

Second Draft

REGULATORY ISSUES AFFECTING SHELTER DEVELOPMENT BY THE URBAN POOR

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1. INTRODUCTION

At least 600 million urban dwellers in the Third World live in housing that is so overcrowded and poorly serviced that their lives and health are continually at risk¹. The way how people house themselves is not haphazard. It is guided by a complex set of standards and regulations which not only determine the quality of housing, but also its cost. Thus, a household's ability to access decent shelter is closely linked to the standards and regulations in use. Unfortunately, the existing regulatory frameworks in many developing countries often originate from a colonial past and are inappropriate to current conditions; they do not improve the access to or affordability of urban housing. This is now clearly recognised as a problem in international as well as national shelter policy papers, including the Habitat Agenda². The enabling processes advocated by the Agenda do require the development of more appropriate regulatory frameworks, particularly to make them more relevant to the needs of the poor.

ITDG itself has been working on the issue of housing standards for over a decade. Working with the urban poor, particularly in Africa, ITDG learned that existing standards often impair the livelihoods of the poor. This was first noticed in projects focusing on income generation in the informal construction sector, where the absence of standards for alternative technologies, such as stabilised soil, prevented the informal sector from increasing its share of the housing market. At the same time, the lack of appropriate building technologies denied poor people access to affordable shelter. ITDG's own research in many countries concluded that less than half of the urban population in developing countries can afford to build according to prevailing standards and regulations. Lack of secure tenure and complicated procedures add to the problem. These factors combine in preventing the poor from improving their current housing and from developing it as an asset from which income can be generated.

This paper focuses in the first place on housing and building. It draws particularly on ITDG's previous research on Enabling Housing Standards and Procedures, equally funded by DFID, which is shortly to be published³. That research was more geared towards new construction than to the improvement of existing houses. In a subsequent project, ITDG has now moved towards the development of regulatory guidelines for urban upgrading and where possible information emerging from that research is being included in this paper. An innovative element of this latest research is its focus on the livelihoods of the urban poor; this approach has been adapted to this paper as well.

2. URBAN POVERTY AND LIVELIHOODS

The world is urbanising rapidly, and so is poverty. Urban poverty statistics vary, according to how poverty is defined. UNCHS reckons that the urban poor now represent 49% of the urban population in developing countries⁴, and number about 1.1 billion globally. Most countries have their own definitions, based on calorie intake, income, or access to a basket of essential goods. Internationally, the definition of poverty is changing. It started off by defining an income level (e.g. \$1 per capita per day), but many have pointed out that in the urban context, such a definition is totally inadequate. It has since been broadened to include health, nutrition, literacy and service indicators⁵. And some now extend it to include the lack of voice and choice of the poor⁶. ITDG considers urban poverty to be multi-dimensional: not just a lack of calories or the inability to acquire a package of basic needs, but also a state of mind of people who may have lost hope or are unable to work themselves out of

¹ UNCHS: "An Urbanizing World – Global Report on Human Settlements 1996", Oxford University Press, 1996, p. xxviii.

² UNCHS: "The Istanbul Declaration and the Habitat Agenda", Nairobi, 1997.

³ Saad Yahya, Elijah Agevi, Lucky Lowe, Alex Mugova, Oscar Musandu-Nyamayaro and Theo Schilderman: "Double Standards, Single Purpose – Reforming Housing Regulations to Reduce Poverty", ITDG Publishing, May 2001.

⁴ UNCHS: "Basic Facts on Urbanization", UNCHS, May 1999.

⁵ UNDP: "Human Development Report", 1997

⁶ Clarence Shubert (ed.): "Building partnerships for urban poverty alleviation – Community-based programmes in Asia", Urban Management Programme, UNCHS, 1996.

poverty. Because of this, poverty cannot be adequately addressed by single sector projects or programmes: it does require much more holistic or integrated approaches.

A livelihoods approach offers this potential, because it takes a holistic view of the poor, their assets and vulnerabilities. It has the advantage of putting poor people at the centre, and to build on what they have (assets) rather than on what they lack (needs). The Sustainable Livelihoods Framework (SLF) is an analytical model to look at livelihoods which has been adopted by DFID and others, including ITDG. The SLF emerges from development work with a natural resources focus^{7, 8} but is now being adapted to urban development work too⁹. Within this framework, a livelihood is understood to “comprise the capabilities, assets and activities required for a means of living” and a livelihood is considered to be sustainable “when it can cope with and recover from stress and shocks and maintain or enhance its capabilities and assets both now and in the future, whilst not undermining the natural resource base”.

The SLF contains three essential components of analysis:

- The vulnerability context of poor people;
- Their livelihoods assets; and
- The policies, institutions and processes (PIPs) that influence these.

Following such an analysis, livelihoods strategies can be developed which will have livelihoods outcomes. The whole process is built on participatory approaches, which do help to empower the poor.

The regulatory frameworks pertaining to shelter are an important part of the PIPs. Although key policy papers, including the Habitat Agenda, do argue for enabling PIPs and most governments have committed themselves to this, practice is often different, as the introduction briefly explained. There appear to be important bottlenecks to change, including vested interests and a lack of capacity. Policies on tenure, credit, planning etc. continue to set high thresholds which favour the rich over the poor. Institutions, including ownership and inheritance rights, traditions and markets often favour men over women and tend to increase female vulnerability. And processes are often complicated and costly, which favour the rich and educated. Many of these prevent the urban poor of making the most of their assets.

The SLF lists 5 types of livelihoods assets: human, social, natural, physical and financial capital. These can be measured and represented in a pentagon of a different shape for each household or even for different individuals, e.g. men or women. Shelter and its related services are primarily part of people’s physical capital, but its realisation requires other types of capital, e.g. financial or human. In fact, the urban poor are continuously having to manage their asset portfolio as best they can, and making decisions about transferring assets; thus the pentagon keeps changing shape. The initial researchers workshop for this project decided to adopt the SLF, as a useful tool to analyse how regulations affect the livelihoods of the urban poor. Whilst doing so, the researchers involved also felt that the current model of the SLF does not pay enough attention to knowledge and information assets. And they concluded that they need to learn more about how the poor transfer assets and also realised that risk is a crucial determining factor. Some of this risk relates to legislation, e.g. do people risk to invest in housing in illegal settlements, when they may be evicted, or are they sufficiently sure that the law may not be upheld in practice or that perhaps at some stage the settlement may be legalised? The development of the above assets is influenced, in different ways, by many regulations; we will highlight particular issues or constraints, as well as innovative approaches to resolve those, in the text below.

