TRAINING EVENT

Addressing inclusionary housing in SDG 11: Land management strategies to supply affordable housing at scale

Saturday 10 February 2018, 11:00 - 14:00
Room 304

Claudio Acioly Jr.
Head Capacity Building
UN-Habitat
claudio.acioly@un.org
1. The Agenda 2030:

A global commitment expressed in the Sustainable Development Goals – SDG’s
Connecting the New Urban Agenda and the SDGs: (re)thinking UN-Habitat’s role
Sustainable Development

PEOPLE
End poverty and hunger in all forms and ensure dignity and equality

PLANET
Protect our planet’s natural resources and climate for future generations

PROSPERITY
Ensure prosperous and fulfilling lives in harmony with nature

PARTNERSHIP
Implement the agenda through a solid global partnership

PEACE
Foster peaceful, just and inclusive societies
Goal 11

Make cities and human settlements inclusive, safe, resilient and sustainable

• The 2030 Agenda gives prominent role to urbanization and cities with the inclusion of a **stand-alone goal** for cities and human settlements: Goal 11

• It recognizes that cities connects other goals together

• It strengthens the formulation of integrated policies that enhance the transformative power of urbanization
Goal 11

Make cities and human settlements inclusive, safe, resilient and sustainable

10 Targets

11.1 Housing and Slums
11.2 Sustainable Transport
11.3 Participatory Planning
11.4 Cultural Heritage
11.5 Disaster Reduction
11.6 Air Quality and Waste Management
11.7 Public spaces
11.a Rural-urban and regional planning
11.b Mitigation of Climate Change, Resilience
11.c LDCs support – buildings
SDG11.1

By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums
Localizing the SDG 11

<table>
<thead>
<tr>
<th>TARGETS SDG11</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.1 Housing and Slums</td>
</tr>
<tr>
<td>11.2 Sustainable Transport</td>
</tr>
<tr>
<td>11.3 Participatory Planning</td>
</tr>
<tr>
<td>11.4 Cultural Heritage</td>
</tr>
<tr>
<td>11.5 Disaster Reduction</td>
</tr>
<tr>
<td>11.6 Air Quality and Waste</td>
</tr>
<tr>
<td>11.7 Public spaces</td>
</tr>
<tr>
<td>11.a Rural-urban and regional</td>
</tr>
<tr>
<td>11.b Mitigation of Climate Change</td>
</tr>
<tr>
<td>11.c LDCs support – buildings</td>
</tr>
</tbody>
</table>

Synchronizing the SDG11 Targets at the city policy and city development strategies.
2. Localizing the New Urban Agenda – NUA

Habitat III, Quito, October 2016.
1. Sustainable urban development for social inclusion and ending poverty

1. No one will be left behind and commit ourselves to promoting equally shared opportunities and benefits that urbanization can offer, and that enable all inhabitants, whether living in formal or informal settlements, to lead decent, dignified and rewarding lives and to achieve their full human potential. #27

2. Promoting national, subnational and local housing policies that support the progressive realization of the right to adequate housing for all as a component of the right to an adequate standard of living. # 31

3. Promoting policies and approaches that incorporate the provision of adequate, affordable, accessible, resource-efficient, safe, resilient, well-connected and well-located housing, with special attention to the proximity factor and the strengthening of the spatial relationship with the rest of the urban fabric and the surrounding functional areas.ano #32

4. Stimulating the supply of a variety of adequate housing options that are safe, affordable and accessible for members of different income groups of society, taking into consideration the socioeconomic and cultural integration of marginalized communities, homeless persons and those in vulnerable situations, and preventing segregation #33
2. Sustainable and inclusive urban prosperity and opportunities for all

1. Promote the role of affordable and sustainable housing and housing finance, including social habitat production, in economic development, and the contribution of the sector to stimulating productivity in other economic sectors, recognizing that housing enhances capital formation, income, employment generation and savings and can contribute to driving sustainable and inclusive economic transformation at the national, subnational and local levels #46

2. Promote the development of urban spatial frameworks, including urban planning and design instruments that support sustainable management and use of natural resources and land, appropriate compactness and density, polycentrism and mixed uses, through infill or planned urban extension strategies as applicable #51
2. Some LAND-specific recommendations

1. Promote compliance with legal requirements through strong, inclusive management frameworks and accountable institutions that deal with land registration and governance, applying transparent and sustainable management and use of land, property registration and sound financial #104

2. Develop and implement housing policies at all levels, incorporating participatory planning, and applying the principle of subsidiarity, as appropriate, in order to ensure coherence among national, subnational and local development strategies, land policies and housing supply #105

3. Promote housing policies based on the principles of social inclusion, economic effectiveness and environmental protection. Support the effective use of public resources for affordable and sustainable housing, including land in central and consolidated areas of cities with adequate infrastructure, and encourage mixed-income development to promote social inclusion and cohesion #106
3. The nexus SDG11 – NUA at the city level.

