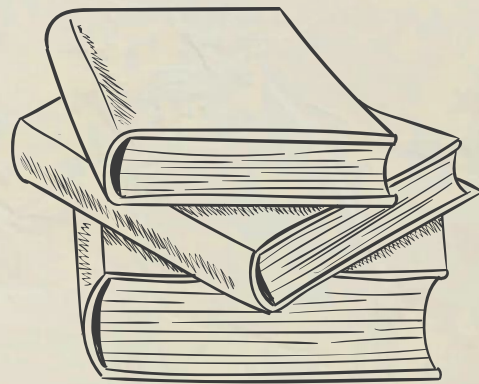


# From Informality to Inclusion: Innovative Approaches to Housing Policy and Slum Transformation

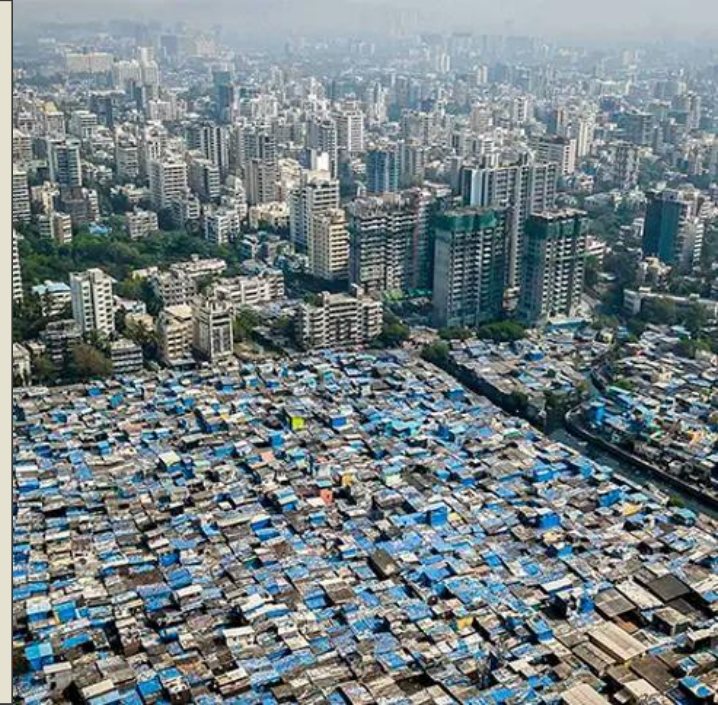
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# RESEARCH BACKGROUND AND PROBLEM

- Rapid urbanization has intensified housing demand and increased pressure on urban infrastructure.
- Approximately 1.6 billion people worldwide live in inadequate, overcrowded, or insecure housing conditions.
- Informal settlements reflect structural deficiencies in housing affordability, land governance, urban planning, housing finance, and public service provision.

**Central question:** How can informal settlements be improved without excluding low-income residents from urban life?



# THEORETICAL FOUNDATIONS AND LEGAL BASIS

## Key conceptual distinctions

**Informal housing:** Housing developed or maintained outside, or only partially within, formal legal, planning, or housing market frameworks.

**Informal settlements:** Residential communities not fully incorporated into formal systems of land administration, urban planning, and service provision.

**Slums:** Settlements characterized by deficiencies in housing quality, living conditions, infrastructure, or security of tenure.

# THEORETICAL FOUNDATIONS AND LEGAL BASIS

## International legal basis

*General Comment No. 4 (1991)* of the United Nations Committee on Economic, Social and Cultural Rights, concerning the right to adequate housing under **Article 11(1) of the International Covenant on Economic, Social and Cultural Rights (ICESCR)**.

Adequate housing extends beyond physical shelter to include security of tenure, affordability, essential services, adequate living conditions, and an appropriate location.

**Key argument:** Housing is not merely a physical asset but an essential component of human rights and social inclusion.

# LIMITATIONS OF CONVENTIONAL HOUSING POLICIES

## Three major limitations

**Slum clearance:** Disrupts livelihoods, social networks, and access to employment.

**Resettlement:** Relocation to peripheral areas may increase commuting costs and reduce access to essential services.

**Tenure formalization:** Rising land values may encourage speculation and displace low-income residents.

**Key finding:** Improvements in physical housing conditions do not necessarily translate into improvements in residents' overall living conditions.

**Policy implication:** Housing policy should prioritize residential security, affordability, livelihood preservation, and social inclusion.



# APPROACH 1: IN-SITU UPGRADING

## Improving existing settlements rather than removing them

- Upgrade local roads, water supply, sanitation, drainage, electricity, and waste management.
- Improve public spaces and connectivity with wider urban transport systems.
- Preserve established social networks, livelihoods, and access to employment.
- Integrate infrastructure improvements with security of tenure and long-term affordability.



**Critical condition:** Residents must not remain vulnerable to eviction or displacement after infrastructure improvements have increased the value of their neighbourhoods.