The urban poor are vulnerable to many types of shocks. They may manage to cope with some, by juggling their asset portfolios, but they may not recover from others. Typical areas of vulnerability in the context of shelter include: natural disasters, man-made disasters, environmental degradation and pollution, economic shocks following structural adjustment or economic decline, loss of health due to poor living environments, eviction and homelessness, urban violence and poor governance. Regulations and their way of implementation can both decrease and increase vulnerability, e.g.

⁷ Robert Chambers and G. Conway: “Sustainable Rural Livelihoods: Practical Concepts for the 21st Century”, IDS, 1992

⁸ Diana Carney (ed.): “Sustainable Rural Livelihoods – What Contribution can we make?”, DFID, 1998.

⁹ DFID: “Sustainable Livelihoods Guidance Sheets”, 2000

earthquake-resistant building codes could help to reduce the impact of earthquakes, provided they are affordable, but they do not work if contractors and officials are corrupt. Similarly, high levels of standards do make the poor vulnerable to eviction.

3. WHOSE LIVELIHOODS?

The urban poor are not a homogeneous group. There are substantial differences in asset portfolios and survival strategies, according to whether people are more or less vulnerable, male or female, old or young, whether they are producers or consumers of housing, etc.¹⁰. And they are affected by legislation in different ways.

In this context, gender issues are particularly important. In many countries women do not have the same property rights as men. In Lesotho, for instance, 37% of all households are female headed, yet women are legally regarded as minors, and are not allowed to inherit land or obtain loans for property purchase¹¹. In Kenya too, women cannot inherit property. They may buy it, but again access to finance is not easy¹². It does not have to be like this; in Botswana, for instance, there have been tremendous improvements to the land tenure system, which now no longer differentiates between sexes and women can own or inherit property in their own right¹³. But in other countries, there may be opposition to such changes by men who see their own livelihoods threatened. Another issue that is particularly important to women's livelihoods is the potential to develop home based economic activities; again, the law in many countries is not in their favour when zoning regulations prohibit mixed land uses. There is a notable absence of discussion of gender issues in relation to housing standards. A review of 350 documents by ITDG only found four mentions of the needs of women¹⁴. Women do play a major role in self-help construction and maintenance in some countries; any changes in technology and their standardisation will have an impact on women's involvement and therefore need to be carefully considered.

Another possible area of conflict is that between renters and owners. Rental housing is on the increase in the towns and cities of the third world; it is exceeding 50% already in many urban areas, and has reached close to 90% in the low-income settlements of Nakuru, Kenya, where ITDG is working. In many cases, renters are looking for affordable housing, whilst owners are after maximum profits. In Nakuru, this translates in landlords building as many rooms for rent as they can fit into a plot which results in a maximum return on investment, and doing as little as possible about services, because there is not direct financial gain there. This can lead to health and life threatening housing conditions; in one settlement, latrines are shared by on average 49 households. This situation is not too different from that prevailing in the Great Britain of the Industrial Revolution, which led to rapid urbanisation and a deterioration of urban housing conditions. When cholera then struck in the mid 19th century, the government felt obliged to take action and started regulating. One could argue that a minimum level of regularisation or standards is needed to protect tenants, or perhaps public health in general. But it could drive prices up and force the poorest tenants out, as we have seen following many upgrading projects. Where in the Europe of the 1850's there were and now still are various safety nets to deal with such drop-outs, in the form of alms houses, social housing or housing benefits, these are not available in the developing countries of today. So is this a desirable solution? Or should one go for a broader range of options, where tenants can go for different levels of standards, according to their needs and resources?

Finally, there are also conflicting interests between those who are in construction for a living (small contractors, building materials producers and traders, artisans, etc.) who may want to maximize their

¹⁰ Sue Jones and N. Nelson (eds.): "Urban Poverty in Africa", ITDG Publishing, London, 1999

¹¹ Geoffrey Payne: Report on a visit to Lesotho, 03-11 March, 2001.

¹² Diana Lee-Smith: "My House is My Husband – A Kenyan Study of Women's Access to Land and Housing", Lund University, 1997.

¹³ Prof. Saad Yahya: "Enabling Housing Standards for Botswana" Case Study 4, Enabling Housing Standards and Procedures project, ITDG, Rugby, December 1998.

¹⁴ Lucky Lowe: "Literature Review" Case Study 10, Enabling Housing Standards and Procedures project, ITDG, Rugby, September 1999.

profits and their clients who are after affordable housing. Some of this conflict is more an issue of market than of legislation, but the latter is important in that it usually does spell out what materials and technologies may be used. Regulations which allow more labour-intensive technologies based on local resources can be of benefit to both parties.

It is evident from the above that there are many stakeholders in the housing sector, and that they all may have somewhat different requirements or preferences when it comes to regularisation. A stakeholder analysis could help to bring these categories into the open, and their livelihoods could be analysed separately, at the national or local level. When it comes to the international level, and the development of regulatory guidelines for upgrading or new urban development, one has to question, though, how uniform such guidelines can ever be. There already are big variations in urban livelihoods and survival strategies within our countries of research; between them, these become positively huge. In the big cities of India, for instance, it does make sense to go for plots as small as 26m², to keep them affordable. But in several Southern African countries, where urban settlements are much smaller, poor people tend to request bigger plots (e.g. 600 m² in Lesotho) to increase their livelihood options, e.g. to keep some livestock, have a small business or put up a few rooms for rent. But if these bigger plots came fully serviced from the start, they would still be expensive, so could services be incremental? Perhaps our guidelines should not prescribe regulatory frameworks, but state that these will normally differ between locations, and offer a set of principles and approaches or tools to develop them, plus case studies of how this has happened in practice.

4. WHY REGULATE?

The towns and cities of the Third World are split in formal and informal settlements. The share of the latter is on the increase and practice tells us that this trend is hard to turn around. In Nairobi, for instance, 55% of the population now live in the “informal city” which occupies only 5% of all the urban land. Elsewhere in Kenya, this percentage tends to be higher still, typically around 75%. It does go up in other urban parts of Africa and to as much as 93% in Uganda and Rwanda. These proportions tend to be a bit lower in Asia and Latin America; in Peru, for instance, it is around 65%¹⁵. This trend is influenced by several factors, including the high cost of the prevailing regulations and procedures and the inability of the authorities to cope with the numbers involved.

