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This annual report reviews a set of activities that extend beyond just a year. For SDI, the past year has been the culmination of a multi-year process to achieve citywide scale in all regions where we work. The past three years have enabled SDI to have a unique breadth of international experience in building participatory, developmental institutions at the local government level that is unparalleled across the urban development sector. We are presenting this annual report under the theme of Know Your City because it serves as a bridge from where we have been as a network, to where we are heading next. The experiences of the past, and the plans for the future, underpin a very practical vision of building cities that are inclusive of the voices, needs, and aspirations of the poor through the planning knowledge, financial capacities, and political will of those who are often rendered informal, expendable, and invisible. Indeed, it is the fate of the informal majority of urban residents in the South, upon whom our urban future will rise or fall.

The period of 2011 – 13 led to the establishment of citywide strategic plans, project management teams, and, in the most advanced cases, city level urban poor funds with formal links to city government institutions. This was to be the institutional ecosystem in which pilot projects could demonstrate capacity for scaling up, as opposed to remaining merely in the pilot phase. In 2013 – 14, SDI federations have implemented and scaled up pilot slum upgrading projects, with a specific emphasis on achieving political influence and redistributive impact of SDI-affiliated urban poor federations in the cities in which they operate.

In order to bring pilot project experiences at the city level to bear on national policy processes, learning and advocacy was a significant pillar of the work of the past three years. This has been a primary “soft” leverage point of hard capital investments. SDI federations at the country level, and the transnational network as a whole have built on the long-standing methodologies of horizontal exchange between communities and established more formal learning and training opportunities between city officials, national department officials, and their counterparts in informal settlement communities. At the global level, SDI has deepened key relationships with like-minded grassroots networks, networks of local authorities, especially United Cities and Local Government and its affiliate at the continental African level, inter-governmental bodies, such as UN-Habitat, as well as partnerships of multiple levels of actors, such as Cities Alliance.

The past three year period was both a time of consolidating existing initiatives into more stable emerging federations, as well as a time to produce new explorations, especially in target areas of West Africa, and outside of the English-speaking world. Further, SDI has made a firm commitment to building a strong voice of the urban poor that is open and representative. In order to realise this goal, a wider net of affiliates is, by definition, required.

Another challenge of this period was to consolidate gains at the community, city, and national levels, while dealing with challenges thrown up by the inevitable vicissitudes of donor priority-making. The world of development assistance is changing dramatically. SDI has the same vulnerability as all international NGOs who are largely dependent on donor funding. When we submitted the previous year’s report, we anticipated that SDI’s donor profile would change significantly in the next year, and we were concerned that we would experience a temporary decline in income. SDI has anticipated this and has taken steps to generate its own revenue through market related activities. This is a new environment for the network and with it comes increased risk. In order to mitigate against negative consequences, SDI is moving with caution, which in turn means a long turnaround period before self-generated revenue becomes a meaningful source of income.

In the meantime SDI has explored partnerships with other bilateral agencies besides its current supporters, which has enabled us to fill much of the funding gap that lay ahead of us when we submitted the previous year’s report.
New and old funding partners have joined hands with SDI to fill the major finance gaps, and our financial footing is strong enough to ensure that our next three year strategic plan will have the necessary financial backing.

SDI’s dynamic, path-finding leadership continues to open new spaces, to expand and deepen the program, as this report attests. At the same time, though, a more robust management, reporting and monitoring structure ensures that these gains are garrisoned and consolidated.

A major focus, identified in a recent organisational evaluation, is to build governance structures that enable the emergence of a new corps of leaders beyond the founder leader generation.

This has already begun to occur at the federation level, in the emergence of an executive Core Monitoring Team, consisting of eight federation leaders responsible for monitoring decisions of the Board and Council. The Board has also rotated both NGO professional and federation-based representatives.

Within the urban development space SDI has increased its visibility and improved its capacity to articulate its agenda and the critical importance of slum dweller organisations as agents for change. While there is a long way to go, this is an important advance that coincides with a greater global awareness of urban poverty and the need for urgent, cross sectoral responses.
2013 – 14 has been a crucial year for the SDI network. In particular, the year’s activities have been characterized by explorations into how best to map and quantify slums in cities, as well as the most effective way to universalise these practices.

SDI has begun to demonstrate that up-to-date data about informal settlements collected by the urban poor themselves is critical to comprehensive planning of urban habitats and infrastructure. Affiliates have sought, through these processes, to advance the development and deepening of partnerships with governments, academia, and multi- and bi-lateral institutions. It is these partnerships that legitimise SDI’s data collection processes as good governance tools in cities across the Global South. Data collected is invaluable in providing networks of communication in times of emergency (including the post-disaster context) and in mapping vulnerability in a city. Its greatest value, however, comes in providing never-before-collected data about informal settlements in order to address cities’ challenges collaboratively.

This year, SDI launched the Know Your City campaign, a programme seeking to refine and standardise data collection and analyst visualisation across the SDI network. This emerges from the historical practice within SDI by which slum dwellers themselves collect data about their settlements that can be aggregated at the city level. The campaign comes at a time where many civil society organisations are turning their attention to the role of data in development planning and decision-making. The difference, however, is that SDI’s approach to data collection is one where knowledge production comes from below. In addition to our work with Santa Fe Institute to digitise past data and sharpen data collection systems, urban poor communities continue to work alongside other stakeholders to redefine and build systems for the provision of basic services.

The Know Your City campaign has made the creation of comprehensive databases listing all informal settlements in cities possible. These are invaluable tools for local and national governments as well as global development agencies. Today, SDI, along with Cities Alliance, United Cities and Local Governments of Africa (UCLG-A), UN Habitat, and others have become partners in supporting this campaign.

The action of counting and giving identity and recognition to informal settlements is critical for the production of inclusive city development and investments. Inaction on this only serves to further embed the illegal status of the poor in the city. Inadequate infrastructure in slums produces greater vulnerability. Additionally, with climate change producing more flooding, heat waves, and disasters of different kinds, informal settlements are doubly vulnerable. The continued invisibility of the urban poor in the eyes of the city means they have no support and assistance in the face of these disasters. Data collection activities through the Know Your City campaign and their associated partnerships with various stakeholders are vital in addressing this and moving our cities towards change.

Sheela Patel, Chair of the Board
I grew up in a slum and have spent my entire adult life working and living in slums throughout the Global South. When I started out in the 1960s “slum” was a dirty word for dirty places, for ugly stains on the edges of our cities that needed to be “wiped out.” Slum dwellers were considered lazy good-for-nothings who lounged around, spreading crime, disease and immorality.

More than fifty years have passed. Slums have mushroomed throughout the world and as urbanisation has gained momentum the number of slum dwellers has sky-rocketed. The proliferation of slums and slum dwellers is considered by many to be one of the biggest problems facing us in the twenty-first century. Because attitudes have been slow to change, the preferred response from most authorities has been to regard slums as hazardous, to declare them illegal, and to seek to eradicate them. Eradication continues to be regularly translated into demolition of people’s homes and the eviction of innocent men, women, and children.

In an ironic twist of fate the still undeveloped movement that champions the cause of slum dwellers tends to reinforce the problem while trying very hard to resolve it. This is because its best intentions have propelled it to fight for “cities without slums.” And since many people continue to perceive slum dwellers as victims or as disorganised rabble, the next logical step is to expect outsiders to provide slum dwellers with solutions to their plight. If you demand a city without slums and regard slum dwellers as passive objects waiting for external intervention then by implication you are calling for evictions.

Over the past two decades Slum Dwellers International has been building an alternative consensus from within, and inviting formal institutions, especially governments, to join organised slum dwellers throughout the world in the creation of “slum friendly” cities.

Instead of being regarded only as blights on the cityscape, slums need to be recognised as vibrant communities that are full of ingenuity, resourcefulness, and dignity.

