



Group work summary

# INFORMAL CITY



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"Transforming our cities for a better urban future"





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## Editorial

The informal city is a very sensitive question. Quality of life in informal neighborhoods is lower than in other parts of the city, regarding education and access to health and basic services. The spread of precarious neighborhoods and the persistence of pockets of informality in some cities of Africa, South America and Asia turn these places into “informal” cities because of a lack of land regulation and of deficient equipment administration.

On of the main urban challenges in emerging and developing countries is to articulate informal places with the formal urban areas that equipped with infrastructures. Equality is one of the issues, because many inhabitants in these countries do not have the means to pay for the costs of equal and inclusive urban management. Moreover, local governments often lack the adequate funding resources.

On another hand, economic migrations have become an increasingly important challenge to deal with for informal cities. In North Africa, for instance, migrants come from sub-Saharan African countries and move up north to

find refuge in informal areas in northern countries. In the near future, climate change will be the main cause of mass immigration. Welcoming refugees, exiled populations and immigrants will require adapted and strategic planning to answer new natural, technological and war risks, and to answer the challenges of a new world where information technologies that rely on artificial intelligence will condition our ways of life and how territories work.

Starting with this prospective approach, this booklet explores different angles to identify the major challenges that informal cities face, and it makes projections for scenarios thought with the 2050 horizon in mind. According then to the chosen scenario, pathways will be suggested to lift obstacles and to implement recommendations.

Led by ‘Urbanistes Sans Frontières’ (USF – urban planners without borders), the members of this work group intend to share their contribution in a positive approach that champions inclusive cities and sustainable territories.

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# Introduction

Before anything, let us specify what we mean by “informal city”: the whole of an urban and suburban territory where life conditions are lower than the norms and/or which developed outside urban planning regulations and outside regulated house markets. Informal cities are favelas in Brazil, barrios in Venezuela, gecekondu in Turkey, townships South Africa, etc.

Difficulties that informal cities face are different from one city to the other, but some variables remain the same: poverty and informal economy, very tangible risks, landlock, lack of accessibility. In South America for instance, informal neighborhoods spread on “urbanized” hills, in areas exposed to landslide risk. These informal areas are difficult to access by car and by public transport and they lack access to basic services and equipment.

Informal cities are often made of various pockets: pockets of poverty, of informal areas within formal neighborhoods; pockets within areas that grow as extensions of formal areas but become infor-

mal, etc. Neighborhood leaders control access to these isolated areas where parts of the population earn their living thanks to informal economy activities, often illegal or based on black-market. For people who do not live in those neighborhoods, accessing it is difficult, if not dangerous – including for police forces. This situation triggers insecurity issues and slows down social and human development.

To sum it up, the informal city is a complex topic to deal with because it combines at once different issues:

- Lack of right to land for all
- Social, spatial and environmental inequalities
- Lack of basic services
- Vulnerability and insecurity
- Exposition to natural risks
- Poverty in all domains, etc.

This is why we observe a vicious circle of problems that have their own negative effects, and of which the causes trigger themselves effects, which in their turn, become causes.





# CHALLENGES

## First: exploring lines of thoughts

### Line 1: rethinking informal neighborhoods as part of the “informal city” idea

Here the idea is to think about the city's informal areas as parts that make up the whole of a city or an inter-city territory (rather than thinking of them as neighborhoods in difficulty, which relates to a sectorial approach). In fact, the state of a city's informal areas and the way these areas function end up impacting local, regional and national development directly. The idea is to be able to characterize, quantify and qualify the informal city (cf. Nationally Determined Contributions – NDCs)

### Line 2: considering the informal city as a sustainable development opportunity that targets the UN Sustainable Development Goals

Various projects implemented in informal cities can become examples of sustainable development: social inclusion, construction materials and urban design adapted to climate change, waste reclaim, water reuse, acknowledgement and recognition of biodiversity and local cultures, etc. (cf. projects of environmental restructuring started in slums by USF as part of the “USF price for sustainable development” program). The idea here is to think about how to use urban planning tools

and how to organize the informal city to feed a global reflection that intends to envision informal cities as opportunities.

### Line 3: stepping away from traditional thinking frames to design solutions that can provide the best answer to inhabitants needs

In terms of energy management, this could mean:

- Installing lampposts (public lighting) to provide public Wi-Fi connection which doesn't require a network connection
- Setting up flooring systems on public spaces to generate energy for public lighting

### Line 4: assessing human and material resources available in informal cities

Here the topic is the circular economy – social value, resource value, carbon value. To encourage it, we should avoid using materials that do not fit local contexts and contemporary practices. Although some precarious neighborhoods are built with materials that are very well adapted to the climate, solid and hard, other neighborhoods use materials or resources that are much less in line with today's ways of life, like with gas used by people inside their house or by street vendors.