Synchronizing policies, strategies and demand-driven actions that help cities to embark into a sustainable and planned urbanization path.
Housing at the Centre of NUA

Infrastructure Provision

Urban Planning and Management

Housing Finance

Land Supply

Regulations

© United Nations Land Supply Regulations
Housing at the Centre of the NUA

Delivery of Affordable Housing at scale and diversity in price, location, size, standard, typology...
The Lack of Affordable Housing is one of the reasons for the Growth of Slums:

It is a global phenomenon. There is a dynamic informal land and housing markets responding to people’s needs and demands in various countries.
What is a Slum Dweller according to UN-HABITAT?

An operational definition.

Lacks one or more of the following:

1. Access to improved sanitation
2. Access to improved water
3. Access to security of tenure
4. Durability of Housing
5. Access to sufficient living space
Population living in slums and proportion of urban population living in slums, developing regions, 1990-2014

Slum populations (millions)

Proportion of urban population living in slum (%)

Source: GUO, UN-Habitat, 2015.
In some regions: urbanisation is a synonym of slum formation

<table>
<thead>
<tr>
<th>Region</th>
<th>Urban Growth</th>
<th>Slum formation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sub-Saharan Africa</td>
<td>4.6</td>
<td>4.5</td>
</tr>
<tr>
<td>Southern Asia</td>
<td>2.9</td>
<td>2.2</td>
</tr>
<tr>
<td>Western Asia</td>
<td>2.9</td>
<td>2.7</td>
</tr>
</tbody>
</table>

Source: UN-HABITAT, 2008
### URBAN STATISTICS 2013

<table>
<thead>
<tr>
<th>Region</th>
<th>Total Population</th>
<th>Urban Population</th>
<th>Slum Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>WORLD</td>
<td>7 billion</td>
<td>3.6 billion (52%)</td>
<td>862.5 million (24%)</td>
</tr>
<tr>
<td>AFRICA</td>
<td>1 billion</td>
<td>413 million (40%)</td>
<td>225.9 million (51%)</td>
</tr>
<tr>
<td>LATIN AMERICA</td>
<td>596 million</td>
<td>472 million (79%)</td>
<td>113.4 million (23.5%)</td>
</tr>
<tr>
<td>ASIA</td>
<td>4.2 billion</td>
<td>1.9 billion (45%)</td>
<td>522.7 million (30%)</td>
</tr>
</tbody>
</table>

1 out of 4 people living in urban areas lives in slums.
LATIN AMERICA
AFRICA
ASIA
The Karail Bastee in Mahakhali, Dhaka, Bangladesh,
EUROPE
Informal Settlements in Belgrade, 2008
Twin-track Approach:

Citywide slum upgrading simultaneously being implemented with policies to bring housing options to scale in diversity of size, standards, price, location...
Preventive Policies

1. Planning BEFORE development
2. Solving land delivery bottlenecks, planning & anticipating urban growth
3. Housing Reforms, Urban & Housing Policies
4. Measures to access inputs to housing: diversified policies to bring solutions to scale.
5. Connecting housing to income

Improvement Policies

1. Planning for development
2. Strategies to improve existing slums
3. Approaches to improve the quality of life
SLUM UPGRADE

Components of the Improvement Strategies

CURATIVE

Opening Streets
Infrastructure provision
Settlement planning
Land regularisation
Housing improvement
etc.

INHABITAT

SLUM PREVENTION

Urban & Housing Strategies

PREVENTIVE

New Housing
Existing Housing

Land supply
Planning for Growth
Infrastructure Investment
Housing Finance
Regulatory Reforms
Building Industry Capacity
6.

Building a common understanding

What are the attributes of housing?
What is the Right to Adequate Housing?

7 adequacy criteria according to International Covenant on Economic, Social and Cultural Rights:

1. Security of tenure *(and protection from forced eviction!)*
2. Availability of services, materials, facilities and infrastructure
3. Location
4. Habitability
5. Affordability
6. Accessibility
7. Cultural adequacy
Defining the Right to Adequate Housing

United Nations documents; General Comment No. 4

- The right to live somewhere in security, peace, and dignity, for two reasons, first inherent dignity of the human person from which the right is said to be derived, and second, adequate shelter means … adequate privacy, adequate space, adequate security, adequate lightening and ventilation, adequate infrastructure and adequate location with regard to work and basic facilities – all at reasonable prices.
As far as Public Policy is concerned, what is the meaning of HOUSING?