At the same time we continue to imagine a world without slums, but we understand that it cannot happen overnight and that a prescription for quick solutions spells disaster for the urban poor. Slum friendly cities can and will, over time, become slum free cities.

As national and citywide federations of slum and shack dwellers have developed in many nations since the late 1980s, the success of our approach has helped to trigger acceptance of low-income communities as legitimate parts of the city – helping to break down the myth that poorer groups are ‘other’ or less equal to richer citizens. This is the beginning of a movement for “slum friendly cities” that can lead to emergence of “slum free cities.”

We continue to work tirelessly to convince the leaders of municipalities, national governments, and international agencies to recognise and support the ability of the poor to organise and help develop inclusive cities. We will help them, through our proposals and our actions, to formulate new public policies that prioritise the person and the community, not just industrial growth and a false perception of urban order and efficiency.

Jockin Arputham,
President of SDI
SDI launched the Know Your City campaign at the 7th World Urban Forum in April 2014. The Know Your City campaign is a global campaign for grassroots data collection and inclusive partnerships with local government for citywide community networks of urban poor communities. The campaign urges affiliates to scale up data collection processes and outputs and demonstrate that SDI’s arguments for community-driven data collection are about more than just information and data; they are aimed at building inclusion of the urban poor into city policy.

Know Your City speaks to active awareness, engagement, and understanding of the urban space that you occupy. It encourages citizens and local governments to move beyond the shelter you call home to the level of your street, neighborhood, and ultimately, the city as a whole. To gain a sense of familiarity through information and experience that can inform both theoretical and practical understanding of space and the relationships various inhabitants have to it. When information moves to knowledge and understanding it comes to stand in opposition to narrow opinion. It then becomes a powerful tool in the hands of those who own it.

Slum dwellers have come to learn the power and value of information that moves to knowledge and understanding as they engage their city officials or those others who own the land which they occupy. A large and growing number of urban dwellers live in poverty because most city development plans exclude informal settlement. This is in spite of the precedents set by organisations of citizens such as SDI’s urban poor federations; in spite of evidence that conventional city planning is unable to meet the demands of rapid urbanisation and only exacerbates urban informality and poverty.

In practice, the core of SDI’s Know Your City campaign is a standardisation of our settlement profiling data collection methodology for informal settlements. Settlement profiles are different from household enumerations in that they allow a whole settlement to look at itself as a collective rather than as households in isolation. Whole communities then have the possibility to build relationships with their local governments or land owning authority for the improvement of the physical conditions of their settlements and lives as a collective.
The settlement profile gives settlement leadership and city authorities a glimpse of the big picture at the settlement level. The standardised profile allows for an aggregated view of the types of land occupied by informal settlements in a given city, as well as the physical conditions of the spaces in terms of and in relation to infrastructure.

SDI has developed a standardised settlement profile questionnaire based on the questionnaires developed and used by federations across the network. This questionnaire forms the new baseline for all historic and future data collected for settlement profiles within the network. Both quantitative and qualitative in nature, the profile affords possibilities to compare and aggregate settlement level data across a city and, where federations work in multiple cities, across the region. In maintaining an emphasis on the nuances of local contexts, federations have the opportunity to supplement the standard questionnaire to improve the qualitative descriptions of individual settlements.

Both the process and the resulting data become tools of communication, dialogue, and building relationships. Drawing on SDI’s guiding premise to make ‘visible’ the invisible communities of the urban poor, the data communicates quantifiable facts about the physical conditions and scale of informality and urban poverty on a citywide scale while at the same time adding nuance to the particular conditions of poverty and exclusion as experienced in the daily lives of slum dwellers inhabiting these spaces.
321 INFORMAL SETTLEMENTS IN CAPE TOWN

So far, communities have profiled 32 settlements, with 78 planned for 2014.

Profiles highlight the lack of understanding about informality and service delivery - uncovering the truth about informal settlements.

In UT Section, just outside Cape Town, the number of taps and toilets is technically up to national standards, but profiling revealed that quality and location of toilets is so poor that they are unusable by the community.

32 SETTLEMENTS HAVE BEEN PROFILED

78+ PROFILES ARE PLANNED FOR 2014

POOR LOCATION UNUSABLE BY COMMUNITY
The Know Your City campaign also aims to emphasise the spatial, social, economic, and political relations between slum dwellers and their cities over time. To date, we have a total number of 6,343 historic data sets in standardized format available. This data forms the baseline for conditions of informal settlements from 2009 – 12 across cities like Mumbai, Nairobi, Kampala, Johannesburg, Harare, and Freetown. As these datasets were collected via an array of forms they remain in various states of ‘completeness’ in terms of the standardized form. On a federation-by-federation basis, the SDI network will ‘complete’ these as far as possible over the next year. The importance of this data is twofold. It constitutes the first point for developing longitudinal comparative data of informal settlements at the city level, as well as an opportunity to monitor and evaluate SDI federations’ work and engagements within these cities. It offers the foundation from which informal communities can develop citywide arguments at scale and over time.

Seven national federations in Africa (Uganda, Kenya, Malawi, Zimbabwe, South Africa, Namibia, and Ghana) have committed to field test and further improve the rigour of both the new standardised profile form and the data collection process. At present, 377 new settlement profiles have been uploaded to the central web based data platform. These are the beginnings of SDI’s learning around citywide profiling with a standardised tool to take the SDI methodology and process of data collection to scale at a citywide level in slums/informal settlements and enhance the rigor and verifiability of our data.

<table>
<thead>
<tr>
<th>Country</th>
<th>No. of Cities</th>
<th>Settlements Profiled</th>
<th>New/Updated Profiles</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bolivia</td>
<td>2</td>
<td>81</td>
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</tr>
<tr>
<td>Ghana</td>
<td>6</td>
<td>40</td>
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<tr>
<td>Kenya</td>
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<td>11</td>
<td>0</td>
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<td>3</td>
<td>58</td>
<td>10</td>
</tr>
<tr>
<td>TOTAL</td>
<td>115</td>
<td>6,343</td>
<td>377</td>
</tr>
</tbody>
</table>
An increasing body of evidence suggests that the major cities of the Global South are overwhelmingly “slum cities,” in which a majority of residents live in neighbourhoods understood as “slums.” The objective of our work is to bring slums into relation with the ‘formal city’ and into the centre, rather than confined to the margins, of policy and development debates. The aim is not for inclusion by emphasis on the subaltern identity of slums and their dwellers in the city, but rather a shift to the recognition of the role and part of slums and their dwellers in the complexity of the city.

As We, the Invisible: a census of pavement dwellers in Mumbai asserted in 1985, “a society which permits and in fact depends on a large mass of unskilled and underpaid labour must also live with slums and pavement dwellers” (SPARC, 1985). Since then numerous other community-led profiles and enumerations of SDI federations, ranging from Joe Slovo in Cape Town to Old Fadama in Accra, have shown that slum/informal settlement dwellers are part and parcel of the dynamic of the city. These settlements and their residents contribute to the history and sociality of cities and fuel their economies, not just with their labour, but also with their own consumption. The data SDI federations collect about their lives and living conditions in the world’s informal settlements and slums concretises and legitimises what is at the core a political argument for both social and material change and a voice for the urban poor in the policies that affect their lives and living conditions.
From a number of federations we are beginning the see and understand the power of standardised and aggregated data at the city level. The Uganda Federation has completed and verified settlement profiling for 62 identified slum settlements in the city of Kampala. A map of Kampala has been produced from data collected by the federations. The Kampala map shows the location and extent of the slums in the city. These areas cover an estimated 11,000 acres across the city and are home to a total estimated population of 2.5 million people. In Kampala, federation members using GPS devices mapped the settlement boundaries on the ground. Later these boundaries were verified by means of high-resolution maps and the settlement identification landmarks collected via the profile. As more often than not, a number of households, on average 5 but up to 10, may share a structure, the federation estimates the population based on the number of households multiplied by the average household size. Based on the federation data, the approximate population density of slum/informal settlement areas in Kampala would be 227 people/acre. The total area of Kampala city is 46,702 acres of which 43,490 acres are land and the remainder taken up by surface water bodies. This means that slum settlements, based on federation data may take up to ¼ of available land in the city. The most recent census of Uganda was conducted in 2002. Accepted statistics estimate the city’s population at fewer than 1.7 million people and thus an estimated people to land ratio of 39 people/acre. According to a discussion paper delivered at the 2014 Annual World Bank Land and Poverty Conference, the National Slum Dwellers Federation of Uganda (NSDFU) and support NGO ACTogether reports that “data cited in the Kampala Physical Development Plan […] claims there are only 500,000 people living in Kampala’s slums [and it] identifies 31 slums in Kampala – half the number identified by the NSDFU and ACTogether.”

