwau

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Mathare 4A (front) and Mathare North (background) © Baraka Mwau

3



Integrated Urban Planning and Informal Settlements improvement

3.1. Overview

In light of the previous chapter, which broadly discussed urban informality in Kenya's urban context, this chapter specifically discusses interventions for informal settlements. It begins by highlighting the importance of integrated urban planning and citywide strategies, proceeds to discuss the key planning issues for consideration during design and implementation programs or projects aimed at improving informal settlements, and outlines some of the broad approaches to address informal settlements.

3.2. Integrated Urban Planning and Citywide Strategies

Often, **the bureaucracy within which local planning practice operates is as much part of the problem as the solution.** In many cities, planning regulations and standards are reluctant to adapt to the reality of urban informality. Some urban plans continue to ignore this local reality; some designate the land on which informal settlements are located for other forms of development or impose stringent regulations for their improvement; while yet others simply fail to integrate them in priority areas for cities' development.

In recent years, progress has been made in various cities across the world: for example, in Morocco, cities have adopted the *Villes sans Bidonvilles* program, which has recorded significant success in informal settlements improvement through collaboration between local authorities, civil society and private sector. While there

have been successful examples in Kenya, such as the collaboration between the Department of City Planning of Nairobi with Pamoja Trust on the Kambi Moto incremental housing project, these are isolated cases. Indeed, the usual practice is piecemeal intervention.

When informal settlement upgrading projects are independent and detached from official urban planning and urban management systems, and the wider urban development context, the results are often less sustainable in the long run. Citywide strategies that integrate informal settlements often trigger a wider, more extensive, and more coherent process of informal settlements upgrading and the prevention of new informal settlements developing. The Cities Alliance highlights that citywide strategies "should have clear targets and involve virtually all of the city's service providers, and must be coupled with effective land management policies to manage future growth and to prevent the formation of future informal settlements."¹ A citywide strategy, therefore, addresses policies, institutions, and different sectors and coordinates various stakeholders. Official institutions, local and national governments, non-governmental organizations (NGOs), community-based organizations, academia, individuals, and informal settlement communities are all brought together around this common framework.

Citywide interventions have the capacity to tackle the fundamental local problems that require action at a higher, more strategic level of intervention. A citywide approach should thus be used to coordinate small-scale settlement upgrading efforts with the wider city development issues.² This requires a set of inclusionary policies, plans, and strategies to be successful at integrating settlements physically and socio-economically.

Often, local governments struggle to adequately finance informal settlements upgrading; hence, it is important to **align informal settlement interventions and strategies with municipal budgets and capital investment plans**. As municipal budgets often do not cover the needs of comprehensive upgrades to informal settlements, municipalities should work in close collaboration with the private sector and other actors. They should build partnerships or provide incentives that offer benefits both to private investors and to informal settlement dwellers and should tap both the human and fiscal resources of civil society organizations in a coordinated manner. For instance, in 2011, Stellenbosch Municipality, South Africa, signed a Memorandum of Understanding with the community of Langrug (home to 4,700 people) and the Community Organization Resource Centre to establish a joint (Civil Society-Local Government contribution) Urban Poor Fund to facilitate financing of several settlement upgrading projects.³ This innovative institutional intervention has the capability to recast traditional approaches, create a platform for engagement, and expand avenues for real transformation.

The most relevant role of a citywide strategy is overarching coordination, documentation, and prioritization of city development. **Strategies should be based on in-depth surveys of informal settlements, documenting their demographics, morphology, physical conditions, socio-economic levels, main challenges, and levels of urgency**. The surveys should be the foundation of enhanced strategies to determine which settlements are suitable for which kinds of upgrading approaches. With increasing climate change-related risks affecting vulnerable informal settlements, a citywide strategy is suited to mainstreaming climate change mitigation and adaptation.

Such an approach to informal settlement upgrading does not mean designing a single successful strategy and replicating it throughout the city. On the contrary, **it means integrating urban informality across all local planning mechanisms and formulating an integrated urban development plan, policy, and financial plan that recognizes the differences and specifics of informal settlements and provides the legal preconditions and financial tools for the elaboration of a variety of different approaches**.

CITYWIDE SLUM UPGRADING		
Policy supports	City level actions	Slum level actions
<ul style="list-style-type: none"> • Tenure regularisation • Land market reforms • Financial, institutional reforms • Recognising the right to housing • Working with civil society and private sector • Regulatory framework for slums and low income housing areas 	<ul style="list-style-type: none"> • information base on slums, mapping <ul style="list-style-type: none"> - land information - social, economic info - housing conditions - livelihoods, income - environmental risks • Urban planning <ul style="list-style-type: none"> - land for new low income housing, land for relocation, zoning of slums, density, street networks • Building regulations <ul style="list-style-type: none"> - for slums and low income housing areas • Citywide slum upgrading action plan with stakeholder participation <ul style="list-style-type: none"> - Classification of slums (upgrading/ redevelopment/ relocation) - Linking slums with city infrastructure - Prioritization of slums for upgrading - Phasing of slum upgrading - Street addressing • Including slum upgrading in municipal budget • Institutional capacity building • Institutional co-ordination mechanisms & governance • Communication strategy 	<ul style="list-style-type: none"> • Participatory mapping and enumeration • Participatory action planning • Implementation of streets and services (re-blocking/ redevelopment/ street widening) • Street addressing and tenure regularisation • Agreeing O&M responsibilities

BOX 3.1: Case Study on a Citywide Informal Settlement Strategy in Al Omrane, Morocco

Between 1990 and 2010, Morocco reduced the number of informal settlements by 65%, becoming one of the most successful examples of government-led strategies for tackling informal settlements. In 2004, by Royal Directive, Morocco launched a national slum upgrading program – Villes sans Bidonvilles (Cities Without Slums) – with the ambitious goal of “eradicating all slums by 2012” through the provision of affordable housing for the urban poor. Covering 8 years, it targeted over 298,000 households. Many further actions and programs have been created under the program, including the government-owned holding company – Al Omrane. Formed in 2004, Al Omrane integrated the functions of three different government companies: ANHI (National Shelter Upgrading Agency), Attacharouk Company, and SNEC (National Company for Equipment and Construction). Al Omrane later also absorbed the ERACs (Regional Entities for Development and Construction), which became subsidiary companies. Al Omrane works under the supervision of the Ministry of Housing, Urban Planning, and Regional Planning and is the national reference for slum improvement, prevention of sub-standard settlements, and social housing. It runs four major programs: social housing production, rehousing bidonville dwellers, housing construction in the southern provinces, and new town development. The main fields of intervention are the relocation of slum households on equipped land parcels for the auto-construction of homes (80% of cases), rehousing via access to

low-cost housing units intended for vulnerable populations, and restructuring and in-situ upgrading.

The actions that were undertaken by Al Omrane for the realization of its goals included the following:

- A specific contractual framework associating the state, local governments, and public operators (city contracts);
- Public financial support (Solidarity Fund for Housing) with a tax of US\$12 per tonne of cement;
- Mobilization of funding from international agencies (World Bank, AFD, UE, and Cities Alliance);
- Mobilization of public land to the benefit of Cities without Slums;
- Intensification of social housing by encouraging public-private partnerships; and
- Increasing the dynamism of the social housing market through the creation of the Guarantee Fund (FOGARIM) facilitating access to credit to low-income or irregular income households and by extending micro-credit mechanisms to social housing.

The National Solidarity Fund provides about 65% of the funding for ARRU’s projects targeting lower income families. Through this fund, municipalities borrow money to complete local infrastructure projects and community facilities and to transfer funds for projects. The remaining support comes from the Housing Fund, government departments, and the private sector.

Source: UN-Habitat. (2010). *Al Omrane: Leading actor for Settlements Upgrading*. UN-Habitat: Nairobi.

3.3. Mapping and Profiling Informal Settlements for Planning

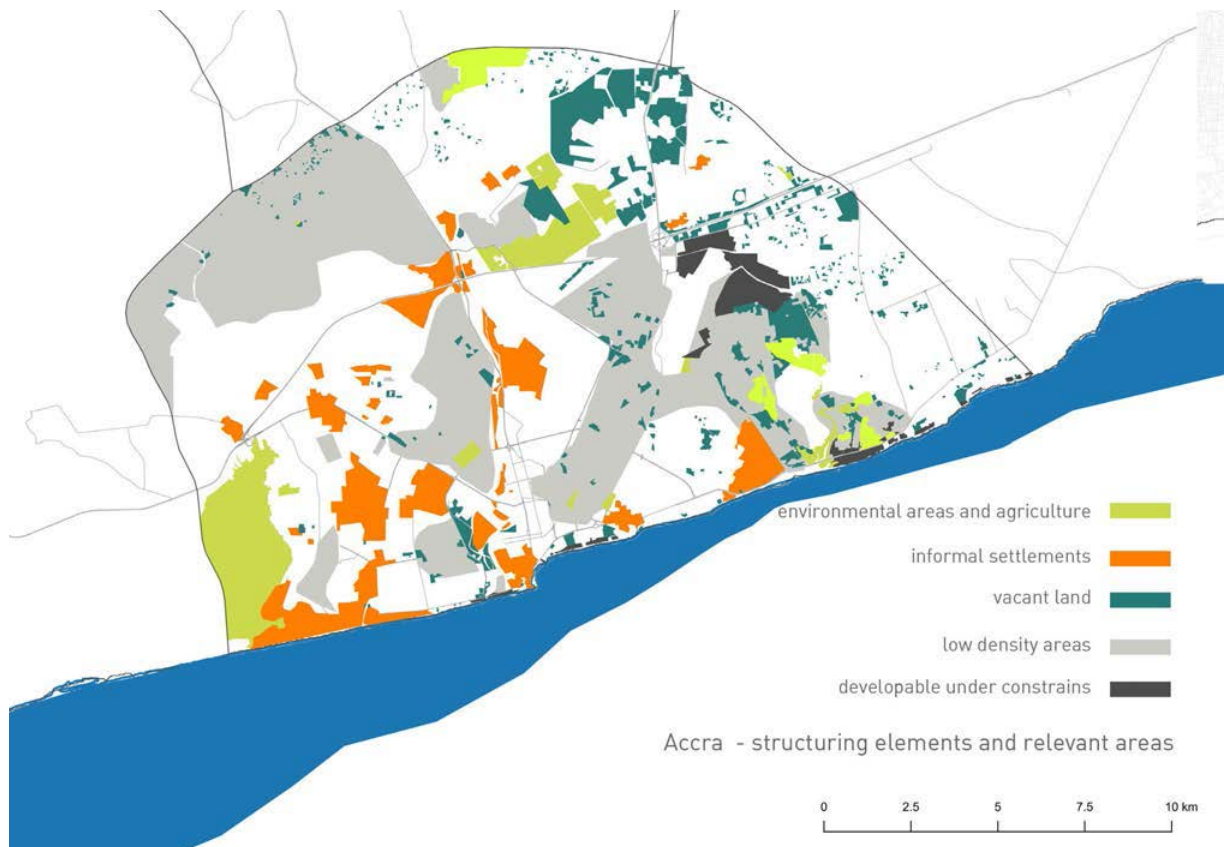
Mapping and profiling informal settlements at the citywide and local (settlement) levels is critical for formulating appropriate and sustainable interventions. Mapping and profiling are used to gather important data and information on informal settlements, which municipalities often lack. This data and information is not only useful for addressing existing informal settlements, but also for informing preventive strategies.

3.3.1. Citywide Informal Settlement Mapping and Profiling

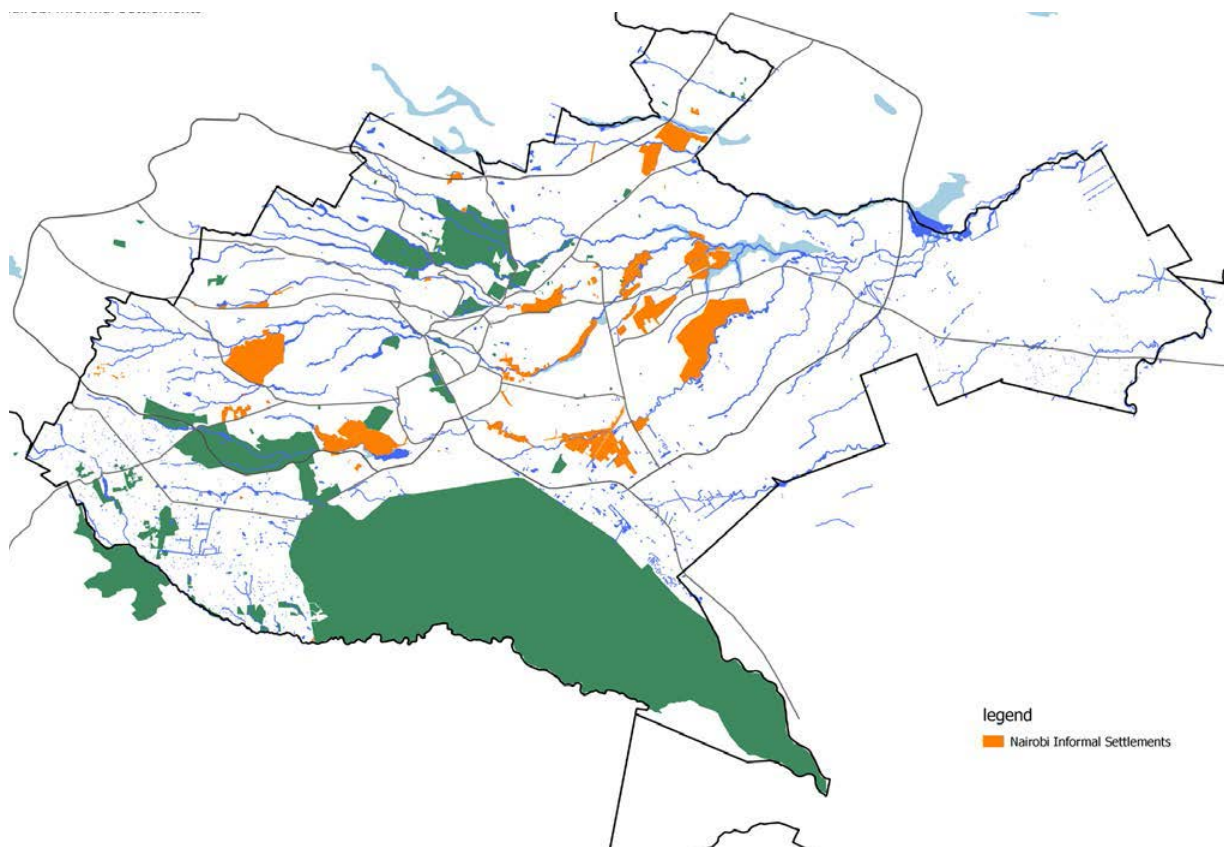
An in-depth survey and documentation of the informal settlements in a city is the precursor to an inclusive

citywide plan. Informal settlements should be identified and spatially marked on a city map; other defining natural and man-made structures that are relevant to understanding how the informal settlements developed, how they are growing, their proximity to city trunk infrastructure networks, the availability of public amenities and facilities, and how they connect to the city should also be noted. For instance, mapping a city’s water bodies and wetlands, along with its settlements, would highlight whether or not the settlements are located in risk-prone areas and if relocation and resettlement is necessary. Also, mapping the city infrastructure, main streets, pedestrian connections, and strategic axis may reveal the potential of various informal settlements to be integrated into the city by focusing on improvements that retain their location.

While some cities have existing data on informal settlements, in many contexts, particularly when informal settlements are not acknowledged as integral



Informal Settlements Mapping in Accra, Ghana © UN-Habitat Urban Planning and Design LAB



Informal Settlements Mapping in Nairobi, Kenya © UN-Habitat Urban Planning and Design LAB

parts of the city, their spatial extent is often missing from official maps. This forces their identification and mapping to rely on remote sensing and aerial imagery data, which includes analyzing density, urban morphology, housing typology, and street patterns. According to a study conducted at the University of Twente in the Netherlands, some of the key variables that help in identifying informal settlements are the shape of the area, the size of the houses, irregular roads or a lack of roads, a lack of vegetation, a lack of open spaces, building density, irregularity of layout, roofing materials, and the relationship with the surrounding environment.⁴ Of course, there are many exceptions to this rule and the risk of error is always present; however, this kind of mapping provides a good starting point for citywide informal settlement profiling for integrated planning and comprehensive strategic interventions.

