

Providing Affordable and Adequate Housing Options for the Poor

Housing Policy Matters!

Claudio Acioly Jr.

claudio.acioly@un.org



United Nations Human Settlements Programme

Programme des Nations Unies pour les établissements humains - Programa de las Naciones Unidas para los Asentamientos Humanos

Agenda 2030 Explained

- <https://www.youtube.com/watch?v=pgNLonYOc9s>

7.

The Agenda 2030:

A global commitment expressed in the Sustainable Development Goals – SDG's



2030 Agenda for Sustainable Development

1 Agenda

5 Main Areas

17 Goals

169 Targets

240 Indicators

1 NO POVERTY



2 NO HUNGER



3 GOOD HEALTH



4 QUALITY EDUCATION



5 GENDER EQUALITY



6 CLEAN WATER AND SANITATION



7 RENEWABLE ENERGY



8 GOOD JOBS AND ECONOMIC GROWTH



9 INNOVATION AND INFRASTRUCTURE



10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES



12 RESPONSIBLE CONSUMPTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



16 PEACE AND JUSTICE

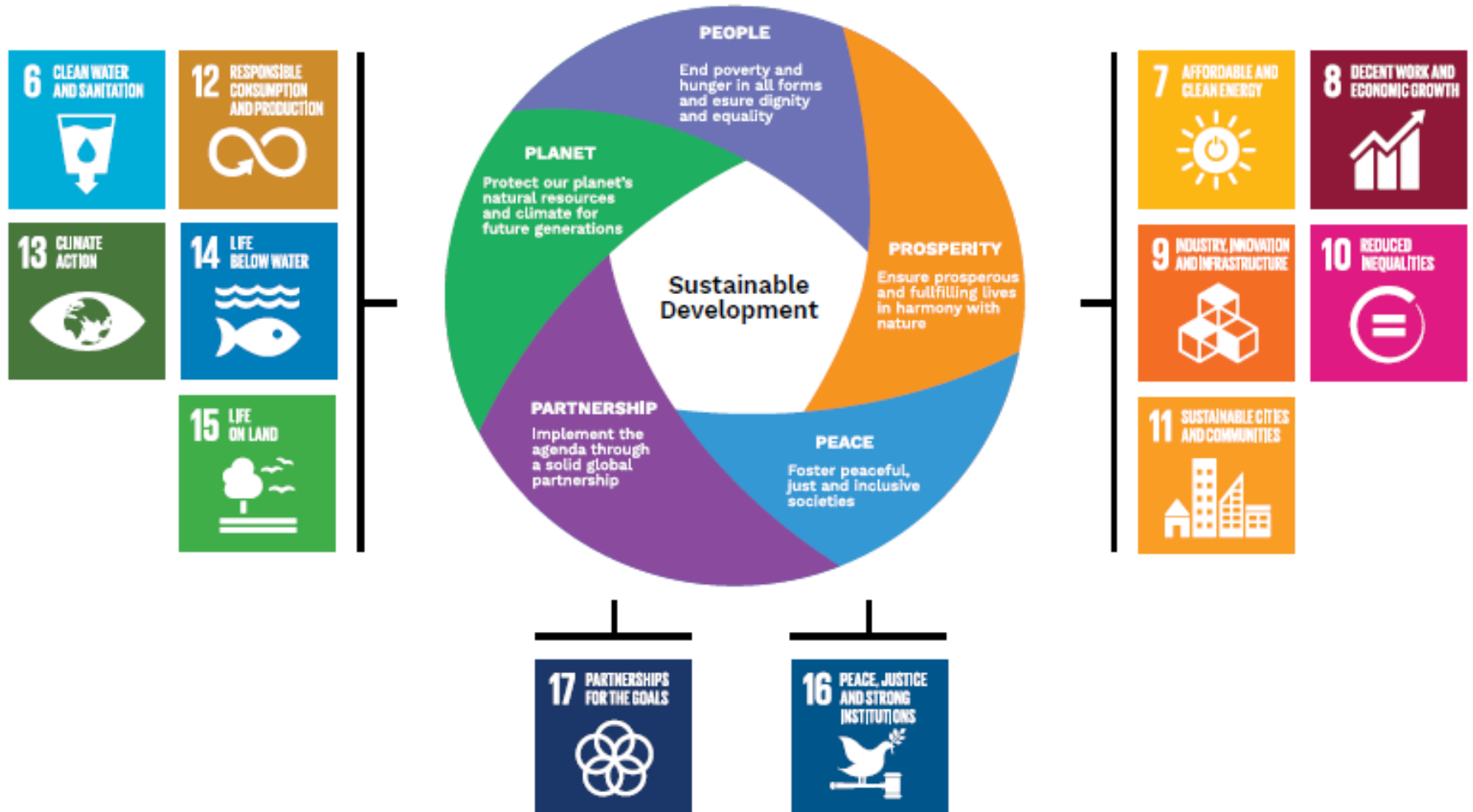


17 PARTNERSHIPS FOR THE GOALS



THE GLOBAL GOALS
For Sustainable Development







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





Goal 11 - Indicators

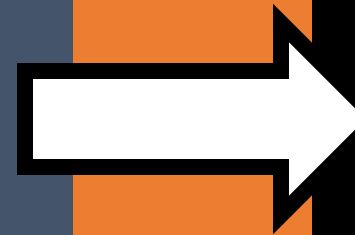
Goal 11: Make cities and human settlements inclusive, safe, resilient and sustainable

Targets		Indicator
11.1	By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums	Proportion of urban population living in slums, informal settlements, or inadequate housing
11.2	By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons.	Proportion of the population that has convenient access to public transport disaggregated by age group, sex and persons with disabilities
11.3	By 2030, enhance inclusive and sustainable urbanization and capacity for participatory, integrated and sustainable human settlement planning and management in all countries.	<p>Ratio of land consumption rate to population growth rate</p> <p>Percentage of cities with a direct participation structure of civil society in urban planning and management which operate regularly and democratically</p>