1. Housing does not mean houses;
2. Housing means more than shelter;
3. Housing is more than bricks and mortars;
4. Housing entails a combination of inputs and outputs such as land, building materials, technology, labour, basic infrastructure, finance, planning, etc. that result in the realization of different types of housing e.g. houses, apartments, etc.
5. Housing is an economic sector that produces wealth, employment, prosperity and wellbeing;
What is the ultimate goal?

Affordable & Adequate Housing

The Housing Diamond of Perfect Equilibrium of Inputs

Building Materials

Labour

Finance

Infrastructure

Land

Policy, Legal & Regulatory Frameworks

Scarcity of Land & Building Materials

Scarcity of Housing Finance

Building Materials

Labour

Infrastructure

Land

Finance

7. Understanding the Housing Sector:

Understanding the governance and institutional structure of the Housing Sector is a condition to capture its policy and institutional environments.
The role of Governments

Laws, Norms, Legislation

Institutions & Actors

Urban Planning and Management

Procedures, Permits, Administration

LAND

Infrastructure & Municipal Services

PUBLIC WORKS & SERVICES

LABOUR

Building Materials & Construction Industry

Finance
THE SEVEN COMPONENTS OF A HOUSING DELIVERY SYSTEM

AUTHORIZATIONS
- Land subdivision permit
- Residency/Occupancy permit
- Building permit
- Planning/Zoning permission
- Concession
- etc...

LAND
- PUBLIC
- PRIVATE
- Freehold
- Leasehold
- Waqf
- Cooperative
- Customary
- etc...

INFRA-STRUCTURE MUNICIPAL SERVICES
- Roads
- Water supply
- Sewerage
- Electricity
- Drainage
- Gas
- Garbage collection
- etc...

PUBLIC FACILITIES COMMUNITY SERVICES
- Schools
- Clinics
- Mosque/church
- Police
- Post office
- Playgrounds
- Open spaces
- Civic center
- Cultural center
- etc...

LABOUR FORCE
- Intellectual (architect/engineer)
- Manual (builders)

BUILDING MATERIALS
- Wood
- Concrete
- Cement
- Sand
- Steel
- Corrugated iron
- Adobe
- PreFab
- etc...

FINANCING
- DEBT
- EQUITY
- Land acquisition loan
- Construction loan
- Enterprise loan
- Mortgage loan
- Public subsidy
- etc...

Source: IHS, Lindfield, Dauskardt, Steekelenburg
GOVERNMENT

- Urban Plans
- Norms & Standards
- Land Use Regulations
- General regs (Health, etc.)

AUTHORISATIONS

- Ministry of planning, env.
- Local govt.
- Boards, comms etc...

LAND

- Chief
- Land agency
- Land dept
- Land manager
- Private owner
- Municipality etc...

LAND & MUNICIPAL SERVICES

- Govt.
- Municipality
- Land developer
- Franchise
- Industry etc...

INFRASTRUCTURE & MUNICIPAL SERVICES

- Norms
- Patterns
- Detailed Engineering Studies

PUBLICATIONS & COMM. SERVICES

- Standards
- Patterns

LABOUR FORCE

- Mason
- Builder
- Engineer
- Architect
- Planner

BUILDING MATERIALS

- Mason
- Builder
- Engineer
- Architect
- Planner

FINANCING

- Import license
- Commercial network
- Transport capacity

HOUSEHOLDS

- Individual savings
- Institutional & public savings
- External savings

Source: IHS, Lindfield, Dauskardt, Steekelenburg
FUNCTIONNING OF HOUSING DELIVERY SYSTEM

AUTHORISATIONS

LAND

INFRA-STRUCTURE & MUNICIPAL SERVICES

PUBLIC FACILITIES & COMM. SERVICES

LABOUR FORCE

BUILDING MATERIALS

FINANCING

DEVELOPER

- public
- private
- social housing
- housing company etc...

BUILDING ENTERPRISE

Contractor

HOUSING SOURCE

Self help construction

HOUSEHOLD

Construction Credit (short term)

Developer Credit (medium term)

Purchaser Credit (long term)

DEVELOPER

- public
- private
- social housing
- housing company etc...