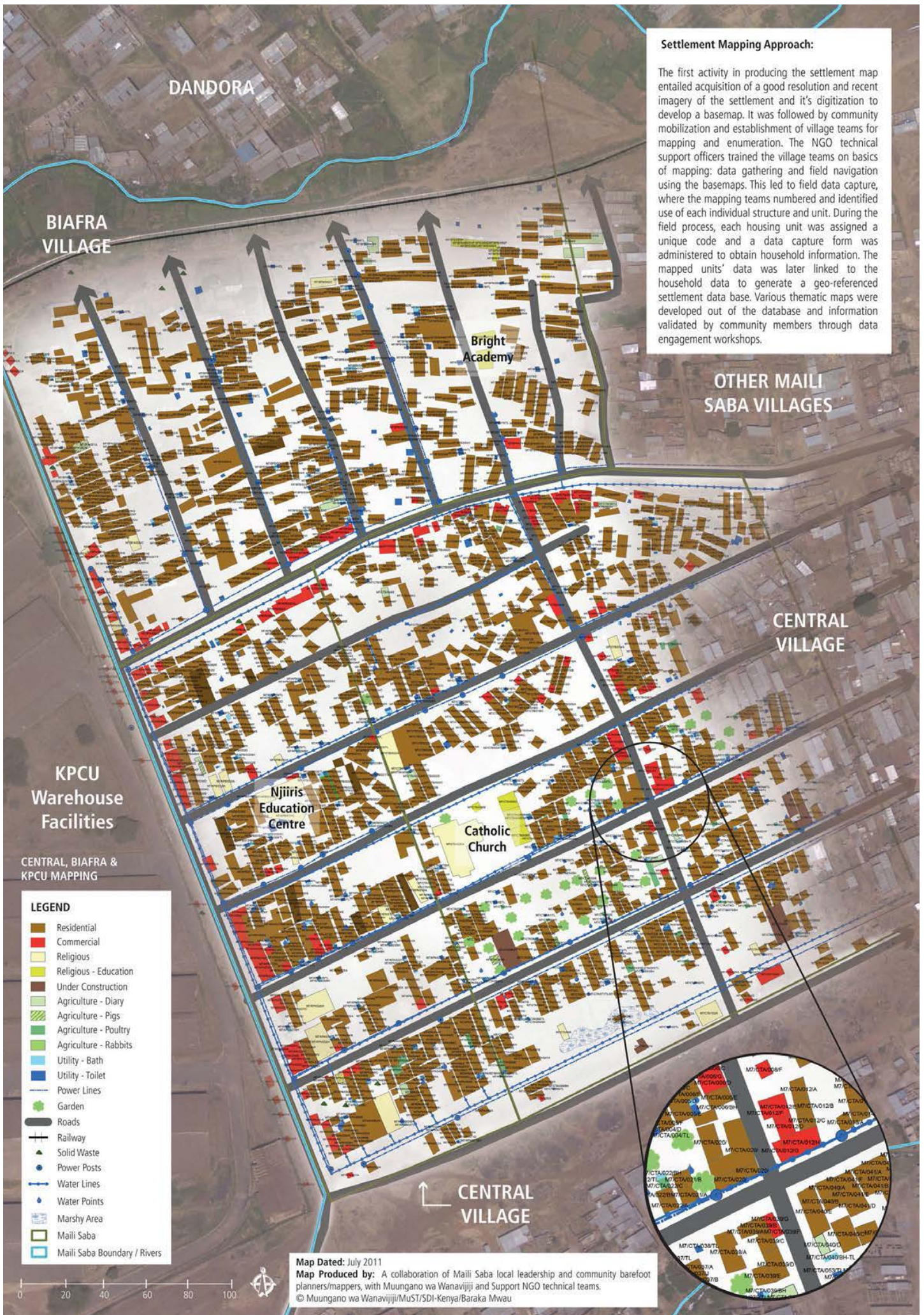
3.3.2. Mapping and Profiling Individual Informal Settlements

Mapping individual informal settlements, on the other hand, is useful when planning or making decisions for settlement-specific interventions. This process reveals critical data at the lowest scale. Moreover, due to the haphazard layouts of many informal settlements, combined with the dynamics of socio-political and power relations within the community, detailed mapping at this scale is more effective with the active involvement of the community. **Often, existing base maps and imagery alone is not sufficient to generate adequate data for comprehensive urban planning and design.** Informal settlement mapping is usually combined with participatory household enumerations, focused group discussions, and community workshops and has begun to combine Geographic Information Systems (GIS), among other tools.

A map of an informal settlement helps provide critical data that is unavailable in official records. Such data includes, but is not limited to, structure ownership and housing conditions, household composition, livelihood, economic spaces, and the stock of existing basic services and open spaces.

In Kenya, the community-based initiative MapKibera Project⁵ and a federation of informal settlement dwellers, *Muongano wa Wanaviji*, settlement profiling activities are successful examples of mapping individual informal settlements. MapKibera has produced reliable data of the physical and socio-demographic features of Kibera, Mukuru, and Mathare informal settlements and has made them available through a digital geo-referenced database. The process included door-to-door surveys, engagement with the local community, and use of open-source GIS software⁶. A participatory research, mapping, and planning of Mathare Valley Informal Settlement in Nairobi profiled individual villages in the settlement and used the aggregated settlement information to propose a comprehensive settlement improvement plan.⁷

A combination of mapping and other methods of data generation enable cities to formulate better-informed citywide strategies and specific interventions for individual settlements. **The choice of what approach to implement, therefore, can be informed by analysis done at the citywide scale, as well as at settlement level.**



Settlement Mapping Approach:

The first activity in producing the settlement map entailed acquisition of a good resolution and recent imagery of the settlement and its digitization to develop a basemap. It was followed by community mobilization and establishment of village teams for mapping and enumeration. The NGO technical support officers trained the village teams on basics of mapping: data gathering and field navigation using the basemaps. This led to field data capture, where the mapping teams numbered and identified use of each individual structure and unit. During the field process, each housing unit was assigned a unique code and a data capture form was administered to obtain household information. The mapped units' data was later linked to the household data to generate a geo-referenced settlement data base. Various thematic maps were developed out of the database and information validated by community members through data engagement workshops.

CENTRAL, BIAFRA & KPCU MAPPING

LEGEND

- Residential
- Commercial
- Religious
- Religious - Education
- Under Construction
- Agriculture - Dairy
- Agriculture - Pigs
- Agriculture - Poultry
- Agriculture - Rabbits
- Utility - Bath
- Utility - Toilet
- Power Lines
- Garden
- Roads
- Railway
- Solid Waste
- Power Posts
- Water Lines
- Water Points
- Marshy Area
- Maali Saba
- Maali Saba Boundary / Rivers

Map Dated: July 2011
Map Produced by: A collaboration of Maali Saba local leadership and community barefoot planners/mappers, with Muungano wa Wanavijiji and Support NGO technical teams.
 © Muungano wa Wanavijiji/MuST/SDI-Kenya/Baraka Mwau





3.4. Informal Settlements Improvement

A range of interventions is available, individually or in combination, to urban planners tackling informal settlements: **in-situ upgrading, relocation and resettlement, re-blocking, and redevelopment**. The selection should be informed by a citywide strategy that factors both aggregated and disaggregated data sets. It is also important to stress that preventing informal settlements formation is a critical strategy for

sustainable urban development. As population steadily increases, it is critical to invest in preventing the growth of new informal settlements. This requires city planning to anticipate future growth through inclusive plans and to employ tools, such as planned urban extensions, in-fill and brownfield developments, redevelopments, and densifications as necessary, with emphasis on providing affordable housing and basic services and amenities and on expanding employment opportunities. Cities and towns should contribute to these efforts by developing the requisite adaptive capacities for delivering low-cost housing, basic services, etc. at the required demand and speed.

Box 3.2: How to Address Urban Informality

Planners and policy makers must appreciate the benefits of addressing urban informality by being inclusive rather than exclusive. Urban planning and management can significantly contribute to inclusive urban development that addresses the needs of lower income groups and the informal economy and settlements.

It is thus important to “make informal settlements part of the city,” which means formulating urban plans that integrate the informal sector, aim at optimizing the urban functions played by informal settlements (e.g., the provision of housing and employment), developing realistic planning regulations, making land and housing markets work for the lower income groups, and extending urban infrastructure and services to the informal sector (link formal and informal service delivery systems).

Cities need to prioritize addressing existing informal settlements and, in equal measure, prevent new ones from forming. This should be done cooperatively and locally among citizens, community groups, businesses and local authorities.

Effectively upgrading existing informal is holistic, requires meaningful community participation, and ensures the least possible disruption on households and livelihoods. Actions for addressing existing informal settlements include the following:

- Installing or improving basic infrastructure (e.g., water supply and storage, sanitation, waste collection, rehabilitation of circulation, storm drainage and flood prevention, electricity);
- Removing or mitigating environmental hazards;
- Providing incentives for community management and maintenance;
- Building or rehabilitating community facilities (e.g., nurseries, health posts, and open spaces);
- Regularizing security of tenure;
- Home improvements;
- Relocating/compensating those residents dislocated by the improvements;
- Providing health care, education, and social support to address violence, substance abuse, etc.;
- Enhancing income-earning opportunities through training and micro-credit; and
- Building social capital and the institutional framework to sustain improvements.

In preventing the formation of new informal settlements, affordable serviced land must be made available, access to services and amenities must be provided, and access to opportunities must be enhanced.

Source: UN-Habitat (2013) and adapted from UN-Habitat (2003a).

3.4.1 Important Cross-Cutting Issues

When addressing informal settlements, there are fundamental issues to take into consideration, particularly institutional arrangements, financing, participation, gender and youth mainstreaming, socio-economic factors, and human rights.

Institutional Arrangements

Informal settlement upgrading programs are frequently the products of collaboration between different types of organizations, institutions, government agencies, civil society organizations, and academic institutions. In this context, the approaches to informal settlements have traditionally been classified either as “**top-down**” (or government-led) and “**bottom-up**” (or community-led), with the former often regarded as less inclusive. However, with approaches and tools evolving and the increased democratization of contemporary urban governance systems, these boundaries are blurring and upgrading programs are increasingly being designed as a combination.

The efforts and resources needed to achieve significant large-scale improvements for informal settlement dwellers require a multi-stakeholder approach and the building of strong partnerships between the public sector, private sector, and communities. Often, central and local governments have limited capacity to fully finance these projects on their own. Therefore, they need to mobilize external capital, including providing an enabling environment for informal settlement dwellers to undertake self-driven improvement of their neighborhoods. Good practice “top-down” approaches are citywide programs initiated by the local or national government and enable the longevity and sustainability of the programs and the investments and target the largest number of beneficiaries achievable.

The “bottom-up” approach, on the other hand, mainly involves civil society (NGOs and community-based organizations), which empowers communities to take ownership of local development. By mobilizing community resources, data, and knowledge, communities can lead and complete smaller interventions, successfully engage in dialogue with local authorities, and build symbiotic partnerships with the private sector. These initiatives can be small and piecemeal at first, but provided with supportive systems, they can grow, scaling up and influencing or even introducing new, innovative approaches, as well as policy paradigm shifts.

In the recent past, changes in tactics of engagement by various civil organizations (from confrontation to collaboration) have resulted in organized communities that have influenced or formed partnerships with city governments to improve access to services, land, and housing. Networking, communication, and the possibilities provided by modern technology and the Internet, have enabled national and international collaborations, mutual learning, and exchanges across countries. UN-Habitat continues to advocate for **inclusive processes where governments, civil society, and the private sector partner in delivering positive urban transformations.**⁸

Organizations such as Slum/Shack Dwellers International (SDI) and the Asian Coalition for Housing Rights (ACHR) operate in various regions of the world and have contributed to reductions in forced evictions, facilitated upgrading projects, and persuaded policy shifts towards more inclusive approaches. Meanwhile, international efforts to expand local government power and incorporate citizens in local decision-making have proven to be more responsive and effective in combating informal settlements. For example, in Brazil, Guarulhos participatory budgeting increased transparency and accountability in the budgeting process and has been an important tool in addressing recurrent problems like flooding in marginalized sections of the city, with officials getting firsthand information from affected residents.⁹

Financing

Funding remains a major concern for many local governments. **Conventional housing financing does not reach the informal settlement dwellers** due to various obstacles, most importantly, because the urban poor cannot afford to service the conventional financial loan or mortgage schemes. Other requirements needed by financial institutions, like collateral (e.g., land title deed) and even an official physical address, are unavailable to many informal settlement dwellers. However, efforts to scale-up community enumerations and mapping data to designate home addresses are underway in some cities: for example, in the Flamingo Crescent informal settlement, Cape Town, a team of community leaders and Informal Settlement Network (ISN) members worked with Cape Peninsula University of Technology, the City of Cape Town, and the Community Organization Research Centre to do just that. This provided data to upgrade the settlement through re-blocking, resulting in a street system that provided each household with a home address.¹⁰ Complex bureaucratic processes, a lack of information, and active discrimination by officials are also problems.

With the increasing growth of microfinance institutions in developing countries, the gap in access to finance is shrinking. For instance, although faced with various challenges, micro-financing has contributed positively to alleviating Kenya's rural and urban poverty.¹¹ On the other hand, local governments often face challenges in raising sufficient funds to upgrade infrastructure and deliver basic services and affordable housing. This has led to the emergence of alternative sources of finance for the informal settlement dwellers, namely shelter micro-finance, community savings schemes, donor organizations, and the private sector.

While various financing strategies have proven successful, the full potential attainable through a citywide strategy must be exploited. Part of the financing strategy could include **dedicating a municipal budget for informal settlements**, improving access to credit, introducing tax reforms for increased revenues, legally incentivizing the private sector, harnessing funds from national and international funds and donors, and financing alternative community-led strategies.

In Thailand, the Community Organizations Development Institute (CODI) implements the Baan Mankong Collective Housing Program that channels government funds in the form of infrastructure subsidies and soft housing and land loans directly to poor communities. The communities plan and carry out the improvements, placing their neighborhoods at the center process. This is done in collaboration with local governments and NGOs. A total of 1,546 communities in 277 cities have thus completed 858 projects ranging from reconstruction to relocation to providing secure tenure.¹² This is how partnerships can be forged between government and civil society organizations to finance informal settlement upgrading.

Community Participation

In the vast majority of successful cases, the **active involvement of communities and other key stakeholders has been a catalyst for sustainable informal settlement upgrading**. Programs that fail to engage the communities in a meaningful manner often deviate from realities on the ground, limiting their success. Gradually, practices have shifted towards more community inclusion and different tools of community participation have been developed, including digital platforms.

Community participation should cut across all levels of decision-making, from the formulation of national policies and programs, to citywide strategies and municipal budgeting, to the selection of small-scale intervention projects. Citizen inclusion enables project

design and finance distribution to respond to the needs of communities. Community mobilization instruments can include community participatory mapping and research, participatory planning and design, participatory budgeting, and participatory monitoring, among others.

Community participatory mapping and research

are valuable tools, as they provide spatial data and information that official city cadastral and maps often omit. The data collection by the community can empower and build a sense of mutual recognition.

Participatory mapping mobilizes community members to gather spatial information and elaborate maps in order to survey the condition in specific areas, such as sanitation, communal facilities, housing, and infrastructure. Recently, the introduction of **Participatory Geographic Information Systems (PGIS)** has eased and accelerated the process of mapping through the use of mobile technology and easy-to-use mobile apps. PGIS has also provided training and capacity-building for a new and needed technical skill, while linking expert mapping knowledge (technical) with non-expert (in this case local community spatial) knowledge. It has thus integrated and recognized community data in decision making and helped fill data gaps associated with technical mapping.¹³

Participatory mapping is often combined with participatory research tools like *participatory enumerations*, which are community-led population surveys, used to gather wide sets of data on informal settlement residents and executed as a settlement census. Questionnaires are used to collect information that is recorded on a map; each household survey data links to a map that indicates each single housing unit. Additionally, these practices provide communities with the means for enhanced and informed advocacy.

Participatory planning and design can include visioning exercises, such as *community planning studios and charrettes* and *house dreaming*. Community planning studios help engage communities in shaping a vision of their desired improved neighborhood with regard to layout and streets, tenure and housing typologies, basic services and local economic development, and integration within the wider urban fabric. House dreaming promotes understanding regarding aspired housing typologies, how communities use and interact with their residential space, and how they aspire to transform it overtime. It also entails consideration of the socio-cultural implications for planning and design options.