The correlation between informal





occupation and pollution also needs to be taken into account, such as when we use materials or resources that impact soil pollution, waste collection, etc.

In developing country, especially in informal cities, some components of the circular economy are already present: use of local materials, short supply chains, reuse, land depollution, deconstruction and material repair. How to formalize these practices and benefit from them?

Construction materials often do not match building regulations. This is the case in countries of the Middle East and of North Africa, where the norms that apply to the use of reinforced concrete are often not respected, something that can push an originally formal city into informality (modified facades, extra floors added without permission, etc.). Moreover, some of the materials used aren't resilient.

The topic of informal cities is closely connected to the economy and to the social sector. Speculators take advantage of populations in need of housing when they provide them with solutions that aren't necessarily legal but solve housing issues urgently. The reality of is that many people in emerging countries do not live on the street; they live in informality.

#### **Line 5: sketching out a new economic model and matching means to fund it.**

Studies on the development on informal cities and pioneering projects that get started are often not carried through due to a lack of suitable and sufficient funding.

It seems important to:

- Think about solutions that limit

current conflicts, especially with conflicts related to the occupation of informal neighborhoods by migrant populations – a situation which pushes some city authorities to not provide funds to some projects because people living in the given project area aren't national residents (cf. barrios in Caracas populated by Colombians);

- Envision new economic models that take into account great demographic growth, especially in Africa
- Analyze the role of local authorities and the degree of decentralization. For Africa, use Benin as an inspiration, a country where a territorial organization is in charge of managing local governments and to decentralize funding in order to share it between territories.

#### **Line 6: fostering mutual understanding and acceptance**

- Work to grow awareness and pedagogy among authorities, representatives and inhabitants of other neighborhoods, so that these people stop devaluating the skills and competences of inhabitants living in informal areas.
- Slums and informality aren't a fatality, and it is important to end poverty since it is one of the main causes of their existence. Ending poverty enables inhabitants to access formal markets.

#### **Line 7: Structuring dialogue and strengthening participatory democracy at local levels**

To give more power to civil society organizations, we need to:

- Involve all parties to the debate so that they can all take part to building the city
- Based on local and political contexts, set up an assessment grid to have a

concrete overview of the effects that policies and action have when they are meant to improve people's urban environment. If these effects are positive, they can inspire governments to replicate the process.

### **Three priority challenges**

Here some priority challenges of informal cities based on our observations hereabove:

#### **1. Land regularization and transparent soil management and usage rights**

How to take action depending on the land status of areas occupied by informal neighborhoods: state-run land management; evictions or right to use private land slots (based on what temporality?). Should inhabitants become owners of the land? Should they rent it? Or could it this be done with a basic rental contract agreed on between government (or the involved authority) and user, defined for a set period of time? What rights and rules should be set up for ownership and

rental, based on housing type and price access?

#### **2. Implementation of innovative solutions that create a new economic model meant to generate wealth on a territory and to foster shared governance**

In this perspective, two activity sectors could be developed in informal neighborhoods: waste management and transportation. What would be the status, duties and rights of people who would be working in these fields?

#### **3. Strategic planning adapted to sociocultural and environmental challenges, in parallel of detailing emergency projects' temporality**

How to ensure that city authorities can draw propositions and intervene in the "white pockets" we see on urban planning documents (informal areas without long term development plan), and how to ensure in the short term that planned projects get implemented and that the needed services get provided?



# 2050 SCENARIOS

Having identified above challenges that relate to the informal city, we now consider three development scenarios for the 2050 horizon.

## Worst-case scenario

In 2050, we haven't learnt any lesson from the Covid-19 pandemic. New diseases and epidemics have kept spreading around the world and threatening humanity: more and more borders get closed, city segregation accentuates, and the global economy remains based on capitalistic and individualistic values. This situation triggers economic, demographic, environmental and societal issues.

The workforce isn't actually wanted anymore. Poverty increases as well as forced climate migrations. Africa is overpopulated. Climate change has made drought and famine worse, and water and energy resources are being fought for in global wars. Informality has taken over formality in all sectors, including at an economic level. The informal and black-market economy is the revenue source of more and more families around the world.

Lastly, individualism has become a trend. Inhabitants live sheltered inside their home, in the virtual city, without taking part to the real city.

In this worst case scenario, the informal city wins over the formal city.

