WORKSHOP REPORT

July 2013

Title at the beginning of workshop:

Building climate resilience through tackling informality and promoting integrated urban development in African cities

Title by the end of workshop:

Working with informality to build climate resilience in African cities

Why were we together for a workshop?

The workshop brought together government representatives, NGO practitioners and university-based researchers from Kampala, Accra and Addis Ababa, with representatives of the Climate and Development Knowledge Network (CDKN), researchers from the African Centre for Cities (ACC) at the University of Cape Town and other key resource people to jointly tackle the question: what needs to be taken account of when building climate resilience through tackling informality and promoting integrated urban development?

As explained by Sue Soal (independent facilitator) and Carl Wesselink (CDKN), the purpose of the three day workshop (9-11 July 2013) was to provide a forum where participants could exchange knowledge and experiences with the aim of identifying (and relating) the key elements of an approach to in-situ climate compatible development in informal settlements and slums that characterise the predominant condition of urban Africa. The beginnings of this co-constituted framework form a basis for designing project ideas that each city have been invited to submit, with a focus on fostering climate compatible development through working with informality to strengthen climate resilience amongst the urban poor. A single project of GBP 250,000 will be awarded by CDKN to undertake a 2-year climate compatible development project in the selected city. The process of implementing the awarded project will in turn help in developing the framework further, fostering learning through joint practice and theorizing. The ACC will act as a research partner during the project to facilitate, track and document learning on what constitutes climate resilience in African cities and how this can be enhanced.

The workshop marked the beginning of a practice-based learning partnership between city actors, CDKN and the ACC to co-construct a framework for (or approach to) fostering climate compatible development in African cities, where informality predominates, that draws on new ideas of systemic resilience and sustainability, but is foremost based in local lived experiences.

For more details, see Annex 1 for the pre-workshop concept note and Annex 2 for the workshop agenda. Also, see Annex 3 for the list of participants and their contact details.

Group of workshop participants

What framed our discussions?

Informality is a central characteristic in African cities. Informality comes in many forms, including settlement on unplanned land without public services and bulk infrastructure, unregistered housing construction and transfer, informal and insecure jobs, unregulated trade and service provision, etc. 62% of Africa's population lives in slum conditions and this is likely to double by 2050[1]. African cities have the highest growth rates in the world despite that sub-Saharan Africa is still only approximately 40 per cent urbanised[2]. The urban poor, who largely reside in informal settlements and slums, are vulnerable to a range of global change effects, including global economic and climate change impacts. These can combine to devastating effect on the poor, who generally survive on less than USD 2 per day, but also on the 'floating middle class', who are defined as living on between USD 2 - 4 per day, and constitute 60 per cent of the African middle class (who live on USD 2 - 20 per day)[3]. Given these particularities, we can't simply transfer policy frameworks from elsewhere or we will fail spectacularly, cautioned Professor Edgar Pieterse (ACC).

Prof. Pieterse argued that we need to figure out how to simultaneously pursue economic growth, a reduction in greenhouse gas emissions and an improvement in well-being (e.g. the HDI as one measure). The ideas of resilient growth and inclusive growth are critical; and the functioning of settlements is fundamental to realising such ideas. Presently half of the African population is younger than 17 years old, so there is going to be a huge surge into the workforce that needs to be accommodated. The more diverse the economy is, the more resilient it is, and the easer it is to absorb new people into the workforce. The challenge is how to keep resource intensity low but get access to services high (i.e. how to avoid first

[1] *World Urbanization Prospects: The 2011 Revision*. New York: United Nations.
[2] According to the World Urbanization Prospects Revised 2011 data, between 2005 and 2010 the average growth rates of sub-Saharan and African cities was 3.67 per cent and 3.27 per cent respectively. The percentage urbanized population in 2010 in sub-Saharan Africa was 36.3 per cent, and was projected to rise to 38.4 per cent in 2015, while for the African continent it was 39.2 per cent in 2010, expected to rise to 41.1 per cent in 2015.
[3] ADB, 2011,African Development Bank. The Middle of the Pyramid: Dynamics of the Middle Class in Africa, Chief Economist Complex, African Development Bank, market Brief, April 20 2011, p. 2

getting very resource intensive before trying to taper off). This means that we need a new form of urban development, including a new type of formalized settlement to aspire to and a new approach to upgrading existing and expanding informal settlements.

This involves tackling a complex set of problems, including that:

- many African governments are willing to accept any form of foreign direct investment, leading to extreme splintered urbanism – slum neglect combined with enclave elite urbanism (the concentration of the urban middle class in gated communities)
- there is limited state understanding of, or appetite to address, urbanisation (keep regulating to penalize informality)
- there is discrimination based on identity politics of affiliation (we have a fusion of tribalism and multi-party democracy)
- we are entering global markets with limited leverage or unified positions (too keen to strike bilateral deals, not regional ones)
- we have small and skewed formal economies and therefore limited tax base – largely spent on infrastructure that supports the market economy, not the urban poor
- the costs of large-scale dysfunction and vulnerability paid by (voiceless) slum dwellers, not the middle class

Therefore, the question for us is… can we use the imperative of climate smart development as an entry point for:

- Recognising the real / majority city and understanding the real livelihood practices of urban poor
- Changing power relations that shape urban investments
- Building compelling alternative pathways for urban development and community development within cities e.g. disruptive technology change, leapfrogging to smart African cities (focus on mobility, smart grids, compaction, slum upgrading) AND/OR the adaptive city with a focus on full access, avoiding a technology fetish by incorporating low tech solutions to account for affordability, localised slum economic and ecosystem renewal (new ways of place-making and working)
- Identifying emergent experiments of alternatives
- Forging action networks that carry this agenda

There is a need to:

- Invest in platforms to connect change makers and enlightened political leaders (can't by-pass politics)
- Document, disseminate and educate
- Experiment with new ideas, technologies, structures, servicing mechanisms, funding models, etc. and build up a knowledge base to bring about large-scale transformation (not celebrate cute exceptionalism / niche innovations)

Dr Camaren Peter added to this a focus on key criteria within climate compatible development for ensuring long-term sustainability of the whole city system:

1. the need for integration i.e. between social, economic, environmental, physical (infrastructural, technological) and political systems, involving strategic intermediaries;
2. the need to decouple urban growth from resource exploitation and environmental degradation, involving smart design and technologies that close material flow loops;
3. the need to ensure resilience, adaptive capacity and the ability to transform/transition to wholly new system regimes or states, involving networks, relations, connections and spaces for innovation between social and ecological systems; and
4. the need to go beyond efficiency criteria and to account for the behavioural change (including aspirational change) that is required to achieve sustainability in the long term.