Localizing the SDG 11

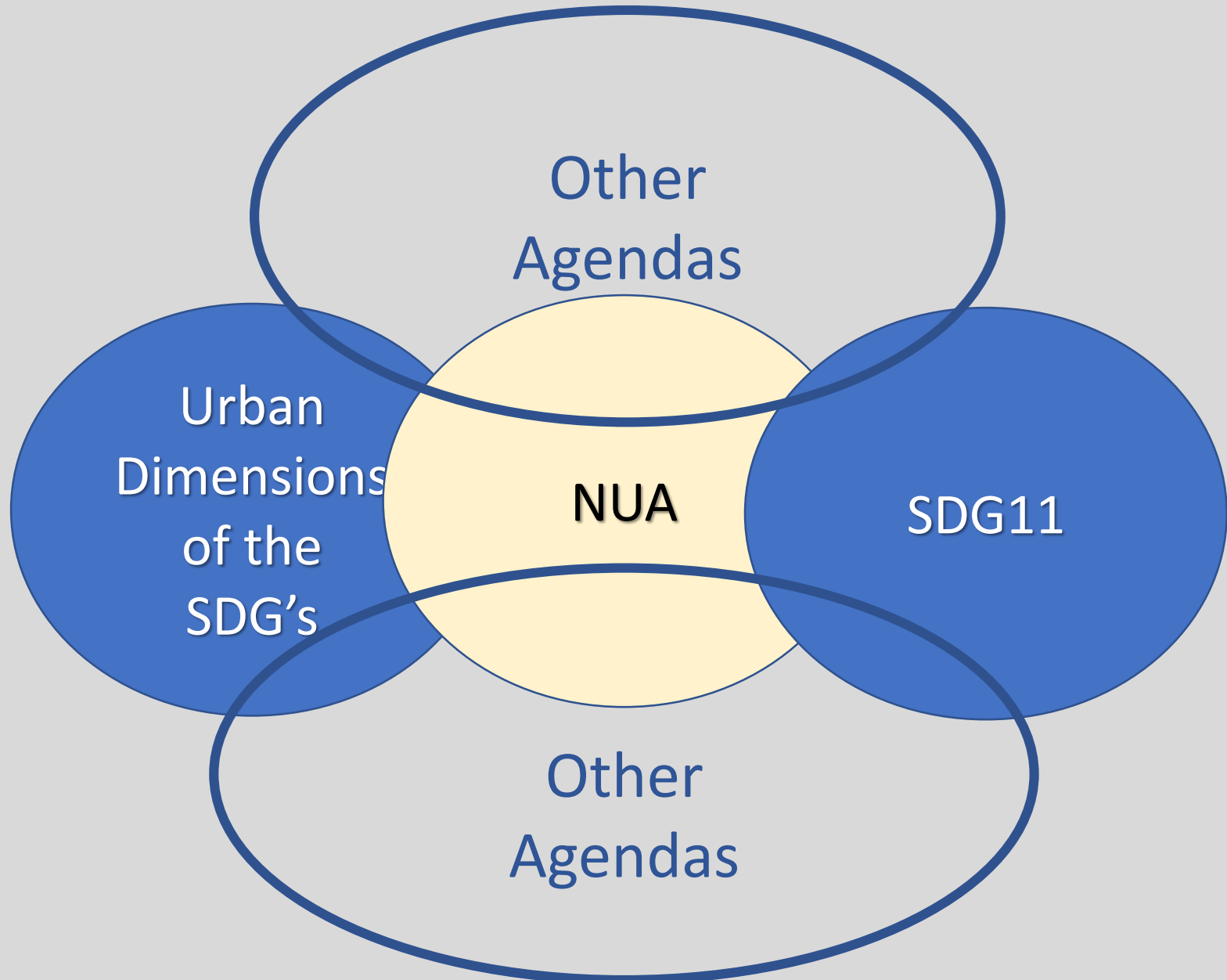
TARGETS SDG11

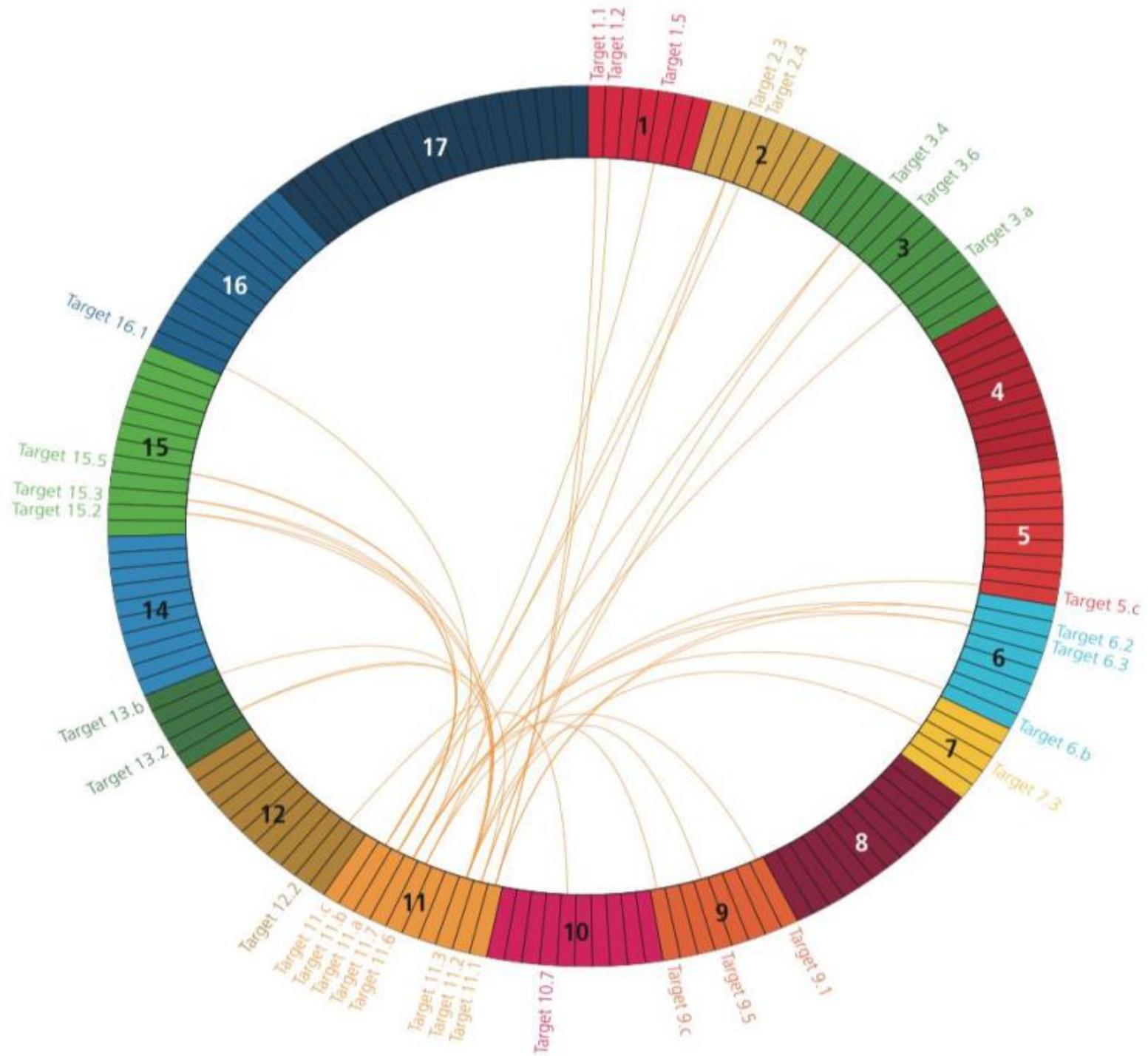
- 11.1 Housing and Slums
- 11.2 Sustainable Transport
- 11.3 Participatory Planning
- 11.4 Cultural Heritage
- 11.5 Disaster Reduction
- 11.6 Air Quality and Waste Management