Academics, researchers and developers hold conflicting views as to whether or not regulation is necessary. The ones against argue that the bulk of urban development already is unregulated and is likely to remain so, that regulation slows down development and adds an extra cost, and that current regulation, inherited from colonial days, is no longer relevant to present needs and cultures. Some also argue that market forces will define the quality of housing. And besides, there are unwritten and social norms that do influence and to some extent regulate how people build. The proponents of regulation, on the other hand, point to the threats of modern urban living and argue that residents' health and safety cannot be safeguarded without comprehensive regulation. In addition, owners with secure tenure and legal housing tend to invest more in their property¹⁶.

The increasing incidence of rental housing in the urban settlements of the Third World, with all its threats to health and safety, is strengthening the arguments of the proponents of regulation, particularly when it comes to services. This is further reinforced by the fact that market forces by themselves do not seem to regulate housing or infrastructure quality very effectively at the moment, perhaps as a result of demand outstripping supply in most urban areas. Increasingly, people are also beginning to notice that there is a cost to non-regulation too. One of the strongest voices in favour of regularising property is coming from Hernando de Soto¹⁷. Since the early 1980s, he has been investigating the informal sector in Peru and the enormous blockages people in this sector face when

¹⁵ Theo Schilderman: “Housing standards: Can they be made appropriate?” in Appropriate Technology Vol 19 No.1, June 1992.

¹⁶ Ibid.3, p.8.

¹⁷ Hernando de Soto: “The Mystery of Capital: Why Capitalism Triumphs in the West and Fails Everywhere Else”, Basic Books, 2000.

attempting regulation¹⁸. This research has led to much more enabling legislation in Peru, including the establishment of a Property Registry and a fast track decentralised registration process which proved very successful¹⁹. In his latest work, he argues that the poor of the world possess enormous physical assets; he values the property held but not legally owned by the poor of the Third World and former communist countries at a staggering \$9.3 trillion. That equals about 20 times the total foreign direct investment in developing countries over the past decade, and 93 times the amount of total development assistance over the past three decades. Unfortunately, argues de Soto, these physical assets cannot be transferred into financial assets, because without a secure title, they cannot be used as collateral to raise a loan.

On balance therefore, we would argue that some form of regulation would most likely be beneficial to the urban poor. However, this needs to be a type of regulation which is much more enabling and therefore quite different from what is currently in vogue in most countries. And a key challenge is therefore: how can we get various authorities to change their regulatory frameworks?

5. THE EVOLUTION OF REGULATION²⁰

The earliest references to standards and regulations come from Asia in the first millennium before Christ, e.g. relating to the building of cities in China and to construction in Mesopotamia. Subsequently, Roman rules pertaining to construction were influential around the Mediterranean. In the major colonising powers of Western Europe, a start was made with modern standards and regulations somewhere in the middle of the 19th century. As colonialism spread, in the 19th and early 20th centuries, particularly in Africa and Asia, colonial authorities imposed their existing laws on overseas territories, ignoring indigenous laws already in place, which were often relegated to a customary status. This conflict between official and customary/cultural standards is seen by some as a major reason for the inefficient functioning of human settlements in the Third World²¹.

Four models of building regulation have evolved through history; these are commonly classified as Anglo-Saxon, German-Nordic, Napoleonic and Planned Economy. Although the regulations vary from country to country, they are similar in their basic structure. Four components are common to all models: Legislative (acts, ordinances, bylaws); technical (regulations, rules, codes); enforcement (procedures); and support (complementary reinforcement facilities). Since the countries involved in the research are mainly former British colonies, we only summarise the Anglo-Saxon model, which is followed in the United Kingdom, except London, and many English speaking countries. In this model, the legislative body issues a building law and local governments are responsible for its interpretation into building codes. This model assumes the availability of competent and incorruptible public officials in local building departments. Moreover, it does not assume territorial uniformity among codes. The Anglo-Saxon model does not clearly define who bears responsibility for mistakes committed by a builder.

In this model, the legislative authority issues acts or ordinances to control the physical development of the built environment. Bylaws have a similar status, but are issued by subsidiary legislative authorities such as municipal councils. The terms regulations and rules are often used interchangeably; they all share a legal standing, and may constitute subsidiary legislation, e.g. domestic sanitation in Kenya is regulated through the Drainage and Sanitation Rules proclaimed by the Ministry of Health under public health legislation. Codes, such as the Building Codes, on the other hand, are not statutory, unless made so by regulation; they tend to support the regulations with technical requirements and details. Standards generally define technical quality (e.g. of materials, designs, methods) and how this can be

¹⁸ Hernando de Soto: "The Other Path – The Invisible Revolution in the Third World", I.B. Tauris&Co, London, 1989.

¹⁹ The Institute for Liberty and Democracy, Peru: "Poverty and Democracy", in Urban Perspectives, Vol.2, No.1, November 1991.

²⁰ Ibid.3, pp. 16-17 and 143-146.

²¹ Akin Mabogunje et al.: "Shelter Provision in Developing Countries: The Influence of Standards and Criteria", ICSU Scope 11, John Wiley & Sons, London, 1976.

measured; they are generally published separately, though codes or regulations may refer to them. Specifications, on the other hand, are statutory and tend to stipulate the quality of construction elements like foundations.

6. WHOSE STANDARDS AND REGULATIONS?²²

There tend to be many institutions involved in safeguarding the built environment, just as there many people with associated interests. Politics, vested interests and the human nature of those involved in establishing and implementing the regulatory frameworks make this an area full of tension, conflict and constraint. In order to make regulatory frameworks more enabling, these issues need to be addressed. In the following section, we describe some of the problematic issues ITDG has come across and how they perhaps could be addressed.

6.1. At the level of setting the legislative framework and developing regulations, standards, etc. (very often mainly at central government level):

- *There are often too many actors involved*, e.g. there are more than 20 institutions involved in setting residential standards in Kenya²³. With so much bureaucracy and conflicting interests involved, processes of revision become very complex and lengthy. On the other hand, it remains important for various stakeholders to participate in establishing legislation and create a feeling of ownership. Perhaps the way forward is to carefully scrutinise regulatory frameworks, reduce the elements decided centrally, and increase local involvement and control, including self-regulation.
- *The actors involved are often inflexible*, do not want to give in on their own priorities, but want others to change instead. In many countries, health authorities tend to take a tough stand on regulations to safeguard public health, where perhaps planners might be more lenient to achieve a higher degree of regularised housing. Such conflicting policies and approaches again make revision difficult and lengthy. A lot depends on personalities; sometimes it helps to get different people from the same institution involved. Where corruption stands in the way of change, the emerging campaigns for good governance can start to address that.
- *Words are not matched by deeds*. Whilst many policy documents at the national and international level, including the Habitat Agenda, do state that current legislation is inappropriate and does need revising, little actually happens on the ground. To some extent, this is an issue of countries lacking the resources to what may well amount to a complete overhaul of the regulatory framework, if it is to be made really enabling. And even where much smaller revisions have been made, e.g. in Kenya, this was often only possible with some donor assistance²⁴. Furthermore, where regulations tended to be set by technically highly competent people, there is nowadays perhaps an increasing need to bring new skills into the process, to do with participation, mobilisation etc. Aside from resource scarcity, there is, however, also evidence of inertia and people merely paying lip service to policy statements, for a number of reasons, including a vested interest in the status quo. To overcome this hurdle may require either campaigning by e.g. associations or federations of civil society organisations (such as the Shelter Forum or NISCC in Kenya, the Slum Dwellers Federation in India, or People's Dialogue in South Africa) or the development of partnerships in which this burden is shared by various organisations.

