



WORLD BANK GROUP

Urban, Disaster Risk Management, Resilience & Land

BUENOS AIRES WORKS TO INTEGRATE INFORMAL SETTLEMENTS

METROPOLITAN BUENOS AIRES URBAN TRANSFORMATION PROJECT

**PARTNERS: AUTONOMOUS CITY OF BUENOS AIRES (CABA) AND THE
PROVINCE OF BUENOS AIRES**

DURATION: 2017-2023

**FINANCE: US\$200 MILLION: CABA (US\$170 MILLION) AND PROVINCE
OF BUENOS AIRES (US\$30 MILLION)**

AT A GLANCE

Country: Argentina

Total population: 44.5 million (2018)

Urban population (% of total population): 92

Urban population growth (annual %): 1.1

Population living in informal settlements: 10% of the total population

1. CONTEXT: THE PROLIFERATION OF INFORMAL SETTLEMENTS

Argentina is a country of cities. More than 90% of its 44 million residents live in urban areas, but an increasing number of them have been moving into informal settlements. Of the country's total population, about 10% reside in 4,416 such settlements around the country,[1] a number that has been on the rise for the past few decades. This proliferation of informal settlements stems largely from land-use planning constraints that have limited the supply of formal housing.

The Buenos Aires Metropolitan Area (AMBA) the third-largest metropolis in Latin America, is home to 14.8 million people. Encompassing Buenos Aires and 24 adjacent districts, this megacity has the largest housing deficit in Argentina, a main driver of the proliferation of informal settlements. AMBA has an estimated 819 informal settlements, of which around one-fourth of them are less than 10 years old. This is a contrast to other cities in Latin America, where a growing supply of housing has helped contain a rapid increase of informal settlements. Poverty is another driver of the proliferation in AMBA. According to the Province of Buenos Aires, while an estimated 30% of the AMBA population lived in poverty in 2019, 55% of those in poverty were living in informal settlements.

[1] Informal settlements are defined either as housing that lacks security of tenure or housing that has inadequate access to water and sanitation. Referenced from *Leveraging the Potential of Argentine Cities: A Framework for Policy Action* (World Bank, 2016).

In response to this high poverty rate in informal settlements, Argentina's government announced a Comprehensive Housing and Habitat Plan for the 2016-2019 period as part of a wider effort to reduce poverty to zero percent. The plan sought to address diverse issues affecting the housing sector, including by upgrading 280 informal settlements in urban areas and carrying out cross-sectoral interventions in 225 vulnerable areas located in towns and rural areas. The World Bank has been working with the government since 2016 to support this program through: (i) the Integrated Habitat and Housing Project, which focuses on improving living conditions in informal settlements of low and medium density across the country, and also supports a national housing subsidy program; and (ii) the Metropolitan Buenos Aires Urban Transformation Project, as explained below.

2. METROPOLITAN BUENOS AIRES URBAN TRANSFORMATION PROJECT

The main objectives of the Metropolitan Buenos Aires Urban Transformation Project [2] are to improve housing conditions and access to basic services and infrastructure in selected disadvantaged neighborhoods in AMBA, and to strengthen institutional capacity for urban management at the metropolitan level.[3]

In particular, the project aims to improve living conditions in two informal settlements: Barrio 31, a 32 hectare neighborhood near downtown Buenos Aires that is home to 43,000 people; and Barrio Carlos Gardel, home to 8,400 people on the city's outskirts.[4] The project includes physical and social interventions in infrastructure, housing, public spaces, health, education, land titling, and economic development, as well as spatial integration.



Photo: Carlos Gardel Monoblocks

[2] Project Task Team Leaders: Catherine Lynch, Beatriz Eraso Puig

[3] <http://documents.worldbank.org/curated/en/100031488423742335/pdf/Argentina-PAD-main-02082017.pdf>

[4] Additional World Bank financing, approved in 2019, will cover a third neighborhood: Villa Itatí, home to 20,000 residents in Quilmes, a city on the outskirts of Buenos Aires. The government is targeting eight neighborhoods in total that represent 10% of the population in informal settlements in Buenos Aires province.

A. SPATIAL INCLUSION: BUILDING NEW HOUSES, UPGRADING INFRASTRUCTURE AND PUBLIC SPACES

Barrio 31 has existed for 90 years, but its population growth has sped up over the past two decades, now totaling 43,000 people. They live on government land in poor conditions and without formal access to infrastructure. Some of the houses have been built under the elevated Dr. Arturo Umberto Illia Highway, exposing residents to air and noise pollution, limited ventilation, and poor lighting. Overcrowding is another major problem in Barrio 31.

The project includes:

- Upgrading basic infrastructure and improving access to water supply, sanitation, stormwater drainage, public lighting, paved roads, and electricity.



Photo: Public Space

- Supporting incremental improvements to about 2,700 housing units. The program is divided into three subprograms, depending on the conditions of the house and the preference of the resident: (i) a comprehensive interventions program that addresses both interior and exterior improvements including improving accessibility, structural reinforcement, ventilation, bathrooms, electrical installation, and the internal layout; (ii) an exteriors improvement program; and (iii) a self-managed improvement program.
- A comprehensive development of adjacent land to Barrio 31 that can accommodate 1,200 new housing units to resettle the families living under the elevated Illia Highway crossing through the neighborhood. All of the new housing units are EDGE-certified.[5]
- Building public spaces and improving connectivity by converting the portion of the elevated highway running through the neighborhood into a linear park and green mobility corridor that connects Barrio 31 to the rest of the city.
- Improving mobility by redesigning two existing bus routes to run through the neighborhood and building bike lanes and bike-sharing stations.