In Zimbabwe, the Federation, alongside their local authority, “profiled the entire city of Harare, settlement by settlement” to identify peoples’ needs on the ground. This led to the transfer of land by the city to the communities for the construction of upgraded houses in Dzivaresekwa Extension, one of Harare’s largest slums.

The profiles completed by the Kenyan Federation thus far indicate that the central concerns for slum communities in Kenyan cities are access to land and access to adequate and safe sanitation. As most of the land occupied by slums in Kenya is privatized, and under high threat of eviction from developers looking to take back the land as land values in Kenya’s cities continue to rise, living space for the poor becomes increasingly precarious with little hope of engagement around upgrading and security of tenure. Interventions around sanitation, especially, have been nearly impossible and continue to threaten health and security of slum residents, especially women.
65% of Nairobi’s population (roughly 2.65 million people) live in slums on 1.62% of Nairobi’s land - about the same amount of land taken up by parks and golf courses.

Community enumeration & profiles show that the density of Nairobi’s slum settlements currently sits at 1,177 people (318 households) per acre.
The Know Your City campaign marks a historic shift in data collection activities across the federation network. While maintaining a settlement-by-settlement approach, we are scaling up our arguments to encompass citywide scales of poverty and informality. We are putting renewed emphasis on the right of urban poor communities to collect and own the information and data about their lives and livelihoods and leverage these as powerful assets to claim inclusion in the cities in which they work and live. Moving from the local, based on our data, we are developing comprehensive and composite indicators to illuminate both the general and particular conditions of poverty and inequality in cities to challenge and simultaneously inform global sustainable development indicators proposed for the post-2015 development agenda.
An influential debate is playing out in the proverbial halls of global development decision-making far from the informal settlements in African cities. The basic targets that will drive government decisions around spending and policy priorities, donor areas of focus, and wider perspectives around development, are under discussion. These are targets that will promise much of what the post-World War II development institutions have long committed to the people who live in the so-called “developing world.” These are targets to “eliminate poverty,” “deliver basic services,” “secure growth” “reduce inequality,” and so on.

Civil society has very little voice in the determination of the next round of development goals, and this is even truer for the people who are the subjects of these promises. For the people who live in slums, who lack access to toilets, water, and economic security and opportunity, abstract commitments to change their conditions mean little.

Yet the content of the Sustainable Development Goals (SDGs), and the prospect of an urban goal, are significant for all of us who work to make cities more inclusive. Much work is to be done, especially to ensure that an urban goal – and indeed all goals - recognises the deep divides of power, finance, and knowledge that characterise the decisions that drive urban development. SDI is one of a number of organisations that is demanding that the urban poor – the current losers but surely the most worthy potential winners of such a debate – be located as central actors in the goals that governments and formal agencies adopt. For the urban poor federations in Africa, Asia, and Latin America, that comprise our network, development goals have to be about improving the lives of real people. As such, a goal on cities must be fundamentally oriented around the people who stand to gain – or lose – the most from the success or failure of such a goal.

A target for universal provision of well-located land, shelter, and basic services should be a minimum of an urban goal. Unfortunately, the previous Millennium Development Goals included a goal on slums that was very unclear and very unambitious – only 100 million were to be helped. The Millennium Development Goals also made the commitment to reduce by half those without adequate water and sanitation. An urban goal should encompass a specific focus on inclusion and the rights of the poor in cities through universal access to these amenities (land, services, and shelter).
Last year, SDI began to articulate a set of principles for a global compact on urban development, the Urban Poor Development Goals. There are four elements:

1. **INCLUSIVE INSTITUTION BUILDING**
   
   State institutions reformed or created to embed partnerships with community organizations, especially at the city level to drive decision-making about programs and ensure adequate financial allocations.

2. **INCLUSIVE LAND MANAGEMENT**
   
   Well-located land should be made available to the urban poor, who constitute the majority in most cities in the developing world. Zero forced evictions, and security of tenure for slum dweller communities.

3. **INCLUSIVE URBAN INFRASTRUCTURE**
   
   Water, sanitation, electricity, and transport infrastructure that services the poor so as to achieve zero open defecation cities globally within 10 years and electricity for all.

4. **INCLUSIVE COMMUNITY DEVELOPMENT**
   
   Programmatic investment by national and local authorities in capacity building of community organisations so as to realize the inclusive development agenda highlighted in the first three elements.

One of the biggest advantages of the emergence of strong support for an urban goal in the post-MDG framework is that it focuses policy-makers on a specific space and a scale of administration in which to make change. In particular, this means a much greater focus on both formal local government and the constellation of actors that drive local governance. Strong local government requires a strong and organised slum dweller organisations to drive both innovation and accountability in our cities.

We cannot ignore this debate because it will define our work for years to come. Now is the time to do what previous development agendas have conspicuously avoided doing: putting the voices and tools of the informal majority of our cities at the centre of how we work. This is the real promise of an urban goal in the SDGs.
It is estimated that the Dar es Salaam Water and Sewerage Authority (DAWASA) serves only 40% of the city’s population.

In informal settlements like Keko Machungwa communities have to travel over 1km to collect water that costs more than that provided to formal areas.

Subsequent to a profiling and mapping exercise the community, in collaboration with local government, intend to plan and implement a sustainable water provision project for the settlement.
Accessible and inclusive cities demand systems and policies that provide the poor with equal access to the social, economic, and service benefits of the formal city. Relocation to the periphery (or even worse eviction) severs social bonds, increases urban sprawl, and aggravates spatial inequalities. In situ upgrading of informal settlements presents an opportunity to build denser, more climate friendly and equitable cities. Citywide data collection processes through profiles and enumerations form the baseline to plan for in situ upgrading.

SDI therefore understands in situ upgrading as a key part of integrating the excluded and informal poor populations into the city as a whole, providing meaningful access to the social and economic benefits of living in a city. An array of interventions have been developed by SDI’s affiliates to prepare communities for in situ upgrading projects and subsequently implement infrastructure and housing upgrades.

In Harare, Zimbabwe the Zimbabwean Homeless People’s Federation (ZHPF) and their support NGO, Dialogue on Shelter, have supported the incremental upgrading of Dzivarasekwa (DZ) extension in partnership with the City of Harare. To date almost 500 families have built incremental housing and accessed water and sanitation services. Surrounding informal communities have become interested in taking up these upgrading interventions and the Zimbabwean Alliance has plans to significantly scale up sanitation provision in DZ extension. Other city governments and communities (e.g. in Chinhoyi, Bulawayo, Kariba, and Kadoma) have been exposed to the projects and steps are being taken to replicate upgrading interventions. The partnership and pilots in Harare have influenced government (locally and nationally) to accept dry sanitation options (ecosan) and adopt incremental upgrading practices in the new National Housing Policy.

In Kampala the Ugandan Alliance has focused on pilot sanitation and market upgrading projects. In terms of sanitation the Federation has piloted a number of different toilet prototypes in Kinawataka, Kisenyi, and Kalimali and other municipalities outside of Kampala. The pilot projects have enabled the Federation to: a) engage local government substantively on the issue of sanitation discussing policy, regulations, and management strategies; b) change perceptions on what “public toilets” are from dirty, smelly, single-purpose units to units than can serve multiple functions – such as community halls, income generating spaces etc. and c) test different technologies – from solar lighting, to rainwater harvesting, to low-cost building materials in an effort to find the most efficient combinations for sanitation facilities.
Community profiling data for Kampala indicates that 88% of slum dwellers lack access to a waterborne toilet in their settlement.