- 11.7 Public spaces
- 11.a Rural-urban and regional planning
- 11.b Mitigation of Climate Change, Resilience
- 11.c LDCs support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



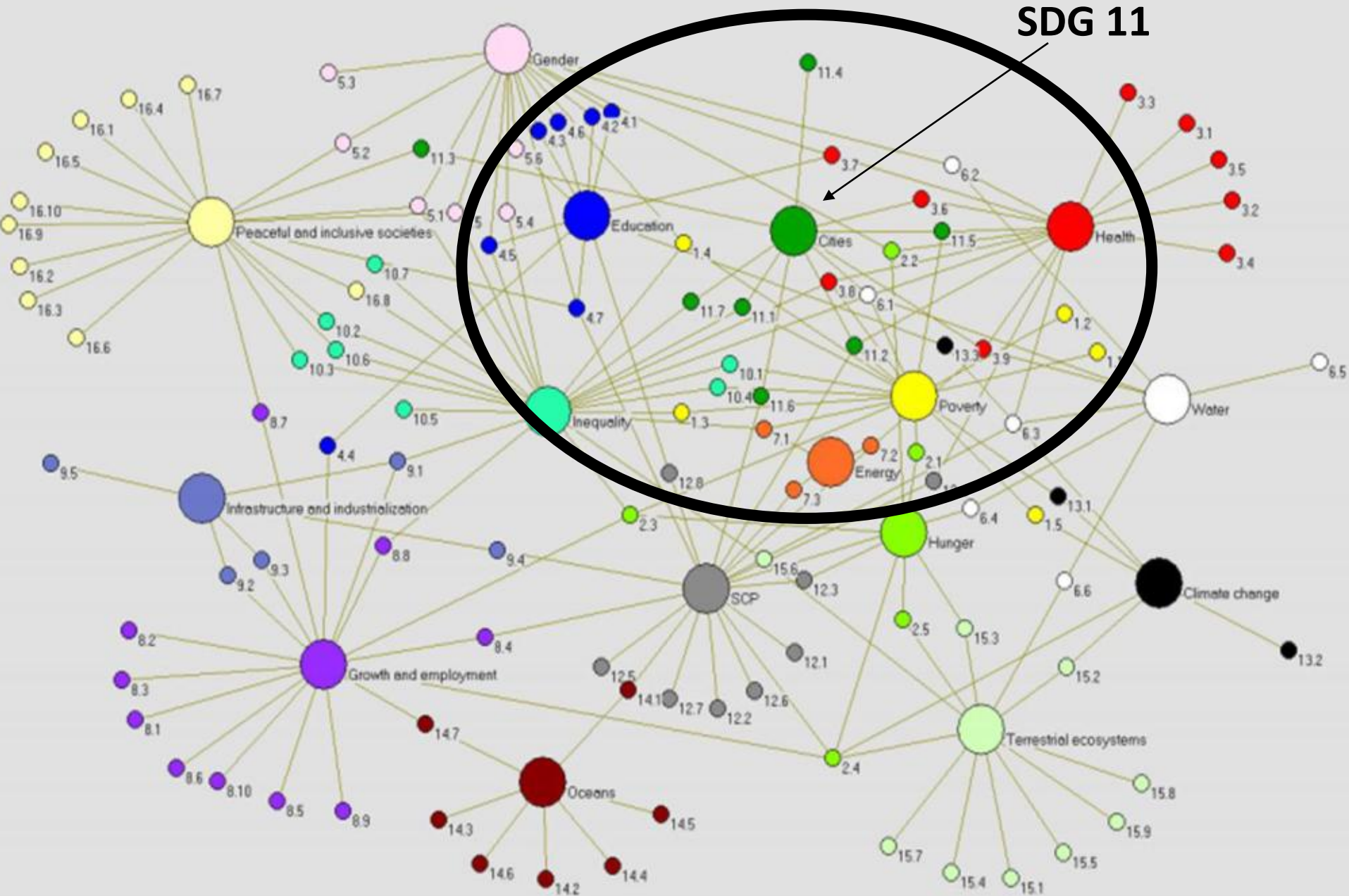
Synchronizing the SDG11 Targets at the city policy and city development strategies.