The presentation outlined how climate change impacts combine with global, regional and local change effects (e.g. economic changes, resource scarcity challenges, conflict, etc.) to severely affect the viability of poor households in African cities. In particular, the vulnerability of poor urban households to linked food, water, energy and transport sector price fluctuations is a particular concern in respect of ensuring sustainability of African cities in the long term. Without easing the pressures of these costs on poor urban households, they effectively remain trapped in poverty or near-poverty conditions and are unable to emerge from vulnerability and achieve upward mobility.

The presentation argued against "techno-fixes" in favour of development that is co-constructed and inclusive of the recipients of development. It also needs to integrate across horizontal and vertical scales and levels of governance, management, planning and development. The goal of sustainability requires dealing with long-term and medium-term social, environmental and economic challenges alongside short-term developmental challenges. The workshop provided a forum where the key requirements for servicing this kind of developmental agenda could be identified, discussed and interrogated.

Colleagues from Slum/Shack Dwellers International (SDI), Adi Kumar and Melanie Manuel, presented their approach to engaging in in-situ development in slums and informal settlements, which goes beyond rights-based approaches. The solution is not to demand solutions from the state but to find ways of being part of the solution. SDI work at supporting people to organize, e.g. into savings collectives, and become part of making investment decisions. One of the key lessons that SDI has learned is that peer-to-peer exchange (local and global) is an effective vehicle for mobilizing communities. When communities interact with their counterparts in other communities that are facing similar challenges, and have managed to find a way to deal with those challenges, a high level of community mobilization and ownership of development agendas can be achieved. For example, SDI facilitated a learning exchange between residents of the railway slum of Kibera in Kenya with its affiliated federation in Mumbia, India around work to survey informal dwellers along the railway line there[4]. After the visit to the Bombay railway line, the Kenya Railways Corporation agreed for a new community-driven enumeration process to inform relocation and upgrading. With their own information, designs and plans, the community members now have a stronger voice in negotiating with the corporation. Going beyond exchange of knowledge between academics and professionals, enabling slum-dwellers themselves to engage directly with each other, is

[4] Bradlow, B, 2011, *Change by design: SDI at the Smithsonian,* Slum Dwellers International, 28 November. Available at: http://www.sdinet.org/blog/2011/11/18/change-design-sdi-smithsonian/ (accessed 30 July 2013)

an extremely effective vehicle for replication and/or scaling up initiatives. SDI has also partnered with the Association for African Planning Schools, so that their lessons can be communicated more broadly and mainstreamed into planning education.

The Informal Settlement Network (ISN) is focussed on facilitating the voices of communities so that they can negotiate and obtain cooperation from authorities. Their motto is "we are poor but we are not helpless / hopeless, we can do things for ourselves". For example, in one particular case where settlement dwellers were informed by authorities that services could not be delivered to the settlement due to high densities, the shack dwellers themselves generated a new layout and design for the community, that enabled the municipality to deploy basic services.

SDI works with a financial model called the Urban Poor Fund that operates at the local, national and global levels. Communities can leverage their savings to obtain loans and/or co-funding from the Fund (and other funding sources) and thereby be involved in making resource allocation decisions.

Key discussion points:

- Cities have **different entry points** that people will have to organise around (e.g. other countries don't have an Expanded Public Works Programme like South Africa does) – this makes it challenging to create a framework or menu of interventions that works in all these different contexts
- There needs to be collective responsibility in upgrading – urbanism requires **upgraging our mindset** to living in the town, recognising that we all have something to contribute.
- We all have 4 resources: politicians need us for our votes; businesses need us for our purchasing power; governments need us for our taxes; we all need each other for our productive capacity – i.e. whether formal or informal, we all contribute critical resources
- We can't say exactly what needs doing in the framework, because context matters, but **inclusivity** matters and **functioning relationships** are key – including those that have been voiceless
- Climate change as an **additiona**l cost, hazard, risk on top of economic and political challenges in cities – need to tease out this angle more strongly within a climate compatible approach to development
- How do we move from the conceptual (e.g. what Prof Pieterse presented) to the activities on the ground (e.g. presented by SDI) and back again – how do we go from **good ideas** on paper, in policies, to **activities on the ground** and feed l**essons** back into policies? Government arrangements and corruption challenge the implementation of climate resilience programmes
- We need to work across scales, don't lose sight of the national / state while focussing on the city. We are seeing symptoms in cities from problems that are at the **macro level**

Overview of city experiences from Kampala, Accra and Addis Ababa

After the opening framing discussions, city representatives shared their experiences related to: (1) the nature of informality and climate change related urban vulnerabilities in each city

(2) on-going projects and programmes that seek to address these challenges, (3) institutional enablers and constraints for scaling interventions and (4) possible areas in which inclusive and systemic-level interventions can be designed.

	Accra Metropolitan Assembly	**Kampala**	**Addis Ababa**
Character of informality	1.6+ million people live in slums, of which 82.9% have tenure security	Several land tenure systems, largest is land owned by traditional king (51% land), freehold is one of smallest – as a result there is hierarchy of unregulated settlements; very low coverage of public services	80% of the city considered slums; slums not all considered illegal; slum encroachment into green areas; slum clearance for upgrading or for designated green areas; regularization of slums if compatible with Master Plan
Key climate risks	Poor drainage and flooding, with low-income settlements worse affected; coastal erosion; surface erosion; salinization of groundwater affecting boreholes; drought; contaminants from waste (domestic and industrial), especially e-waste, affecting water sources and causing ill health; fire outbreaks	Informal settlements growing in flood prone, low-lying valley areas; flooding leading to outbreaks of cholera, dysentery and skin infections; flooding causing internal displacement; smog during dry season, leading to acute respiratory infections; fluctuating food supplies and prices; power rationing due to fluctuations in water levels; pollution of water bodies; damage to road infrastructure	Flooding along rivers (crowded slums on riverbanks); poor waste management and sanitation causing health risks
Climate opportunities	Transporting people through floodwaters as a source of income		
Existing activities to build on	Mapping informal settlements; pilot participatory slum upgrading; waste management; sanitary, sewer and storm water drainage alleviation project; city greening through tree planting and	Many but most are localised and not at the city scale or anticipating future city growth; assessment of climate change vulnerability in Kampala	Regularization of informal settlements; subsidised low-income housing and condominium development; focus on waste management (constructing landfills, composting, installing sewer lines and toilets,