## APPROACH 2: INCREMENTAL AND AFFORDABLE HOUSING

- Enable households to improve their housing progressively according to their financial resources and changing needs.
- Prioritize public provision of serviced land, basic infrastructure, minimum construction standards, and an enabling legal framework.
- Expand social housing, rental housing, income-responsive credit, and appropriate microfinance mechanisms.
- Assess affordability based on total long-term housing costs, including borrowing expenses, maintenance, utilities, and transportation.

### International examples

- Sites-and-services housing models in Mumbai and Chennai, India.
- Baan Mankong participatory slum upgrading programme in Thailand.

**Key principle:** Housing affordability depends not only on initial construction costs but also on the long-term costs of living.

# APPROACH 3: PARTICIPATORY URBAN GOVERNANCE

## From passive beneficiaries to active participants

- Involve residents in needs assessment, project design, resource allocation, implementation monitoring, and post-investment management.
- Establish transparent information disclosure, accountability mechanisms, and effective channels for community feedback.
- Ensure meaningful participation by women, persons with disabilities, tenants, and informal workers.
- Strengthen community organizations, savings groups, and collective decision-making mechanisms.

**International example:** The Baan Mankong programme demonstrates the importance of community organization, collective action, and resident participation in housing improvement.

**Key principle:** Participation must involve substantive influence over decisions rather than consultation alone.

# DIGITAL TECHNOLOGY AND INNOVATIVE FINANCING

## **Digital technology**

- Apply GIS, satellite imagery, digital mapping, land information systems, and data analytics.
- Develop integrated urban data systems to identify settlement conditions, household needs, and infrastructure gaps.
- Protect personal data and prevent information from being used for coercive or exclusionary purposes.

## **Innovative financing**

- Public-private partnerships (PPPs), housing development funds, and targeted subsidies.
- Land value capture to recover part of the increase in land value generated by public investment.
- Social impact investment and affordable housing requirements for private developers.

# INTERNATIONAL EXPERIENCES AND LESSONS

- **Brazil:** Favela upgrading through infrastructure improvements, public service provision, and integration into the formal urban system.
- **India:** In-situ upgrading and housing redevelopment, with particular attention to displacement risks arising from land commercialization.
- **Thailand:** Baan Mankong combines housing finance, community organization, infrastructure improvements, and security of tenure.
- **South Africa:** Demonstrates the limitations of housing interventions disconnected from livelihoods, employment, and the wider spatial structure of the city.

**Common lesson:** Policy success should not be measured solely by the number of slums cleared or housing units constructed.

-> Instead, evaluation should consider residential security, access to infrastructure, livelihood preservation, affordability, and meaningful community participation.

# PROPOSED INCLUSIVE HOUSING TRANSFORMATION FRAMEWORK

## Eight interconnected components

**Recognition:** Acknowledge the existence and legitimacy of informal communities.

**Participation:** Ensure meaningful resident involvement in decision-making.

**Tenure Security:** Strengthen legal and residential stability.

**In-situ Upgrading:** Improve physical living conditions within existing settlements.

**Affordable Housing:** Preserve residents' ability to remain in their communities.

**Infrastructure Integration:** Connect neighbourhoods to wider urban systems and public services.

**Economic Inclusion:** Link housing policy with livelihoods and employment opportunities.

**Long-term Governance:** Sustain improvements beyond individual projects and programmes.

# POLICY IMPLICATIONS AND RECOMMENDATIONS

## 1. Legal framework

Establish flexible mechanisms for recognizing different forms of residential security.

Distinguish settlements suitable for in-situ upgrading from areas requiring relocation because of serious environmental or safety risks.

## 2. Urban planning

Prioritize in-situ upgrading wherever technically and socially feasible.

Reserve land for affordable housing near public transportation and employment centres.

## 3. Participatory governance

Establish continuous community representation throughout planning, implementation, monitoring, and post-investment management.

## 4. Financing and data governance

Combine public resources, PPPs, housing credit, housing development funds, and land value capture.

Protect personal data and prevent rising land values from generating residential exclusion.

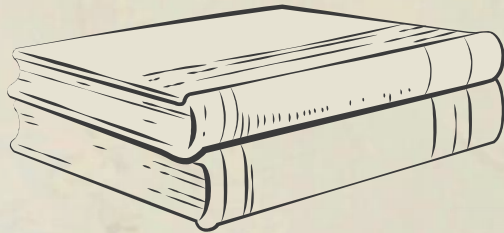
# CONCLUSION

Slum clearance alone cannot eliminate the structural causes of informal settlements. Sustainable transformation requires the integration of security of tenure, affordable housing, infrastructure, livelihood opportunities, and community participation. The state should establish an enabling legal and institutional framework, private actors should contribute resources and implementation capacity, and communities should participate in urban governance.

## Central message

Move from the logic of “**eliminating informality**” towards the logic of “**governing and transforming informality into inclusion.**”

# Thanks!



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