Interconnected Goals and Targets

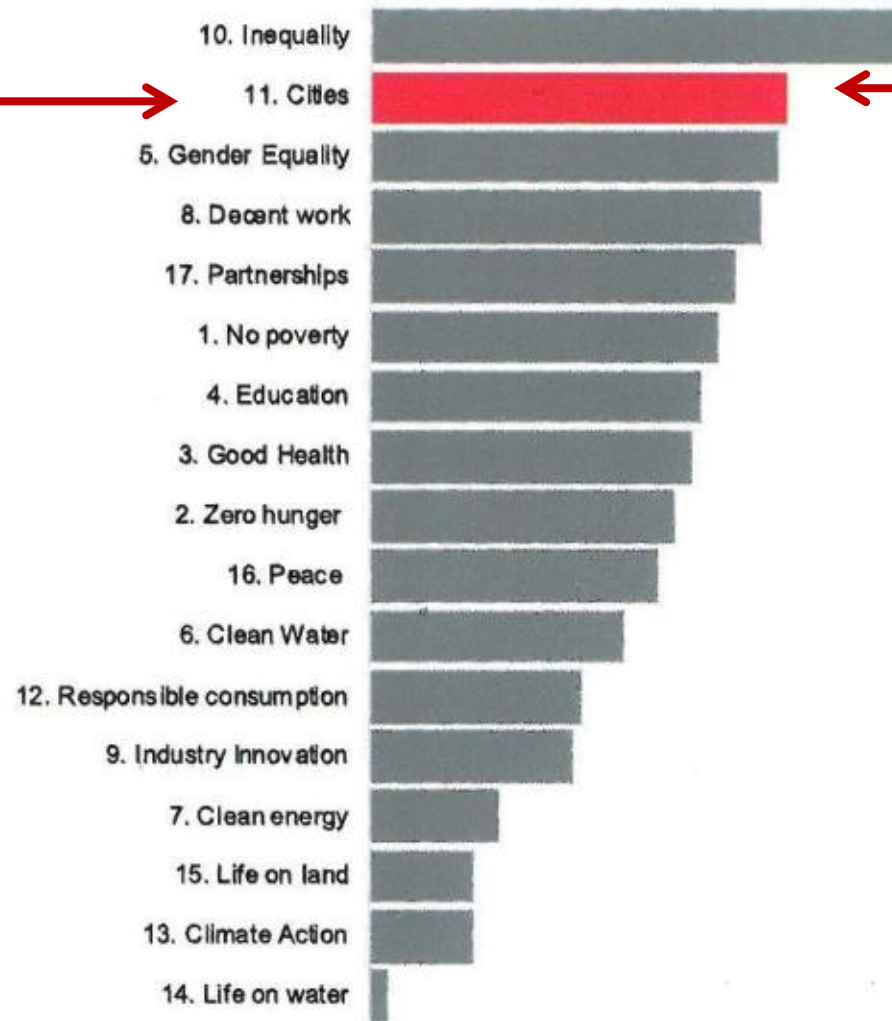




SDG 11



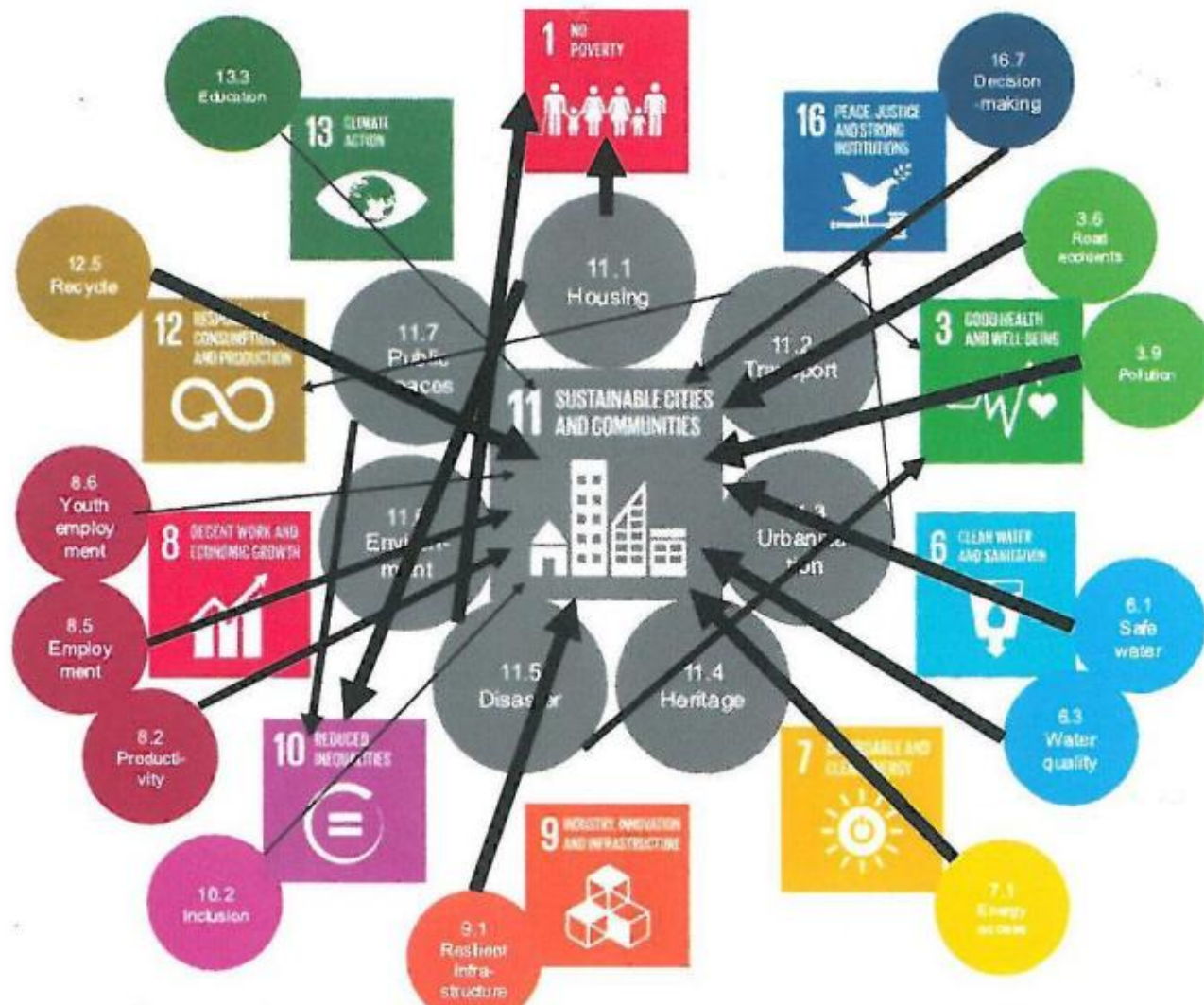
**Figure 3: Global Interaction
Assessment Between all
SDG Goals and Targets (count)**