	protecting parks; public education on sanitation and environmental mgt; facilitating community-based adaptation; assessment of vulnerabilities and adaptive capacities in low income settlements		etc.); catchment management upstream from cities; promoting production and use of efficient stoves and solar technologies; landfill gas CDM project
Important enablers	Innovative financing models e.g. Urban Poor Fund to finance slum upgrading; EPA Climate Change Unit spearheading mainstreaming of climate change; lots of policies on paper	High entrepreneurial spirit; occupants of slums organised into strong and active social networks; climate change focal points in all ministries; lots of policy and plans on paper	International financing; Climate Resilience and Green Economy Strategy (national with focus on cities); Urban Renewal Office; current revision of Master Plan; plans for pilot community-based adaptation projects; city-wide Adaptation Action Plan and vulnerability assessment
Critical constraints	Weak coordination, especially between scales / levels; limited funding opportunities at city level; gap between indigenous and scientific climate information	Lack of law enforcement; limited capacity and budgets for implementation; missing data at local scale; poor coordination; rampant corruption and "I don't care" attitude of politicians; climate resilience and environmental degradation are not a political priorities; limited supply of developable land	Plans lack detail for implementation; lack of technical and financial capacity; poor coordination, especially between national and local; corruption; lack of awareness; lack of enforcement; problem of overlapping legal frameworks

Note: for full details of what was presented on each city please see the PowerPoint presentations in the Dropbox folder

What are key elements of an emergent framework?

Based on the morning's inputs, some initial key elements of the emerging framework were identified as basis for discussion:

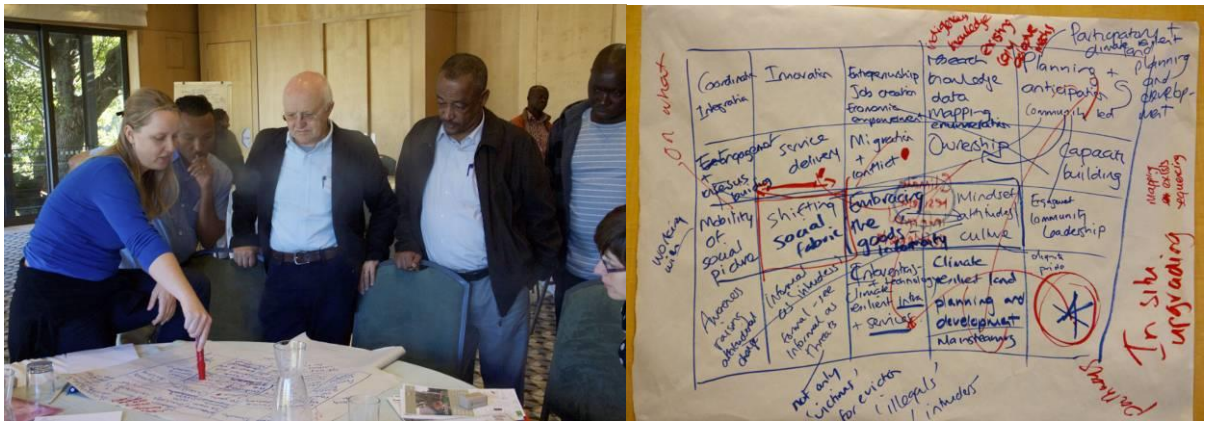
- Informality – is it about dwelling, service access, process of urban experience, land tenure; is informality a fact or a problem to be resolved?

- Government – spheres of government; strength and health of institutions to govern; interest from government on issues of climate and informality; what role for government in planning (proactive or reactive), service provision and law enforcement?
- People's organisation – pragmatic; political; particularly the youth
- Climate experience – flooding; drainage; sanitation; solid waste; water; energy / fuel
- Finance – public vs. private; savings; income generation; sweat equity / labour in kind through participation; donors; international climate finance – how does one link people's individual effort with large scale public monies?

Reactions, additions and modifications to proposed elements:

- Emphasise focus on **youth** and add **gender** dimension
- More focus on the **future,** dual approach of dealing with now while also preparing for the future – not just climate futures but also on future population size, future economy and job opportunities, so future vulnerabilities and future opportunities – more emphasis on visioning to respond strategically, build in **robustness** to deal with uncertainties
- Don't over-emphasise (potential) role of government, also focus on the role of the **private sector** (e.g. government's role is reducing in Uganda, especially in housing provision)
- Important role for private and civil society sectors in leading the climate change agenda – politicians take it seriously if they hear it from the business community as well as the research community and the civic leaders – **leadership** is a big gap
- Excellent technical people and good policy is not enough, need **political leadership** to support and drive the implementation agenda
- Rethink **land** access, land tenure and how this shapes housing and infrastructure development and property investment
- Approach **informality as a creative dynamic**, not as a problem (e.g. in Addis it is seen and being treated as a problem, but slum clearance and relocation is generating major problems, it tears apart social fabric and livelihood systems with disastrous effect); need to build on the **innovations and entrepreneurship** that already take place in informal settlements = switch from "tackling informality" to "embracing informality" in the title of the workshop
- **Perception** of informal settlers and settlements complicated: often seen as voter banks to keep in need of, and thereby loyal to, their political leaders; seen as occupying land that needs to be cleared for private sector investment; but often not seen as citizens who can contribute rates and taxes if formalised
- **Phasing** of service delivery in-situ to get people to a point where they feel settled and **stable**, begin to contribute to public finances and have more **voice** in decisions about strategic response to build climate resilience
- Climate change responses need to be **implemented** at the **sub-national** level; don't wait for international negotiations to be resolved
- Link think tanks and do tanks – don't over think and miss the boat on doing but also **think while doing** in order to do it better