²² Ibid 3., pp. 17-24.

²³ Prof. Saad Yahya: "Building Codes and Regulations in Kenya", UNCHS Seminar Paper, Sweden, 1980.

²⁴ Saad Yahya, Elijah Agevi and Josiah Omotto: "Deemed Satisfaction – Lessons from Housing Standards Revision in Kenya", Case Study 11, Enabling Housing Standards and Procedures project, ITDG, Rugby, June 1999.

6.2. At the level of implementing and controlling standards and regulations (mostly the local level).

- *Actors at this level get overlooked when standards and regulations are developed or revised.* It often happens that certain professional ministries or institutions are responsible for establishing regulations, whereas the ministry responsible for local authorities or those authorities themselves do not get involved. Following recent changes, this is now the case in Peru. And it is a general complaint heard at local authority level, e.g. in Zimbabwe²⁵. The result is that the implementing authorities do not really own the regulations, find parts of them irrelevant, and sometimes resist their application. There is also an issue about how relevant centrally devised regulations can be in different locations, particularly in large countries such as China. Where possible, the establishment of regulations should be left to local bodies; if not, they should at least be represented in their development or revision.
- *Some actors at this level will resist change for their own benefit.* The process of issuing permits and inspecting construction does offer opportunities for corruption; in fact, these increase with the length and complexity of the system. Any reduction in regulations, standards and procedures is therefore likely to meet some resistance. In the Anglo-Saxon model, where it is left up to local authorities to adopt or adapt centrally devised regulations and codes, or develop some of their own, this can lead to authorities or individuals at the local level simply not implementing change. This is perhaps again an issue for a good governance campaign.
- *Some actors at this level will resist change because they lack knowledge and information.* The local authority staff involved in approving and controlling construction tends to have a fairly conventional education, which places emphasis on modern construction. There is a tendency now for performance standards to replace prescriptive standards; this opens the door for alternative and innovative materials, designs and technologies. But these often meet resistance at the local level, simply because the officials involved do not feel confident about their quality. This has for instance hampered the expansion of building with stabilised earth. To overcome this hurdle, it is often important to demonstrate that innovations do actually work.
- *There is a lack of capacity for proper quality control.* This (and perhaps the issue of corruption mentioned above) appears to have been a major factor in recent earthquakes in Turkey and India having such devastating effects. And it raises the question of what the point is of making a great effort in establishing a more appropriate and enabling regulatory framework, if it cannot be implemented properly. This is probably a major argument for keeping such a framework as light and simple as possible, and for perhaps prioritising those components which do need local authority control, and leaving others to community control.

6.3. At the level of using regulations for housing design or development (involving professionals such as architects, planners, engineers, economists, developers etc.)

- *They generally have not been involved in developing the regulations either.* From field research in Kenya and Zimbabwe by ITDG, it becomes quite clear that they would have liked to get more involved, and are at times unhappy with the results produced by official committees. It seems important that there is some representation from this group when regulations are developed or revised.
- *Some professionals may be reluctant to reduce standards or regulations.* This may be because their education has stressed modern construction, or because they are mainly involved in upmarket housing. We have noticed a particular reluctance on the part of housing finance institutions, who are very concerned with the durability of houses they may provide credit to. Again, demonstration and perhaps official testing are key methods to convince these professionals of the validity of alternative, more affordable solutions.

²⁵ Alex Mugova and Oscar Musandu-Nyamayaro: In Search of Enabling Housing Standards and Procedures: A Case Study based on Project Experiences”, Case Study 13, Enabling Housing Standards and Procedures project, September 1999, p.12.

6.4. At the level of applying the regulations to construction (affecting home owners, tenants, building artisans and contractors, building materials producers, etc.)

- *They tend to feel the least ownership of regulations.* As a resident of an informal settlement in Kenya expressed: “these standards are for them over there (pointing at a nearby formal housing scheme), not for us lot over here”. This is partly because of the colonial inheritance ignoring customs and culture, and also because these still are the people least listened to when regulations are developed or revised nowadays. This can be resolved to some extent by more participatory approaches to urban planning and development. A good example of this is the Community Action Planning developed within the 1 (later 1.5) million houses programme in Sri Lanka which did include a certain amount of self-regulation²⁶. Another reason is that people feel that current regulations are completely out of reach. It is, however, possible to extend them downwards, as shown in Sri Lanka, in the Traditional Housing Areas of Malawi²⁷, and in Botswana²⁸. Research by ITDG in Kenya and Zimbabwe²⁹ has also revealed that these actors would like to get more involved in setting the standards for their living environment, if only they were given the chance.
- *There is be a cost to non-regulation too.* Where it holds true that probably more than of half of the urban population of the Third World cannot afford to build according to prevailing regulations, it is equally true that there is a price tag attached to the choice of remaining non-regulated. This may be in the form of increased health expenditure, of lost development or income generation opportunities and lower productivity, of the loss of investment following eviction, of tenant exploitation by unscrupulous landlords, of bribes to corrupt authorities or payments for protection, of higher prices paid for services such as water, etc. This cost is equally important, but far less recognised by most.

7. **HOW REGULATIONS AFFECT THE DEVELOPMENT OF LIVELIHOODS ASSETS BY THE URBAN POOR.**

This section deals with the impact of regulation on the development of livelihoods assets by the urban poor. Five categories of assets are distinguished, as described in section 2. They are all affected, to a greater or lesser degree, by the regulations in place. That impact is often locally specific. What follows below is a more general description based on ITDG’s experience in a number of countries and from reviewing literature; this is by no means exclusive. Furthermore, it may be worthwhile to repeat this exercise in each research location.

