

UNCHS World Habitat Day 2001

**Panel discussion on 'Towards a Better Living Environment', Fukuoka, Japan
01 October 2001.**

Presentation by Geoffrey Payne

Background to the research project

My presentation is based on a major international research project reviewing innovative approaches to secure tenure for the urban poor in fifteen developing and transition countries. The research was based on a previous review of the literature, published in 1997. This demonstrated that the majority of households in the urban areas of developing countries live in settlements which are neither fully legal, nor fully illegal, but part of a continuum between these two extremes. Land tenure, in other words, is an extremely complex subject and cannot be defined in terms of legal or illegal, formal or informal. Most cities contain many statutory, customary and informal tenure categories, each of which serves the needs of different social groups (**Fig 1**).

In many cities various types of non-formal tenure accommodate the majority of the population, and most of the poor. I then realised that very little was understood about the range of informal or non-statutory arrangements which enabled poor people to obtain land and housing which would not be possible through conventional approaches. Even less seemed to be known about how the poor themselves perceived security of tenure and what they needed in order to invest in their homes and neighbourhoods. This was important because perceptions of tenure are heavily influenced by cultural factors.

The project was funded by the UK Department for International Development, with support from the Lincoln Institute of Land Policy Studies and was carried out in close collaboration with the UN team organising the Global Campaign for Secure Tenure.

The project started in February 2000 and was completed in June this year. Following a major international search, examples of innovation were selected in fifteen countries - Benin, Bolivia, Botswana, Brazil, Burkina Faso, Colombia, Egypt, India, Kenya, Peru, Russia, Senegal, South Africa, Thailand and Turkey (**Fig 2**). As you can imagine, fifteen countries in fifteen months represents an ambitious programme, but fortunately, I was able to draw upon a number of experienced researchers and practitioners in each country to prepare local case studies.

Issues in urban land tenure

A key issue of urban land tenure is the extent to which it facilitates or constrains access to secure and affordable housing within land markets which are increasingly commercialised. For the poor themselves, the key issues are access and security, or the lack of them. A third issue is the ways in which tenure influences access to services and credit and a fourth concerns land market behaviour. The research therefore sought to identify and review as many innovative approaches as possible which appeared to provide a level of security sufficient for people to invest their limited savings. Case studies were therefore evaluated according to the degree to which they:

- Increased people's sense of security from eviction
- Encouraged local investment in housing and the local environment
- Improved access to services and credit and
- Reduced distortions in urban land and property markets.

Findings of the project

It is sometimes assumed that the best way of increasing security and access to credit for the urban poor is to provide them with freehold titles. However, the research has demonstrated that such a simple approach has many negative implications for the poor and for urban land markets. It has also shown that these objectives are already being met by the examples reviewed.

These 'intermediate' tenure systems were familiar to local people and often enabled them to obtain access to services and credit. (In Colombia, people are entitled to receive public services such as water and electricity irrespective of their tenure status providing they can pay for them). The varied degrees of security each provided was reflected in the land values they commanded within the local land market, so that people could obtain access on terms appropriate to their ability to pay. Providing freehold titles to one selected category inevitably distorts land markets by benefiting some groups more than others and can lead to the eviction of squatter tenants who are usually among the poorest in a city. They also placed minimal demands on urban authorities, which lacked the resources and information to implement more formal options. It was also found that time was often more important than tenure status as rights could be acquired gradually through the acquisition of receipts for taxes and user charges. Close links with local politicians were also important for many groups.

Achievements of the examples and lessons learnt

Whilst secure tenure is a precondition for improving living conditions, it is not enough, in itself. Legitimacy is even more important than legality and can only be achieved when laws, policies and procedures reflect the needs, resources and aspirations of all sections of society. Where these conditions apply, people invest in their homes and develop their local economy – and that of their cities. Tenure policies therefore need to be integrated with legislation and policies which:

- protect the poor from eviction without due legal process and appropriate alternatives
- obtain basic services, such as clean water and sanitation irrespective of their tenure status and
- enable them to obtain credit without the need for title deeds as collateral.

The most important lesson from the research is that the most efficient and equitable land and housing markets require a wide range of tenure options, so that people have a choice. In the short to medium term, this is likely to be achieved by improving the rights which people possess within existing forms of tenure, whether these are statutory, customary or informal (**Fig 4**). Government policies should therefore identify and build on existing local tenure systems – whatever their legal status - and only introduce new ones with great care. As the capability of local government to update land registries and resolve land conflicts improves, and access to legally developed land and housing increases, so the need for unauthorised settlements will decline. This will inevitably take many years, which is why it is imperative to start immediately, but with caution.

Project outputs

Project outputs include a documentary film which was transmitted on BBC World Television during the UN Istanbul+5 conference in New York this year, and an information pack. A book entitled 'Land, Rights and Innovation: Improving tenure security for the urban poor' will be published by ITDG Publishing in Spring 2002. Presentations have also been made at UN conferences in New York and Nairobi and the World Bank Urban Forum in Washington. It is clear that the subject is now recognised as central to pro-poor urban development strategies.