## Base case scenario

Nothing much has changed since 2022. The goals we were setting before are still the same: we target a sustainable city, more equal access to basic service, a transformation of our economic model, and a more inclusive city where people's well-being is taken into account. But nothing moves forward. International conferences like the ones on climate change (COP) don't bring any tangible solution.

Digital technologies are now the key tool used and needed to create and archive land registration documents and urban planning documents. Drones help with real time city surveillance. Everything is being more and more digitalized. The digital transition keeps on steadily happening.

## Best case scenario

In 2050, governments now are now using strategic planning to ensure democracy and equal urban development with the goal to create sustainable cities. Civil society is getting organized and takes part to city governance.

Employment, which has become a cause of relocation, creates professional

and residential mobility. Houses and apartments are mainly occupied for short periods of time.

Most urban planning documents are now digital, and all cities now have land registration maps. Everyone can access data and differences between neighborhoods decrease.

Funding means have become international and provide all countries with equal chances.





# PATHWAYS

## **What conditions do we need to achieve the best case scenario?**

### **The emergence of serene and structured dialogue processes for local and national debates**

Today, we observe a real suspicion between the parties involved. We know examples of projects implemented in emerging countries that are funded with money coming from other countries, with a clear authorization from the States. Unlike in France where decentralization prevails (tax collection, redistribution, competence to plan territorial development), decentralization doesn't exist in many developing countries.

With the goal in mind to try and achieve a serene and structured dialogue, we need to set up generalized partnerships to ensure the delegation of governance.

This gives room to organize land planning and to plan investments capacities, in order to enable informal cities to become lands of opportunities (cf. waste collection in informal areas, making for 20% of a city's real economy).

We cannot talk about informal cities without having an idea of the action capacity that a city has on its own territory.

### **Highlighting the informal city's economic potential**

The city becomes a competition ground for resources needed to plan it. In this situation, informal areas will benefit from great opportunities and immigration will be a strength to plan transparent and fair economic development.

### **Identifying informal neighborhoods and implementing public policies of urban regeneration**

The informal city includes slums, of course, but it also includes also small areas built without development plan and/or outside urban planning regulations.

Such pockets of informal areas, poor or rich, must be identified, so we can connect them and draw specific grids matching this territory's typology.

Informal areas can be acknowledged and included to public policies. In this context we won't be talking about an "informal city" anymore since its neighborhoods will be include to other urban areas. On top of the need to connect formal and the informal areas of a cities, we must work on how individuals there get represented.

### **Involving the private sector to fund cities**

The informal city will be formalized by private investors and contracts established between the public and private sectors.

### **Using the strength and dynamism of the population to rehabilitate the city and its neighborhoods**

Civil society becomes the guarantor of territorial equity. Spatial disparities decrease.

### **Access for all to hospitals and green spaces**

Inhabitants should grow eager to preserve green spaces, especially those located close to where they live – for a healthier city to be envisioned. Likewise, territory-based climate plans should help decrease pollution and foster adaptation to climate change.

### **Considering people based on the neighborhood they live in, not the country they come from**

Human values prevail. We need humanism the same way we need to protect the environment.



# CONTROVERSIES

## Obstacles to lift in order to achieve the best case scenario

1. Multilateral governance issues – strategic and geopolitical challenges
2. Lack of a shared diagnosis of obstacles, given that not all States have proved able to create accurate diagnosis
3. Lack of verified and accepted mapping
4. Lack of funding systems needed for the sustainable city to be affordable. Economic models are at a standstill.
5. Spatial, social and psychological isolation: from education to ways of life. When it comes to city policy, urban renewal isn't always correlated with job creation, especially for the youth, and it doesn't concretely follow a plan meant to foster social diversity.
6. Identity exclusive mode: the group to which people belong impacts their right to recognition.
7. Lack of an accurate and reliable statistic system to identify people and people's needs in emerging and developing countries.

## GAFAM: are they to be seen as issues or solutions for informal cities?

GAFAM (Google, Apple, Facebook, Amazon, Microsoft) collect and store

data and create the means to process them. These multinational companies have become key economic management players, of social exchanges and of information democratization - with social networks especially.

Will GAFAM become the funders of basic services and infrastructures in the future? Will they use data to serve a just management of the city? Will they become the main partners of local companies? Will they be the solution to end informal economies? Or should we rather rely on open source perspectives to build knowledge about informal neighborhoods?

## Blockchains and cryptocurrencies: future management and funding tools for informal cities?

To a certain extent, blockchain can be an opportunity in terms of how informal cities works because blockchain ensures secure transactions that tend to happen quickly nowadays, sometimes informally, and often without much legal safety. Provided blockchain is used in a fair and just way and that its rules and limits are transparently explained to citizens, actors of informal cities could imagine using this system as a complementary and securing framework.



