



Slum transformation and adequate housing are key to Social Inclusion and Urban Resilience

The world is facing an **unprecedented housing crisis that exacerbates urban inequality**. Globally, **around 2.8 billion people experience some form of housing inadequacy and over 1.1 billion people live in slums and informal settlements**¹, facing low access to basic services, overcrowding, precarious building structures, and insufficient security of tenure. This increases vulnerabilities resulting from poverty, food insecurity² or hazard-prone, environmentally-degraded locations. In consequence, **slum dwellers are disproportionately and increasingly affected by climate change**³ and natural threats such as floods, landslides, or heatwaves. Each disaster threatens physical integrity, disrupts livelihoods, and erodes abilities to respond and adapt to future risks. In absence of targeted protection mechanisms, dwellers are trapped in cycles of poverty and vulnerability, **severely limiting their capabilities to unfold their full human potential boosting social inclusion**.

Urgent action is needed as slums are growing. Many fast-growing nations in the Global South are expected to double their populations by 2050. Additionally, climate-related risks that will impact up to 2.7 billion people by 2050⁴ are expected to push migrants from affected rural areas to cities⁵, where they face shortcomings of affordable housing options and become disproportionately dependent on informal systems⁶, giving way to a rising number of urban slums after every occasion of a natural disaster⁷. **Without corrective measures, three billion people are projected to be living in slums by 2050**. To reverse this trend and meet the housing need by 2030, 96.000 new units would need to be built daily⁸, accompanied by public infrastructures and services. To respond to the scale of the global challenge, all sectors of society need to be mobilised to complement state-led initiatives.

Amongst the different multi-stakeholder approaches implemented worldwide, **the most affordable and sustainable way to provide adequate housing at scale is to support local communities in incrementally building new housing and upgrading existing informal housing**: Improving existing housing is 23% cheaper than building new houses⁹ and offers an opportunity to save an estimated 4.8 gigatons of CO2 emissions¹⁰, while promoting healthier living conditions and increasing resilience to climate shocks in most vulnerable areas with citywide spillover effects¹¹. **Slum transformation and improving informal housing can boost the GDP by 10.5%, enhance life-expectancy by 4%, and increase years of**

¹ <https://unhabitat.org/annual-report-2024>

² <https://doi.org/10.1186/s13690-017-0176-x>

³ It is estimated that 600 million of the urban poor will be impacted by 2030, according to unhabitat.org/sites/default/files/2023/05/global_action_plan_22-05-23.pdf

⁴ unhabitat.org/sites/default/files/2023/05/global_action_plan_22-05-23.pdf

⁵ www.habitat.org/sites/default/files/documents/ClimateMigration_IssueBrief.pdf

⁶ <https://ourworld.unu.edu/en/climate-related-migration-into-cities-what-we-know-and-why-it-matters>

⁷ <https://www.sciencedirect.com/science/article/pii/S2667010021002213>

⁸ <https://unhabitat.org/annual-report-2024>

⁹ <https://buildchange.org/resources/cost-of-improving-housing/>

¹⁰ <https://embodiedcarbon.climate resilient housing.org/>

¹¹ https://www.habitat.org/sites/default/files/documents/ClimateMigration_IssueBrief.pdf

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schooling by 28%¹². By addressing the right to adequate housing, the right to a clean, healthy and sustainable environment, cultural rights¹³, and the right to an adequate standard of living, **slum transformation represents a transformative opportunity to reduce existing vulnerabilities, to increase resilience, and to foster social inclusion** and access to equal opportunities in cities.

Recommendations for the U20 joint advocacy position

To untap the manifold potentials of slum transformation for inclusive and resilient urbanisation, the Governments of South Africa, Brazil, and India have agreed to champion the implementation of the “**Global Action Plan - Accelerating for transforming informal settlements and slums by 2030**” and related resolutions “**HSP/HA.2/Res.7 Adequate housing for all**” and “**HSP/HA.2/Res.2 Accelerating Transformation of Informal Settlements and Slums by 2030**” with ten integrated action areas that were adopted during the UN-Habitat Assembly in 2023. The **Informality Task Force (ITF)**¹⁴, an open and inter-institutional dialogue space reuniting over 40 organisations that support interested governments¹⁵ in the implementation, encourages U20 Member States to

- **Prioritise affordable, accessible, and climate-aligned housing** in their national development agendas, recognising the pivotal role of bottom-up approaches and of incremental and progressive provision of adequate housing and basic services to foster agency and community networking for social inclusion and for slum transformation at scale.
- **Empower cities with land use control and regulatory authority** by strengthening land management and statutory planning to formally recognise and integrate informal settlements into the urban fabric. This includes simplifying legal and institutional frameworks, recognising the social function of land and the continuum of land rights to prevent forced evictions, and maximising the availability of well-located public land by using underutilised and vacant land and buildings for adequate housing purposes.
- **Fund large-scale retrofitting and inclusive housing development** by establishing flexible regulatory and finance models to respond to the needs of lowest-income groups and to encourage funding for collective infrastructure and basic services; by applying integrated fiscal transfers enabling scaled transformation; by strengthening municipal fiscal health through land-based finance mechanisms and special vehicles to coordinate and mobilise public and private funds; and by establishing accountability frameworks and mechanisms for regular monitoring.
- **Promote circular economies and social co-benefits** by fostering multi-level participatory governance and collaboration for implementation and by identifying existing capacities and collective approaches to resilience-building and community empowerment to create socioeconomic opportunities for sustainable livelihoods. For this, the ITF recommends engaging in open and regular dialogues involving all relevant national and subnational government authorities, community-based organisations, and further partners to specify national and city-wide upgrading strategies with key actions with measurable goals, timelines, and clear responsibilities.

¹² https://www.habitat.org/sites/default/files/documents/Home-Equals-Launch-Report_Full.pdf

¹³ https://unhabitat.org/sites/default/files/2023/07/sdg_11_synthesis_report_2023_final_0.pdf

¹⁴ www.citiesalliance.org/how-we-work/working-groups/informality-task-force-partnership-accelerating-slum-transformation

¹⁵ The ITF welcomes expressions of interest for support via email to cschade@citiesalliance.org

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