88%

83% use shared toilet facilities.

86% of those using shared facilities are female, hence at higher risk due to security and health concerns.

Majority are female, hence at higher risk.
The Federation is now seen as a critical actor in the sanitation sector and has increased its networking with other actors in the field for enhanced learning. As a result of these pilots, the Federation was able to leverage significant resources from Comic Relief to continue its sanitation work over the next five years.

The vast majority of Kampala’s slum dwellers work in the informal sector – many in the city’s informal markets. As the city plans to upgrade these markets from cramped, muddy, and poorly ventilated and serviced to something more formal (and taxable) there is a danger the existing vendors will be pushed out due to affordability concerns. The Federation is working on a pilot market upgrade in Kinawataka, Nakawa which will combine low-cost stalls and more formal “lock ups” to cater to the different needs of city dwellers. Many market upgrading projects in the city have been stalled for years due to the wrangles of market vendors, local politicians, and landlords. The Federation is working with the Kampala Capital City Authority and the Ministry of Lands, Housing, and Urban Development to try to demonstrate an alternative community-driven approach that may minimize these roadblocks to successful market upgrading.

In Cape Town, the South African Alliance has piloted three in situ upgrading projects. Over the last year Mshini Wam has been re-blocked, opening up space for safer and more dignified communities, as well as for infrastructure. Through the growing partnership with the City of Cape Town, water and sewerage pipes have been installed for the 250 households (497 people) in the settlement. Road surfacing is under discussion and during the next financial year electrification is planned. Nokwezi Klaas, a community leader from Mshini Wam, describes how re-blocking has changed the settlement:

“Prior to re-blocking, the settlement was very dense. There were no passageways and when there were fires it was virtually impossible to get into the settlement. All the toilets were on the outskirts and there were only three water taps for over 200 households in the settlement.”

In Kukutown, a far smaller settlement, re-blocking has taken place and one-on-one services (water, sanitation, and electricity) have been installed. In Flamingo Crescent the re-blocking process is currently underway. In Stellenbosch a community managed WASH facility has been constructed in the Langrug informal settlement.

Mshini Wam, Kukutown, and Flamingo Crescent have been used to show the possibilities for in situ upgrading in Cape Town and to catalyse other interventions at a city scale. Their impact has been significant with the City of Cape Town drafting a re-blocking policy which could potentially be rolled out to other settlements across the city and aligned with municipal development plans, frameworks, and budget lines. During this period several consultation meetings have been held with the City to expedite and refine this process, addressing challenges and delays that have emerged.

In situ upgrading projects based on solid community data present a viable alternative to relocation and eviction. The variety of pilots and interventions trialed throughout the network highlight alternative visions for the city that include the poor, rather than relegate them to the periphery. The methods deployed represent a “tool-kit” which is contingent on local contexts especially the nature of relationships with local governments. What will become increasingly vital in the next year is how SDI federations are now in a position to scale up informal settlement upgrading interventions that form part of a coherent, affordable, and scalable citywide plan.
### Members, Savings, Livelihoods

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
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<td>Cities</td>
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</tr>
<tr>
<td>Savers</td>
<td>1,158,906</td>
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<td>Savings Groups</td>
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<tr>
<td>Daily Savings (USD)</td>
<td>12,261,043</td>
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<tr>
<td>Loans for Savings (USD)</td>
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<tr>
<td>Repayments (USD)</td>
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<tr>
<td>UPF Savings (USD)</td>
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<tr>
<td>Loans from UPF (USD)</td>
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<tr>
<td>UPF Repayments (USD)</td>
<td>3,682,643</td>
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<td>Other Savings</td>
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### Public Amenities

<table>
<thead>
<tr>
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<tbody>
<tr>
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<tr>
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<td>20,902</td>
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<td>Community Centers</td>
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<td>Creches/Schools</td>
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<tr>
<td>Clinics</td>
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<tr>
<td>Commercial Centers</td>
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<tr>
<td>Other</td>
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### Housing

<table>
<thead>
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<tbody>
<tr>
<td>Houses Under Construction</td>
<td>4,743</td>
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<tr>
<td>Houses Completed</td>
<td>62,596</td>
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<tr>
<td>Dwelling Improved</td>
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### Information Collection

<table>
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<td>No. Cities Profiled</td>
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</tr>
<tr>
<td>No. Settlements Profiled</td>
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</tr>
<tr>
<td>No. Settlements Enumerated</td>
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<tr>
<td>No. Settlements Mapped</td>
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<tr>
<td>GIS Maps</td>
<td>1,107</td>
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</table>

SDI also tracks qualitative indicators that are largely related to redistribution and measure such things as resources leveraged, changes in practice, changes in resource flows, and policy changes. These have been discussed within the text of this annual report.
In Chinhoyi, water and sanitation infrastructure is old and characterized by frequent pipe bursts and breakdowns.

Profiles indicate that informal areas like Shackleton and Alaska have extremely irregular water access and a severe lack of sanitation with open defecation common.

10/32 SHACKLETON & ALASKA - COMMUNAL FACILITIES FUNCTIONAL
Mainstream financial systems reward those with the greatest capital and disadvantage households with little income and few financial assets. Banks do not supply loans on terms affordable to slum dwellers – indeed often they do not supply loans at all. The location of banks and the demand for minimum deposits often means that low-income families do not even use the commercial banking sector for savings. Unable to access credit, even minimal shelter investments are unattainable. Traditional market finance does not work for the poor on a city scale – slums continue to grow, as does the gap between rich and poor.

If low-income households are to manage loans, they require flexibility. Effective programmes have responsive terms and conditions that recognise how people save money, how informal incomes fluctuate, and the peaks and troughs related to other essential expenditures such as school fees. They also require interest rates that are affordable; and access to small repeat loans (rather than one single loan with high interest charges). Most households in informal settlements need improvements in basic services, particularly water and sanitation, and these are not investments that can be undertaken individually. These households require access to collective loans, enabling neighbours to work together to improve their settlement.

SDI affiliates establish community-managed citywide urban poor funds to change existing systems of exclusionary finance. In all towns and cities, local governments are encouraged to participate in capitalizing and/or managing the fund. Their inclusion introduces the potential to create citywide political impact. Organized communities engage with local authority officials and politicians to show how funds can finance local improvements, and go to scale as loans are recovered and monies are revolved. Community-managed investments in infrastructure and housing ensure cost-effective construction that is of a high quality because it is supervised by community technicians. Savings blends with loan finance to improve affordability and ensure local ownership. As council officials see the effectiveness of new approaches, they amend regulations.

Community-based urban poor federation members and support professionals from South Africa, Malawi, Zambia, Zimbabwe, Uganda, and Bolivia came together in late 2013 to discuss citywide models for urban finance. They drew on extensive experience in managing urban poor funds in their various contexts to explore the design, political impact, and practical slum upgrading benefits of flexible pro-poor finance facilities.
SOUTH AFRICA

The availability of subsidies in South Africa means that many urban poor communities – and governments – look to state delivery. This continues despite the evidence to show that government is incapable of delivering housing or infrastructure services at the scale necessary. The SDI practice of informal settlement upgrading has been challenged by some community members and government officials who believe that it undermines the government’s responsibility to provide subsidized housing and basic services. However, in reality much of South Africa’s population continues to live in insecure conditions without access to basic services, secure shelter and economic opportunity. Twenty years after democracy, it is clear that new political and financial systems are necessary for the nation’s urban poor to become active participants in the development of inclusive and equitable cities. Central to this is the need for an alternative state financing strategy – one that is sensitive to the needs and daily realities of the urban poor.