Participatory Planning in Kitui, Kenya © Baraka Mwau

Participatory budgeting and community savings schemes may also lead to community engagement and participation, which can be enabled and encouraged by local governments through participatory budgeting in which informal settlement residents can influence municipal spending on programs. For example, Guarulhos, second largest contributor to Brazil's GDP, has institutionalized participatory budgeting, resulting in increased transparency and accountability in municipal budgeting, more effective investments, and better prioritization of immediate needs in informal settlements.¹⁴

Participatory Monitoring and Evaluation (PME) involves communities in the quality control of implementation of policies, programs, and projects, including those that involve physical improvements, such as construction-related projects. In order to achieve this in informal settlement, it is critical to ensure that communities have the capacity to gather data, analyze, and make decisions and corrective actions. PME enhances ownership, self-sufficiency, performance, and, thus, promotes sustainability.

Gender and Youth

Women, children, and youth constitute more than half of informal settlements population, but their active participation in projects is often limited. The substandard living conditions in informal settlements and, in particular, inadequate sanitary facilities, affect women and children more strongly. For example, access to water points and toilet facilities may be unsafe, characterized by poorly lit and configured paths, making women and children vulnerable to attacks and actual violence, especially at night. Besides, poor maintenance of these facilities exposes users to poor hygiene and the increased risk of contracting infections.

Informal settlement improvements should be cognizant of the needs of these groups regarding their living environment and invest in active engagement with them. Some successful tools for engaging children and youth in the participatory processes of building, upgrading, and design include child and youth forums, junior youth councils, visioning workshops for children, and game-based workshops. A good example is UN-Habitat's Global Public Space Programme that uses the Minecraft computer game to engage young people in envisioning public spaces.

The implementation of women's rights in land, property, and housing issues remains a significant challenge in various cultural contexts, as well as where political goodwill and commitment are lacking on the part of governments. Culturally entrenched discrimination demonstrates the need for a national or citywide policy and approaches that mainstreams gender issues to achieve inclusiveness. To date, there is some acceptance of women's rights to land, property, and housing in developing countries, as well as new policies and laws, but their implementation and enforcement are far from effective. As a consequence, women do not often have secure land tenure and house ownership and, in some cultures, are even at risk of eviction if there is no male head of household. Gender mainstreaming must be integral to any upgrading project.

Depending on the context and project, different approaches to introducing gender equality are available. For example, Kenya's Constitution directs that land administration and management follow certain principles, including the following: "**equitable access to land ... elimination of gender discrimination in law, customs and practices related to land and property in land.**"¹⁵ The main goal is to find a way of actively including women in planning and decision-making so that projects address women's problems and needs, including property rights and land tenure security, safety, provision of childcare facilities, gender-sensitive water and sanitation delivery, and opportunities for employment.

Likewise, informal settlement programs should pay attention to the needs of youth and, particularly, the development of skills that enable them to access and create jobs, to integrate into local economic development, and to satisfy their recreational and housing needs.

Socio-economic Dynamics

To guarantee the social and economic sustainability of a project, improvements in informal settlements should seek to enhance living conditions as much as possible, while ensuring minimal disruption to economic and social networks. Overall, approaches should be designed in a manner that promotes economic productivity and social development. This requires negotiating between different interests, stakeholders, and scenarios.

As previously discussed, informal settlement upgrading projects have increasingly fallen into blurred definitions regarding implementing agency, mixing bottom-up and top-down approaches, and varying degrees of public and private or community-led initiatives. This combination of approaches has made it difficult to

precisely identify the extent to which informal tenure and ownership regimes should be recognized and formalized in upgrade projects and to what extent they should be rejected and substituted by entirely new models of formal ownership. Nevertheless, some successful recurring patterns have emerged in maintaining community structure and organization, while improving informal settlements.

The recognition of some degree of informal agreement is increasingly fundamental in upgrading projects, especially when these are community-led. Informal ownership regimes have been considered and encompassed into upgrade schemes in many successful projects: for example, the informal property rights claimed by structure owners in Kambi Moto, Nairobi are recognized. This builds consensus within the community and reduces conflict over the selection of beneficiaries between tenants and owners, even though informal structure ownership often constitutes a power relationship between the owners and tenants. Nevertheless, these relationships cannot be wiped out without the risk of the entire scheme failing and efforts towards conflict mediation and consensus building must be made.

Some types of informal economic systems, on the other hand, are considered detrimental to the well-being and development of communities. These must be rejected when they pose a risk to communities' physical safety; however, they may be reconfigured to harness some opportunities. For example, illegal connection to the power grid or water or sewerage networks are often managed by cartels or gangs; besides posing a danger to consumers, these practices reduce equitable access to fairly priced basic services for the most deprived informal settlement population, but they also create income opportunities for several households. Interventions should, therefore, aim to transform and integrate these systems, through participatory processes that include mapping, training, and re-modelling such systems as valuable community asset management systems and designing a suitable business model for livelihood sustenance.

Human Rights

The Universal Declaration of Human Rights, several United Nations treaties, many regional treaties, and national constitutions in the past two decades have established (and gradually extended) a set of basic rights to which all humans are entitled. These rights include the right to housing, to security, to water, to work, to education, to equal access to public services, to a standard of living adequate for the health and well-being of the person, and to social services.

However, the most vulnerable and marginalized communities – including informal settlement dwellers – are continuously and increasingly prevented from enjoying these basic human rights. Government-led resettlement programs and forced evictions, the resultant obstacles to accessing work and education, the failure to provide access to water and basic services, and the passive attitude towards insecurity are all violations of universal human rights perpetuated by local and national governments globally.

In recent years, there has been growing support for adopting a **human rights-based approach to informal settlement upgrading**, development, management, and cooperation more generally. Such an approach entails using legal processes to ensure that local and national governments meet their obligations under human rights law. In Kenya, the constitution enshrines the right to a clean and healthy environment, adequate housing, and a reasonable standard of sanitation, clean and safe water, social security, and education to every citizen.¹⁶

3.4.2. General Approaches to Informal Settlement Improvement

Broadly, this section highlights three approaches to informal settlements improvement, namely in-situ gradual upgrading, re-blocking and redevelopment, and relocation and resettlement. These general approaches are important for citywide strategies. In actual design and implementation, different contexts will dictate the most appropriate approach and specific methods and could even necessitate a combination of approaches. Therefore, policy makers and planners need to make well-informed decisions that involve community participation in determining the most appropriate approach for a given context.

In-Situ Gradual Upgrading Approaches

In-situ upgrading refers to providing fundamental improvements to the physical, social, and economic environment of an existing informal settlement without

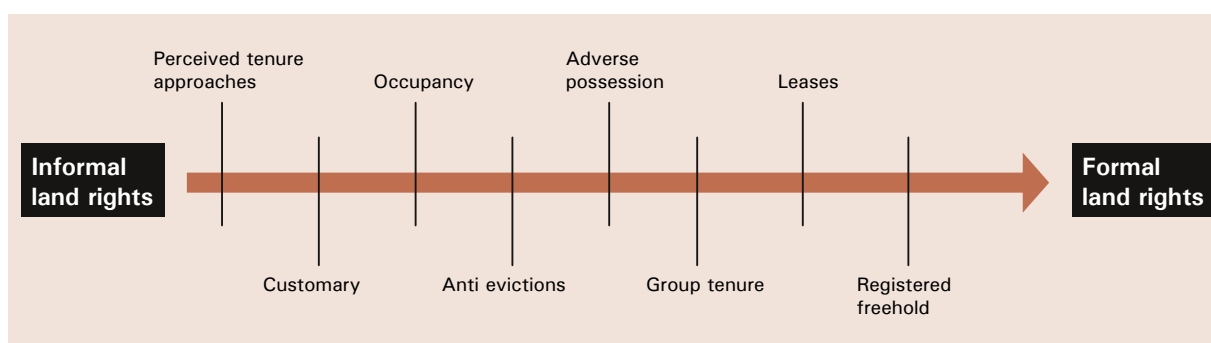
displacing the inhabitants. With minimal interruption to the dwellers, it encompasses upgrading tenure security, basic infrastructure and amenities, housing improvement, and economic development over time. It is particularly applicable where funds are severely inadequate, requiring gradual improvements. It should, however, be noted that a proper plan is needed to guide these investments. Besides, a strong organized community and effective urban management are required at the institutional level.

Securing Access to Land and Tenure Security

A defining characteristic and impending problem of informal settlements is the insecurity of tenure. UN-Habitat defines security of tenure as the right of all individuals and groups to effective protection against evictions by the state.¹⁷ Tenure insecurity leaves informal settlement dwellers vulnerable, as they live under the constant threat of eviction, and presents a major obstacle to gaining access to basic infrastructure and services. At the same time, the lingering possibility of eviction demotivates informal dwellers from investing their capital in durable housing solutions and infrastructure improvements, as their investments might be short-lived.

One of the main complications of obtaining tenure or land rights is the overlapping legislation regarding land and property ownership, because statutory law, customary law, and religious law sometimes simultaneously govern these matters. Since the jurisdiction of each is not clearly defined, frequent land disputes are a primary source of conflict in informal settlements and a continuous challenge in their upgrading.

The Global Land Tool Network (GLTN) describes land rights as a continuum – with formal land rights at one end (as defined by statutory law), and informal land rights (customary, traditional, or religious) at the other end and a whole range of rights in between.¹⁸



Continuum/Range of Land Rights © UN-Habitat/GLTN

Establishing continuity, consistency, and inclusiveness in the systems of land and tenure management is critical for security of tenure in informal settlements.

The ownership structures in Kenya are often more complicated, because many informal settlement dwellers are tenants and, in most cases, the landlords have built on land they do not formally or legally own. Estimates indicate that up to 92% of informal settlement dwellers in Kenya are rent-paying tenants, even though they remain outside the official registries and land management systems.¹⁹

When planning spatial interventions in an informal settlement, a participatory approach helps prepare a land agreement prior to planning the future or adjusted urban plan. Several methods have been used to secure land tenure for comprehensive long-term improvements.

Regularization of land tenure is a common method that includes many examples of innovative context-based mechanisms. For instance, the GLTN, facilitated by UN-Habitat, develops innovative, pro-poor, and gender-sensitive land tools for improved land management and security of tenure. The Social Tenure Domain Model (STDM) is a land information tool that bridges the gap between conventional land administration systems and informal or customary tenure. In Lusaka, Zambia, the STDM, which highlights possible exclusion of women and youth in land holdings, was used to document such land tenure issues.

Another method is **“land sharing,”** which emerged in Bangkok in the 1970s and has been used to resolve thousands of land conflicts and tenure insecurity issues. Informal settlement dwellers facing eviction negotiate a share of the land from their landlords. The landlords agree to sell or lease them part of the land and they develop private investments on the part that is voluntarily vacated by the dwellers. The residents then re-plot and re-organize the shared remaining land.²⁰

A similar approach, **land readjustment**, is commonly used where land tenure is definite, but the land plotting prevents efficient development or has led to dense development. In this case, landowners in neighboring parcels come together, merging the land plots and re-designing the plotting, opening up spaces for better infrastructure, public spaces, and social or community facilities. UN-Habitat has developed this approach through the *Participatory and Inclusive Land Readjustment Tool* (PILaR). PILaR has been successfully implemented in the La Candelaria neighborhood in Medellin, Colombia.

In addition to improved housing security and elimination of the risk of eviction, securing land tenure has a wider array of positive effects. Tenure security and a registered home often enables access to credit in financial institutions and easier access to jobs, accelerates the integration of informal markets into the formal economy, allows extensive home improvements, and contributes to poverty alleviation.

However, there are some obstacles to ensuring land tenure security for informal settlement dwellers, the most notable ones being the following:

- **Data** – acquiring sufficient and comprehensive data on informal settlements is a lengthy and costly process and is crucial for land and property regularization. Experience suggests that regularization build on existing links and ownership structures; innovative tools that adjust to the context should be used to translate informal customary rules into formal legal structures.
- **Access to Information** – the legal and administrative steps necessary for obtaining land tenure or property right licenses are prohibitive due to a lack of information or language and literacy difficulties.
- **Density** – in many informal settlements, multiple families or unrelated dwellers occupy tiny patches of land, making the “formalization” difficult, as ownership and property lines are blurry or non-existent.
- **Traditional Forms of Property Management** – many cities and towns in the global South experience traditional forms of land and property management. The statutory law (often based on contemporary urban legislation) is often at odds with traditional property management, such as practices of customary law (stool-based, clan-based, and tribe-based) or religious law (Sharia law). Where statutory law fails to recognize and, thus, engage with these practices, its effectiveness towards security land tenure is often limited.

Upgrading Infrastructure Services and Amenities

The second type of in-situ intervention is upgrading infrastructure, such as access roads, streets and footpaths, and basic services, such as water, sanitation, electricity, streets, solid waste, and storm water collection, as well as upgrading individual or group housing units, without making any changes in the block structure. Amenities, such as public spaces (e.g., play grounds) and education and health facilities, need to be upgraded in order to support gradual social development in the settlement.

Box 3.3: What Should Local Authorities do to increase Security of Tenure?

UN-Habitat's Handbook on Best Practices in Security of Tenure and Access to Land reviews a series of international best practices related to land security and land access and recommends actions for local authorities to focus on to enhance citizens' tenure security. Local authorities are required to do the following:

1. Play a role in land regularization;
2. Be able to appropriate land;
3. Develop land policies, anticipating future growth and estimating demand and supply;
4. Establish land-delivery mechanisms;
5. Develop land-use guidelines and building regulations, considering diversity of land uses;
6. Process land records;
7. Manage and make land data accessible;
8. Integrate social and gender equity into land management and participation policies;
9. Take advantage of CBOs, NGOs, and other private and public stakeholders in setting up of infrastructure and services;
10. Use land taxation to provide finance for services;
11. Take advantage of multilateral and bilateral support;
12. Together with national government, work out the roles to be played by customary and traditional authorities in land management; and
13. Ensure combined activities, incorporating both formal and informal channels of land development and management.

Source: UN-Habitat. (2003b). *Handbook on Best Practices, Security of Tenure and Access to Land: Implementation of the Habitat Agenda*. UN-Habitat: Nairobi.

These interventions **minimally disturb the social and economic life of communities, while significantly improving the living standards**. However, poor cost recovery and high building standards and regulations lead to insufficient maintenance of infrastructure and, thus, pilot projects are rarely scaled up citywide or nationally. The main difficulty with infrastructure and services upgrading is that both governments and private service providers are often unwilling to operate in informal settlements because of their status of informality or illegality. It is, therefore, important to note that upgrading infrastructure and basic services by authorities is a building block towards tenure security, because that, in itself, amounts to official recognition.

In improving infrastructure and amenities, **co-production** between local governments and communities should be leveraged to promote integrated planning and design that responds to communally shared and funded facilities. Additionally, subsidies or cross-subsidies and partnerships should be considered with the private sector.

The specific methods of in-situ gradual upgrading of infrastructure and amenities include street-led upgrading, public space-led upgrading, and Water-Sanitation-Hygiene (WASH)-based upgrading.

UN-Habitat maintains that "streets can act as primary pillars for a deep set of informal settlement regularization strategies."²¹ As streets and public spaces are the primary spaces for social and economic activity, linking and integrating the streets in informal settlements, as well as

opening up new streets that connect with the citywide street networks, contribute to the physical, social, and economic integration of settlements and benefit both the wider city and the informal settlement.