# RECOMMENDATIONS

To step away from informal cities' vicious circles, three recommendations seem to emerge.

## > Recommendation #1

### **Separate finance from governance to operate a change of fiscal model and find one that will serve the general interest**

States and local authorities must ensure democracy and ensure the general interest by listening to their population. The change of fiscal governance model will happen by internationalizing finance, which will then part be owned for the most part by the private sector and especially by multinational companies.

This will foster the creation of private-public partnerships by means of which multinational companies will fund projects developed in a participatory way and headed by the public sector. Moreover, the fact that those funding organizations will own most data will make them key actors.

This way, a joint committee of civil society members should set up a formalized control system to monitor this new financial system.

## > Recommendation #2

### **Support local and traditional initiatives while finding funding and participation means**

All cities, including informal cities, have specificities that set them apart from each other. Informal mechanisms and local and traditional customs are to be seen as strengths and inspiration sources to be used for and by the informal city.

Public policies must identify populations in order to answer the needs of newly arrived inhabitants, especially migrants.

## Focus

### **Toward fair fiscality systems**

Fiscal governance, participatory democracy and socio-professional exchanges work with digital tools that are controlled by GAFAM. Company leaders from the digital field seem willing to get involved with development challenges with foundations and think tanks.

In 2050, the digital revolution will have become a detail of History. Everything will be managed by and with technology, such as what we see now with "metaverse". Citizens will be provided with virtual cities where their avatars will be able to meet, work, entertain themselves, etc. Following this idea, will the virtual city be an informal city, in the legal sense of the word? In 2022, lands (otherwise called "parcels") are already being put up for sale in these virtual cities.

These new technologies also relate to blockchain, which records authenticated property deeds

and enables transactions with cryptocurrencies.

Some envision blockchain technology is something to apply to notarial deeds, diploma management or digital identity.

Blockchain should however be understood as something to be controlled and mastered by both public and private actors of informal cities; because although this decentralized registration system helps with more fluid workings of contractualization and memberships meant to access goods and services (formal or informal), this system should also remain readable at all times. This is the condition for us to make sure that most people embrace this system. The absence of third party organization is not realistic, because even systems like Bitcoin or Ethereum have their own governance instances. The informal city by means of blockchain governance must be controlled by

its this system's own governing structures, supported by legal professionals acting as oracles, judges or consultants.

A secure legal system of real estate transactions is needed to step out of informality, and relies on three pillars:

- Detailed identification of real estate goods, based on maps (land registration, orthophoto or satellite images) and checking people's identity and legal capacity
  - real estate registry listing up all legal deeds that involve all real estate goods belonging to each person owning land-related rights or deeds
  - Unassailable deeds that provide close to perfect legal safety (property sale, division, donation)
- These technologies impact both the real and the virtual world. The augmented reality they provide us with happens in parallel of virtual reality.



### > Recommendation #3

#### **Educate kids about the city, for them to grow aware about the topic and for them to make the difference between the real and the virtual worlds**

Today's kids will be the leaders, funders and users of the city of 2050.

Digitalization can serve city development and we should make sure to protect its positive impacts by going beyond the negative ones.

In this sense, it will be important to foster information transmissions and free services provided by digital technologies, while also defining contents and targets. This could lead to "positive advertising" and to growing positive awareness among the youth.



### **Focus**

#### **Toward responsible citizenship**

Operations to grow awareness among the youth about the city and about the environment are developing, led by many actors of the urban sector. These operations are meant to make children and the youth aware of eco-citizenship. Thanks to playful activities, kids get familiar with environmental protection and with sustainable societies. Such operations should target children and young people from informal neighborhoods, included to socially diverse groups that blend kids from informal and formal neighborhoods in order to build bridges between them and open up neighborhoods that are sociologically and socially isolated. Likewise, we will need intergenerational operations to enable elderlies to testify about the past and about local traditions and cultures, so that they can help the youth draw the difference between real life and virtual life and prepare them for the sensorial disinformation induced by new technologies - such as with "metaverse" and social networks.

We note in this regard the existence of "sandbox" adventure kind of video games. Since 2011, Minecraft for instance offers a game that relies on the procedural creation of a world: "Each map gets randomly generated as the player progresses, based on a world seed that is generated according to the computer time and is made of several landscapes called biomes (forest, plains, desert, tundra, taiga, swamps, savanna, etc.)"