The South African Alliance has established the Community Upgrading Finance Facility (CUFF) to provide finance to families living in informal settlements that want to improve their access to basic services. However, it has faced challenges as a tool for informal settlement upgrading at scale and with support (financial and political) from local government. CUFF was created to enable informal communities to “engage government more actively around collaborative upgrading and livelihood projects” (CUFF Project Report 2013). The Fund provides seed capital for settlement improvement projects prioritized by communities. Communities must provide a 20% contribution to the total cost of the project, demonstrating their willingness to take ownership, and participate in the co-production of their settlement’s upgrading and development.

The South African Alliance believes that community-based finance facilities like CUFF change the mindsets of households and governments. Families are encouraged to reduce their dependency on the state, recognising that they lead local development efforts. Government officials and politicians are challenged to recognise that urban poor communities can offer effective in situ solutions to their infrastructure and housing needs. All families living in the neighbourhood are encouraged to participate in and benefit from the fund. An inclusive approach increases the likelihood that CUFF will go to scale.
UGANDA

The situation in Uganda contrasts sharply with South Africa as there are no government subsidies. The Ugandan Federation has set up a national urban poor fund and is currently designing citywide funds. The purpose of the national fund is to provide capital in the form of loans to members of the National Slum Dwellers Federation of Uganda (NSDFU). Loans are only available to groups and are intended to finance investments that set precedents for community urban development projects. Loans are given out for housing, sanitation, and group livelihood projects. To date 44 projects have been supported in Kampala. The fund receives monies from a variety of sources, including contributions from NSDFU and community saving groups, fundraising activities, government contributions, donations from local and international institutions, subscriptions fees, and UPFI loans.

Although the fund provides alternative financing for the urban poor in Uganda, it has a larger vision and goal. The Federation uses the fund to build precedent-setting pilot projects hoping to attract investment from government agencies and other urban development stakeholders. The Federation seeks to use the fund as a tool to push an urban poor agenda, with sanitation being the priority issue.

The community contributes their savings to the fund – and in return are able to access a group loan to build a community sanitation unit. This process demonstrates the community’s ability to prioritise, contribute, and implement slum upgrading projects. This work has altered the city government’s outlook on sanitation, framing it as a first step in incremental slum upgrading.
ZIMBABWE

The state in Zimbabwe has very few internal resources available for the urban poor. Despite acute resource scarcity the Zimbabwean Federation has forged deep and meaningful partnerships with local government: changing attitudes towards evictions, introducing new sanitation technologies, and securing technical and political support for their activities.

A dearth of government finance motivated urban poor communities to organise their own savings, both to ensure they have access to the money they need for daily necessities and to build the capital of the national Guungano Urban Poor Fund. The fund provides low interest loans for the upgrading needs of poor communities and has a political agenda that opens space for negotiation with local governments. The fund would like to attract government finance, but this has not yet been the case in part because of the bureaucratic and politicised nature of government agencies.

This year the Zimbabwean Federation decided to decentralize the fund to regional (Bulawayo and Matabeleland South) and citywide scale (Harare, Kariba, and Masvingo). This speaks to the differences between national funds and citywide funds at a larger scale – a strategic move that is beginning to play out across the SDI network in divergent contexts.

In Harare, the Zimbabwean Federation is in the advanced stages of negotiating to set up a citywide fund with the city authorities. The Federation hopes that the fund will help to implement the city's new slum upgrading policy. The Federation will contribute USD 25,000, the UPFI USD 50,000 and the City USD 125,000. The fund will be jointly managed, and will offer loan finance to slum upgrading (incremental housing, water and sanitation, and other infrastructure). Project selection will be informed by community profiles and enumerations. The city pushed for the fund to be registered as a microfinance agency; however, the community was adamant that this would lead to systems that exclude the poor. The city has now agreed to register the fund as a trust.

While negotiations continue it is clear that an organised community able to articulate the rationale behind a city fund can influence its operating principles, structure and mechanisms. When these principles are embedded in a constitution, the potential for a new type of financial instrument is created.
SDI URBAN POOR FEDERATIONS HAVE A PRESENCE IN 450 CITIES AND COLLECTED DATA ON OVER 7,000 INFORMAL SETTLEMENTS ACROSS THE GLOBAL SOUTH

GLOBAL NETWORK OF THE URBAN POOR
SDI URBAN POOR FEDERATIONS HAVE A PRESENCE IN 450 CITIES AND COLLECTED DATA ON OVER 7,000 INFORMAL SETTLEMENTS ACROSS THE GLOBAL SOUTH

If the increasing majority of slums remain unaccounted for there can be NO INCLUSIVE DEVELOPMENT planning or investment and NO EFFECTIVE CITY GOVERNANCE. Every household, every neighborhood and every informal settlement has to be counted.
BOLIVIA

Despite attempts by Bolivia’s central government over the past decades to implement a social housing policy that addresses the country’s growing housing deficit, little progress has been made. It is estimated that about one third of the housing constructed each year in Bolivia is informal and largely illegal, with urban poor families occupying self-constructed, insecure structures with little or no access to basic services like water, electricity, and sanitation. An alternative solution is necessary to meet the growing demand for affordable housing and informal settlement upgrading.

The Bolivian Alliance has developed their own solution to the housing and basic services challenges faced by Bolivia’s urban poor. The Fondo Para Vivienda Popular (Popular Housing Fund) was created in 2011 with a donation of only USD 160. This fund is used to provide loan finance for the regularization of housing in informal settlements in Cochabamba, Oruro, and Santa Cruz. After about a year of operating as a national fund the affiliate decided to split the fund into three city funds. Two years later, the fund has grown to USD 10,000 through a combination of community savings and donations from individuals, the private sector and donor agencies.

The Fund serves the federation of women’s savings groups, Tejiendo Ciudades (Weaving Together Cities), providing low-interest loans for the needs and demands of savings group members. These include housing repairs, regularization papers, water, electricity, sanitation, furniture, and appliances.

While the fund is off to a steady and impressive start, there is a need to involve a wider network of stakeholders, including local government, in providing capital. This will enable the scaling up of housing and basic service investment in Bolivia’s urban sector.
ZAMBIA

The Zambian Federation has two funds, an urban poor fund and a city fund. The urban poor fund operates nationally and is controlled and managed by the Federation. The urban poor fund offers loans to both Federation and non-Federation members. The city fund emerged from a possibility generated by Federation profiling and enumeration activities in Lusaka. A potential commitment from the Lusaka City Council has been tabled, offering to contribute 35% to the fund.

The Zambian Federation have come to appreciate the benefits of working with a citywide fund that is accessible to all of the urban poor. The fund is also used as an advocacy tool that introduces communities to savings culture and rituals of the federation. However, for a citywide fund to go to scale partnerships with other agencies, such as local government, must be made. The Lusaka City Fund has demonstrated how Federation rituals (profiling and enumerations) can be used to get the local government's attention and bring them into the process. In Zambia the fund has changed the way government relates to and includes the poor.
MALAWI

Daily savings for basic needs is the core strength of the Malawian Federation. The Mchenga Urban Poor Fund has allowed community members to take out loans to build ecosan toilets and water connections. A community contribution of 10% is required and all community members, not just the Federation, can access loans. Loan repayments are revolved back into the fund and then used to provide further loans.

More recently citywide funds, and the challenges that they can present, have come into focus in Lilongwe. Donor finance seeded a local authority citywide fund for slum upgrading activities. The fund was envisioned as one in which the city and communities would collectively plan for slum infrastructure improvements. However the communities found it difficult to engage the city and access funds – or even have a significant decision-making role. The City officials only began to include communities in decision-making processes when the donor threatened to take the money back. The community leaders began to be involved in the fund, which has since financed the construction of markets, installed water points, improved drainage, installed water tanks and build roads and bridges. The local authority insisted that the monies were distributed as grants and not loans. The Federation asked the question, “If communities don’t have to repay the funds, how do they influence government to use funds to their advantage?”