Similarly, **public space-led upgrading** emphasizes the relevance of local public spaces within a city's network of public spaces and the transformative role of public spaces as places for social integration, political activation, and income generation.²²

WASH-based upgrading, on the other hand, takes a more service-specific approach, but links it systematically to water, sanitation, and hygiene as a pillar of good health and quality of living within informal settlements. Delivery of WASH facilities has evolved to integrate such spaces with social hall functions where communities can convene to organize for long-term upgrading. For instance, the Community Organization Resource Centre, South Africa developed a WASH facility in Langrug, Stellenbosch Municipality to act not only as a basic services utility facility, but also as the common center for social mobilization and community building to support the long-term discourse required for neighborhood transformation.²³

Incrementally upgrading infrastructure services and housing is a combination of providing infrastructure services and housing improvement. The infrastructure is phased in to allow for gradual housing improvements. For example, in the first year of implementation, the project could formulate the incremental upgrading plan, which could prioritize water and sewerage improvement. The next phase could be building a

Box 3.4: Participatory Slum Upgrading Project, Ismailia, Egypt

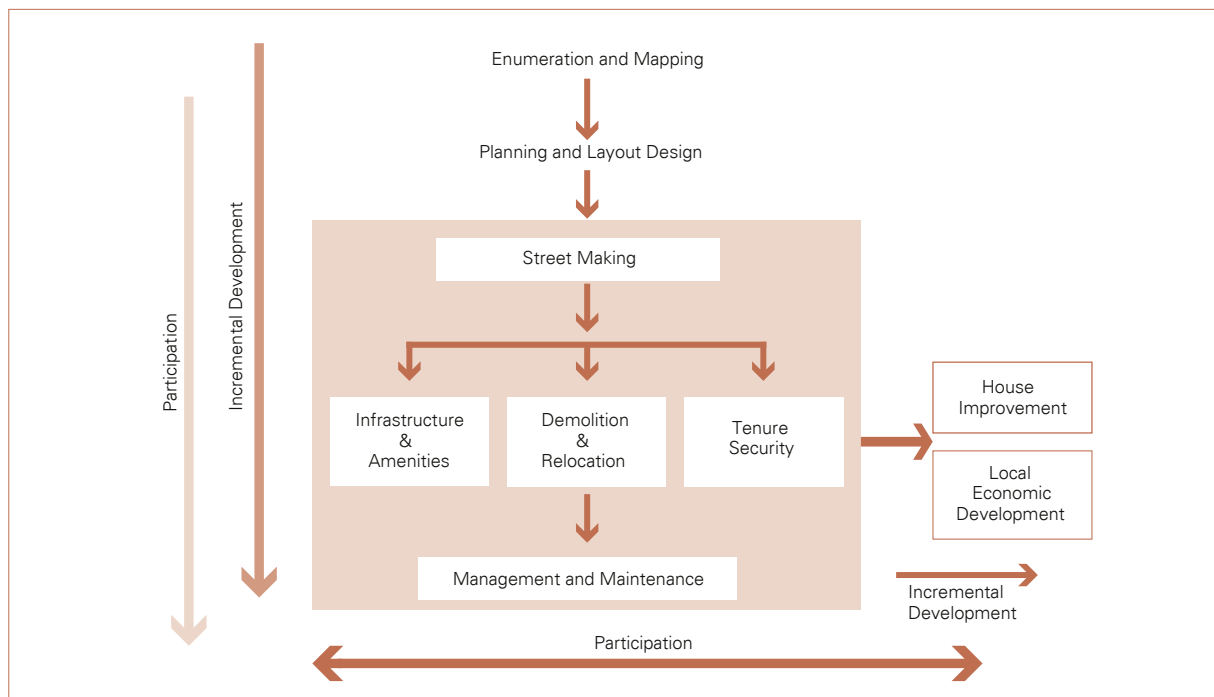
The PSUP in Ismailia, Egypt ran from 2004 to 2008 and focused on two informal settlements, El Hallous and El Bahtini, with a targeted population of 15,000. The project had physical, social, and capacity-building components. The physical comprised of urban basic services (drinking water, sewage network, paved roads, and electricity network); the social comprised education, health, and political education; and the capacity-building was aimed at local authorities involved in implementing the project. The project was coordinated by the High-Level Committee for Participatory Slum Upgrading headed by the Governor of Ismailia and implemented with the support of the UNDP and UN-Habitat. The National Project Coordinator supported the Technical Advisory Unit, consisting of an upgrading officer, sustainable development officer, GIS expert/planner, architect, engineer, and temporary consultants, and reported to the Governor who managed the project. The community-based organizations located in the settlements were partners in the project. Multi-stakeholder Planning Process Working Groups (made up of NGOs, CBOs, community representatives, and leaders), with a mandate to identify and prioritize problems, guided the provision of basic services. The process started with

field surveys by experts and residents and priority selection. Then a Project Implementation Unit was set up to follow the day-to-day implementation using local small and medium contractors (who were preferred to national and international companies after a difficult experience with a large international construction firm).

To ensure sustainability, the managers worked with pre-existing local CBOs (micro-loan, literacy classes, vocational training, and youth and health centers). The community actively participated in the project and created ownership throughout the implementation process. Thus, it is expected that the communities will continue to upgrade their settlements, as each neighborhood still has a functioning CBO that continues to meet weekly to discuss upgrading issues and the capacity and experience to approach authorities for funding and collaboration.

The total project budget of US\$4.8 million was mobilized through Debt for Development Swap. The bilateral debt owed to Italy by Egypt was converted into financial resources to implement development projects in Egypt.

Source: UN-Habitat. (n.d). Participatory Slum Upgrading Programme: UNDP Project Budget.



Box 3.5: Orangi Pilot Project, Karachi

The Orangi Pilot Project – Research and Training Institute (OPP-RTI) – works with informal settlements in Orangi Town and in other cities in Pakistan. Their groundbreaking low-cost sanitation program is based on the principle of co-production between the local government and the communities and has resulted in projects in Orangi (as well as 248 other locations in Pakistan) that have benefited 90,000 households.

The program helps communities develop their “internal” sewerage (in-house latrines, underground sewers in lanes, neighborhood collector sewers) that link to “external” sewerage development (trunk sewers and treatment plants).

Source: Orangi Pilot Project Research and Training Institute

The communities invest in the internal development and the local governments in the external and train their staff to work the “internal-external” concept and to work with communities. OPP-RTI provides the technical assistance for the communities – plans and maps, materials, tools, training, and supervision, and develops new techniques and tools that are affordable and easily manageable to poor communities. The money is raised and collected directly by the communities.

The project has shown that communities can finance and build internal infrastructure developments when given the right technical and managerial support.

secondary line that connects the settlement with the district water and sewer network combined with communal water points and toilet blocks. Then, the project could proceed to install a settlement reticulation system that includes yard taps and toilets shared at the courtyard level (reducing the number of people sharing per facility) and establish the layout of buildings. Then, housing is redeveloped and, finally, individual household are connected to the water and sewerage infrastructure.

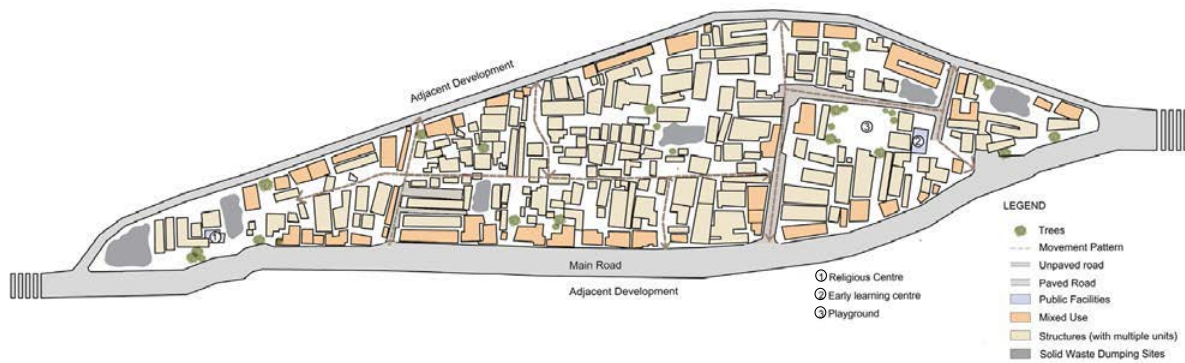
In particular, **incremental housing** is informed by housing design and financing arrangements and can be undertaken concurrently with incremental infrastructure

upgrading. In some cases, advance capital is provided to develop the basic infrastructure and start-up housing units, typical of the site-and-service scheme method, although in this case the site is not on a Greenfield. Kambi-Moto upgrading in Nairobi is a successful example of this approach.

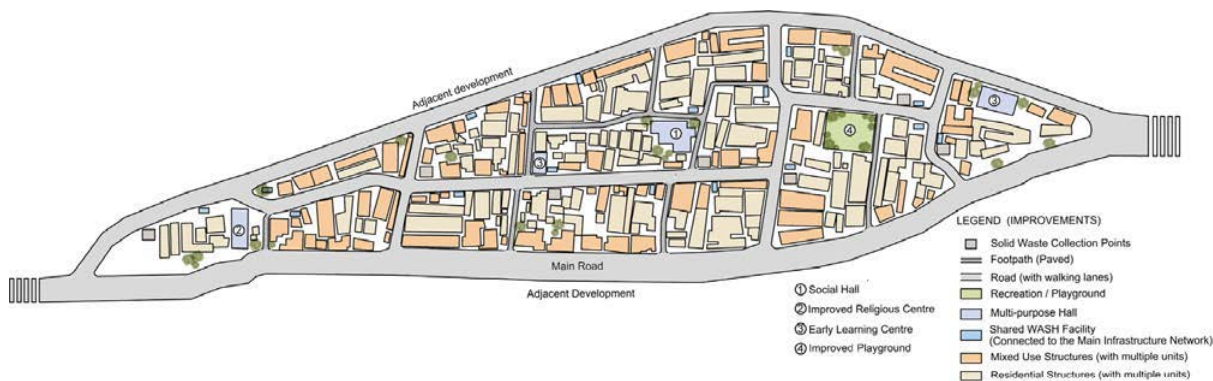
These in-situ incremental processes demand robust and dedicated community leadership, financing guaranteed over an extended period, and sustained political goodwill. Importantly, whereas capital to finance complete upgrading projects is often scarce, incremental in-situ interventions tend to incur high costs due to lengthy projects that result in increased



Kambi Moto Housing, Nairobi © Ruco van der Merwe



Typical Illustration of In-situ Upgrading © UN-Habitat (Before)



Typical Illustration of In-situ Upgrading © UN-Habitat (After)

infrastructure and housing delivery costs due to inflation. Additionally, social-political dynamics in the community, mixed political signals, local authority support, and other initially-unforeseen factors could harm the project.

Re-blocking and Redevelopment Approaches

Re-blocking is a structured process of upgrading the infrastructure and physical conditions of an informal settlement by adjusting the physical layout of housing units and streets in order to open up space to enhance access and provide patterns for the distribution of basic services like water and sanitation, electricity, and solid waste management.²⁴ Shack/Slum Dwellers International (SDI) defines the process as **“re-arranging shacks in densely-packed settlements to open up common public space, access roads, and basic service infrastructure installation.”**²⁵

The purpose is to upgrade the living conditions with minimal community disruption. This requires that some houses be moved and rebuilt in order to open up roads and passageways and to re-align some lanes. Re-blocking is commonly performed in settlements where the land tenure status has been solved or temporarily negotiated. It is also ideal in settlements with housing that is dominated by shacks and where density is relatively low. Beyond providing basic improvements for shelter and infrastructure, re-blocking, if conceptualized as a strategy for longer-term interventions, has the potential to lay a foundation for incremental redevelopment and to reinforce tenure security.²⁶

Redevelopment, on the other hand, refers to a more thorough change and the transformation of the built form of a settlement, often encompassing demolition of all or part of the existing structures within a block or a neighborhood/village and rebuilding in the same area.



Typical Illustration of an informal settlement © UN-Habitat



Typical Illustration of Re-blocking ©UN-Habitat



Typical Illustration of Redevelopment © UN-Habitat

Box 3.6: Re-blocking in Mtshini Wam Initiative, Cape Town, South Africa

The success of the Mtshini Wam informal settlement re-blocking and upgrading initiative has set the standards of informal settlement upgrading in South Africa and, more importantly, it has laid the foundation for the drafting of an official city policy on re-blocking – an example of how small projects can be scaled up into citywide interventions by linking top-down and bottom-up approaches.

Mtshini Wam was an informal settlement of 250 families located in a space between formal subsidized houses in Joe Slovo Park in Milnerton, Cape Town. As in many densely populated settlements, due to the narrow passageways, the dwellers were exposed to flooding, which spread water-borne diseases. An additional safety concern was the informal arrangements for water and electricity, with illegal power lines running between the shacks. All the toilets in the area were at the outskirts and there were only three water taps total for everyone.

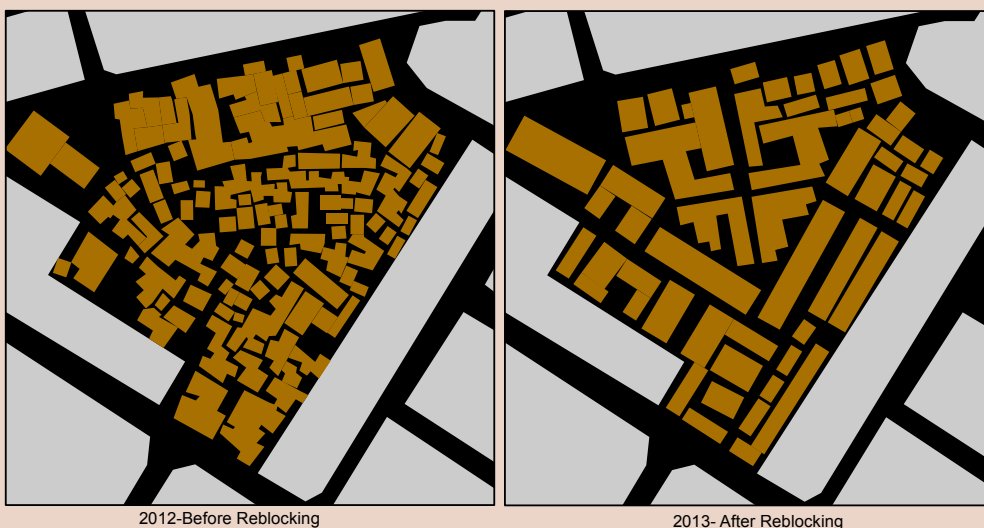
In 2012, the Community Organization Resource Centre (CORC) and the Informal Settlement Network (ISN) partnered with SDI South Africa and the city government to sign a memorandum of understanding on community-led incremental upgrading of 21 informal settlements in Cape Town. In the same year, the residents of Mtshini Wam initiated an on-site upgrading of their settlement. The community-driven project was carried out with the assistance of the city and CORC, ISN, and iKhayalami. Forty five short-term employment opportunities were created during the “re-blocking” process. The community led the enumeration census and set up community saving schemes to start investing in the project upgrading. Their actions strengthened social

ties and management capacity, resulting in a well-structured organized community capable of engaging with the authorities while maintaining full ownership. Initially, the plan was to temporarily settle 20-50 households off-site to facilitate the upgrading. However, the project was held up in administrative procedures and land complications and the community realized that the best and most efficient approach would be to re-block in-situ without any temporary relocation.

The re-blocking created space for water and sanitation infrastructure and for electricity poles, providing electricity for each family. Moreover, fire-resistant materials were used to rebuild the shacks. The community’s work resulted in the re-blocking of a dense, flood and fire-prone settlement of 250 households into organized clusters of 8-10 shacks.

The community has engendered good communication and mutual trust and understanding with the city and has initiated a long-term sustainable partnership. Following active engagement and discussion with the ISN and CORC, the City of Cape Town has adopted an official policy for upgrading informal settlements through re-blocking and has made a long-term commitment to improve informal settlements collaboratively with the dwellers. This case study demonstrates how community-driven engagement and cooperation between slum dwellers and city officials can be incrementally scaled up to citywide strategies with a broader impact. Moreover, the community has become a model for similar neighbourhoods, has been sharing lessons and approaches with other groups, and has created an open platform for learning and debate.

Source: City of Cape Town adopts reblocking policy. (2016). South African SDI Alliance. Retrieved 15 December 2016, from <http://sasdialliance.org.za/city-of-cape-town-adopts-reblocking-policy/>



Before and After Re-blocking Mtshini wam, CapeTown © Illustration: UN-Habitat/Baraka Mwau, Image: Digital Globe

This provides the opportunity to start with a clean slate, changing the basic layout and morphology to open up land for public spaces, infrastructure, and flood and fire protection, as well as to improve housing conditions; it could also incorporate land sharing. Redevelopment also enables communities in low-lying land to raise the level of the land above flood lines before rebuilding.

While re-blocking refers to changes in the settlement that are less substantial, rebuilding includes the majority of households or, sometimes, rebuilding part of the housing units in a different pattern using the same materials or improved materials. The change can be significant and can include a complete restoration of the infrastructure and streets or the building of a new settlement in place of the old one. On the other hand, redevelopment refers to the use of changed, more solid construction materials, increased vertical densities (other than ground floor) and, thus, a potential complete change of the type of housing units.