#### **Toward public funding and public policies truly adapted to people**

To guarantee and preserve human values, we must foster social interactions and protecting and passing local cultures and traditions. Informal neighborhoods are populated by groups of people who all have a rich culture. The fact their life conditions are negatively impacted by poverty and by shortages of means and services tends to hamper the daring creativity needed to get away from the informal economy and step into entrepreneurship. Inhabitants from

informal neighborhoods are indeed often excluded from the right to access credit, to finance their projects. Micro-finance seems to be a suitable and adapted solution to develop small scale economic activities. Co-ops, solidarity systems and support provided to companies and local incentives must be associated to the tools that digital technologies provide.

# Conclusion

For a sustainable and inclusive development scenario to happen in informal cities by 2050, our three recommendations, illustrated below, need implementation in the short, mid and long runs.

## Temporalities needed to formalize the 2050 informal city

In the short run (2022-2025): develop quantitative and qualitative analysis systems to produce data about informal cities (real data collected among communities)

In the mid run (2025-2030): develop tailored programs relating to micro-funding the city as a whole, based on an urban renewal strategy targeting informal neighborhoods, to foster eco-constructions and the circular economy.

In the long run (2030-2050): build the city by securing the right to land for all its inhabitants. This implies to think about governance and about the participation of inhabitants.

Considering such temporalities, we will need to deal with hindering factors in the mid run (by 2030): overpopulation, poverty, land insecurity, food insecurity, precarity, violence, speculation on basic services, health crisis, environmental crisis, etc.

## Action means to implement by 2030

- Establish actual city policies at national and global levels
- Establish a dialogue between all involved parties
- Collective work to be done and led by local authorities
- Project funding to happen through participatory private-public partnerships (PPPP)
- Strengthen legal frameworks and support the implementation of laws and legal decisions
- Develop alternative modes of land conflict settlement (mediation, arbitration, etc.)
- Use of digital solutions (smart cities) to enable easy and affordable access to urban services
- Set up a tax policy adapted to the population, to enable the funding of urban projects
- Acknowledge environmental constraints
- Increase the fight against poverty
- Develop midsize cities and end projects of overpopulated megalopolis
- Build the city upon the city, by assessing a projects' investment based on its results and on citizen satisfaction
- Implement urban renewal policies (taking into account matters of identity and of the use of sustainable construction materials and techniques)

- Develop new technologies in order to: identify land registers and city contributors; be able to spatially identify projects and their impact; manage urban services and anticipate risks; create models and modelization systems (since they are playful tools for people to use and make territories their own).

## Key actors needed to achieve the goals of the best case scenario by 2050

- Civil society, since it is involved with global, societal and environmental matters. Civil society also puts pressure on governments and international organizations. When supported by powerful NGOs, civil society can grow awareness among citizens and city inhabitants, especially through the strengths revived by artists and new generations (children and young people).

- Local authorities and local actors at neighborhood scale because they perfectly know the constraints of their neighborhoods. They are the ones who collect and bring up local urban needs to higher levels of urban management as well as the ones who implement urban planning decisions taken higher up.

- Professionals (urban planners, architects, sociologists, engineers, economists) and their organizations, as well as universities and researchers, because they are they guarantee the technical and social qualities of the projects. Urban planning education

programs and schools and architecture and engineering schools are also key components to set up partnerships and exchanges with other actors.

- Economic actors, especially business leaders from the digital field (GAFAM), who seem willing to get involved with development matters through foundations and think tanks. Their great financial power has to serve the general interest.

- States and international organizations, including the UN, must keep on launching urban development programs because they are the ones who make sure that the general interest is being considered and respected, and they are the ones who ensure the implementation of national and international public policies (UN SDGs, COP26 goals, World Urban Forum, urban planning etc.)

- Traditional media and social networks, because they are very influential. Journalists and relevant moderators must contribute to the debate with informed, verified and fair information, in order to help all other actors involved to access information and access justly facilitated debates.

Based on these recommendations, future informal cities should be able to turn into "sustainable and smart cities". The images below come as a possible illustration of our vision.





Started in 2011, the **French partnership for cities and territories (PFVT – Partenariat Français pour la Ville et les Territoires)** is a platform meant for the exchange and valorization of the French urban actor's expertise at the international level. It is a multi-actor partnership headed by Hubert JulienLaferrière, Member of Parliament, supported by the Ministry of Europe and of foreign affairs, the Ministry of territorial cohesion, the Ministry of the ecologic and fair transition, and the Ministry of culture. It brings together close to 200 organizations representing the diversity of the French expertise, contributing to the construction of a shared French vision based on a capitalization of exchanges and of innovative and sustainable experiences. <https://www.pfvt.fr/>

Food



International and cross-border cooperation



Informal City



Affordable housing



Mobilities



Digital technologies



Resilience



Health



Cities and Biodiversity



Creative city



Women and city

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Realisation :