CONCLUSION

These examples show that new types of finance are needed to make affordable capital available to the poor. A political shift at the local government level offers the possibility to introduce these new modes of financial distribution at a city scale. However experiences in Malawi illustrate the problems, with government retaining de facto control of city funds and communities relegated to the role of passive beneficiary. Strong and organised communities need to be able to negotiate the terms of funds, clearly articulating structures and rules that make sense on the ground. Citywide funds need local government participation to reach scale and to secure the appropriate regulatory reforms, however, if local communities are not well organised and autonomous (through a strong savings practice) they are unable to challenge the traditional systems through which state funds are distributed and managed.
IN MUMBAI, OUT OF
19 MILLION PEOPLE
MORE THAN 40% OF HOUSEHOLDS LIVE IN SLUMS

According to community-collected data, this includes more than 20,000 households in small shacks built on city pavements, a million or so people in the 175-hectare site that is Dharavi, and tens of thousands of households living along the city’s railway tracks.

TO DATE, SLUM DWELLERS HAVE MAPPED, PROFILED, AND ENUMERATED
3,913 SLUMS
A TOTAL OF
1,467,408 HOUSEHOLDS

175HA
10,000 PEOPLE
20,000 IN SMALL SHACKS
10,000 PLUS PEOPLE LIVE ALONG RAILWAY TRACKS
SDI affiliates continued to work closely with academic institutions to co-produce knowledge through undertaking collective planning studios. SDI’s position is that these types of engagements expose students and academics to informal knowledge and conditions that call into question existing presumptions, planning frameworks, infrastructure standards and laws. Through this experience the capacity and knowledge of slum dwellers as capable actors in developing upgrading plans and precedents for their own communities is illustrated. Collective studios are the first step in training the next generation of planners who will one day become officials shaping the development and inclusivity of cities. If practical collaborative studios (between planners and the urban poor) become embedded in University curricula, inclusive planning practices can become the norm rather than the exception.

ACADEMIC PARTNERSHIPS TO CO-PRODUCE KNOWLEDGE

“In communities we know the number of settlements, services and origins of the people. We know how they spend their money and how they would like to develop their areas. You cannot plan from the office but if you go to the ground and speak to people and learn from them it can help you plan better.”
Katana Goretti, Ugandan Federation

Reforming the manner in which planning students are educated is one step towards shifting planning paradigms in Africa. On this basis SDI entered into a MoU (Memorandum of Understanding) with Association of African Planning Schools (AAPS) in 2010, promoting co-operation between country affiliates and local planning schools. The MoU recognizes that the most effective way to change the mindsets of student planners is to offer direct experiential exposure to, and interaction with the conditions and residents of slums. In this manner students will be exposed to the value of informal knowledge and community participation in planning for settlement upgrading. During this period SDI affiliates and AAPS have conducted six collaborative planning studios in which students, staff, and urban poor communities engage directly in data collection, analysis, and the development of upgrading plans. Studios have taken place in Uganda, Malawi (two), South Africa, Kenya, and Namibia. In many cases local government officials have been invited to witness studio outputs and participate.
The Community Land Information Programme (CLIP), a community based data collection initiative in partnership with local government across Namibia, indicated that there were approximately 24,000 informal households in Windhoek in 2007/8.

Most are located on the northwest periphery of the city and lack basic amenities. For example, 5,586 households lack sanitation, forcing them to practice open defecation. The overwhelming majority of informal residents prioritize land as their primary development need but high prices and limited options continue to exclude them from the benefits of the formal city.
In Kampala, Uganda a studio with Makerere University planning students led to detailed reports reflecting informal challenges and upgrading plans that were submitted to local governments. During the studio the Ugandan Federation referred to themselves as “community professors.” Two concurrent studios took place in Blantyre and Mzuzu, Malawi. In Nancholi, Blantyre Federation members worked closed with the University of Malawi-Polytechnic to identify upgrading priorities and develop plans for improved circulation and drainage. In Salisbury Lines, Mzuzu, poor drainage and groundwater pollution were key priorities around which collective planning took place. In South Africa, students spent six months developing upgrading plans in conjunction with residents of Langrug informal settlement in Stellenbosch. In Gobabis, Namibia, students from the Polytechnic of Namibia undertook a site analysis of the Freedom Square informal settlement. Loraine, a community member from Block 5 in Freedom Square noted:

“The site analysis brought to light to how I see my surroundings. I learned how to use a GPS as we were doing the mapping. I also got to see which areas are suitable to build my house on and which aren’t, in order to avoid flooding, during the rainy season.”

It is important that studios become part of annual university curriculums, entrenching new approaches to planning over a sustained period and encouraging the participation of city governments. In all the aforementioned countries commitments have been made to replicate the studio process. Across the SDI network affiliates are exploring these types of engagements. For example a further studio recently took place between the Zambian affiliate and the University of Zambia in Lusaka. The municipality is looking at the possibility of implementing some of the proposals that emerged and has pledged to quicken the process of declaring the targeted settlement a legal residential area, as it is currently an illegal settlement under the 1975 Town and Country Planning Act.

In February 2013 a further planning studio was organised between the South African communities of Mshini Wam, Shukushukuma, and Ruo Emoh and architecture and planning students from the University of Melbourne to investigate new solutions for informal settlement upgrading and housing development. In Shukushukuma, plot sized placeholders were cut to scale and laid out on an aerial photograph. The location of visible infrastructure was mapped, such as electricity poles, toilet blocks, and water taps. The Mshini Wam group looked at alternative typologies for densification and formalisation after re-blocking projects. A visual fly through model was created, building on the new layout of re-blocked settlement.

During the year a German Agency for International Co-operation (GIZ) sponsored initiative was also undertaken to investigate the conditions for successful projects and partnerships between local government and urban poor communities. The report produced drew on experiences in Harare (Zimbabwe), Pune (India) and Kampala (Uganda) – locations that were visited by the investigating team. The team consisted of David Satterthwaite from the International Institute for Environment and Development (IIED), Celine D’Cruz, an SDI Coordinator and co-founder of SPARC, and Sonia Fadrigo, a Core Monitoring Team member.
In 2013 SDI affiliates continue to consolidate partnerships with academic institutions with the goal of cementing collaborative efforts (e.g. planning studios) within university curriculums. SDI’s strategic medium term goals recognise the value of producing citywide data about informal settlements. Data can be used both to engage government and to assist in implementing projects that move beyond single settlements and tackle poverty at scale. Urban planners, architects, surveyors, and managers can, and must, play a vital role in critically engaging with this data. By accepting the validity of such data (and assisting in its co-production) academia can add both political and practical value increasing impact and scale.
At the global level, SDI is increasingly serving as a platform for allowing representatives of organised urban poor constituencies to speak directly with decision-makers in major international organisations and forums. The aim and impact of these interactions is to strengthen the local processes through which federations form and build citywide alliances. SDI plays a critical role at the international level, although it is clear at all times that it engages in global advocacy only if it has direct, tangible benefits for its affiliates at the informal settlement level. The experience of federations of the urban poor that make up the SDI network underlines the potentials and practices for interconnections of actions that impact both locally and globally at the same time.

The past year was a watershed in terms of international recognition for SDI's work in building this global platform. Foremost among these is the nomination of SDI President Jockin Arputham and SDI for the Nobel Peace Prize. The nominators included Sweden’s Minister of Public Administration and Housing and South Africa’s Minister of Science and Technology. SDI is also one of seven organisations that received the 2014 Skoll Award for Social Entrepreneurship. Jockin accepted the award on behalf of the network at the Skoll World Forum in Oxford, England in April 2014. This premier conference on social entrepreneurship brings together leaders from the private and public sectors to further global social progress. This highlighted the ways in which social organisation of the urban poor at the transnational scale is the basis for innovation in producing housing, land, and basic services for the poor in cities.