Depending on the possibilities for temporarily accommodating the inhabitants in the immediate area, the scale and phasing of re-development can vary from a cluster-by-cluster approach to a group of clusters; the process is exclusively incremental. This means that only part of the infrastructure and household improvement or reconstruction takes place at any one time, preserving daily rhythms and avoiding mass dislocation and logistical challenges. In some cases, temporary relocation may take longer than initially planned, thus disrupting household lifestyles for a longer period than anticipated. This extension may be due to poorly designed projects, delays in construction of redevelopment sites, negative politicization of redevelopment projects, and financial challenges, among others.

Both redevelopment and re-blocking interventions face the challenge of high density, undefined property borders, and complex ownership structures. Re-blocking presents planners and the community with an opportunity to reflect on the current typology of housing and how it can be improved or upgraded. Communities are frequently firmly attached to their lifestyle, including the typology of housing and common spaces. It is thus extremely relevant for the restructured blocks or clusters to be the product of collaborative work so that the community's preference for height, street frontage, aspects of privacy, and shared and common spaces, as well as personal and family space, can be discussed. In many successful cases, communities have chosen to have the basic construction frame and services provided, with the

opportunity to upgrade their homes gradually as and when they can afford to.

In redeveloping and/or re-blocking, the ownership structures are maintained, which, as previously discussed, could retain the disenfranchisement of tenants. The distribution of property in terms of ownership should thus be the subject of negotiation between the community, the structure owners, and the project planners.

Notably, redevelopment is attractive to private developers and, when the projects have sound policy and good governance, it is possible to **attract private sector investment** and record significant scaling-up of informal settlement upgrading.

Relocation and Resettlement Approaches

Relocation is the process of moving a section or an entire informal settlement from one location to another and resettlement is that of establishing a durable residency for relocated persons. In essence, the approach applies when the land on which the informal settlement is located is required for a different use or is unsuitable for human settlement. However, if incompetently administered, this can lead to evictions and violations of the inhabitants' rights. This was predominant in the 1960s and 1970s, when complete demolition of informal settlements was considered necessary to accomplish "clean" and "scenic" cities and towns.

Strongly linked to a series of unsuccessful cases, resettlement as an upgrading approach has been widely criticized and is no longer recommended in some quarters. This is, most importantly, because the common practice was to relocate the dwellers to a remote location, far from their previous one, which severely disrupted not only the community social links, but also the economic practices and social capital, and increased commuter distances, thus actively decreasing "beneficiaries'" potential to earn their livelihoods. This was further exasperated by the tendency of resettlement projects to be situated in high-rise buildings or blocks, with a structure and urban form fundamentally different from the original settlement, which ignored the positive values of urban form, such as social mix, mixed-use, and vibrant street life inherent in informal settlements. It also triggered urban sprawl, particularly when new sites were created far away from the urban core, opening up new frontiers for urban development, and triggering new informal developments in between.

Nevertheless, this approach remains relevant and, in various contexts, efforts have been undertaken

to reduce the extreme negative impacts through a combination of policy/legislation and good planning/design methods, including better connected sites for resettlements and executing projects through participatory processes. This is especially critical when relocation is inevitable, as there are informal settlements located in environmentally-sensitive areas and areas with high disaster risks where relocation and/or resettlement are the only viable option.

Specific Methods of Relocation and Resettlement

From a spatial dimension, relocation can be approached outside the settlement, that is, at an entirely new location, or within the settlement, for example, when an entire settlement is not affected and there is a suitable site within the existing settlement.

The former entails identifying a new location, preferably close to the area of origin, and prioritizes the location preference, safety, and security of residents. Resettlement can be combined with different methods, including site and services, where beneficiaries are offered a serviced plot in the resettlement area or even provided with occupancy-ready units or starter units. In other cases, resettlement can be a combination of a serviced plot or starter unit and access to credit to self-construct the full

unit or the occupation of entirely new neighborhoods. Depending on the context, a relocation site is either defined as nearby, not-so-nearby, or not nearby. For instance, the Baan Mankong Collective Housing program in Thailand identified “nearby relocation” as within 5 km of the original settlement and absolute “relocation” as more than 5 km from the original settlement.²⁷

Relocation and resettlement within a settlement

moves residents from one section of the settlement to another, perhaps because sections of the settlement are prone to disaster or have been acquired for development of critical city infrastructure. Residents are thus accommodated temporarily or permanently on the new site – this typically happens in relatively large settlements where space is underutilized and a section of the settlement is environmentally-unsuitable for occupation: for example, riverbanks or hillsides that pose risks of mudslides.

When considering options for relocation and resettlement, planners ought to include a citywide analysis of growth patterns in their decision-making. Thus subsequent citywide planning should designate strategic areas for planned city extensions, in-fill development, and for densification and redevelopment.



Informal Settlement Expansion-Kisauni, Mombasa © Digital Globe & Google Earth

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4



Outcomes of the Capacity-Building Session

4.1. Overview

On 13-15 July 2015, UN-Habitat, in collaboration with the KMP and the KISIP, held a learning session on integrated urban planning and informal settlements improvement. The session was designed as a follow-up to previous learning sessions that UN-Habitat had conducted in various counties. It also acted as follow-up to a joint retreat held in Naivasha in April 2015, which convened UN-Habitat and Kenyan governmental programs – KMP, KISIP, and KSUP – and which advanced a more integrated and collaborative approach in building the adaptive capacities for sustainable urban development in Kenya. The partners recognized the vital need to enhance the adaptive capacities at both national and county government levels towards more sustainable urban development. The previous capacity-building activities targeted county executive (technical officers) and assembly (political leaders) members.¹

Participants for July 2015 learning session were community leaders from over 20 informal settlements in Mombasa and five informal settlements in Kilifi County, as well as leaders of Local Urban Forums in these counties. Other participants included county governments (both technical officers and Members of County Assembly), the national government through KMP and KISIP, the World Bank, and the Civil Society Urban Development Platform.

4.2. Purpose and Objectives of the Session

The workshop aimed to enhance and complement the integration efforts of the KMP and the KISIP, both of which have an element of urban planning although at different scales. KMP Component 2 is on participatory strategic urban development planning (city/municipal scale) and KISIP Component 2 is on “Enhancing tenure security,” including strengthening settlement planning, while KISIP Component 4 focuses on “Planning for Urban Growth.” Thus, the two programs share the broader objective of attaining more inclusive and sustainable urban development in Kenya.

The specific objectives of the session were the following:

- 1. Enhance the integration of planning and settlement improvement** interventions at the citywide (municipal/town) and neighborhood (local) levels.
- 2. Promote shared visions** by understanding the roles of different actors and areas of convergence.
- 3. Provide a common understanding of fundamental urban planning processes** and promote a citywide emphasis on addressing informal settlements, including the issues and approaches to various challenges and opportunities in urban informality.
- 4. Provide an opportunity to build partnerships** to address informal settlements between communities, civil society, international development partners, the private sector, and government.

4.3. Structure of the 3-Day Learning Session

The first day outlined the overall schedule for the session, highlighted the work for both KISIP and KMP, and dwelt on background topics. The relevance of urban informality to policy debates on urban planning and development and the significance of participation were also discussed to deepen the awareness of the community leaders' on the wider issues and trends influencing the urban sector. The format for the day included presentations and open discussions, with a focus on the following specific topics:

- Importance of planning and relevance of conceptualizing urban informality as an integral part of urban centers; and
- The significance of participation and stakeholder engagement.

The second day tackled specific topics that address scaling up interventions at city and settlement levels; it was structured with introductory presentations, group discussions, feedback from groups, and open plenary. The topics covered were the following:

- Inclusive urban planning and development;
- Participatory tools for enhancing tenure security and land tenure;
- Integrating informal economy into urban planning;
- Various approaches to informal settlement improvements;
- Delivering low-cost infrastructure: water and sanitation; and
- Delivering low-cost and affordable housing.



Workshop Session © UN-Habitat/Jeremiah Ougo

Three teams were formed, each assigned with specific topics to discuss and present on the emerging issues within that topic to the general audience.

The third day focused mainly on the institutional frameworks and county-specific discussions. The main aim was to address institutional frameworks, as they are the drivers of transformation. The change addressed on days 1 and 2 cannot be realized without the existence of institutions that have the necessary adaptive capacities.

4.4. Opening Remarks

County Government of Mombasa² – Close to two-thirds of Mombasa's population (65%) reside in informal settlements and is likely to increase (especially in actual numbers) because of the rural migration anticipated because of the development of Special Economic Zones in the city. County efforts are likely to be overwhelmed by the high demand for low-cost housing that will emerge from the Special Economic Zones and calls were made for more partners to invest in low-cost housing delivery. At the same time, the county raised concerns over the on-going national programs of land titling in the informal settlements, especially with regard to the individual land tenure approach that has resulted in buy-outs and displacements. Rather, the county recommended efforts to develop informal settlement strategies that accommodate diverse approaches, incorporate all key stakeholders, and offer various options for security of tenure. Overall, the county is committed to urban planning and improving conditions in informal settlements.

County Government of Kilifi³ – Emphasizing that political leaders have a vital role to play in urban planning, Kilifi County expressed gratitude for the activities of the partners and assured continued support to urban planning and informal settlement programs. Through constructive politics, political leaders can mobilize public support, enact progressive policies, and reinforce budget programs related to urban planning and development. However, where planning ignores public interest or even contradicts popular demand, political leaders may be quick to withdraw support and, in turn, demobilize public support. Furthermore, when plans are formulated and not implemented in a timely and transparent manner, illegal and informal developments may be motivated in areas reserved for infrastructure and public spaces. During project implementation, which is usually after many years, the government is compelled to demolish such structures; a process that attracts vested political interests. Given this, the county

recommends that planning should be participatory and implementation executed efficiently to attain the visions developed in the participatory planning processes.

National Government, Urban Development Department⁴

– These participants highlighted the efforts undertaken at the national level towards sustainable urbanization and accelerated economic growth in Kenya. Among these is the review of the national legislation that governs urban planning and urban management; support programs, such as the KMP; on-going formulation of the Kenya Urban Programme and National Urban Development Fund; and the finalization of the National Urban Development Policy. Specifically, KMP Component 2, on participatory integrated development planning, will result in a Capital Investment Plan that will guide more structured implementation, an improvement from previous planning processes that produced physical plans without financial plans for implementation.

National Government, KISIP⁵ – The program started in 2011 and was to end in 2015. However, in 2015, it moved to a critical phase of plan implementation. During this phase, it intends to draw the key critical lessons for policy and approaches. It has thus been extended to end May 2018.

World Bank⁶ – A representative of the World Bank stressed the importance of deepening integration and learning across the KMP and KISIP as a fundamental strategy to enhance the impact of the programs and particularly to draw policy lessons for informing more sustainable urban development in Kenya.

UN-Habitat⁷ – A representative of UN-Habitat stressed the importance of engaging all key stakeholders in urban development processes and the need to institutionalize participatory processes. She indicated that UN-Habitat is committed to promoting best practices in addressing informal settlements and in urban planning, as well as expanding activities in Kenya.

4.5. Day 1: Setting the Agenda and Revisiting the Issues

The following sub-topics were addressed: the importance of urban planning, why urban informality matters, urban informality and spaces in Kenya, and the urban informal economic sector.

4.5.1. The Importance of Urban Planning

A presentation from UN-Habitat outlined the importance of urban planning at both the city/municipal scale and the neighborhood scale, even to the lowest level of the street. Urban planning ought to be institutionalized as a well-established function of the county governments. Importantly, flourishing societies need to embrace a culture of planning well, demonstrating that, although urban planning has been in existence across a diversity of communities, the approach matters in shaping the quality of urban



Nakuru street scene @ Flickr/Tom Kemp

spaces. Fundamentally, the presentation demonstrated to community leaders that urban planning could guide more sustainable urban development and act as a deterrent to the formation of informal settlements by employing pro-poor and inclusive urban planning.

Even where informal settlements emerge after planning, the implementation of a street layout would reduce the costs of subsequent interventions in comparison to interventions in haphazardly established informal settlements. In the former example, a good street network offers a basic foundation for reticulating utility infrastructure and improvement of the public space system. It is also easier to upgrade housing conditions or to undertake redevelopment/regeneration in settlements that already have a well-designed street network.

The opportunities presented by current urban development and those projected for future urban developments should be fully harnessed. The presentation underscored that planning should enhance integration and promote more inclusive and sustainable urban development, including, among other things, formulating plans that holistically address informal settlements in the context of the wider urban development.

4.5.2. Why Urban Informality Matters

This session demonstrated the scale of urban informality regarding both populations in informal settlements and the scale of the informal economy. A significant share of urban populations in developing countries reside in informal settlements and derive economic means informally; additionally, a significant number also rely on informal services for transportation, water and sanitation, amenities, garbage management, etc. However, mainstream urban planning and policy continue to isolate urban informality and insufficient efforts have been made to integrate it.

The session highlighted the following actions:

- **Embrace urban informality** – both informal settlements and informal economy;
- **Make urban informality a part of the city**, through integrated and inclusive planning and policy strategies;
- **Harness the potential in the urban informal economy** by improving the productivity and sustainability of the sector; and
- **Embrace the good qualities of built form exhibited by urban informality**, such as mixed use developments, compactness, social mix, social cohesion, etc.

County governments will have to make deliberate policy and planning interventions to address urban informality, because it is not a temporary phenomenon that can be wished away.

4.5.3. Urban Informality and Spaces in Kenya

This session sought to highlight some of the space manifestations of urban informality. Informality should be demystified as synonymous with the poor or low-income populations and redefined as a mode of urbanization that has shaped urban development. Subsequently, this has resulted in an urban form that has presented both significant challenges and opportunities. Importantly, gaps created in policy, planning, governance, legislation, and investments in both housing and infrastructure have significantly contributed to the poor living conditions associated with most of the informal settlements in Kenya.

The session called for policy makers and planners to rethink urban informality as a process inherent in the urbanization process; this requires a paradigm shift in planning approaches – especially towards more integrated approaches that address the totality of urban development, as opposed to the traditional dichotomy of formal and informal.

4.5.4. Urban Informal Economic Sector

This session emphasized the costs of benefit foregone by ignoring or under-investing in improving the informal economy. The sector absorbs the largest share of the urban labour force in Kenya; informal enterprises account for a significant fraction of Kenya's county/ municipal revenues and the incomes derived from the informal economy supports thousands of households. Despite these facts, conflict between authorities and informal economy enterprises are common; informal economies are not integrated in land-use planning of urban centers; and governments collect trading rates from the sector, but investment very little back in it. This conflict has resulted in increased risks for enterprises, leading to uncertainties and insecurity of trading; it has also been counterproductive to municipal revenues.

Planned retail markets and clusters of light industrial activities would not only result in job creation for the unemployed (e.g., youth and households economically struggling in informal settlements), but would also result in increased municipal revenues and enhanced urban inclusivity. Additionally, **designing streets to accommodate street vendors** in an orderly manner would improve street vending as an employment sector and would enhance mobility efficiency in cities, reduce congestion, and increase revenue collection from street

vendors. The action underscored in this session was for county governments to recast approaches to urban informal economic activities – from confrontation, neglect, and under-investments to integration – through policy, planning, and investments at citywide scales and to engage informal enterprises through structured participatory approaches, characterized by mutual partnerships and reciprocity in learning.

4.5.5. Participation and Stakeholder Engagement

For sound urban planning and interventions geared towards the improvement of informal urban settlements and the informal economy, the active participation of all key stakeholders is imperative. This implies, however, that views and outcomes of participatory engagement get reflected in the final decisions. Thus, the session sought to deliberate on the importance of participation, including the challenges that hinder achievement of meaningful participation.

Participation enables stakeholders to share ideas and aspirations for the future they want (develop shared visions) and presents them with an opportunity to be equal partners in shaping that vision. Participation is also vital for the socio-political sustainability of interventions. **Community ownership** over the programs and projects is rooted in the active participation of the beneficiaries. Indeed, some interventions have been rejected by the targeted beneficiaries, especially in top-down approaches that ignore stakeholder engagement. Partnerships and co-production opportunities are

leveraged through involvement. However, despite the benefits that participation presents, some challenges hinder its effective execution. A key lesson learnt from this session is that participation enhances the performance of urban planning and informal settlement upgrading intervention if the following questions are addressed:

1. **Who participates?**
2. **How can representatives of the community be accountable** to the communities they represent?
3. **Do the decisions of participants/community members influence the final decision?** How can they?
4. **What are the most effective methods of participation** in specific contexts?

These are important questions for planners and policy makers and, if well addressed, will contribute towards supporting an effective participatory environment for active engagement with stakeholders.