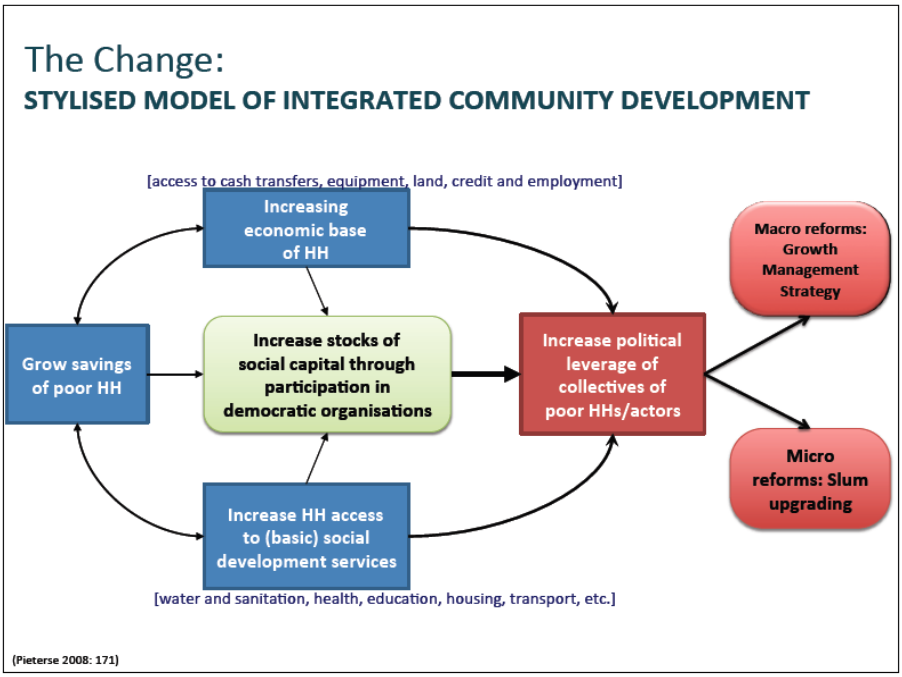
The framework being developed can help shift the city planning paradigm around questions of climate resilient growth and inclusive development. A draft framework, building on discussions at the workshop, will be prepared for circulation by the end of August 2013.



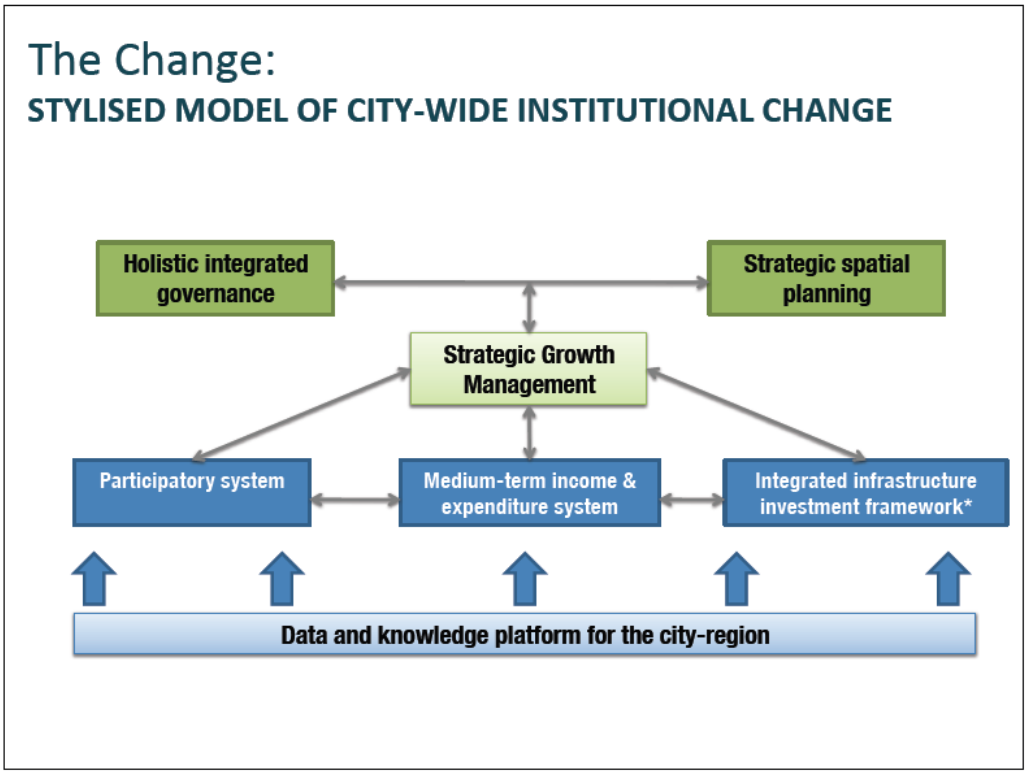
Break out groups worked further to devise their own outline frameworks. A range of approaches were developed and elements identified.

Further framework suggestions from Professor Edgar Pieterse:

Informed by the frameworks developed by the groups, Professor Pieterse presented a stylised framework of integrated community development. He put forward that for change to happen there has to be a core set of people that want the change, 1-3% of urban leadership in political, civil society and private sectors (i.e. a highly mobile group cutting across organisations who can get stuff done) who are determined to achieve ownership of the change amongst a significant cohort of community-based organisations (including religious groupings, trade associations, slum dweller networks). The programme for change, for "integrated community development", needs to achieve rapid and tangible improvements to drive the progress (the idea of "integrated incremetalism"), based on a hierarchy of improvements towards climate compatible development (e.g. see World Bank's list in Hoornweg, 2010, Cities and Climate Change: An Urgent Agenda).



Undertaking “integrated community development” as a basis for navigating a pathway to full service access and resource efficiency (including low carbon emissions) requires city-wide institutional change, finding ways to effectively link participatory planning processes with strategic urban management.



This institutional platform becomes the structure through which to:

- Push for minimum service standards – the right to dignity
- Co-produce service delivery – planning, interventions, maintenance and evaluation (people can’t afford to pay for traditional government provided services)
- Design and enforce soft regulation – working with informal practices and harnessing entrepreneurial flair (rather than making them illegal and thereby precarious / unstable and disconnected from the formal economy) while working to avoid elite capture and/or the degradation of public goods
- Build mechanisms for continuous learning, exchange and training – both in-situ / in context and external
- Empower citizens in slums to substantially improve their well-being and access to opportunities – a recursive and ever expanding process

What impressions did we get from the site visits?

Participants visited the settlement of Langrug and the Hout Bay Recycling Cooperative.

Langrug

Langrug is an informal settlement where an in-situ upgrading project is being undertaken in partnership between the community of Langrug, the local municipality (Stellenbosch Municipality), NGOs (Community Organisation Resource Centre / CORC, the Informal

Settlement Network and SDI), and academia (UCT's Department of Engineering and the Built Environment and Worcester Polytechnic Institute). A Memorandum of Understanding (MoU) between Stellenbosch Municipality, the community and CORC provides for an Urban Poor Fund, through which resources are mobilised for upgrading work.

The project was initiated following a 2010 court order mandating the municipality to improve and upgrade the settlement. This partnership-based upgrading model provides a platform for the community to engage with the local state and play a greater role in local planning processes. Through this community leadership has been enhanced to take ownership over the upgrading and development of their settlement. Communities have led on mapping and enumerating the settlement and its infrastructure. Drainage infrastructure has also been improved to better manage seasonal flooding issues. The project highlights the potential of city-wide networked partnerships between informal settlement communities, sharing technical capacity and social organization strategies that enable large-scale upgrading[5].