In the past year, SDI has continued to expand and nurture its engagements with global institutions, international organisations, and key networks of city government and professionals. These engagements continue to open new dialogues with key stakeholders in our affiliate’s cities, which can lead to an increase in our general impact on policy change and city development. In this respect our engagement with Cities Alliance, the World Bank, United Cities and Local Governments-Africa, and UN-Habitat have continued
to produce results. These results include the deepening of relationships with government stakeholders resulting in more meaningful upgrading projects on the ground, and SDI’s increased influence in global policy debates.

The number of international events in which SDI actively participates continues to expand. At the same time, the quality and results of SDI’s participation in these events continue to deepen. In the past year, SDI participated in a number of key global events, including the 7th World Urban Forum (WUF), the World Bank Conference on Land and Poverty, events leading up to WUF such as the World Urban Campaign’s launch of The City We Need document, the UN Governing Council meeting, the World Summit of Local and Regional Leaders, and the Skoll World Forum, among others.

In April 2013, SDI federation leaders attended the UN-Habitat Governing Council meeting in Nairobi, Kenya. SDI’s relationship with UN Habitat was deepened, resulting in the signing of a Memorandum of Understanding between the two organisations and the commitment to a joint work programme. Additionally, SDI was invited to be a partner in the World Urban Campaign, a multi-sectoral platform for key stakeholders to collaborate on solutions and build consensus towards a new urban agenda in preparation for the Habitat III conference, to take place in 2016. In March 2014, Jockin Arputham and Rose Molokoane, SDI Coordinator from South Africa, attended the launch of The City We Need, a multi-stakeholder, collective contribution to the urban agenda created by World Urban Campaign partners. This event affirmed the World Urban Campaign as the lead collaborative platform paving the way for the World Urban Forum, the Post-2015 Development Agenda and the Habitat III Conference. SDI’s participation in this event highlighted the importance of creating partnerships between government and the urban poor to find solutions to sustainable urban development.

SDI’s presence at the 7th World Urban Forum, held in Medellín, Colombia in April 2014, was considerable. As the largest and most widely attended conference on cities, the World Urban Forum presents an excellent opportunity for SDI affiliates to present their work at the global scale and network with key urban stakeholders.
This year, federation leaders and support staff from affiliate NGOs participated in over twenty events and meetings, providing the rare opportunity to present on the global stage to government officials and policy makers the impact of their work on the ground. These engagements are critical to SDI-affiliated federations and NGOs in their ability to affect change on the ground. Often inaccessible to urban poor organisations in their home countries, these engagements are made possible at these key international events.

Building on our relationship with United Cities and Local Governments-Africa (UCLG-A), SDI also participated in the 4th UCLG Congress World Summit of Local and Regional Leaders, which took place in October 2013. This event presented SDI with the opportunity to deepen existing links and build relationships with a range of international agencies, including UCLG-A, Cities Alliance, Ministry of Foreign Affairs of Norway, UNACLA, DeLog, Metropolis, UCLG, and UN Habitat. These relationships, all of which raise SDI's international advocacy profile, are sure to assist local partners with networking, interaction with other stakeholders, and fundraising.
Government has made little investment in water provision for slums in Blantyre, prioritizing formalized settlements.

As a result, vendors have capitalized on sporadic water supply by charging high rates for water use from kiosks.

In recent community enumerations, it was found that roughly 69% of the city’s informal residents uses roughly 9 buckets of high-priced kiosk water per day.

**WATER USE OF AVERAGE FAMILY**

- 9 buckets

**HIGH RATES @ KIOSKS**

- 20L
Modern city planning assumes that city parks and gardens serve all segments of society. However, increasingly these are exclusive and inaccessible to the poor and those in informal centres. Where open spaces near informal neighbourhoods exist, they are poorly lit, making them unsafe for women and children, they are unhygienic with garbage piled, and unattractive for public use.

From the SDI perspective, creating public spaces for the informal urban poor begins with mobilising communities to collectively articulate the need for such meeting spaces. Having the physical space to convene as a community is an important asset towards creating the mental and emotional space for supporting communities to materialise their aspirations. These community centres allow communities – especially women – to talk about their problems, find solutions, design strategies around them, and create spaces that allow them to self-actualise.

In Uganda, planning for sanitation through the construction of community toilets has created communal spaces in slum settlements that did not exist before. Community toilets are built with toilets and showers on the ground floor and community halls above that can accommodate roughly 100 people. All the community halls are used as regional offices for the Federation, thus serving as a resource center for information sharing and creating spaces that allow such processes to be accountable and transparent. Providing common meeting space above toilets has not only aided in changing negative perceptions of sanitation in communities but also provided a central hub for community organising. These halls also provide a space to hold Municipal Development Forums, which bring communities and municipal officials together to identify priorities of the communities, agree on common actions to transform settlements, and plan for inclusive development. This strategy places organised communities of the urban poor at the centre of the design and management of urban upgrading.

In Bolivia, in the city of Oruro, the community members of Villa Vista settlement are located on a very harsh terrain. Despite this, they were able to create the space needed to design and construct a community centre through small funds from Selavip. This gives them the opportunity to have a safe space to meet and discuss their ideas.

More recently, in Nairobi, “Can Do It” settlement constructed a community centre with materials they used to construct a life size model exhibit.

Spaces for shelter and work are closely related within urban poor settlements, and planning for both is an important feature of slum upgrading. Within SDI discussions around planning and re-designing existing community markets have also opened the space for mobilising other categories of the urban poor like street vendors, home-based workers, and waste pickers.
In Ghana, the Federation is trying to understand the phenomenon of informal economies and markets as it relates to improvement in quality of life in urban poor neighbourhoods. Based on several surveys conducted by the Ghana Federation of the Urban Poor in Old Fadama, Ashaiman, Agbogbloshie, and Sabon Zongo, it was shown that the bulk of people living in these communities earn a living in the informal sector. Typically, over 70% of Accra’s active labour force earn their livelihoods in the service sub sector or informal trading. Informal markets are centres for economic growth that benefit the community and petty traders. By mapping and surveying markets within slum settlements in Accra, the Federation aims to demonstrate the importance of public space for livelihood and income generation – bridging the gap between work and shelter.

Ghana seems to be grasping that you cannot erase or compromise people’s livelihoods; instead you must find ways of integrating it.

To date, the Ghana Alliance has mapped and profiled 43 market spaces. Through this exercise, the Federation has been mobilising informal traders around savings and loans as an effective way to build local capacity to manage and attract other financial resources. With the support of the Ghana Federation, 20 savings groups have been mobilised and formalised. Altogether, there are 308 members in the saving groups; comprising 41 males and 267 females. Acknowledging and including other urban poor groups, such as informal traders, allows the Ghana Federation to scale up its citywide data collection initiative and responses.
SDI’s mission to find solutions for land and housing has opened opportunities for communities to plan and design community and public spaces for slum upgrading. By seeking alternative solutions to sanitation and other public services, communities have redefined their relationships with other informal communities and the local authorities in their cities. Negotiations have helped communities tackle some of the underlying governance issues around the right to common community spaces within their localities.

Public spaces and placemaking is an essential element for creating inclusive cities and addressing the challenges posed by rapid urbanisation. Working on collective goods and spaces encourages collective behaviour. It helps communities move beyond their individual needs and builds the collective voice and identity needed to sustain long term negotiations on land and shelter.
Solid waste collection in Cape Town often neglects informal settlements. A network of 1,506 previously unemployed waste pickers fills this gap generating a sustainable income for themselves and their families.

Approximately 65 metric tons of solid waste, which is collected and sold monthly, reduces blocked drains, ground water pollution, and carbon emissions. This process reduces financial and environmental vulnerability.
A growing number of poor people living in densely populated urban areas are becoming vulnerable to climate-related risks. Neighbourhoods in which the poor live are often in low-lying areas at risk of flooding. In other locations, the urban poor experience hazards such as landslides, which may be exacerbated by increased precipitation. The livelihoods of urban residents, the quality of urban neighbourhoods, and the social and economic functioning of towns and cities will increasingly be affected by the indirect consequences of climate change. Poor quality governance results in the neglect of low-income families following disasters, and rehabilitation activities often favour the wealthy and those who have legal rights over their land.