[5] EDGE is an IFC green-building certification system to make buildings more resource efficient.

The Carlos Gardel complex was originally built as a 1,200-unit social housing project in the 1970s. Since then, 600 or so informal structures have been built on as extensions. Carlos Gardel suffers from crime, inadequate and hazardous housing conditions – gas leaks, mold, poor air ventilation, and overcrowding, for example – and poor accessibility and circulation, especially for people with physical disabilities. The site is also poorly integrated with the surrounding area and stigmatized by outsiders.

To address some of these issues, the project includes:

- Developing a masterplan to guide investments in the neighborhood. The masterplan divides the large complex into smaller areas to create a stronger sense of community in each. It also seeks to enhance circulation and introduce site programming in the public spaces.
- Making urgent repairs to housing units to make them safe and livable.
- Improving public spaces in parallel to the development of the masterplan.

B. SOCIAL INCLUSION: ENSURING EVERYONE'S VOICE IS HEARD

The project has a strong social aspect with a high level of community participation:

- Barrio 31 has a long-standing and active internal political system. Civil society organizations participate in different aspects of neighborhood development, which has helped increase community attendance at government-organized consultations. The neighborhood also benefits from the presence of 100 social workers deployed by the government to lead activities on the ground and establish direct and sustained contact with residents.
- Social infrastructure has been improved, including with the construction of a civic center, a women's center, primary care clinics, child daycare centers, and an education center. The city has relocated the headquarters of its Ministry of Education to land adjacent to Barrio 31.
- In Carlos Gardel, the housing complex has been established under a condominium regime. That means the project will support the creation of multiple homeowner associations to foster a sense of ownership and ensure sustainability.
- The project benefits from a robust grievance redressal mechanism to manage specific project-related grievances and information inquiries. In CABA, the project's grievance redressal mechanism is part of the city's current grievance redressal system.

C. ECONOMIC INCLUSION: SPURRING STARTUPS AND JOB CREATION

The project also supports local economic development through the creation of an Employment and Entrepreneurship Development Center, known as CeDEL, and by making improvements to existing spaces used for commercial activity. The CeDEL provides training and business support services to local businesses. It also is a one-stop shop for formalizing the 900 businesses operating in Barrio 31.



Photo: New Housing

3. RESULTS SO FAR: A MODEL FOR URBAN UPGRADING IN ARGENTINA

- Most of the infrastructure work and resettlement housing in Barrio 31 will be completed in 2020, with more than 200 families already living in new homes.
- The experience in Barrio 31 is being used as a model for urban upgrading across Argentina.
- The Province of Buenos Aires has completed a census of Carlos Gardel and is fine-tuning an urban masterplan for the neighborhood, with a number of small projects already underway to improve public spaces.
- The province has expanded its urban upgrading program to other neighborhoods in the metropolitan area and created a dedicated entity responsible for its implementation. The World Bank is supporting this program through additional financing that was approved in June 2019.

4. CHALLENGES AND LESSON LEARNED: IT'S A STEP-BY-STEP PROCESS

- **Incremental approach:** Resettling the 1,000 households living under the elevated highway in Barrio 31 is a big challenge. To make this possible, the project is using a phased resettlement approach, meaning that knowledge can be gleaned from each step in the process to make changes, corrections, and improvements along the way.
- **Affordability:** With Barrio 31 shifting from informal to formal status, residents will have to now pay taxes and public services fees. Getting residents to do this might prove to be a challenge. To smooth the transition the government will introduce reduced fees through a system of social tariffs combined with education campaigns to improve energy efficiency and reduce consumption.
- **Mitigating gentrification:** Barrio 31 is in the center of Buenos Aires, raising concerns that developing it could boost land values and price the current residents out, resulting in gentrification. To mitigate this risk, the government has vowed to provide land titles to all residents as part of the project. The government has also introduced requirements on the future sale of properties to mitigate the risk of gentrification.
- **Operation and maintenance:** Carlos Gardel is governed under a condominium regime. Therefore, the project needs to establish multiple homeowner associations and plans for its sustainability beyond the life of the project.
- **Balancing planning and action on the ground:** Urban upgrading investments can take many years to complete. To show early achievements and garner community support, the government implemented a series of early interventions including making improvements to public spaces, establishing of a one-stop shop for community services, and creating the CeDEL job training center to help residents develop work and business skills.
- **Institutional structure to provide a strong field presence:** To lead the upgrading process, the city established the Secretariat of Social and Urban Integration. With over 500 staff, this dedicated unit has an ongoing presence in the neighborhoods, with about 200 employees working on the ground to encourage community participation and support. The unit reports directly to the mayor's office, improving coordination with other departments in the city government.

The case note is prepared by Urban Poverty and Housing GSG and Urban Poverty and Slum Upgrading KSB. The team comprised of: Phoram Shah, Waad Tamaa, Reyna Alorro, Rodica Tomescu-Olariu, Mansha Chen, Judy Baker and Dean Cira. Project Task Team Leaders, Catherine Lynch and Beatriz Eraso Puig provided substantive inputs. Charles Newbery provided editing support.

Please visit GSG website for additional information (<https://worldbankgroup.sharepoint.com/sites/gsg/uphgsg/Pages/index.aspx>).

For questions on the project, please follow up with Cathy Lynch (clynch@worldbank.org) and/or Beatriz Eraso Puig (berasopuig@worldbank.org).