SDG 11
Cities

Global Interaction
between SDG's
and their targets

Figure 4: Linkages between SDG 11 and SDGs in Kazakhstan



7a.

Localizing the New Urban Agenda – NUA

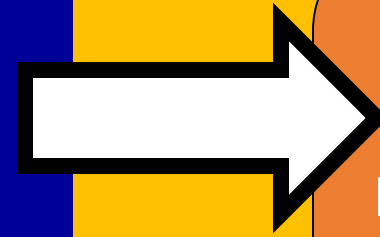
Habitat III, Quito, October 2016.



Localizing the New Urban Agenda

AFINUA: Action Framework for the Implementation of the New Urban Agenda

- 1) National urban policies
- 2) Urban legal frameworks
- 3) Integrated urban and territorial planning and design
- 4) Financing urbanization
- 5) Local implementation
- 6) Provision of basic services
- 7) Supply of land for housing and city expansion
- 8) Supply of adequate and affordable housing
- 9) Urban mobility and transportation
- 10) Solid waste management



Synchronizing the NUA Commitments and Priorities with the city policy and city development strategies.

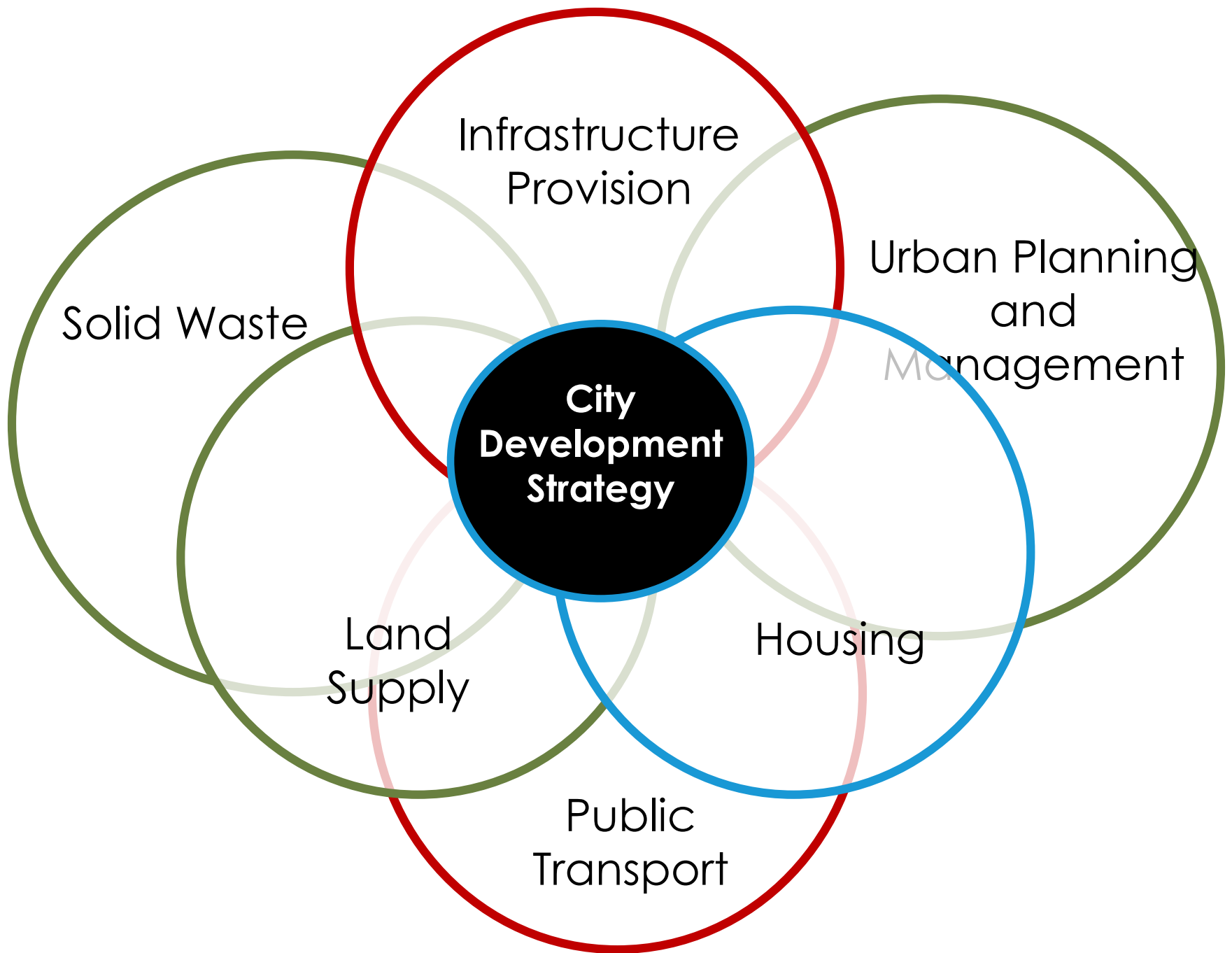
7b.