For more information visit:

- http://sasdialliance.org.za/projects/langrug/
- http://www.sdinet.org/media/upload/documents/Langrug_Booklet.pdf

Hout Bay Recycling Cooperative

The Hout Bay Recycling Cooperative (HBRC) is a municipal waste drop-off site adjacent to Imizamo Yethu informal settlement in the in the area of Hout Bay, outside Cape Town. A cooperative has been formed involving members from the informal settlement community to sort and sell recycled material, providing them with jobs and income. Dry waste is also recycled for 30 000 informal settlement residents who do not have door-to-door municipal services[6]. The cooperative also diverts waste from going to Cape Town's increasingly pressurised landfill sites, and decreases the amount of waste in the city's drainage systems. The project generates income from the sale of recyclables and it has also begun to sell carbon credits generated from its greenhouse gas savings in the

[5] South African Slum Dwellers International, 2011, '*This is my slum: The upgrading of Langrug.* Available at: http://www.sdinet.org/media/upload/documents/Langrug_Booklet.pdf (accessed 30 July 2013).
[6] Lin, I and Cartwright, A, 2012, HBRC PIN. Available at: http://www.carbon.org.za/resources/docs/hbrcpin.pdf (accessed 30 July 2013).

voluntary carbon market. The project highlights the potential of similar social enterprises that demonstrate viable, scalable business models that simultaneously improve the economic propsects of poorer communities through creating jobs and improving livelihoods, while advancing local development and climate goals.

For more information visit:

- http://www.carbon.org.za/resources/docs/hbrcpin.pdf
- http://www.zerowastehoutbay.org/

The main impressions and learning from the site visits included:

- The need to recognise informality as part and parcel of urbanism – it's not going away, it's there, we have to work with it, to move away from hostility between formal and informal sectors, learn how to build positive linkages (e.g. waste management and recycling networks), build on the potential that exists in informal settlements
- Raised danger of imposing interventions / 'solutions' e.g. municipality dropping off chemical toilets that were challenged by the community – decisions need to be properly consultative and participatory; dialogue processes, negotiation and consensus-building central to an effective response – need to be patient, this takes time
- Negative triggers (e.g. court case in Langrug) resulting in positive interventions through mobilising and organising communities – crisis leads to opportunities for change
- Don't miss the importance of cultural programmes by focussing too much on employment and service delivery
- Need to be realistic about the timeframes for implementation – takes so much longer than project funders and implementers expect (e.g. in Langrug nothing is expected to happen between now and elections in 2014 because too politicised)
- Can't have technology transfer without suitable technical skills training for proper installation and maintenance (e.g. solar water heaters all orienting in different directions)
- Need to think again about land security (uncertainty about tomorrow) and migration between rural and urban areas, relating to what people want to invest in (e.g. only see urban residence as temporary living arrangement for work opportunities, while building a home in a rural setting and travelling back as regularly as possible)
- Need to seriously think through the pros and cons of servicing and formalising areas that have been informally settled versus assimilating these households into existing formal areas in towns and cities

Note: international flights to and from the workshop were offset through the Credible Carbon Registry using carbon credits generated by the Hout Bay Recycling Cooperative.

What are some of the global happenings that this work is situated in?

Future Proofing Cities study by UK Department of International Development (DfID), Atkins and University College London (presented by Simon Ratcliffe)

- Cities need to take proactive steps to "future proof" against risks of over-emitting CO2, changing climate conditions and depleting resource-base and degrading ecosystems – based on sound urban diagnostics

- There is a closing window of opportunity to act (in advance of the cities becoming too big and problematic), to utilise and develop capacities of cities to respond to environmental risks and catalyse social and economic development
- Responses require integrated and multi-disciplinary approach – need to break out of silos – the study identified 102 policy options for cities to adopt (broken down into sectors), many of which have "triple wins" that cut across all 3 sets of risks
- DfID is supporting the development of decision support tool for city leaders to assess policy options as basis for putting in place future-proofed urban strategies

CDKN's sub-national and city oriented work (presented by Ali Cambray)

- CDKN's mission is to support decision-makers in delivering climate compatible development (CCD) through demand-led research, technical assistance, knowledge management, partnerships and negotiation support
- CCD trying to achieve "triple win" between climate adaptation, climate change mitigation and development through:
  1. Policies and planning
  2. Climate finance – help build voice of developing countries in design of climate funds e.g. Green Fund; technical assistance to design national finance mechanisms / funds / facilities; role of private sector investment
  3. Climate-related Disaster Risk Management (DRM)
  4. International climate negotiations
- CDKN works at the national and sub-national scales with key players in the public and private sectors, as well as civil society, because 1) national policy requires sub-national implementation (many countries now have national CC plans but don't know how to feed that into / roll that out at the local level), 2) there are trans-boundary issues that affect the city but fall outside of the city's jurisdiction, and 3) strong leadership and innovation at sub-national level can be a catalyst for national and international action and build momentum for change. CDKN is currently working with ICLEI to draw out learning from all their projects about the distinctiveness of CCD in cities.

Green Climate Fund (presented by Richard Sherman)

- Green Climate Fund (GCF) objectives:
  - Large scale monies to make a significant contribution
  - Programmatic and project focus
  - Support paradigms shift towards low emissions and climate resilient development pathways
  - Catalysing finance from both private and public sectors
  - Country-driven focus
  - Fund has to grow and learn over time – be scalable and flexible
- GCF has explicit access mechanisms for sub-national entities BUT there is no direct channel around national government, sub-national entities will have to work through the national focal point

- The GCF Board is comprised of 24 primary members (and 24 alternate members) – 12 from developing countries, of which 4 are currently from Africa, and 12 from developed countries
- Current have draft GCF result areas (presented to the Board but not yet adopted) for mitigation (7), adaptation (6) and cross-cutting (2), agreeing on these result areas will unlock 10 billion USD – one of the two cross-cutting result areas is to facilitate the design and planning of sustainable cities (in the medium to long term)
- Start with grants and loans – explore debt swaps, risk guarantees, etc.
- 3 types of access: direct access (fund mgt by GCF Board, channel to national implementing entities); international / regional access (fund mgt by GCF Board, channel via multilateral agencies as implementing entities); enhancing access (fund management devolved to national level) – language confusing, implementing entities are intermediaries, ultimately work will be done by executing entities
- Various combinations of institutions that could be used to access GCF money (i.e. implementing and executing agencies at different levels) – you can use a combination of access mechanisms simultaneously for different programmes and projects
- GCF will fund readiness and preparatory work – to get ready for going through the full process to access GCF money
- What next for the GCF:
    - Discuss pathways and paradigm shifts and what these mean at the country level (500 million to 10 billion dollars over 5 – 10 years)
    - Discuss who the competent entities would be in your country to make it through the accreditation process (very stringent fiduciary standards)
    - Engage with national government about the coordination and negotiation of climate finance
    - Re-assess national and sub-national budgets to see what can be matched and topped up with GCF money
    - Clearly articulating pathways to resilience and results will increase your opportunities for accessing the GCF
    - Engage private sector and entrepreneurs about doing much of the implementing / execution

This CDKN project, with a focus on informality as a critical issue, is an opportunity to demonstrate and build a solid case for what we might do at scale with which to approach the GCF via our national government and implementing agencies (whether national and/or regional).