7.1. The impact on financial assets

- *Current regulation is not affordable to the poor.* Studies of the Caribbean, for instance, found that only 15% of the population can afford to build legally^{30, 31}. This is often because regulations are inherited from colonial days and do not reflect current reality. Where change has happened, this has often been to revise standards downwards, e.g. to make plots or room sizes somewhat smaller. Recent revisions in Kenya and Zimbabwe, analysed by ITDG, have brought the cost of standard housing down by about 30%, e.g. by allowing more affordable materials or technologies

²⁶ Susil Sirivardana: “Sri Lanka Housing Standards Study generated with the urban poor in Sri Lanka”, Case Study 9, Enabling Housing Standards project, ITDG, Rugby, March 1999.

²⁷ Osita Okonkwo: “Building Codes and Planning Regulations Review in Malawi”, Case Study 5, Enabling Housing Standards project, ITDG, Rugby, February 1999.

²⁸ Prof. Saad. Yahya: “Enabling Housing Standards for Botswana”, Case Study 4, Enabling Housing Standards project, ITDG, Rugby, December 1998.

²⁹ Ibid. 24 and 25.

³⁰ A Mohammed: “Problems in translating NGO successes in government settlement policy: illustrations from Trinidad and Tobago and Jamaica”, IIED, October 1997.

³¹ Glenn Matthews and J Wolfe: “The growth of the informal sector and regularisation of spontaneous development”, TWPR, 1996.

or reducing plot sizes, but is this really enough?³² More drastic changes may be needed. One option would be to have a two-tier regulatory framework which would effectively allow the development of cheaper settlements. This is what Malawi envisaged when establishing the Traditional Housing Areas, where residents were allowed to build with almost any materials, and where infrastructure standards were kept very low, with improvements over time in mind³³. Similarly, in Sri Lanka local authorities can declare special zones where lower standards apply; this was used frequently in the one million houses programme³⁴. Rather than having different sets of standards and regulations applying to various locations, it is also possible to just lower them drastically altogether, as has happened in Botswana; this took into account the practice of existing informal settlements³⁵. This practice has the potential advantage of legalising a lot more housing, whilst not necessarily affecting the medium or high income segments of the market, where standards are likely to be determined by customs and demand.

- *Procedures can be costly too.* In most countries, procedures are far too complicated and lengthy, and therefore costly. De Soto, for instance, estimated that in 1979 it would cost a group of low-income families about in Peru seven years to legally acquire a plot and obtain a building permit; the first step, of securing land tenure, would take 43 months and involve 207 bureaucratic steps in 48 different government offices. It would also cost each family 4-5 annual minimum incomes³⁶. In the Philippines, regularising a squatter's house on state-owned land can require 168 steps, involving 53 public and private agencies and taking 13-25 years. And to obtain permission to build a house on land zoned for agriculture in Egypt takes 6-11 years³⁷. De Soto has since shown that it is possible to simplify procedures; changes in the regularisation process in Peru have made a huge difference: people can now get titles more easily, and mortgages on the back of those; this has boosted the construction sector. But there are other examples too: the "one-stop-shop" approach, implemented in Canada, has been cited as an excellent way forward³⁸; it is applied to a degree in Uganda³⁹. It is also possible to put the onus on the local authorities and have the regulations state that a house design is automatically approved, if the authority has not objected within a given period; South Africa is one of the countries considering this. This does not always need legislation: e.g. in Nakuru, Kenya, the partnerships developed between ITDG, CBOs and the local authority led to a commitment by the latter to turn around applications for building permits within 30 days. This was facilitated by the development of a range of standard house designs in participatory design workshops supported by the Architectural Association of Kenya⁴⁰.
- *Regulation prevents the poor from generating income in residential areas.* Most zoning regulations prevent mixed land uses. Whilst authorities may be able to control the spread of home based enterprises to some extent in new housing schemes, it is a lot more difficult to deal with this when considering the regularisation of current informal settlements. There usually is a lot of economic activity in such settlements, in the form of small workshops, shops, individuals working at home etc. This is particularly important for women, for whom it is often crucial to be able to work at home or nearby, because they combine so many different roles in the household. Not all of these activities are desirable near dwellings, e.g. because they are polluting or dangerous, but planning them away from residential areas often comes with high costs of transport that the poor can ill afford. Clearly, there is a case to be made for planning and zoning regulations to consider overall livelihoods issues, and not just from the planners point of view (which tends to favour segregation on environmental or aesthetic grounds).

³² Ibid. 24 and 25.

³³ Ibid. 27.

³⁴ Ibid. 26.

³⁵ Ibid. 28.

³⁶ Ibid. 18.

³⁷ The Economist: "Poverty and Property Rights" (reviewing de Soto's: *The Mystery of Capital*), March 31st, 2001, pp. 21-23

³⁸ Ibid. 14, p. 21.

³⁹ Emmanuel Byaruhanga: "The Current Review Process of the Building and Planning Regulations in Uganda", Case Study 3, Enabling Housing Standards and Procedures project, ITDG, Rugby, December 1998, pp.8-9.

⁴⁰ Ibid.3, Appendix 4: Architects as Facilitators.

- *Many regulations require finished products from the start.* As Turner argued from the 1970s, housing is a process, not a product⁴¹. In practice, the urban poor who do get involved in building their own dwelling usually do so over a lengthy period, in little steps of extensions and improvements. This is partly to do with the fact that more often than not, they do not have access to mortgages, and perhaps because they do not want to take too big a risk. Incremental building makes a lot of sense in terms of asset management, but it is not what the planners tend to like, because invariably it means that people are living below a standard level for a while, and who can guarantee or impose that they will ever reach the desired level? Before the most recent revision, Zimbabwean regulations required 4 room houses as a minimum. And the rule in Kenyan sites and services schemes to have complete houses within 18 months put these schemes out of reach of the poorest. Regulations applying to the minimum size of a dwelling have started to change in several countries. In Zimbabwe, it is now allowed to start with a core house of one room and an ablution block⁴². It may also be possible to improve quality over time; this was a concept included in the Traditional Housing Areas in Malawi, where it did not work optimally. It is also behind the upgradeable plot approach adopted in India⁴³. And the concept could extend to infrastructure too.
- *Small is cheap but is it best?* Professionals involved in the development or revision of regulations often tend to take a view that is limited to the initial investment cost, hence the urge to make plots or rooms smaller, to be able to make standard housing affordable to more people. A livelihoods approach needs to go beyond that, and look into the medium to longer term. ITDG's research in Zimbabwe found that a number of poor people were against the reduction in minimum plot sizes to 150 m²; there are similar arguments coming from Botswana and Lesotho. It may be important for the survival of some urban poor to have a somewhat larger plot, to keep some livestock, do a bit of agriculture or even build the extra room for rent.
- *Security of tenure is an important condition for developing financial assets.* Access to credit requires guarantees. A plot or dwelling registered in the name of a poor person can be used to attract financial capital to start or boost a micro-enterprise. Some public utilities also require secure titles to connect residents to e.g. water or electricity supplies, which again may be essential for home based enterprises, and may be cheaper than e.g. water supplied by vendors.