Cities can reduce the likelihood of climate change and support adaptation measures broadly through changing governance arrangements, by increasing the voice and influence of the poor in cities. Specifically this can be done through direct actions (e.g. implementation of methane capture at landfill sites), through legislative means (e.g. local by-laws controlling particular types of industrial activities), through economic incentives (e.g. through subsidies or tax exemptions for low-emission vehicles), or through providing an enabling environment for citizens to take action, and build relationships with local authorities that are more responsive to risks associated with climate change (e.g. mudslides, flooding, loss of home and livelihood).

As the SDI network engages more with these improvements, the network will strive for "climate friendly cities," identifying the ways in which SDI affiliates can contribute to these resilience efforts. Local federation groups, in our experience, are concerned with both mitigation and adaptation. Community organisations and networks that are adversely affected due to where they live have developed some of the most innovative response mechanisms.

The Filipino Federation has had to respond to several disasters during this past year. After Typhoon Haiyan, the Federation mobilised affected community members in the Bohol and Cebu provinces to conduct damage assessments as well as profile, map, and enumerate affected communities. Through these activities they directed local authorities to where the need is greatest. The Federation has long worked to build relationships with local authorities. They have demonstrated that locally managed activities lead to quicker response times and less loss of security of tenure and assets. Together with savings, communities are able to recover more quickly, informing themselves about the options open to them, and putting in place a plan to address their shelter and livelihood needs.
After Typhoon Frank in Iloilo, Philippines, in 2008 the Federation used community savings to leverage funds from the government in order to build transit housing accommodating 293 people.

**IN 2008 COMMUNITY SAVING LEVERAGED**

![Image of community savings leveraged for transit housing for 293 people]

Overall, the Federation’s involvement in housing projects that use recycled, locally available materials like bamboo, create safer living conditions for the urban poor is a major thrust towards climate change & disaster resilience.

**MAKING USE OF LOCAL RECYCLED MATERIALS**

MAJOR THRUST TOWARDS CLIMATE CHANGE AND RESILIENCE
Cities have already shown that they can take proactive steps to reduce climate-related risks. Emerging systems of planning and governance, some of which involve marginalised and low-income groups, are coming into existence alongside both household and community-scale coping strategies, and large protective infrastructure projects. While promising, these actions will need to be developed across tens of thousands of urban centres around the world if the growing number of urban residents are to be protected from the harmful consequences of climate change.

Within the past year SDI has been exploring ways in which urban poor communities are engaged in finding innovative mitigation and adaptation solutions. In Uganda, for example, solid waste is being used to make charcoal briquettes. Briquettes are created by compacting loose biomass into solid blocks that can replace fossil fuels, charcoal, and firewood for cooking and heating. The community is able to collect and reuse the waste that accumulates in settlements and turn it into a form of energy, at the same time using this as an incoming generating project for community members. A materials construction workshop is also addressing deforestation and environmental degradation by using low-timber methods and making soil stabilized bricks that do not require baking.

SDI affiliates are working with waste recyclers to better manage landfill (and methane emissions) and recycle and re-use products. In South Africa, Ghana, and the Philippines, communities have developed waste management programs. In some settlements in which SDI is active there is an established trade in waste products. Community trash collectors and waste pickers in the respective federations have been able to collect and sort through waste, selling back recyclables to companies and buyers. Waste recycling services decrease blocked drains, ground water pollution, and carbon emissions. Slums become cleaner and more hygienic. Such activities demonstrate environmentally friendly income generation.

SDI will continue to support efforts to improve social resilience through organised communities and community-led development projects that show city governments how to be more energy efficient, whilst also advocating pro-poor community responses to climate change through supporting community-based waste management, alternative energy, and recycling projects. These projects are just small steps in mitigating climate change risks. SDI communities are also actively engaged in improving drainage, carrying out landfill, and identifying improved forms of infrastructure investment – all of which have demonstrated their ability to support local residents to adapt to climate change. Mainstream approaches to climate change need to recognise the capacities and commitment of the organised urban poor – and mainstream their contribution within climate change mitigation and adaptation programmes.
To some, SDI appears to be a very rich organisation. The USD 10 million plus per annum that it takes to run the entire global network (with the International Secretariat responsible for about half that amount) actually works out to a little less than USD5 spent per SDI Federation member per annum. When you consider that SDI is an agglomeration of 34 grassroots networks in thousands of slums in thirty-four countries, providing seed capital to many hundreds of projects, then it becomes clear that the annual funding that is secured is far outstripped by the financial need.

Nevertheless the challenge that faces the Secretariat of raising over USD5 million per annum is a considerable one, compounded by the fact that the organisation continues to depend heavily on donor finance. The fickleness of donor aid is well known. While SDI has been fortunate enough to enjoy long term support from dependable foundations such as Misereor and Tikvah-Tides, and bi-lateral agencies such as Swedish Sida and MFA Norway, others tend to come and go. In this past year the SDI Secretariat has had to compensate for the exit of two of its most generous donors, The Bill and Melinda Gates and the Rockefeller Foundations. The challenge has been compounded by delays in the conclusion of contracts with the Government of Norway. SDI is very pleased to announce that this financial gap has been filled by a new relationship with the Skoll Foundation and renewal of ties with the Ford Foundation. At the same time Sida has made more than a fourfold increase in its contribution to SDI.

This roller-coaster ride is one of the motivations that has pushed SDI to begin to explore alternative forms of finance so that it can diminish its dependency on donor funding. The SDI Secretariat has started the process of diversifying its income streams, looking to investment opportunities and partnerships with social entrepreneurs. It is also intensifying its support to its affiliates so that they can more effectively leverage resources from their governments and from local markets.
Donor dependency is not the only powerful motivating force that moves SDI in this direction. Redistribution of resources through State instruments has always been a primary objective of all SDI affiliates. Over time SDI has seen that its investments in social capital and slum upgrading have often had a positive effect on land values and commercial opportunities in slums. These opportunities have consistently been exploited by other social forces, most of whom have not had any transformative agendas whatsoever. SDI intends to move with great caution into this space. Caution is required because risk needs to be minimized – to the extent that this is possible. Perhaps even more importantly, SDI will make sure that attention to cost recovery and surplus generation does not divert the organisation from its core agenda, which is to contribute to inclusive cities where the poor and most marginalised are recognised as equal citizens.

In the future SDI itself will make direct contributions to its own project and programme expenditure. The initial steps will be modest but the impact on the network will be far-reaching.
A profile of Bekaphambili informal settlement located 12km from Johannesburg’s wealthy CBD exemplifies the acute income poverty and inequality the urban poor face.

Only 30% of residents have some form of employment and expensive transport costs make accessing economic opportunities and benefits difficult.

**30% RESIDENTS EMPLOYED**

**60% OF 250 RESIDENTS LIVING IN THE SETTLEMENT ARE WOMEN EARNING R650 A MONTH**

The settlement has no electricity with residents spending R150/month on other forms of energy and R300 on food.

**THE SETTLEMENT HAS NO ELECTRICITY**

**RESIDENTS SPEND R150 OTHER FORMS OF ENERGY**

**R300 SPENT ON FOOD**
Norway Ministry of Foreign Affairs / 3,531,385
Ford Foundation / 200,000
Tides Foundation / 40,000
Misereor / 132,110
Swedish Sida Secretariat / 75,030
Swedish Sida UPFI / 300,120
Other Funders & Special Projects / 577,52
The Gates Foundation Core / 2,654,863
The Gates Foundation Data / 500,000

* FIGURES IN USD
### INCOME STATEMENT AS OF 31 MARCH 2014

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### EXPENDITURE STATEMENT AS OF 31 MARCH 2014

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