What approaches or skills-sets might we draw into a project of this nature?

Mapping informal settlements with GIS (presented by Chris Berens)

- Maps answer questions, if you don't have a question you don't need a map
- Formalising the informal by getting to know it – collecting, counting and visualising information about it
- There isn't just formal and/or informal, there is a lot in-between, we need to understand this variety in order to properly plan interventions

- Conduct and map data from baseline survey and enumeration survey
- Factor in budget and roles for maintenance and updating of dataset and maps to move beyond simplistic snapshots
- Can easily get community members involved in using the GPS devices to collect data

Building a financial model and **business case** (presented by Vred von Ketelhodt)

Some basic principles of financial modelling were presented to highlight the importance of building viable, scalable business cases for sustainable financing of projects over the longer term. This was to help inform how the CDKN project might incorporate sound financial planning and arguments to increase its scalability and sustainability, and potentially attract further financing.

- Key is identifying and quantifying incremental costs (initial acquisition and ongoing investment – capital costs and operating costs) and benefits attributable to the proposed intervention
- For proof of concept with catalytic finance state your assumptions up front then calculate balance of costs and savings – proof of concept involves spending a small amount of money on pre-feasibility to check if it's worth proceeding to full feasibility and implementation (increasing costs and value at each of these stages)
- Net Present Value (NPV) = future costs and returns discounted to present day value as a means for assessing potential for cost recovery and return on investment for the residents / beneficiaries, the municipality and others (i.e. not necessarily to be recouped by the project "investors") – "time value of money" is the crux of finance, a dollar today does not have the same value as a dollar tomorrow because of inflation and deflation
- This kind of financial planning is key to the pathways they are talking about in the GCF
- Make the case for financial and social benefits, start with assumptions and estimates but then monitor real data in the pilot project to make the case for accessing the big money to do full-scale implementation

BUT

Keep in view that the financial argument is only a very partial piece of the picture and cannot be allowed to skew the evaluation criteria for projects. The "bang for buck" principle needs to be held in check by other important principles guiding project development and evaluation because many of the things that we really value and that are critical to success (e.g. integral leadership) cannot be well quantified in monetary terms.

Note: for more details from these presentations review the PowerPoint slides available in the Dropbox folder

What key learning points did we draw?

There is both power in and dangers to framing and presenting problems and solutions in certain ways (spatial, financial, etc.) that particular constituencies understand and value. We need to recognise and work with this when designing projects and building the relationships that form the basis of our new institutional platforms for climate compatible integrated

community development in African cities (seen as a composite of formal and informal spaces and practices).

What are the next steps?

Timeline	Steps
31 July 2013	CDKN application form, project criteria and workshop report to be distributed
26 August 2013	Deadline for project concept notes (stage 1 of the proposal process)
31 August 2013	Draft framework distributed (to be further developed through learning from implementation of the funded project)
4 September 2013	Evaluation of stage 1 applications
Beginning September - October 2013	CDKN takes forward one concept to a more detailed proposal stage, working with the city group to further co-create a project design for CDKN approval (linking to the further development of the framework) (stage 2 of the proposal process)
By end October 2013	Contracting finalised
1 November 2013	Project start
1 February 2015	Project close, including reporting

Appendix 1: Pre-workshop Concept Note

Building climate resilience through tackling informality and promoting integrated urban development and management in African cites

African cities are characterised by high levels of slums and informal settlements, largely informal economies, high levels of unemployment, majority youthful populations, and low levels of industrialisation. They have the highest growth rates in the world despite that sub-Saharan Africa is still only approximately 40 per cent urbanised[7]. The urban poor, who largely reside in informal settlements and slums, are vulnerable to a range of global change effects, including global economic and climate change impacts. These can combine to devastating effect on the poor, who generally survive on less than USD 2 per day, but also on the 'floating middle class', who are defined as living on between USD 2 - 4 per day, and constitute 60 per cent of the African middle class (who live on USD 2 - 20 per day)[8].

Climate change effects such as changes in temperature and precipitation, saline intrusion, water shortages and drought, desertification, storm surges, coastal erosion and so forth, present challenges to poor African urban households that are combinatorial (e.g. through food, water and energy vectors), and add to / interact existing and emergent pressures to render poor urban households subject to conditions of poverty within short time periods. For example, at the household level integrated costs of water, energy, food, and waste disposal combine to place stress on household budgets, and which can be exacerbated by climate change pressures and impacts, as well as changes in the global economy, production and supply systems[9]. Poor thermal and waterproofed housing, inadequate protective infrastructure such as storm water drainage and location of informal settlements within flood plains, increases vulnerability to temperature and precipitation extremes, including flooding and heat waves. Urban households use charcoal as their main form of cooking energy, imported from rural areas. Climate change mitigation potential exists in transitioning towards alternative energy sources; thereby avoiding deforestation, and reducing household energy costs and indoor air pollution.

This project is focussed on determining what systemic-level interventions can deal with informality and slum urbanisation in African cities, in particular, how sustainable basic services can be ensured in households of the urban poor in Africa. In particular, it is concerned (1) with how urban development and management needs can be satisfied by a cross-cutting focus, and (2) how integration can be achieved between bottom-up project and programmatic interventions and top-down government initiatives, as well as civil society and private sector initiatives. That is, both vertical and horizontal integration. Entrepreneurial energy and civic leadership within poor communities needs to be harnessed and nurtured in order for the urban poor to be the central actors in their own resilience building.

Revenue collection for services in informal settlements, for example; takes place through several vectors in African cities; informal vendors (e.g. water, fuel-wood, waste collectors),

[7] According to the World Urbanization Prospects Revised 2011 data, between 2005 and 2010 the average growth rates of sub-Saharan and African cities was 3.67 per cent and 3.27 per cent respectively. The percentage urbanized population in 2010 in sub-Saharan Africa was 36.3 per cent, and was projected to rise to 38.4 per cent in 2015, while for the African continent it was 39.2 per cent in 2010, expected to rise to 41.1 per cent in 2015.