7.2. The impact on physical assets

- *Security of tenure is important to stimulate upgrading.* Without such security, people remain at risk of eviction and demolition. Whereas these risks have perhaps diminished over recent years, they remain real, and often prevent people from investing as much in their dwellings as they might want to.
- *Regulations often restrict the choice of materials and technologies.* Many building regulations specify the use of modern, industrialised and often imported materials. This is costly and does little to boost the local economy. Alternatives are often available and sometimes widely used in informal settlements, but the prevailing regulations do not formally accept them. Rather than specifying what materials or technologies can be used legally, regulations should specify performance: this then allows alternative materials and technologies which can show to meet that performance, to be used legally. In the recent revision of its Building Code, Kenya has moved from prescription to performance based regulations⁴⁴. The net result is that materials such as stabilised soil blocks are now gradually more widely used, and small local enterprises are being established to profit from this.
- *Some affordable alternatives are not standardised.* Some innovative materials or technologies do not have a standard yet or may not be standardised in certain countries. This can exclude them from legal use. Moreover, the lack of standardisation also makes people worry about their quality which reduces their market. This has led some producers to push for the introduction of standards

⁴¹ John Turner: "Housing by People", Marion Boyars, London, 1982

⁴² Ibid. 25.

⁴³ Banerjee et al.: "Three Indian cases of upgradeable plots", Liverpool University Press, 1994.

⁴⁴ Ibid.3, Appendix 3: Analysis of changes introduced by Code '95 in Kenya

for their products, e.g. for micro-concrete roofing tiles in Kenya, and for building with earth in Burkina Faso⁴⁵. In the latter case, standards were developed as a regional initiative, with the help of a specialist NGO, CRATerre, for adoption by several African countries. Since the development of standards can be lengthy and costly, such regional initiatives make a lot of sense. The agrément system, adopted in South Africa after the example of France, is another method to legally incorporate non-standardised materials or systems, by testing their fitness-for-purpose and the issuing of a certificate⁴⁶. It is also conceivable to introduce quality seals on materials. These latter two options do require a certain capacity for testing and quality control which not all developing countries may possess.

- *Regulations do not like incremental development or transformations.* This issue was raised under 7.1., from a financial angle. The issue also affects the evolution of housing as the livelihoods of residents develop over time. Research by Tipple⁴⁷ on transformations has clearly shown that they are often of better quality than the existing housing stock, so there is perhaps reason to stimulate rather than restrict them.

7.3. The impact on human assets.

- *Regulations favour modern over indigenous technologies.* This has been raised above, as an issue in physical asset development. But it also affects human assets. First of all, a better use can be made of human assets if regulations were to allow the use of technologies poor people and the artisans and small-scale producers in their midst are most familiar with. Secondly, by favouring industrialised and often imported materials and products over local ones produced at a smaller scale, a lot of opportunity for livelihoods development is being lost, both in terms of gaining skills as well as income. The introduction of performance based regulations to replace prescriptive ones, as happened in Kenya in 1995, can go a long way towards solving this issue.
- *Standards and regulations are often incomprehensible to all but a few.* They tend to be written in a legal or technical language which is difficult to understand for all but some professionals. Besides, some urban poor would not know the language they are written in, or might be illiterate. In addition, there are often quite a lot of them; they can be contradictory at times, and it is often hard to figure out which ones are the more important. There are ways to overcome such problems. One is to simplify them, as happened in Botswana. In Zimbabwe, ITDG produced a manual to explain regulations and procedures⁴⁸, but so far it is only available in English and still needs translation in the two major local languages. In the case of Kenya, the new Code '95 was accompanied by "deemed-to-satisfy" clauses, to provide simple examples of how certain regulations could be implemented. Finally, it often remains important to be able to demonstrate what certain innovations which have been incorporated mean in practice; this was a very important element of the dissemination of revised Codes by ITDG in Kenya and Zimbabwe.
- *Knowledge and information are often difficult to access.* Urban life is more complex than rural life. The urban poor do have to be aware of opportunities for jobs or to generate incomes, about where they can settle, about how to build, about the risks involved, etc. Thus, knowledge and information are crucial assets to them; they have perhaps been undervalued in the current SLF literature. Research by ITDG into the knowledge and information systems of the urban poor has revealed that they often rely on their peers for that information⁴⁹; other sources may depend on the level of consolidation of the settlement. But there are gaps in that information. The poor are often very poorly informed about their rights when it comes to such issues as tenure and they are also often unaware of the details of any legislation or regulations affecting their settlement. Other

⁴⁵ Lucky Lowe: "The Current Review Process of the Earth Building Standards in Africa", Case Study 1, Enabling Housing Standards and Procedures project, ITDG, Rugby, January 1998.

⁴⁶ Liz Kraayenbrink: "A South African solution to standards" in *basin News, No.15*, May 1998, pp.13-15.

⁴⁷ Graham Tipple: "The impact of regulations on the livelihoods of people living in poverty", CARDO, 2001.

⁴⁸ Alex Mugova and Oscar Musandu-Nyamayaro: "Housing Urban People in Zimbabwe", ITDG Zimbabwe, 1998.

⁴⁹ Theo Schilderman: "Strengthening poor people's knowledge and information systems – A summary of research findings, January-April 2000", ITDG research paper, Rugby, 2000.

organisations can help them access this information, and make a case for their rights. Some NGOs, such as Kituo Cha Sheria in Kenya, have been established with that in mind. The same research by ITDG, however, has also revealed that ownership of information can be an issue too; some NGOs and other institutions are reluctant to share the information they possess, because it is not in their interest to do so. ITDG's work with poor communities in e.g. Kenya and Zimbabwe has revealed that it remains important to raise their awareness of regulations and rights and to disseminate the relevant ones in an accessible format.