The session concluded with the following action points for policymakers:

1. Formulate policies, planning, and upgrading projects with an emphasis on meaningful participation and, where possible, involve target beneficiaries in the design of the projects.
2. Allocate sufficient funds for participatory activities during costing of projects.
3. Offer incentives for participation, such as ensuring that participants' views matter in final decisions and



Sunday market in Chaka, Kenya @ Flickr/Ninara

that there is constant communication and feedback during project execution.

4. Nurture a culture of participation in urban planning processes by expanding the avenues for participation.
5. Depoliticize participation and inspire objectivity in participatory processes.

Additionally, for communities and stakeholders to engage in meaningful participation, they must be well-informed about the issues at hand. Thus, there is need to ensure that communities understand the basics of urban planning, municipal management, development, etc.

Inadequate knowledge among community leaders of the language of planning, policy, and municipal budgets places them at a disadvantage in participation forums or during negotiations with governments or private sector investors.

During the capacity development sessions, the language barrier in communicating technical knowledge to informal settlement leaders or, for that matter, to the general public was observed as affecting the socio-technical uptake of planning and designs at the local level. The community leaders preferred communicating in the local Kiswahili language and this necessitated translations (English to Kiswahili) on several occasions. However, since Kenya's current planning and related policy documents are in English, local communities face difficulties in understanding them. Therefore, it

is critical for policymakers and planners to develop simple, locally-effective ways of communicating urban planning and policy, as well as increasing interaction with local communities during planning and municipal development processes.

4.6. Day 2: Thematic Sessions

The thematic sessions were covered through brief introductory presentations that outlined key concepts, followed by facilitated group discussions with feedback to the plenary. Three groups were developed, each with a representation of the various groups of participants: community leader, county government official (technical officer and political leader), national government, and UN-Habitat. The groups discussed the following topics:

Group A: **inclusive urban planning and development** and various approaches to informal settlement improvements.

Group B: **participatory tools** for enhancing tenure security and land tenure and **delivering low-cost infrastructure – water and sanitation**.

Group C: **integrating the informal economy** into urban planning and design and delivering low cost and affordable housing.



La Candelaria Plan Proposal © UN-Habitat/PLaR

4.6.1. Inclusive Urban Planning and Development

The introductory presentations demonstrated participatory urban planning projects in La Candelaria, Bogota, Columbia and Mathare Valley Informal Settlement, Nairobi, Kenya.

Key Issues:

- Planning with communities to integrate vulnerable or low-income households in the wider urban fabric.
- Planning to establish opportunities to enhance linkages between settlements and broader urban development by improving connectivity within and outside the settlement and fitting settlements within their spatial and functional context (within the wider urban fabric).
- Embracing the use of participatory planning and design to co-produce design proposals and action plans for implementation.
- Integrating community and expert knowledge in urban planning and design to enhance reciprocal learning and develop the capacity of community leaders in the articulation of planning issues.
- Appreciating different levels of planning and how they affect decision-making.

The group discussed how to approach planning and interventions at various scales and scope so as to enlighten community leaders on the effects of internal and external factors on decisions, as well as how understanding and inclusive planning can be fostered.

Action Points:

1. Some challenges can be addressed at the settlement level and others have to be settled at the district or city/municipal level. For instance, a storm water drainage problem in an informal settlement is likely connected to a district or citywide storm water infrastructure problem, including under-investment by the government or poor design of the overall network. A shortage of amenities in an informal settlement could be attributed to the poor location of facilities in the district or to accessibility challenges related to poor connectivity and public transportation.
2. Some challenges do not necessarily require spatial planning and design solutions, but can be better addressed through specific policies at the city level: for example, insecurity of land tenure sometimes requires both for a meaningful intervention.
3. Informal settlements are integral parts of cities and towns. Thus, citywide development plans should address their integration spatially (planning and infrastructure) and socio-economically (making land and housing markets work for the lower income groups, e.g.).

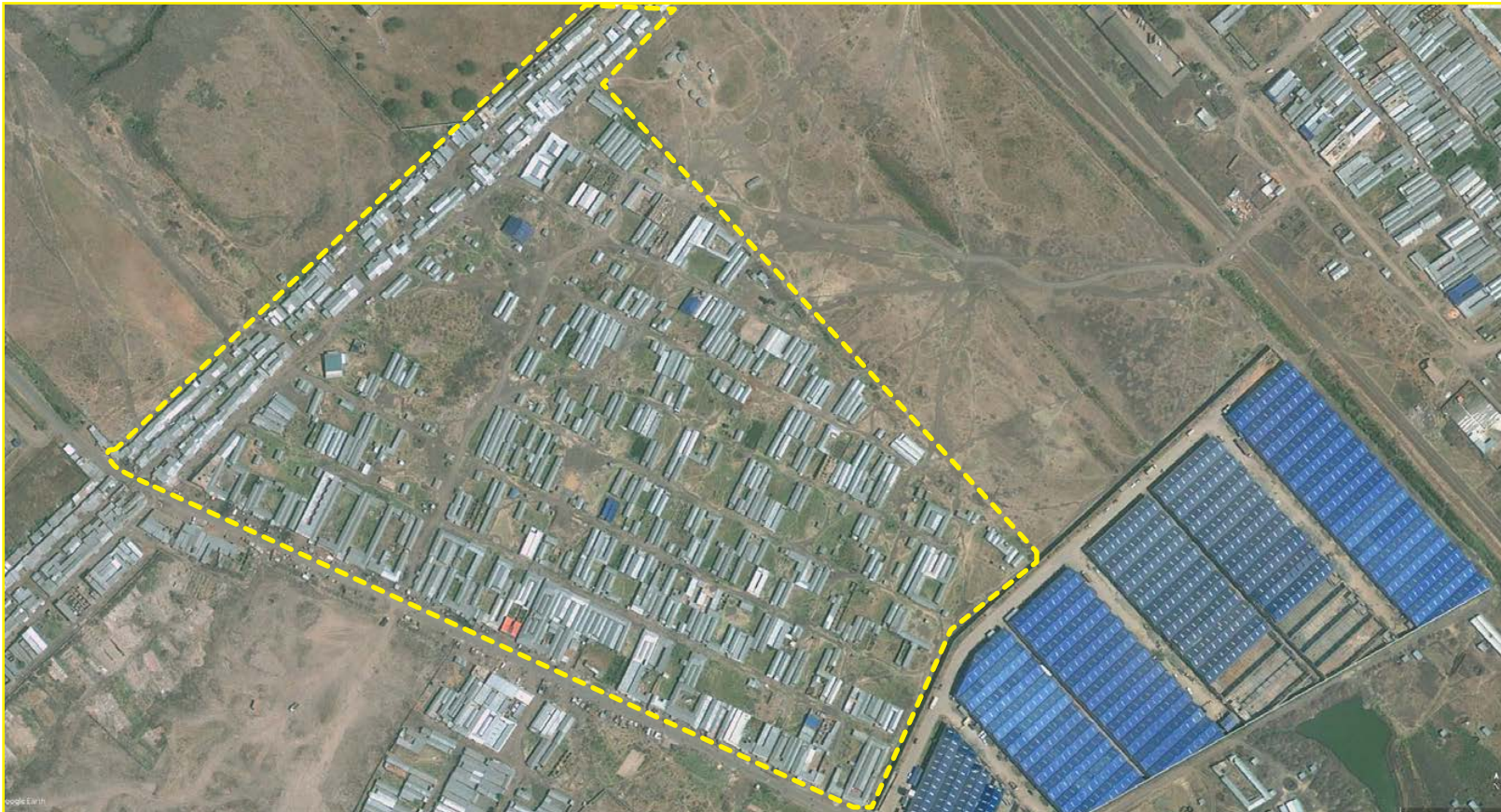
4.6.2. Participatory Tools for Enhancing Tenure Security and Land Tenure

The debate on tenure and, specifically, land tenure emerged in virtually all discussions across the various themes and, particularly, regarding historical land issues in coastal Kenya. Matters relating to granting individual land tenure in the settlements were highlighted, especially the sustainability aspect of this approach. The introductory presentation emphasized the importance of communities attaining security of tenure and the cumulative process towards such an attainment. It was evident that land security tenure was the priority issue of community leaders, who cited the absence of legal land ownership as leaving them vulnerable to land grabbers and evictions. At the same time, offering individual land tenure rights could be a paradox; some beneficiaries transfer the rights by selling the land and returning to reside in informal settlements.

Key Issues:

- Lack of tenure security is a common challenge in coastal informal settlements.
- Information sharing and communication in programs aimed at granting land tenure security is a major challenge to effective interventions.
- Beneficiary lists can be contested and, in some cases, irregularities and corrupt practices influence the identification of target beneficiaries.
- Tenure regularization projects usually take a long time and delays create room for manipulation, politics, and land speculation with the result that targeted beneficiaries are bought off even before projects are finalized.
- In the past, there has been a lack of trust between communities in informal settlements and government officers.
- Community knowledge of tenure options is low, subjecting it to manipulation and displacement driven by “cheap” buy-offs.
- Absentee landlords and “tenants-at-will” arrangements limit the voice of residents in agitating for tenure security.
- Politicization of tenure security and land tenure programs acts a major obstacle to the formulation of progressive policies on tenure security.

The plenary noted that the approach to the **issuance of title deeds in informal settlements, without combining such programs with economic empowerment, infrastructure development, and housing improvement, often leave most residents more vulnerable to displacements.** In this case, displacement takes the form of market-driven gentrification and even the voluntary disposal of parcels by beneficiaries.



Kiang'ombe, Nairobi © Digital Globe & Google Earth - Image Date 2011 **(before)**



Kiang'ombe, Nairobi © Digital Globe & Google Earth - Image Date 2016 **(after)**

Action Points:

- Informal settlement tenure regularization programs should provide communities with a deeper understanding of available tenure options and their implications.
- Accountability and efficiency in managing projects for tenure regularization should be enhanced, including by shortening programs'/projects' time frames.
- Policies that cushion beneficiaries from displacement forces, such as restrictions on the transfer of property rights and combining economic empowerment with tenure regularization programs to avoid "cheap" buy-outs, should be developed.
- Communities and policy makers should engage on a deeper understanding of the concept of tenure security.
- The integration of participatory tools and GIS in tenure security programs, such as the Social Domain Tenure Model and Participatory Settlement Enumerations, should be enhanced.

4.6.3. Integrating the Informal Economy into Urban Planning

Among the reasons cited for the vulnerability in informal settlements was the survivalist nature of some of the informal economic activities, although there are some that are more productive. The disparities relate to various factors, including the location of such activities, the value of invested capital, and the impact of policy (e.g., by-laws on hawking). Nevertheless, there is significant unharnessed potential within the informal economy that is held back by policymakers' inaction or piecemeal action.

Key Issues:

- The inadequacy of basic infrastructure services, such as water and sanitation, electricity, and transportation, is, by itself, the greatest impediment to local economic development. Households are forced to spend much of their incomes meeting these necessities and business cannot thrive.
- Communities value the development of infrastructural assets, as they consider these to be the foundation for local economic development.
- Community leaders raised concerns that upgrading informal settlements is mainly outsourced to private sector firms, sometimes international ones, that lock out locals from benefiting from the value chain created by these development programs.
- In addition to the impact of infrastructural underdevelopment, entrepreneurship is often hindered by the tenure insecurity, the inability to access credit, inadequate support from the formal market and financial sectors, and inadequate support from local authorities.

Action Points:

1. County governments and international development partners ought to design support programs targeted at local economic development in informal settlements.
2. Inclusive urban development policies and plans should explicitly address the needs of informal economies; hence, county governments should reform current urban policies to make integration of the informal economy more feasible.
3. More integrated urban planning, which prioritizes the equitable distribution of public infrastructure investments and planning regulations that support local economic development, such as mixed-use developments, should be embraced.
4. Room should be created for community contracting in informal settlement upgrading programs.
5. The community should be educated on entrepreneurship and resource pooling should be promoted for local economic development.

4.6.4. Various Approaches to Informal Settlement Improvements

This session enlightened community leaders and policy makers on different options for improving informal settlements. The introductory presentations pointed out that such approaches ought to be framed under a city/municipal-wide strategy and/or by a county policy for informal settlements. The former was recommended as the overall guide to inform the necessary approach for a specific informal settlement. This strategy is important in the sense that it provides a systematic and more sustainable approach to informal settlements by considering the feasibility of individual methods, as they resonate with specific settlements in a city/municipal.

These decisions should be based on thoroughly analyzed data and in consultation with stakeholders.

Understanding the Various Approaches:

The session dwelt on three broad approaches (as discussed in Chapter 3), where community leaders were sensitized on the applicability of specific approaches, as well as the basic conditions for implementing them:

- In-Situ Incremental Upgrading: this involves gradual improvements to the physical, social, and economic environment of an existing informal settlement without displacing the inhabitants. Activities include installation of basic infrastructure and legalizing/regularizing property tenure, as well as basic improvement in the quality of housing.
- Re-blocking and Redevelopment: redevelopment entails a significant transformation in a settlement's built form, including the demolition of existing structures and development of new buildings with new



Incremental Tenement Construction in Embakasi, Nairobi © Baraka Mwau

densities and layout. Re-blocking changes the basic layout of a settlement to open up spaces and provide conduits for infrastructure reticulation and basic shelter improvement. If well structured, both can be planned and phased to allow incremental improvements.

- Relocations and Resettlements: circumstances may dictate that resettlement and relocations are the only viable intervention (e.g., settlements located in disaster prone or environmentally sensitive areas). Resettlement is moving households to suitable land, away from the actual settlement. Relocation is moving households within the settlement, due to environmental issues or development projects. For example, some settlements in Mombasa have encroached on environmentally sensitive assets like oceanfront and mangrove forests (e.g., along Tudor creek).

For each approach, community leaders were taken through the basic elements, the roles of different actors, and the apparent advantages and disadvantages.

Action Points:

1. County governments must formulate informal settlement policies and city/town-wide strategies for informal settlements in each urban center in order to provide a responsive framework for sustainable interventions.
2. There cannot be a one-size-fits-all approach to addressing informal settlements; hence, local context should be well analyzed to design appropriate interventions.
3. In view of this, reliable data and information, combined with meaningful community participation are critical to determine what intervention suits a particular settlement/context best.
4. Policymakers and planners ought to offer communities alternatives and create awareness of respective advantages and disadvantages.

5. The approach should be inclusive, minimally disruptive to livelihoods and the social fabric, financially feasible, enhance local economic development, and retain long-term benefits.

4.6.5. Delivering Low-Cost Infrastructure: Water and Sanitation

Meeting the infrastructural demands in informal settlements is a major challenge for municipalities/counties in Kenya. Increasing densities and populations in these settlements compound the backlog. Public investments in infrastructure services for informal settlements are too small, despite the fact that most urban dwellers reside in these settlements. **To bridge the gap created by formal systems, informal service delivery systems have emerged.** Interestingly, these services develop purposely to harness the business opportunity created by the scarcity of formal services and are motivated by the willingness-to-pay (for the informal services) by the residents.

Key Issues:

- Comparatively, informal electricity services attract higher costs than formal electricity services. In many informal settlements, informal electricity connections were restricted to “per bulb” charges or pegged on a flat monthly fee for services that are unreliable, inadequate, and risky. Nevertheless, the willingness-to-pay for better electricity is assumed to be high within informal settlements’ households.
- Overall, despite the emergence of informal service delivery systems, basic infrastructure services are highly inadequate in informal settlements.
- Conventional infrastructure delivery methods are increasingly unable to match the infrastructure needs in informal settlements.
- Community involvement in infrastructure delivery is minimal, which results in vandalism of infrastructure, including those developed through government programs and international development organizations.
- Effective planning, design, and execution of infrastructure projects remain a major hurdle to sustainable interventions. For instance, a community leader from Mombasa gave the example of a recently constructed toilet block in his community, which has been rendered unusable due to failure to connect it to water supply systems. The block has been vandalized, with little intervention from the community, who few incentives to protect it, owing to its inability to offer sanitary services. Another cited example was ongoing electrification in several informal settlements. The power company did not involve the community and there was no layout plan to guide the network’s installation, resulting in the haphazard location of poles, with some



Workshop Session © UN-Habitat/Jeremiah Ougo

standing on the center-lines of roads and footpaths, thus introducing unnecessary obstructions.

- There is also little integration of informal settlements' infrastructure needs during city/municipal-wide planning for investments in infrastructure.