[8] ADB (2011). *African Development Bank.* The Middle of the Pyramid: Dynamics of the Middle Class in Africa, Chief Economist Complex, African Development Bank, market Brief, April 20 2011, p. 2

[9] For example global changes such as, global economic uncertainty, oil and electrical energy price increases, competition over arable land resources, as well as other global resource constraints.

private sector operators and municipalities. Often, the urban poor who reside in informal settlements and slums, pay much higher prices for services such as potable water, waste removal, energy and even transport, than their middle class and elite counterparts in the city, who have access to centralised infrastructures and service provisions and/or reliable off-grid infrastructure and service provision systems. In West Africa, where independent water providers proliferate, the urban poor pay between 4 to 6 times more for household water than water drawn from formal infrastructures (i.e. standpipes and household taps)[10]. In South Africa, the implementation of pre-paid water metering in the City of Johannesburg, while guaranteeing a free basic water supply, imposed high water tariffs on the urban poor whose supply was subject to disconnection, while the middle and upper middle classes[11] (who generally used water more wastefully and excessively, e.g. by watering large gardens, maintaining swimming pools and water features, etc.) enjoyed unfettered access to water. Climate change effects such as regional and local changes in temperature and precipitation patterns and volumes (e.g. drought, seasonal changes, even floods) can therefore potentially result in exacerbated water pressures on poor urban households.

Accordingly, this project aims to; (1) deliver a model for informal urban development and urban management that builds resilience amongst the urban poor, and (2) consider, and where possible help lay the basis for establishing, the institutional architectures necessary to facilitate scaling and interaction between city governments, civil society, universities and the private sector. It is important to understand how city governments can coordinate activities within such a model and how civil society, universities and the private sector can integrate their activities around it. Integration, inclusion and coordination are key and necessary elements of ensuring transitions towards urban sustainability and higher levels of resilience to climate and global change uncertainties and impacts.

Moreover, it is important to make the economic case for building towards resilience at scale, for example; with respect to food production and food cost security, informal settlement and slum upgrades, energy and water security, disaster risk management, and so forth. That is, in terms of poverty reduction (e.g. at the per capita, demographic and household levels), as well as in terms of reduced savings in health, replacement costs for ecosystem services such as clean water and fertile soil, disaster readiness e.g. through flood and drought mitigation measures, and so forth. It is also key to explore options for financing technology and resilient infrastructure deployment in informal settlements and slums, and build comprehensive ‘business/development cases’.

Building these ‘business/development cases’ will constitute an essential element of this project supported by the Climate and Development Knowledge Network (CDKN), as well as testing these cases, where possible, through leveraging off the learning that has been engendered in existing climate adaptation and slum renewal projects and programme. Exploring funding options such as microfinance for the deployment of, for example; solar panels, solar water heater geysers, bio-digesters, wastewater/sanitation systems, grey-water recycling systems, rainwater capture systems, waste recycling and re-use systems, and

[10] Water and Sanitation Program (2000). Independent Water and Sanitation Providers in African Cities: Full Report of a Ten Country Study, pp. 32

[11] Bond, P. & Dugard, J. (2008). The Case of Johannesburg Water: what really happened at the pre-paid parish pump. Law, Democracy and Development, 12, 1, pp.1-28.

replacement/supply of clean cooking stoves and fuel. Financial models that demonstrate at what point these investments become sustainable, and are repaid, as well as financial models that can demonstrate how repayment tariffs can be structured for services, and climate (including carbon) finance can be accessed directly by local governments and low-income communities, are desirable in the context of this project.

Ideally, a suitable project would involve developing robust business/development cases and testing their in-situ implementation in around 100 households. Moreover, establishing a good idea of what menu of interventions are available to agencies and actors seeking to establish robust interventions in the informal settlements and slums of African cities is a desired outcome of this project, as this can serve as a basis for further climate change interventions in African cities.

A scoping meeting held from 9-11 July is intended to serve as a forum for exchange, where representatives of three African cities (i.e. Accra (Ghana), Addis Ababa (Ethiopia) and Kampala (Uganda)) will share; (1) learning regarding climate change related urban vulnerabilities in each city, particularly related to informal settlements and slums, (2) on-going projects and programmes that seek to address these challenges, (3) innovative financing models for slum upgrading, service delivery and resilience building, if any (4) the realities of institutional attempts at scaling interventions and (5) possible areas in which inclusive and systemic-level interventions can be designed. Suitable outline frameworks for climate-resilient informal urban development will be developed from the interactions that unfold in the meeting. These frameworks will be further evolved and tested in the CDKN-supported project.

Appendix 2: Workshop Agenda

Tuesday 9 July

8.30 – 9.30	**Welcome, objectives and introductions.** Carl Wesselink, Africa Regional Director of the Climate and Development Knowledge Network (CDKN) *Identifying and discussing the task of the week.*
9.30 – 11.00	**Framing the discussion:** **Informality and the climate change challenge in African cities** Professor Edgar Pieterse and Dr Camaren Peter **Supporting resilience in informal urban development** Aditya Kumar, Slum/Shack Dwellers International (SDI)
11.00 – 11.30	*Coffee/tea*
11.30 – 13.30	**City experiences: Kampala, Addis Ababa and Accra** *presentations from each of the cities and discussion about these.*
13.30 – 14.30	*Lunch*
14.30 – 16.00	**Towards a framework for climate resilient informal urban development** *all participants work with the material towards generating suitable frameworks for "Building climate compatible development through tackling informality and promoting integrated urban development and management in African cities."*
16.30 - 17.30	Presentations and discussion of initial ideas.