- *Better housing and infrastructure does add to human assets.* There is some emerging evidence that people's physical and mental health and their productivity do improve following investments in the improvement of the living environment; this may be accompanied by financial gains. ITDG has looked at the impact of better housing on the health of the rural Maasai in Kenya; a key issue there was smoke, from cooking, which was not evacuated because wall openings were too small and chimneys absent. Others, including IIED, have stressed the importance of improving the urban environment (including drainage and sanitation) to people's health. It remains difficult, however, to pinpoint exactly what the health impact of upgrading is, because it is often hard to distinguish from other factors such as nutrition or health and hygiene education which contribute as well, and perhaps this is therefore an area that needs further investigation. In any case, this again begs the question whether it can be right to look at regulation just in terms of the investment cost, whereas there are clearly longer term benefits to livelihoods.
- *Overcrowding does have a negative impact on human assets.* It affects the health and psychological well-being of residents and can lead to violence. That is why many regulations try to establish a minimum amount of space per person, or minimum room sizes. Whether this always actually works in practice is debatable, because who or what can prevent dwelling occupiers from adding more residents over time? Overcrowding perhaps affects tenants most; in many instances, a whole household of tenants occupies a single room; since they often cannot afford to rent two rooms, it is obviously important that this single room is large enough, and perhaps regulation can help to achieve that.

7.4. The impact on social assets

- *Housing and settlement upgrading can build social capital.* The fact that neighbours are coming together to tackle a common need may lead to the emergence and capacity building of CBOs, to empowerment and subsequent other benefits. This is often easier in an existing informal settlement, which perhaps is scheduled for upgrading, than in a situation where relative strangers are constructing in a newly planned settlement on the fringe of a town or city. Building and planning regulations may affect the development of social assets; e.g. an insistence on modern technologies may prevent the use of self-help or mutual aid more common in traditional building. And the way how land is allocated according to the law differs from customary practice and undermines traditional local leadership. There may also be problems in the planning details (i.e. in the way how planners interpret regulations), e.g. it is much easier to build social capital amongst neighbours in a quiet cul-de-sac, than amongst those on two sides of a busy street. And it is important for neighbourhoods to have some community facilities which do encourage people to meet.
- *Other policies affect social capital development more.* In many countries, there are other laws, policies or strategies in place which affect the development of social assets more than the building or planning regulations. An important element of Zimbabwe's enabling housing policy, for instance, is co-operative housing, and the country has a policy to support the formation and capacity building of co-operatives. Hundreds of housing co-operatives have been formed and do play an important role in realising shelter for all. On the down side, the same country has sometimes prevented people to organise meetings, particularly in urban areas which were opposing the current government, during the past election year. In Zimbabwe as well as Kenya, politics have at times led to violent clashes which have led to distrust within communities and the ultimate destruction of social capital. It is often a characteristic of the more dictatorial regimes not to promote or even oppose community organisation and empowerment.

- *Social assets are crucial for revising legislation and how it is upheld.* Poor people that can get their act together, and/or have the right connections, do sometimes manage to get regulations changed or may achieve that unfavourable regulations are not implemented. Pavement dwellers in India, for instance, designed model houses based on their pavement dwellings, with one key difference: a 14 feet high back wall, allowing for a mezzanine. It took 4 years of concerted lobbying by them and support agencies to get professionals to approve that change⁵⁰. And it took the pressure of many CBOs and NGOs in Kenya to finally achieve revisions of the building regulations, culminating in Code'95. Similarly, links with powerful people can help the residents of informal settlements to prevent regulations to be upheld which could lead to their eviction and the demolition of their assets.

7.5. The impact on natural assets.

- *Urban land is a scarce resource.* Hence the tendency of many regulatory and planning authorities to keep plot sizes to a minimum (the same applies to the cost of developing the land discussed under 7.1). This is not in the interest of some of the urban poor who might rely on having a bit more land for their livelihoods, but that could prevent others of getting access to any land. It also puts pressure on the owners of land surrounding the towns and cities, who will be under threat of urbanisation, and, although perhaps financially compensated for the loss of their land, may ultimately lose their livelihoods. Because developed land is scarce, and the poor often lose out in the struggle for access to the few plots legally accessible, they often end up squatting on various pockets of marginal land within towns or cities, or on their fringes. This often leads to conflict with the public or private owners of the land, and sometimes to eviction. But increasingly squatters are being tolerated and an attempt made to regularise their situation. This may take the shape of transferring the land rights and compensating the owners. One option, particularly for inner city situations, to serve the interest of both the owner and the squatters, is that of land sharing. The concept, which was developed in Thailand in the early 1980s, involves the partial clearance of a slum for commercial purposes, whilst residents are re-housed, more densely, on the remainder⁵¹.
- *The urban environment is under threat.* This threat does not come only from the informal sector. There is much polluting industry; although the regulations are often in place to limit such pollution, they are often poorly controlled or circumvented, with sometimes disastrous consequences (e.g. in the case of Bhopal). Besides, there is much motorised transport, which adds its share to the pollution; the larger the cities, the bigger this problem becomes, to the extent that cities like Mexico or Bangkok become almost unliveable. Some of this problem is caused by poor planning, which forces people into cars and buses, sometimes to cover long distances; zoning regulations which separate areas with different land uses are partly to blame. In low-income settlements, poor drainage is perhaps the major cause of environmental problems, followed by a lack of sanitation and the pollution from small-scale industries and household cooking and heating devices. All these can be regulated to various degrees, and in fact they are when it comes to new settlements. But often the regulation, as for housing, is of a level or of a nature that is inappropriate to the informal sector, and the challenge is really to find a middle path between what is ideal and what is affordable, and to keep in mind that regulation only makes sense when it can be controlled. There is probably a greater case to be made for a concentration of scarce public resources for regulation on public health issues which affect larger communities rather than on housing, which perhaps is more of an individual issue which could be left to self-regulation.
- *Household energy issues are being overlooked.* Policy makers generally pay little attention to household energy. Yet it is an important factor; on average, a household uses as much energy for cooking in two years as it takes to produce its entire dwelling. Many urban residents still use traditional fuels, such as wood and particularly charcoal, which are being supplied from ever further away, at great cost to the environment. Cooking (and sometimes heating) do make an

⁵⁰ Minutes of the joint preparatory workshop for the GPA and ITDG research projects on Regulatory Guidelines for Affordable Shelter and for Urban Upgrading, London, September 2000.