Action Points:

1. Recast the approaches to infrastructure needs in informal settlements, which are in fact the infrastructure needs of the city/municipal; hence, planning for city/municipal-wide infrastructure programs and projects should consider informal settlements as integral urban areas or, even better, as areas of priority.
2. Policy and practice should innovate and embrace alternative models of delivering basic services in informal settlements and, more generally, in urban centers. The conventional models of connecting to networked city or regional infrastructure grids is lengthy, costly, and probably does not match the current demand (backlog, suppressed, and projected), given resource scarcity.
3. Community participation in the production of infrastructure services should be prioritized. Communities are not only critical in ensuring local ownership of projects, but they can also play a significant role in co-financing and asset management, helping to reduce costs associated with infrastructure delivery.
4. It is equally important for governments and policy makers to reform the standards and regulations of infrastructure delivery. Current policies, standards, codes, and regulations are inflexible to adopting new models, technologies, and solutions; policy, urban planning, and engineering standardization ought to be progressive and facilitative.

4.6.6. Delivering Affordable Housing

Delivering low-cost housing is closely related to low-cost infrastructure delivery. In conceptualizing adequate housing, access to adequate infrastructure must be considered. Simply put, the availability of low-cost infrastructure contributes to building low-cost and affordable housing. This session discussed some variables to be considered in delivering low-cost housing, such as **financing, building and construction technology, design aspects, land, and infrastructure.**

Adequate housing includes aspects of thermal comfort, ventilation, weather elements, privacy, cultural requirements, sanitation infrastructure, and adequate space. A typical formal housing project has the following phases: planning, provision of services, actual construction, and occupancy. Typically, the informal housing process is the reverse: construction starts the process, followed by occupancy, and authorities may later intervene with planning and regularization in an effort to retrofit and upgrade the settlement or even to grant it just a formal status.

Key Issues:

- Informal housing markets have managed to produce affordable housing, although it is highly inadequate when fundamental variables, such as occupancy capacity, accessible infrastructure services, and quality of living spaces, are considered.
- A significant number of informal housing market customers are tenants, which has implications for participation and for deriving lists of beneficiaries, particularly when land and housing delivery is targeted.
- Inadequate policy support in private sector delivery of affordable housing is a major challenge in scaling up adequate housing efforts in urban centers.
- Recent investments in informal settlements are biased towards infrastructure, with negligible investments in housing. These infrastructure investments have also not been designed to provide a solid basis for establishing housing upgrading projects, such as the haphazard reticulation of water and electricity lines. In the eventuality that a housing project is started, planners and architects often have to reconfigure reticulation in order to attain a sustainable upgrading.
- It is critical to link land titling (tenure security) with housing improvement and socio-economic empowerment strategies. The on-going land titling processes in Mombasa and Kilifi informal settlements focused on legal land tenure security, but lacked strategies to support beneficiaries to develop improved housing and income earnings. Whereas beneficiaries can use the legal land titles as collateral to access credit and mortgage, a good number opted to sell the land,

Box 4.1: Constraints on Affordable Housing in Kenya

1. **High Cost of Land** – Developers estimate that the price of a serviced plot constitutes up to 60% of development costs. Kenya’s property registration system is inefficient and contributes to the high cost of land. This leads to corruption and deters investors.
2. **High Cost of Formal Construction** – The cost of building materials varies widely between the informal and formal housing markets. In comparison, material costs in the formal market are high and the expense of building appropriate buildings is often increased by various tax policies. Also, the inefficiency of the construction market and the limited capacity of construction firms constrain the country’s ability to build housing on a large scale.
3. **Limited Access to Housing Finance** – There are fewer than 20,000 mortgages in Kenya, as the mortgage market is inaccessible to lower income households, although micro-finance institutions provide an opportunity for access (albeit at high interest rates). However, there is some progress in the micro-finance sector.
4. **Inappropriate Taxes and Regulations** – Taxes and fees affect affordability and whether properties are formally registered. The existing building code was passed in 1968 and is based on the British building codes of 1926 and 1948. It is limiting with regard to using alternative technologies for construction. A new building code promulgated in 2009 has yet to become law. Existing regulations that protect tenants discourage landlords from providing formal low-income rentals, including the Rent Restriction Act (Cap. 296) and the Landlord and Tenant Act, which provide protection for households with rents at or below KSh2,500 a month (a figure that applies to unregistered housing units in informal settlements).
5. **Government Efforts to Address Constraints are Limited and Expensive** – This includes the government’s housing budget, which does not reflect its constitutional commitment to adequate shelter. Informal settlement upgrades are costly and inefficient. The National Housing Corporation, a government parastatal, offers housing units that are not affordable for low- and moderate-income families: the majority of its properties are priced from KSh4.5 million (US\$50,000) to KSh13 million (US\$142,857). In 2009, the then Ministry of Housing unveiled incentives for developers to build at the lower end of the market, but developers have not taken them up because of their unattractiveness – profit margins and bureaucracy).
6. **Private Sector and Civil Society Efforts to Address Constraints are Effective but Small Scale** – The private sector is attempting to increase access to affordability with no government support. Small community savings and land-purchase programs have made housing accessible for lower-income people.

Source: World Bank. (2016b). *Kenya Urbanization Review*. World Bank: Washington, D.C.: 74-78.

often to well-off citizens, resulting in gentrification and displacements. Even worse, community leaders cited the land titling beneficiaries – who sell off their land – tend to revert to living in informal settlements, thus aggravating the wider challenge.

Action Points:

1. Formulate enabling policies for low-cost housing development, scale-up existing innovative approaches, and introduce new approaches to housing delivery, including collective housing development programs nationally and at the county level.
2. Involve the private sector more actively in the delivery of low-cost housing and especially in upgrading informal settlements.
3. Integrate housing and economic empowerment into land tenure regularization programs to enable beneficiaries to access credit/financing to upgrade housing or even undertake redevelopment where commercial/income interests are balanced with residential interests. This is critical considering that gentrification and displacement are common in the settlements awaiting land tenure regularization.
4. Harness the residential property potential in informal housing markets by capitalizing on the opportunities and potential within the informal housing market; locate various informal settlements in proximity to employment areas and amenities.
5. Revisit the implications of structure owner/“landlord”-tenant relations in property-led renewal, with particular emphasis on equity and inclusion.
6. Employ comprehensive long-term planning to orient phased/incremental upgrading in order to optimize value for investments at each phase.

4.7. Day 3: Enabling Action

The third day (half-day session) of the workshop dwelt on the institutional issues that confront urban planning and informal settlements upgrading in Kenya.

4.7.1. Making Institutions Work: The Cornerstone of Implementation

In order to scale-up efforts in improving living conditions in informal settlements and in enhancing more integrated urban planning at the city/municipal level, there has to be an **efficient institutional framework** and, overall, **good urban governance**.

The institutional framework includes governmental institutions charged with planning and delivering various services, the policies and legislation that govern these institutions, and management systems. **Coordination is crucial** for the efficient functioning of municipal institutions; yet, it is often lacking. In Kenya, effective urban boards, coupled with effective interdepartmental coordination in county governments, are critical to implement informal settlement upgrading and urban development plans. Equally important is the coordination between the two arms of county governments – the assembly and the executive – and across the two tiers of government – national and county. Indeed, in the past, most of informal settlement upgrading programs have come from and been operated by the national government, including the KISIP. In order to enhance the

efficiency of implementing such “top-down” projects, lower levels of government must be actively involved, as well as respective urban boards and local communities targeted. Consequently, both **horizontal and vertical coordination are imperative for successful planning and implementation** of such interventions.

Further, **sound institutional frameworks must integrate non-governmental actors, specifically the private sector and civil society organizations (CSOs)**. For the latter, structures for proper coordination of their work in informal settlements and at the municipal scale must be developed to promote integration, complementarity, and consistency and to limit duplication. At the same time, governments were encouraged to collaborate with CSOs in planning and implementing projects as a way of leveraging additional resources and promoting the social-political sustainability of interventions.

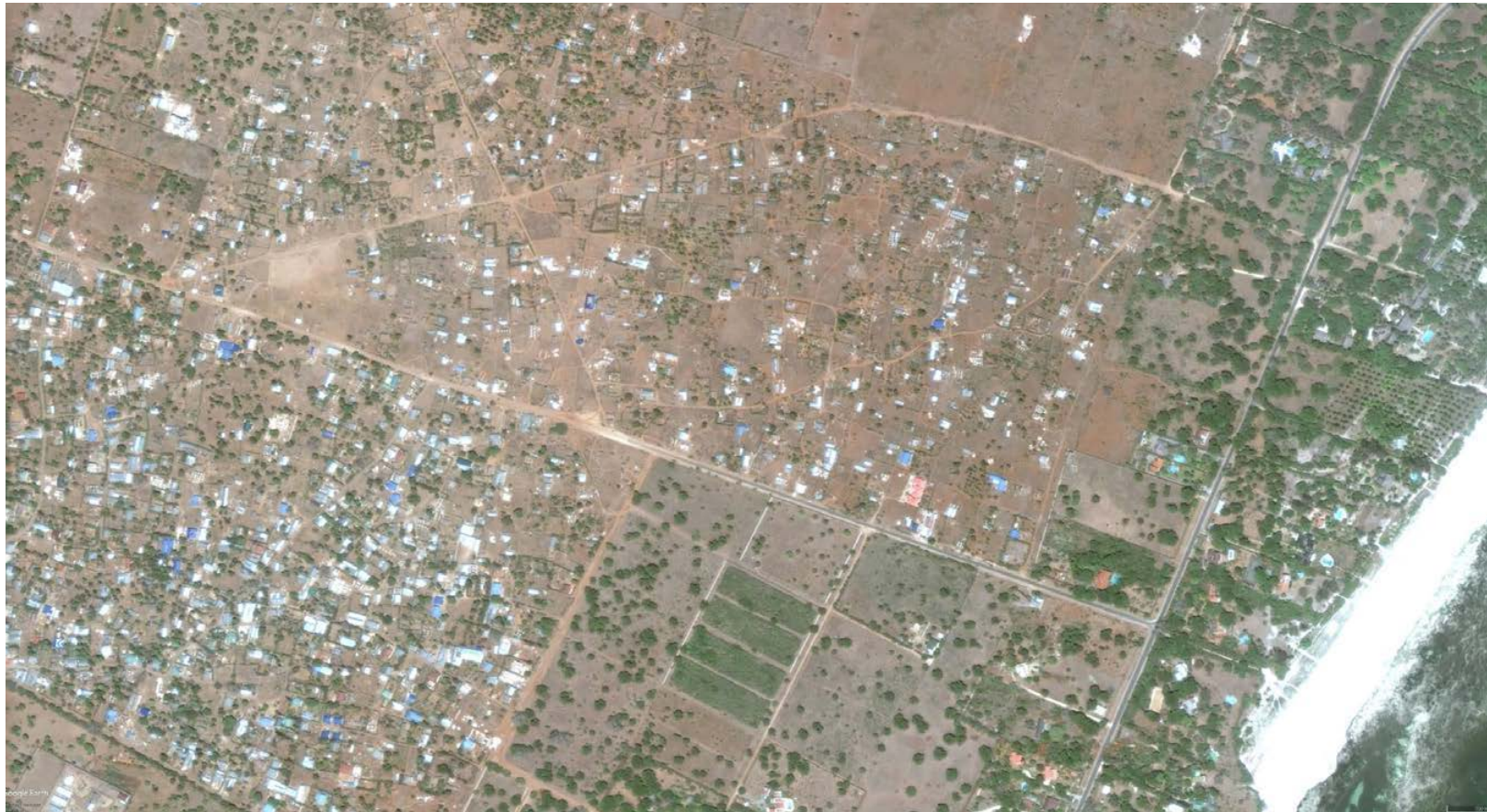
Well-functioning institutions also have effective policies, plans, and strategies aimed at promoting inclusive and sustainable approaches to urban planning and development. Among others, county governments should formulate county/urban scale plans that are integrated and address issues of informal settlements and marginalized groups. At the same time, each urban center should have an elaborate informal settlements strategy. Such plans should be well integrated and harmonized within counties’ fiscal plans, which are derived from the Integrated County Development Plans (IDePs).

County governments have **inadequate legislation to govern and guide various aspects of urban planning and development**. Even nationally, the Physical Planning Act requires amendments to align it with the devolved government system; similarly, the Urban Areas and Cities Act needs amendments, especially on categorization of urban centers and subsidiary legislation (guidelines) to operationalize its implementation. For instance, from the Urban Areas and Cities Act, it is not clear how boards will manage cities and towns, what departments will be established, how they will be run, and how they will be coordinated.

Lastly, informal and/or traditional governance systems are influential in informal settlements, extending their power beyond simply providing legitimate leadership within the communities to encompassing land administration and management, as well as urban planning and project implementation. The locally legitimate leadership, “Wazee wa Mtaa” (Village Elders), should also be acknowledged. Formal systems, therefore, need to recognize the role of these informal systems in urban planning and management.



Aoko Road Street Market, Nairobi © George Kirui



Mtwapa Expansion, Kilifi County © Digital Globe & Google Earth - Image Date 2011

4.8. Way Forward

The session concluded with closing remarks from the various stakeholders. Overall, the participants found the workshop useful and important for the implementation of the KMP and the KISIP and called for greater coordination across the activities of the two. The workshop raised important policy lessons that the stakeholders should address to accelerate urban reforms in Kenya. **Community leaders encouraged the organizers of the learning session to develop it further – reaching out on the national scale and providing resource materials tailored to community leaders and the general public on matters of planning and design, policy, and documentation of good practices.** Notably, the participants observed that community leaders play a significant role in dealing with the informal settlements challenge; hence, their knowledge of urban planning, public policy, budgeting, and revenues needs to be enhanced.

Notes

1. UN-Habitat. (2015d). UN-Habitat Support to Sustainable Urban Development in Kenya. Report on Capacity Building for County Governments under the Kenya Municipal Programme. Vol 1. UN-Habitat: Nairobi.
2. Chief Executive Officer, Francis Thoya, and Director of Urban Planning, Jabu Salim, Mombasa County.
3. Member of County Assembly, Adamson Mwathethe, Kilifi County.
4. Solomon Ambwere, Urban Development Department.
5. George Arwa, KISIP.
6. Sheila Kamunyori, World Bank.
7. Kirstin Sommer, UN-Habitat.

5



Conclusion and the way forward

Urban informality is in many contexts a key area to address in planning for more inclusive and sustainable cities and towns. Identifying relevant and effective approaches to integrate urban informality, especially in urban planning and development requires a good understanding and awareness of the underlying factors, dynamics, as well as social and cultural underpinnings at city or town scale, but also at individual settlement level or with regards to specific informal economic activities. Drawing from the background research and findings from the capacity building workshop, this report therefore makes the following conclusions, which speak to various stakeholders and groups including: national government and county government policy makers, planners, civil society leaders (NGOs and Community Organizations), as well as development partners and other key actors.

First, is the need for an effective institutional framework, within which working procedures and methods build upon an inclusive approach to urban planning and development. This entails establishment of inter-disciplinary decision-making platforms that brings together various representatives of the urban development actors such as public policy makers, planners, housing developers, financial institutions, civil society groups and political leaders etc. This institutional set-up ought to be supported by sufficient and quality data and information in order to facilitate better informed decisions, but also to establish a solid foundation for urban planning interventions and for the measurement of impact.

Secondly, it's important for decision makers to acknowledge urban informality as an important and contributing factor to urban development and growth, within which potential for development can be harnessed. The informal economy (including informal service delivery systems) is under-recognized and often in conflict with the authorities; thus, it is not considered in official plans or policies. It is therefore critical to

establish an integrated city-wide approach to address urban informality, e.g. by linking informal settlement improvements to other planned city-wide development interventions. Besides, it also entails integrating the spatial and policy needs of informal economic activities during urban development planning. An integrated intervention requires the application of the relevant urban planning approaches; legal frameworks and financial mechanisms that provide an implementation based and target-oriented platform for effective impact. Indeed, informal settlement prevention and improvement is better addressed at scale through well-established city-wide programs, policies, and strategies, along with dedicated budgets, and within an environment of organized and coordinated communication, and collaboration between public authorities and stakeholders.

Thirdly, it's also noted that participatory processes are part of the critical building blocks towards inclusive and sustainable interventions. The failure to execute effective community participation has often resulted in the poor performance of interventions - relating to both planning and implementation of projects. Decision makers must therefore recognize the value of participatory processes in optimizing interventions and at the same time, communities should understand the relevance of urban planning strategies and their options, rights, and possibilities. Indeed, active participation, where the views of stakeholders count in decision-making, needs to be expanded.