Welcome evening and reception

Wednesday 10 July

8.30 – 10.00	**Preparing** for the site visits: orientation, rationale, concepts and questions.
10.30 – 17.30	**Site visits** Settlement upgrading of informal communities (Langerug, Franschhoek) Hout Bay Recycling Cooperative

Thursday 11 July

8.30 – 9.30	**Recap and harvest** from site visits, identifying themes, developing the framework (*CDKN team*).
9.30 – 10.30	**Broadening perspectives** – global themes • Future proofing cities: risk and opportunities for inclusive urban growth in developing countries, Simon Ratcliffe, Climate and Energy Advisor, Department for International Development (DfID), UK • Supporting urban climate compatible development globally: CDKN experiences from Asia, Latin America and Africa, Alison Cambray,

	CDKN Head of Country Support, UK
10.30 – 11.00	*Coffee/tea*
11.00 – 13.00	**Way forward for this initiative** - *Carl Wesselink. Outlining the project and future opportunities, including criteria for selection.* • Mapping communities: knowledge management of informal settlements through GIS, Chris Berens • Direct access to climate finance for local governments, Richard Sherman, SouthSouthNorth • Building business/development cases and financial modelling for informal development: an example proof of concept, Vred von Ketelhodt
13.00 – 14.00	*Lunch*
14.00 – 15.00	**Integrating outcomes, taking forward** the developmental model in the three cities.
15.00 – 16.00	**Next steps, evaluation, closure.**

Appendix 3: List of Participants (with contact details)

	Full name	Position	Organisation	Email address
	City representatives from Kampala, Uganda			
1	Paul Isolo Mukwaya	Lecturer, Department of Geography	Makerere University	pmukwaya@gmail.com
2	Muggaga Frank Nakibinge	Lecturer- School of Forestry, Environmental and Geographical Sciences, College of Agricultural and Environmental Sciences	Makerere University	fmugagga@gmail.com
3	Job Wanakwakwa	Research & Innovations Counsellor	LOG`EL Project	wanakwakwajob@gmail.com
4	Herbert Lwanga	Coordinator	LOG`EL Project	herbert@logelproject.org OR lwangaherbert@gmail.com
5	Vincent Biribonwa Byendaimira	Commissioner, Land Use Regulation & Compliance	Ministry Of Lands, Housing & Urban Development	ateenyivin@yahoo.com OR vbateenyi@mlhud.org
6	Mr Atwine Kanuniira Moses	Deputy Director	Physical Planning, Kampala Capital City Authority	aktwine@yahoo.com OR matwine@kcca.go.ug
	City representatives from Accra, Ghana			
7	Antwi-Boasiako Amoah	Senior Programme Officer, Climate Change Adaptation	Ghana Environmental Protection Agency	aantwib@gmail.com OR antwi-boasiako.amoah@epa.gov.gh
8	Owusu Mensah	Programme Coordinator	People's Dialogue On Human Settlements	omesgh@yahoo.com
9	Andriana Nelson	Senior Programme Officer	Ghana Environmental Protection Agency	qandriana@yahoo.com
10	Irene Jemilatu Yenuyet Yaro	Programme Officer	Environmental Protection Agency	yarobobtyoya@yahoo.com

	City representatives from Addis Ababa, Ethiopia			
11	Almaz Tadesse Kebede	Coordinator of the Urban Re-greening Programme	Horn of Africa Regional Environment Centre and Network	almazt@hoarec.org
12	Said Abdella Ousman	Environmental Impact Assessment Team Coordinator	City Government of Addis Ababa, Environmental Protection Authority	oosman1994@yahoo.com
13	Yared Tefera Jemaneh	Senior Environmentalist	Ministry of Urban Development and Construction	addey87@yahoo.com
	CDKN & SouthSouthNorth participants			
14	Alison Cambray	Head Of Country Support & CDKN Subnational Thematic Cluster Lead	CDKN	alison.r.cambray@uk.pwc.com
15	Carl Wesselink	Africa Regional Director	CDKN	carl.wesselink@cdkn.org
16	Steve Thorne	Director	SouthSouthNorth	steve@southsouthnorth.org
17	Lisa McNamara	Knowledge Management & Partnerships Coordinator	CDKN	lisa.mcnamara@cdkn.org
18	Simbisai Zhanje	Project Manager (Africa)	CDKN	Simbisai.zhanje@cdkn.org
19	Ronald Mukanya	Project Manager (Africa)	CDKN	ronald.mukanya@cdkn.org
20	Jean-Pierre Roux	Communications Officer (Africa)	CDKN	jp@cdkn.org
21	Blaise Dobson	Project Manager	SouthSouthNorth & MAPS programme	blaise@southsouthnorth.org
22	Richard Sherman		SouthSouthNorth and the advisor to the board of the GCF	Richard@southsouthnorth.org
23	Camila Forti	Visiting Masters student working from SouthSouthNorth		camitn89@hotmail.it

	University of Cape Town (UCT) participants			
24	Edgar Pieterse	South African Research Chair in Urban Policy & Director of ACC	African Centre for Cities, UCT	Edgar.pieterse@uct.ac.za
25	Anna Taylor	Climate Adaptation Researcher	African Centre for Cities, UCT Stockholm Environment Institute, Oxford Group	Anna.Taylor@uct.ac.za
26	Anton Cartwright	Head of ACC's Climate Change CityLab Secretary and Director respectively at PACE (NPO) and Credible Carbon	African Centre for Cities, UCT Stockholm Environment Institute, Oxford Group (Research Associate) PACE and Credible Carbon	anton@econologic.co.za
27	Gordon Pirie	Deputy Director	African Centre for Cities, UCT	Gordon.pirie@uct.ac.za
28	Zarina Patel	LIP Coordinator: Mistra Urban Futures Senior Lecturer, Department of Environmental and Geographical Sciences (EGS)	African Centre for Cities, UCT EGS, UCT	Zarina.patel@uct.ac.za
29	Lorena Pasquini	Post Doctoral Researcher	UCT	Lorena.pasquini@gmail.com
30	Louise Tait	Researcher	Energy Research Centre, UCT	Louise.tait@uct.ac.za
	Other participants			
31	Camaren Peter	Independent Research Consultant and Senior Lecturer at the University of Stellenbosch		camarenpeter@hotmail.com
32	Aditya Kumar	Community Development Architect and Planner	Community Organisation Resource Centre / SDI Alliance	aditya@courc.co.za

33	Melanie Manuel		Western Cape Backyarders Network (WCBN)	melaniefedup@gmail.com
34	Baraka Mwau	Urban Planner	Community Organisation Resource Centre/ South Africa SDI Alliance	barakamwau@gmail.com
35	Sizwe Mxobo	Community Developer	PLAAS department UWC and Community Organisation Resource Centre	snmxobo@gmail.com
36	Linda Graaf	Independent Architecture & Planning Professional	ENARCHI	linda@enarchi.co.za
37	Sarah Birch	Program Manager: Climate Risk Management & Biodiversity	ICLEI-Africa	sarah.birch@iclei.org
38	Simon Ratcliffe	Energy Advisor	Department for International Development (DfID)	S-Ratcliffe@dfid.gov.uk
39	Georgina Ayre	Regional Southern Africa Climate and Environment Advisor	Department for International Development (DfID)	
40	Sue Soal	Facilitator	Independent consultant	sue@cdra.org.za

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