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.





```
graph TD; A((Elements of NUA)) --> B([Formulation and Implementation of City Development Strategies]);
```

**Elements
of NUA**

**Formulation and
Implementation of City
Development Strategies**



SDG11.1

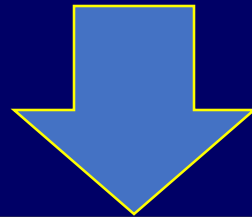
By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums

Agenda 2030

SDG11.1

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

Strategic
Objective



NUA
New Urban Agenda

Urban
Policy

Housing

Claudio Acioly Jr

Executing
Tool

26

New Urban Agenda

- <https://www.youtube.com/watch?v=pgNLonYOc9s>

8.



The Housing at the Centre:

Repositioning housing within urban policies and connecting it to urban planning, land markets and land allocation, investments, mobility and public transport and the regulatory frameworks.



SDG 11.1: By 2030, ensure access for all to adequate, safe & affordable housing and basic services and upgrade slums

NUA

1. Housing Policies that supports the full and progressive realization of the right to adequate housing # 31
2. Housing Policies that ensure housing is well-located and connected to the urban core # 32
3. Diversity of housing types and tenures
4. Security of tenure
5. Financing mechanisms
6. Systems to monitor housing needs
7. Progressive realization of the right to adequate housing and basic services, coherent with other SDGs
8. Housing Policies that promote sustainable and resilient communities and environments
9. Policies to widen access to housing and basic services
10. Integrated Housing Policies to address housing scarcity # 108
11. Slum Upgrading policies and measures to prevent the multiplication of slums # 109
12. Norms and regulations to foment supply and demand # 111
13. Housing Programmes delivering housing well-located and accessible to low income people

**HOUSING is an
instrument for the
realization of the SDG as
well as the NUA**

SDG11.1

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

Housing at the Center of the NUA

Programs, Policies,
Projects fomenting the
production of new
housing in scale and
diversity of solutions

Financing investments
in basic infrastructure,
supply of serviced land
and various forms of
subsidy to the demand
side of the market

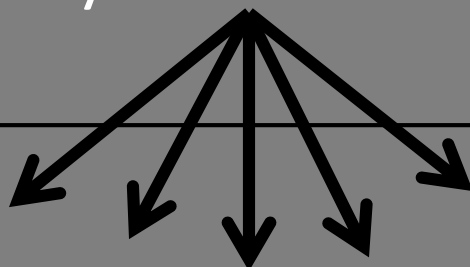
Citywide and
Nationwide Programs
of Slum Upgrading and
Regularization of
Informal Settlements

Scale

Diversity

Nacional/local

Capacity



Health, Social Development, Access to Basic Services, Welbeing

THEME	NUA Paragrfs	PROPOSITIONS OF THE NUA	TARGETS OF THE SDG
HOUSING	31, 32, 33, 46, 77, 97, 104, 105, 106, 107, 108, 109, 111,	<p>Adopt housing policies that supports the full and progressive realization of the right adequate housing, offering multiple housing options and solutions at scale that are well connected to the city systems, provided with infrastructure and well located vis-à-vis urban services and jobs, generating social-mix, spatial and social inclusion, and preventing the multiplication of slums while reducing at the same time the number of people living in precarious conditions. Promote the design and implementation of national and local programs to upgrade, rehabilitate, and regularize informal settlements and slums that are fit for urbanization.</p>	<p>ODS 11.1: By 2030, ensure access for all to adequate, safe & affordable housing and basic services and upgrade slums</p>