The fourth key point of conclusion is that approaches to informal settlements improvement have to be designed in a holistic manner. The traditional issue-focused (e.g. by only focusing on security of land tenure regularization, water supply etc.) often limits opportunities for sustainability. A holistic approach will, for example, limit some of the negative impacts associated with programs designed to specifically regularize land tenure for individual beneficiaries; which often ends-up triggering

market-induced displacements where beneficiaries are bought out relatively cheaply due to their lack of capital and overall, their inadequate capacity to improve housing and incomes despite benefiting from land tenure regularization. This implies that informal settlement improvement programs have to be designed in a manner that they address the core issues especially housing, basic services and amenities, economy and livelihoods, security of tenure within the framework of an integrated program. Often, such interventions are undermined by scarce fiscal resources, poor project planning and design, lack of supporting policies and institutions, etc. These obstacles ought to be addressed at all strategic levels: national, county and urban levels.

The fifth point of conclusion is that in order to effectively address informal settlements in Kenya's urban sector, there is need for effective coordination (horizontally and vertically) and sustained efforts in the long-term and at all levels: national, county, and

city/town. It will also require improved coordination between different spheres, including urban planning and design, urban management, municipal finance, and capital expenditure, policy and legislation, land administration and management, and housing and property markets.

Finally, it was observed that this type of capacity-building sessions foster dialogue and debate between the different actors in urban development. Subsequently, the sessions add value to the process of building the requisite adaptive capacities especially at county and city/town levels. It is therefore essential for the various actors and partners to up-scale investments in capacity development and partnerships, and in supporting integrated urban planning and urban development financing. This indeed resonates with the approach of the New Urban Agenda which recognizes the need to empower all key actors towards meaningful engagement in shaping sustainable urban development.





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Annex Appendix 1: List of Participants

13-15 July 2015: UN-Habitat three-day Learning Session for Community Leaders

NAME OF PARTICIPANT	COUNTY/ORGANISATION
Issa Kame	Mombasa /Community Leader
Victoria A. Ogutu	Mombasa /Community Leader
Saumu Mwidadi	Mombasa /Community Leader
Khamisi Karisa	Mombasa /Community Leader
Mwanatumu Mwinyi Khamisis	Mombasa /Community Leader
Kioko D.P.M.	Mombasa /Community Leader
Rose Cholo Manyalo	Mombasa /Community Leader
Mwanzia Malonza Muthoka	Mombasa /Community Leader
Doral Josia	Mombasa /Community Leader
Sidi Saro	Mombasa /Community Leader
Julis Lewa	Mombasa /Community Leader
Andrew Mwasi	Mombasa /Community Leader
Salim Mohammed	Mombasa /Community Leader
Harry Hassan Ngao	Mombasa /Community Leader
Joshua A. Daido	Mombasa /Community Leader
Rashid Shilingi	Mombasa /Community Leader
Victoria Haboya Galana	Mombasa /Community Leader
Chai Joseph Karisa	Kilifi/Community Leader
Nicholas Samini Mwangala	Kilifi/Community Leader
Christopher Kaingu Kenga	Kilifi/Community Leader
Lawrence Mazera Mwangiri	Kilifi/Community Leader
Nelson Kilumo Ruwa	Kilifi/Community Leader
Jackson Mwanyae	Kilifi/Community Leader
Gladys Johnson Kalume	Kilifi/Community Leader
Mwagandi Albert Njama	Kilifi/Community Leader
Mbodze Chipa Nyamawi	Kilifi/Community Leader
Mashombe Morris Ngundo	Kilifi/Community Leader
Francis Jilani Mwabonje	Kilifi/Community Leader
Joseph Ouma Otieno	Kilifi/Community Leader
Bahati Ismael Gandhi	Kilifi/Community Leader

References

Pascal Jilani Kahindi	Kilifi/Community Leader
Godfrey Karume	Kilifi/Local Urban Forum
Kashero Chinyaka	Kilifi/Local Urban Forum
Halima Mohamed	Mombasa /Local Urban Forum
Penuel Nyagaka	Mombasa/Local Urban Forum
Lawrence Kazungu Kilabo	Kilifi County Assembly
Adamson Kadenge Mwachethe	Kilifi County Assembly
Nasser R. Suleiman	Mombasa County Assembly
Hamisi Mwachashiri	Mombasa County Assembly

NAME OF PARTICIPANT	ORGANISATION
Sheila W. Kamunyori	World Bank/Kenya
Reuben Ngeti	Kilifi County Government
Francis Thoya	Mombasa County Government
Jabu Mohamed	Mombasa County Government
Richard Ayore	Kilifi County Government/KISIP
Jacinta Makau	Kilifi County Government/KISIP
Rose Munupe	Mombasa County Government/KISIP
Rahab Mukolwe	Mombasa County Government/KISIP
George Arwa	State Department For Housing and Urban Development/KISIP
Solomon Ambwere	State Department For Housing and Urban Development/KMP
Isaac Mungania	State Department For Housing and Urban Development/KMP
Mercy Kimani	State Department For Housing and Urban Development/KMP
Daniel Sakwa	State Department For Housing and Urban Development/KMP
Peter Chacha	State Department For Housing and Urban Development/KMP
Elizaphan Kibe	State Department For Housing and Urban Development/KMP
Mary Ndungu	State Department For Housing and Urban Development
Rael Ruto	State Department For Housing and Urban Development
George Wasonga	Civil Society Urban Development Platform
Shem Wachira	Civil Society Urban Development Platform



Appendix 2: UN-Habitat Capacity-Building Team

Name	Branch/Unit
Klas Groth	Urban Planning and Design Branch
Yuka Terada	Urban Planning and Design Branch
Salvatore Fundaro	Urban Planning and Design Branch
Baraka Mwau	Urban Planning and Design Branch
Elijah Agevi	Urban Planning and Design Branch
Geoffrey Olouch	Urban Planning and Design Branch
Yoel Siegel	Urban Economy Branch
Kerstin Sommer	Housing and Slum Upgrading Branch
Joshua Mulandi	Housing and Slum Upgrading Branch
Melissa Permezel	Housing and Slum Upgrading Branch
George Gachie	Housing and Slum Upgrading Branch
David Mann	Housing and Slum Upgrading Branch

Appendix 3: Programme of the 3-Day Learning Session

Day 1

Facilitator: Elijah Agevi

START TIME	TOPIC	PRESENTER/ FACILITATOR
8.00-9:00	Opening	
	<ul style="list-style-type: none"> • Welcome speech by UN-Habitat (10') • Welcome speech by KMP (10') • Welcome speech by KISIP(10') • Welcome speech by Mombasa/ Kilifi (15') • Programme Overview (15') 	UN-Habitat/Kerstin Sommer KMP (Solomon Ambwere) KISIP (George Arwa) Mombasa/ Kilifi Counties UN Habitat
9.00-10.15	What is Going on in Your Area?	
	<ul style="list-style-type: none"> • KMP and on-going project in Mombasa/ Malindi (20') • KISIP and on-going project in Mombasa/ Kilifi (20') • UN Habitat and on-going project in Kenya/Kilifi (20') • Workshop overview 	KMP KISIP UN Habitat, Elijah Agevi
10.15-10.30	Morning Break (15')	
10.30-11.30	Urban Informality as Part of our Urban Centers	
	<p>What is happening in the world and Kenya? (Trends and the implications)</p> <ul style="list-style-type: none"> • Why planning matters with regards to urban informality (residential and socio-economic function of urban informality)? • Why do we need to address urban informality? • How does it relate to everyday life? • (2 case studies from global experiences) • Urban informality and spaces in Kenya: The opportunities/ how it has been addressed and the Key issues in coastal area. • (case study or 1 experience in Kenya) 	City Planning Extension and Design Unit (CPEDU)/Yuka Terada/Salvatore Fundaro Baraka Mwau
11.30-12.15	Discussion (45')	All/Elijah Agevi
12.15-14.00	Mid-day Break (105')	

14.00-14.20	Urban Informality as Part of our Urban Centers (continued)	
	Urban informal economy and why it matters to urban planning and development • How can urban scale planning enhance local economy?	Yoel Seigel
14.20-15.00	Participation and Stakeholder Engagement	
	<ul style="list-style-type: none"> • Who really gets involved in decision making and eventually development? (Actors and their roles) • Why is it very important to participate in planning and development processes? (at city level and settlement level) • The policy provisions available in Kenya-that guide public participation. • How can community voices become crucial in decision making processes? (Enhancing meaningful participation). • Case study of community engagement and results (Afghanistan case, PSUP work etc.) 	Joshua Mulandi/Slum Upgrading Unit-Participatory Slum Upgrading Programme (PSUP) team
15.00-15.45	Discussion (45')	
15.45-16.15	Closing remarks	All/
	Follow-up /Evaluation	Elijah Agevi

Day 2

Facilitator: Elijah Agevi

START TIME	TOPIC	PRESENTER/ FACILITATOR
8.00-9.00	Opening and Overview	
	<ul style="list-style-type: none"> • Welcome, Recap of Day 1 and overview of the day (10') • Introduction and brief explanation of activities (10') • Brief introduction to Topics: • What is inclusive planning? –neighborhood level to city wide level (15')+Cases • Understanding ownership and how does it relate to urban development (10')+Cases • Understanding informal economy and how can we can integrate it into urban planning processes? + cases (10') 	Elijah Agevi Elijah Agevi Salvatore Fundaro PSUP/CPEDU Yoel Siegel
9.00-10.15	Group Exercise A : Group One- Inclusive Urban Planning & Development	
	<ul style="list-style-type: none"> • How can we enhance inclusivity in urban planning –Global case • How can planning in informal settlements contribute towards inclusive development? Local case-Mathare community-led planning: Connecting the neighborhood into the bigger picture-of urban development. • Key Group Discussion issues: • How can planning in your urban center result to inclusive development? • What are the likely challenges? • Way forward 	Salvatore Fundaro/ Baraka Mwau 1 KISIP 2 KMP 2 County Officers
9.00-10.15	Group Exercise B: Land Tenure and Security of Tenure	
	<ul style="list-style-type: none"> • What are the issues in tenure? • What are possible tenure options and the tools • Case studies: on rand-readjustment, site and service schemes, land sharing etc. <p>Key Group Discussion issues:</p> <ul style="list-style-type: none"> • What are the tenure-related issues in your settlement? • What tenure options are preferable in your context? • What would it be the obstacle to solutions? • Way forward 	CPEDU/PSUP 1 KISIP 2 KMP 2 County Officers

References

9.00-10.15	Group Exercise C : Informal Economy Into Planning and Design	
	<ul style="list-style-type: none"> • Approaches to integration-Sharing international and local case studies (e.g. Kiambu). • Key Group Discussion issues: • What is the importance of informal economy in your context? • How can relate the cases into your neighborhood? • What are the likely obstacles and their solutions? • Way forward 	<p>Yoel Siegel</p> <p>1 KISIP 2 KMP 2 County Officers</p>
10.15-10.30	Morning Break (15')	
10.30-12.15	Group Presentations and discussion (105')	
	<ul style="list-style-type: none"> • Group A (15')+ Discussion (15') • Group B (15') + Discussion (15') • Group C (15') + Discussion (15') • Summary & General Issues(15') 	
12.15-14.00	Mid-day Break (105')	
14.00- 14.30	Introduction to Exercises	
	<ul style="list-style-type: none"> • Various Approaches to Informal Settlement Improvements (Policy interventions, redevelopments, relocations, in-situ upgrading, re-blockings, off-site rehousing etc.)+ Cases and Key issues • Understanding low-cost infrastructure: What kind of options can be considered + Cases • Understanding low-cost and affordable housing + Cases?(10') 	<p>Kertin Sommer/David Mann/Baraka Mwau</p> <p>Joshua Mulandi/Yoel Siegel</p>
14.30-15.30	Group Exercise A : Various Approaches to Informal settlement Improvements	
	<ul style="list-style-type: none"> • Highlight of various approaches to informal settlements • How can city-wide planning inform these approaches? • Key Group Discussion issues: • How do specific approaches relate to making improvements in your neighborhood? • What approach is preferable in your case and why? • What are the likely obstacles? • Way forward 	CPEDU/PSUP
14.30-15.30	Group Exercise B: Delivering Low-cost Infrastructures: Water and Sanitation	
	<ul style="list-style-type: none"> • Approaches to Low-cost Infrastructure delivery +Cases (e.g. Pakistan Slum Upgrading Programme) • Key Group Discussion issues: • How can the cases relate to interventions in your neighborhood? • What would it be the obstacles? • Way forward 	CPEDU/PSUP
14.30-15.30	Group Exercise C: Delivering Low cost and Affordable Housing	
	<ul style="list-style-type: none"> • 1) Approaches to Low-cost and Affordable Housing + Cases • Key Group Discussion issues: • How can the cases relate to interventions in your neighborhood? • What would it be the obstacles? • Way forward 	CPEDU/PSUP
15.30-16.00	Preparation of the Presentations/ Closing Remarks	
	<ul style="list-style-type: none"> • Introduce Activities of Third Day 	Elijah Agevi

Day 3

Facilitator: Elijah Agevi

START TIME	TOPIC	PRESENTER/ FACILITATOR
8.00 - 8:15	Opening and Overview	
	Review from second day (15')	Elijah Agevi
8.15-9.45	Day 2 Presentations & Discussion	
	<ul style="list-style-type: none"> • Group A (15')+ Discussion (15') • Group B (15') + Discussion (15') • Group C (15') + Discussion (15') 	
9.45-10.00	Morning Break	
10.00-12.15	Institutional Framework : Key Issues and Challenges	
	<ul style="list-style-type: none"> • Understanding institutional Framework and some examples from other countries. • Wrap-up and Closing Remarks 	PSUP/CPEDU/ALL
12.15-14.00	Lunch and Departure	

Break-Away Groups

Group-A: Topics:

1. Group One- Inclusive Urban Planning & Development
2. Various Approaches To Informal Settlement Improvements

Group-B: Topics:

1. Delivering Low-Cost Infrastructures: Water And Sanitation
2. Land Tenure And Security Of Tenure

Group-C: Topics:

1. Delivering Low Cost And Affordable Housing
2. Informal Economy Into Planning And Design

All Groups (County Groups): Institutional Framework: Key Issues And Challenges

UN-Habitat Support to Sustainable Urban Development in Kenya

Addressing Urban Informality



Volume 4: Report on Capacity Building for Community Leaders

Kenya's urbanization is set to increase significantly. According to the UN Population Division, *World Urbanization Prospects: The 2014 revision*, by 2050 Kenya's urban population will account for 44% of the total population. Although the projections indicate that the country's urban population will not have surpassed the rural population, by then, the actual numbers of people living in urban centers will be significant; translating to an urban population of nearly 43 million people. This means that Kenya's urban sector will undergo significant transformation – demographically, socio-economically and spatially – which will require urban planners and policy makers to formulate and implement plans, policies and strategies that will guide a sustainable urban transition and development in the country. This implies that both national and county governments will play a vital role in shaping the next generation of cities and towns in Kenya.

The Kenya Municipal Programme was set up by the World Bank and Government of Kenya to address the increasing urban challenges in the country's major urban centers. A key component of this programme is the "Participatory Strategic Urban Development Planning" for select urban centers. Supported by the Swedish International Development Cooperation Agency (Sida), UN-Habitat has partnered with the Kenya Municipal programme to enhance the capacity of the county governments in integrated urban planning and particularly in support of the Integrated Strategic Urban Development Planning component of the programme. This support was extended to encompass issues of informal settlement improvement, in the same urban centres, and in collaboration with the Kenya Informal Settlements Improvement Project, which is also a World Bank-Government of Kenya initiative. This resulted in a series of learning sessions, two-day rapid urban planning studios, an international urban design competition for Kenya towns, and other technical support activities.

This report focuses on the outcomes of a 3-day learning session designed for community leaders representing various informal settlements located in Mombasa and Kilifi Counties. The three-day learning session also involved members of county assemblies and technical officers from the respective county governments, as well as officers working with national government departments and Non-Governmental Organizations. The report reveals and highlights fundamental issues that community leaders and civil society groups, urban planners, policy makers, governments and international development partners and agencies, should pay attention to, in their efforts to address urban informality in planning for sustainable urban development in Kenya.

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