⁵¹ Somsook Boonyabanha: "Land Sharing, an alternative to slum eviction in Bangkok", in Open House International Vol.11 No.1, 1986, pp. 36-42.

important contribution to pollution and can cause smog in cold climates. The impact is particularly bad on women and children, particularly in one room dwellings which are often poorly ventilated because they are back-to-back. The model houses designed in an ITDG project with residents of Nakuru paid particular attention to this issue, by introducing chimneys and better ventilation⁵²

- *Current building regulation is not environment friendly.* Building codes and standards often prescribe the use of modern industrialised materials, such as cement, which take huge amounts of energy to produce and to transport. Many local materials, such as unfired earth, have less of an environmental impact, and organic materials can be grown. But they are often considered not durable and therefore not permitted. We have already argued under 7.1 that these codes need revising, and shown how this can be done.

8. VULNERABILITY

Poor people in urban areas are at risk of a range of disasters and shocks. Some of these are of a nature that they are hardly affected by building or planning regulation, e.g. the economic hardship caused by structural adjustment. But vulnerability to natural disasters, for instance, is clearly affected by the regulations in place and how these are upheld. These are some of the issues involved:

- *Setting standards too high increases the risk of eviction and homelessness.* When it becomes impossible for the urban poor to reach the legal standards, because they are set too high, they are at risk of being removed by force and lose substantial assets. This may perhaps happen less nowadays, but it still does. Sri Lanka, for instance has changed its policy of inner city slum upgrading which was so successful under the 1 million houses programme for one of clearance and resettlement in apartments. The urban rich sometimes have a vested interest in keeping standards high, to enable them to get rid of poor elements (which they consider eyesores or security risks) in their neighbourhoods.
- *The survival of the urban poor often depends on their capacity to assess and manage risks.* When living in informal settlements, how do you assess whether it is worth the risk of investing in better housing, or in some economic activity at home, when eviction or demolition is a real threat? This may require the right contacts, the appropriate information, and a bit of luck too. But such decisions do go wrong at times, and can put people in much greater poverty. Poor people often lack information about their rights as citizens, e.g. with respect to tenure, and this is sometimes exploited.
- *Poor urban women are more vulnerable than men, in many countries.* This often has to do with legislation and customs, and has been dealt with in section 3.
- *The poor often end up in the most risky locations.* This is often a matter of economics and power, and perhaps to some extent ignorance or unawareness of risks. When an earthquake, cyclone or flood strikes a city, it is usually the poor who make up the bulk of the victims. That is because they end up living in the flood plains, in areas with faults or prone to liquefaction, or on or below steep slopes which may slide down when saturated or shaken. Sometimes, zoning restrictions are in place which should prevent people from settling in such dangerous areas, but in practice they often don't.
- *Setting standards too high may not prevent disasters to happen.* It is quite possible to design concrete or steel framed buildings which will stand up to most earthquakes, cyclones and floods, but they would also be too costly for many of the urban poor. The rule should probably be to aim for what is optimal, not for the best. In the case of natural disasters, this could mean to try and prevent casualties through collapse, but to accept that some damage would occur. In this context, it is important to build on good technology that may be around already, and which usually stands out when disasters happen. A post-earthquake reconstruction project by ITDG in Peru, for instance, found that a local mud-and-pole (*quincha*) walling technique had withstood the

⁵² Ibid.40.

earthquake in the Alto Mayo region reasonably well. This was used to develop, with residents and artisans, the '*improved quincha*' technology, which was based largely on local resources and cheap, and therefore replicated widely⁵³. And although it was not, strictly speaking, standardised for use in urban areas, it was accepted by urban authorities for reconstruction.

- *People have to be convinced, not coerced, to make standards and regulations work.* Quite often, if a rule has to be enforced because it does not make sense in its own right, it is not going to work, because people will find a way to avoid or circumvent it. Many of the regulations for disaster-resistant construction that are in place have been developed by engineers, often after Northern examples (e.g. the USA codes for earthquake resistant building are quite often used as a source in Latin America). They are ideal for the rich and may suit certain public buildings, but do not make sense to the poor, if only because they prescribe alien technologies which are at the same time too costly. The urban poor tend to be aware of the risk of natural disasters, but perhaps more of floods and storms which may be more frequent than earthquakes. They may already have some indigenous solutions to make their dwellings more resistant, but these may be inadequate in the face of major forces of nature. If rules can be developed which build on the indigenous knowledge, people will often accept and implement them. The Turkish codes for earthquake resistant construction, for instance, do have a section on the reinforcement of earth or stone walls with timber frames, a technology which is indigenous, and therefore commonly accepted.
- *Urban violence is an issue overlooked in regulations.* This particular problem has only come to the forefront over the last decade or so, amongst others through the efforts of the International Forum on Urban Poverty. Traditionally, regulations have not looked much at how cities can be made safer places to live in, and of course, much of that is beyond building and planning regulations. But there are aspects that regulations should consider, e.g. street lighting which is often a top priority for the urban poor.

9. SUMMARY

- The urban poor are constantly managing a portfolio of assets and having to make decisions about their transfer, when new opportunities or threats arise. Risk is a key factor in asset management. Some regulations do increase risk to the urban poor.
- Existing standards and regulations impair asset development and risk reduction by the urban poor.
- In particular, they stand in the way of asset transfer, and particularly of turning physical capital into funding.
- Some minimum form of regularisation, which guarantees tenure and property rights, is likely to be beneficial to the urban poor.
- There are many actors which have different and often conflicting stakes in shelter development and the regulation that accompanies it: rich - poor; men - women; landlords - tenants; builders - clients; public - private sector, etc. This makes changing existing regulations difficult. A stakeholder and livelihoods analysis can help, and so can more participatory methods.
- With resources at a premium, it is important to prioritise. Regularisation should perhaps focus on public health issues first, and leave construction more to individuals, under some form of community regulation and control.
- It is also important to decentralise regularisation as much as possible. This requires a flexible regulatory framework that leaves more freedom to local authorities, which could favour the Anglo-Saxon system. Local authorities are really key; they need to get more involved in setting standards and regulations, whilst at the same time working with communities to take on board their opinions and get them implemented.

⁵³ Lucky Lowe: "Earthquake resistant housing in Peru" Building in Partnership case study, ITDG, Rugby, 1997.

- Partnerships with for instance NGOs and CBOs should be promoted to create further links with the urban poor, to demonstrate affordable innovations, and to raise awareness and disseminate information about rights and rules.
- Where possible, regulations should incorporate incremental development.
- Procedures need to be simplified, e.g. by using one-stop-shops, or otherwise limiting the number of steps or duration involved.
- Where possible, regulations should promote mixed land uses in low-income settlements.
- It is difficult to conceive guidelines for the development of regulations which take on board the above and at the same time suit a range of countries with vastly different regulatory contexts and urban livelihoods. Perhaps, they ought to be limited to a set of principles, examples and tools.