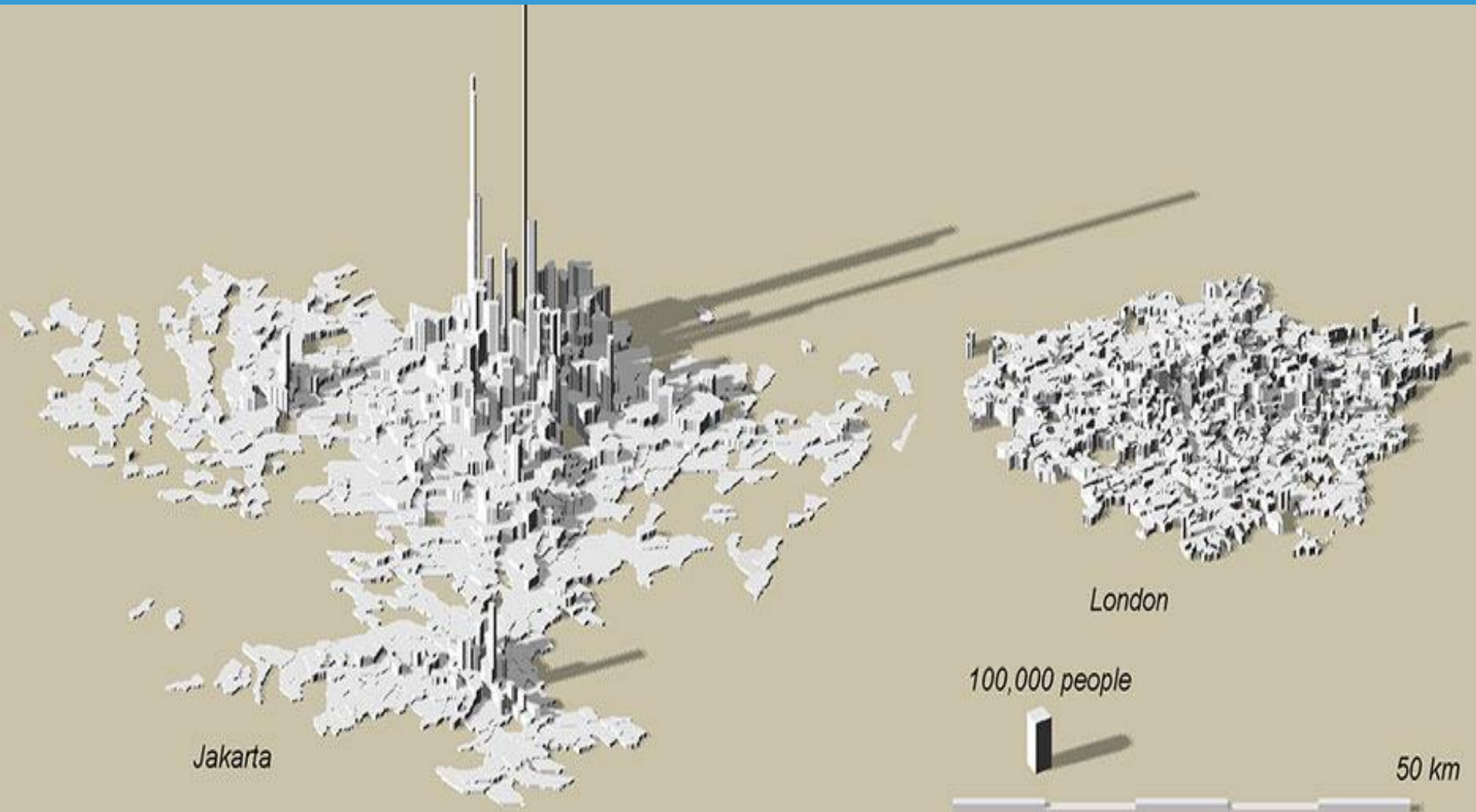
Impact of housing on cities

- A. How housing is designed and regulated, ultimately defines the **urban form** of the city
- B. Housing regulations greatly influence the **spatial patterns**, quality of and types of housing permitted in a city
- C. The **competitiveness** of the city is affected by housing affordability
- D. Access to housing finance determines the **type and quality of housing** people can afford, and where housing is ultimately located



Investments in Housing have direct impact on Urban Form

On average, Housing occupies 55% of land coverage in Cities



Rapid Urbanization

Beijing

1800



8a.



Housing at the Center of the Urban Policy:

Revelations from practice.



6 POINTS: what does it mean in practice **‘housing at the center’?**

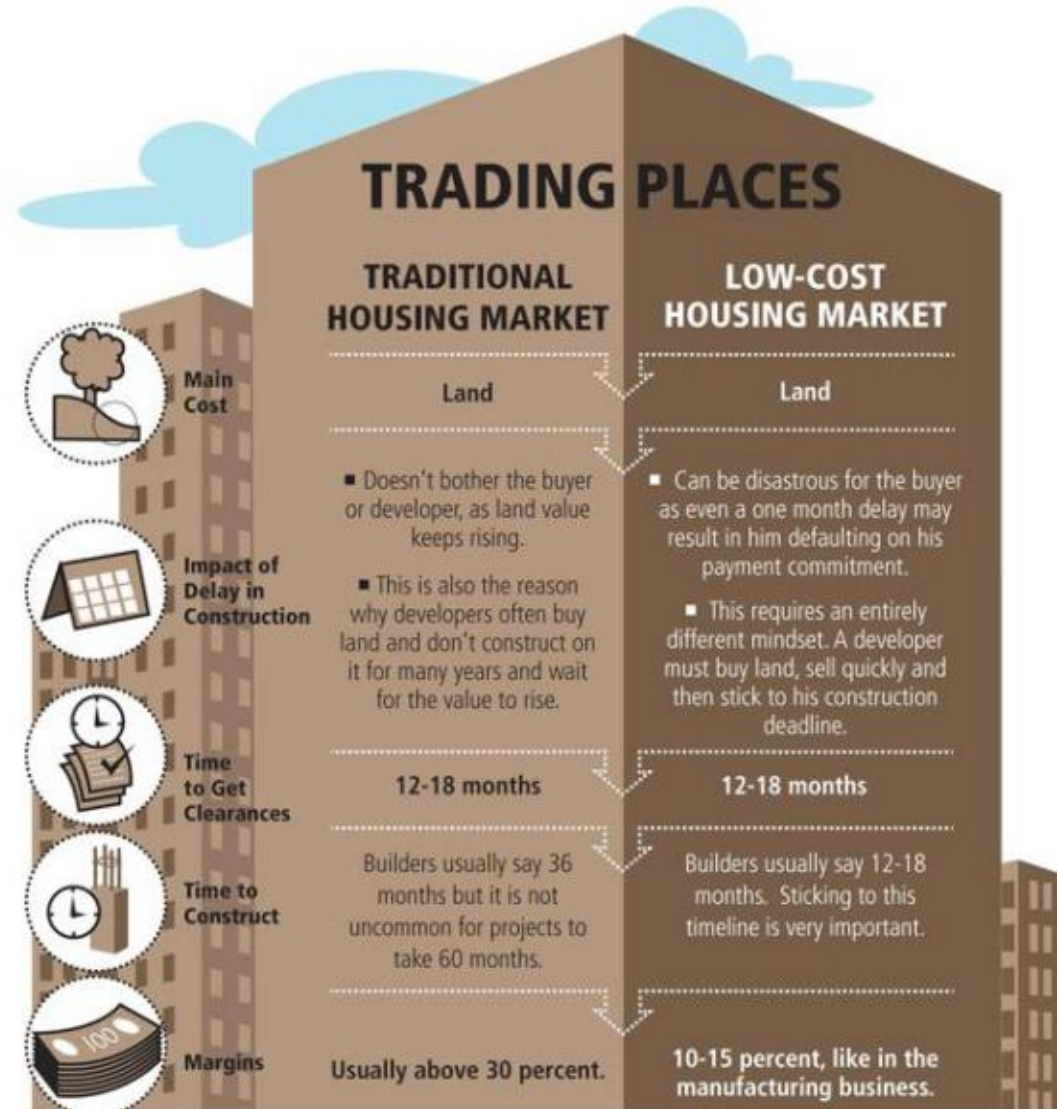
- 1. Sufficient quantity of social housing produced annually to meet the demand**
- 2. Unlock land supply: serviced land available at scale**
- 3. A rental housing sector that provides alternatives for those unable or unwilling to become homeowners.**
- 4. *Affordability*: sufficient quantity of housing at an affordable price and financial services accessible**
- 5. Diversified housing options in price, location, standard and size within the urban structures of cities**
- 6. Overcrowding does not exist and informality is gradually diminishing and cities getting onto a path of planned and sustainable urbanization.**