Purchase

HP

Rental

Occupy

Source: IHS, Lindfield, Dauskardt, Steekelenburg
The supply and demand and the behaviour of sellers, buyers, producers, consumers and government policies will determine prices.
The Context of Housing Policy

Market

SUPPLY

DEMAND

Housing Affordability

"Prices"

Affected by:

- Demographic conditions
- Rate of urbanisation
- New household formation
- Property rights regime
- Housing Finance
- Fiscal Policies
- Subsidies
- Macro-economic conditions

affected by regulatory, institutional & policy frameworks


Affected by availability of:

- Land
- Infrastructure
- Building Materials - BM
- Organisation Building Industry
- Skilled & Productive Labour
- Self-reliance BM production
- Urban Planning

Outcomes

1. Prices are high, thus we must build some understanding about what are the expected price norms in a well-functioning housing market.

2. We must build an understanding about the conditions that are responsible for bringing and maintain high housing prices.
11. Enabling the Housing Market to Work

Understanding the supply and demand sides of the housing markets is the first step to design policies.
Enabling Housing Markets to Work: How to translate that into a strategy?

Those who advocate this, divide the Housing Problem in 2 Parts.

A
Poverty

Can only be solved with government assistance/subsidies

B
Markets do not work well
Different types of policies are needed to influence market outcomes, guide its development & enable access to adequate housing.
POSSIBLE GOVERNMENT INTERVENTIONS

(Adapted from Lundqvist)

SUPPLY

- Land cost
- Labor cost
- Materials subsidies

<table>
<thead>
<tr>
<th>HOUSING PRODUCTION COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital cost financing</td>
</tr>
<tr>
<td>Infrastructure cost</td>
</tr>
<tr>
<td>Sales price regulations</td>
</tr>
<tr>
<td>Local fees</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DWELLING PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial system</td>
</tr>
<tr>
<td>Rent regulations</td>
</tr>
<tr>
<td>Management/repair/maintenance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>AFFORDABILITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monthly housing amortization or rent</td>
</tr>
</tbody>
</table>

DEMAND

<table>
<thead>
<tr>
<th>FAMILY INCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing grants</td>
</tr>
<tr>
<td>Income transfers</td>
</tr>
<tr>
<td>Compulsory savings</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>FAMILY PURCHASING CAPACITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing allowances</td>
</tr>
<tr>
<td>Tax relief to homeowners</td>
</tr>
<tr>
<td>Subsidized interest</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MONTHLY HOUSING REPAYMENT OR RENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flow</td>
</tr>
<tr>
<td>Flow</td>
</tr>
</tbody>
</table>
GOVERNMENT & POLICY INTERVENTIONS

SUPPLY

HOUSING PRODUCTION COST

DWELLING PRICE

MONTHLY HOUSING AMORTIZATION OR RENT

DEMAND

FAMILY INCOME

FAMILY PURCHASING CAPACITY

MONTHLY HOUSING REPAYMENT OR RENT

Housing Policy Interventions

AFFORDABILITY

(Adapted from Lundqvist)
Data & Reliable Information Required

Policy Intervention

SUPPLY

Policy Intervention

HOUSING AFFORDABILITY

"Prices"

Policy Intervention

DEMAND

Policy Intervention

Data & Reliable Information Required

Action Research
Housing Profiles
Public Consultations
Housing Indicators
Market Survey
CHILE:

continuing policy and nearly universal access to housing subsidy enables progress in housing supply.
The ABC Housing Finance Model

\[
\begin{align*}
A &= \text{Ahorro} \\
B &= \text{Bono} \\
C &= \text{Credito}
\end{align*}
\]

\[
\begin{align*}
A &= \text{Savings} \\
B &= \text{Bonus} \\
C &= \text{Credit}
\end{align*}
\]
MEXICO:

going to scale in housing provision through funding from compulsory contributions and scaled up supply of land for housing development...
According to the 2010 census, there were 4.9 million housing units that were abandoned, vacant, under-occupied in the country, which represented 14% of the total housing stock. 60% were located in urban areas.

Feiiz Cumples y primos
PD Haste vieja
Feiiz Cumples
Vita

Feiiz Cumples
Quito

Feiiz Cumples
que se van

Te esperemos la mejor
Amo a todos los inicios
BRAZIL:
go to scale in housing provision through a national programme supported by huge funding and a national housing policy framework.
COMPLEXO DO ALEMÃO
PARAÍSÓPOLIS – SÃO PAULO
PARAÍSÓPOLIS – SÃO PAULO
COMPLEXO MORRO CANTAGALO PAVÃO PAVAZINHO – RIO DE JANEIRO
JARDIM MANGEIRAL – BRASÍLIA DF
RESIDENCIAL SÃO FRANCISCO – JUAZEIRO BA