Planning and Design: Unlocking Land Supply



Tata Housing, Mumbai Making ownership reachable for the poor

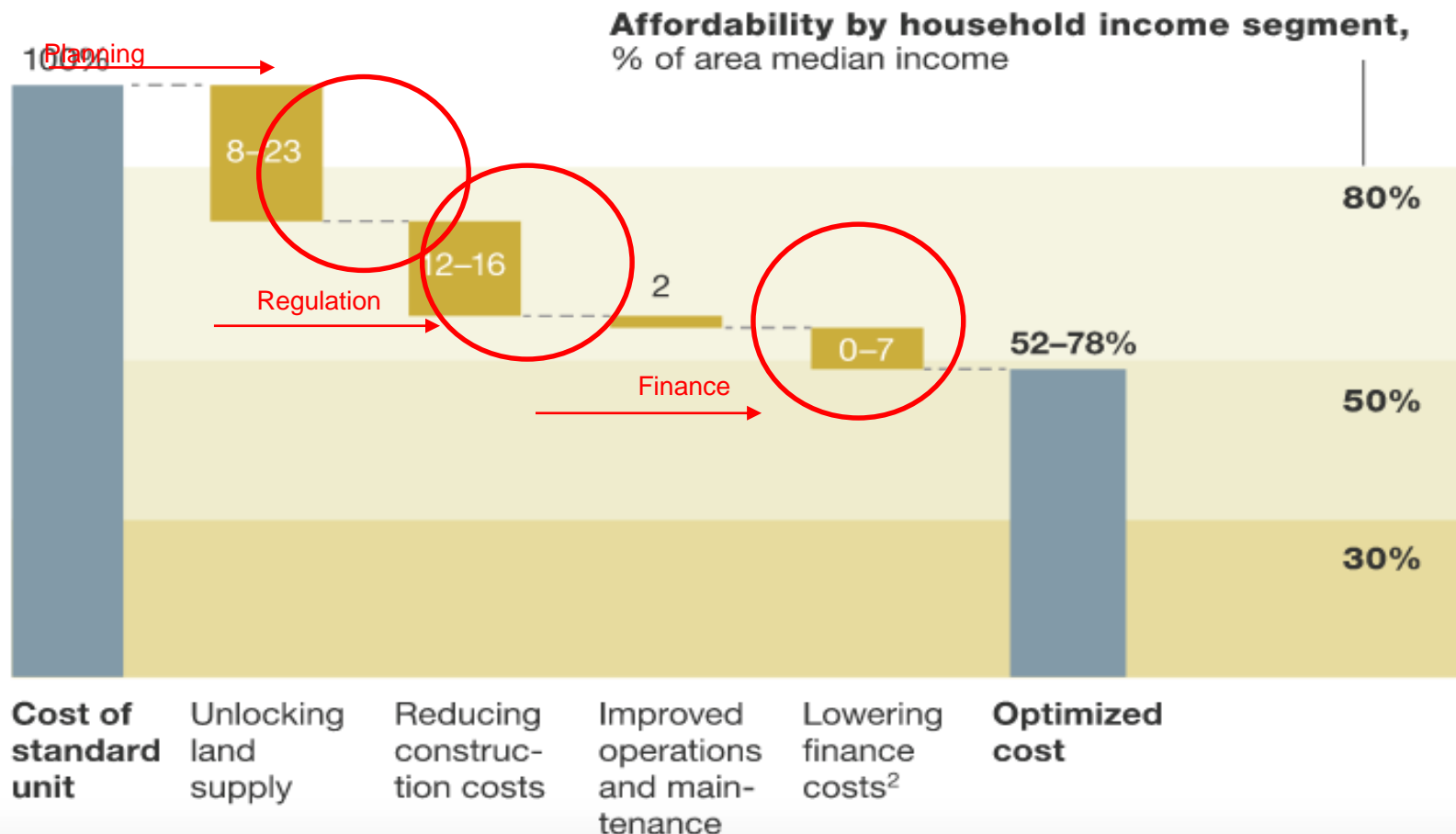
- Developer recognizing market potential at the bottom of the pyramid
- Radically changing business model
- Instead of buying land, partnering with landowners on a revenue share basis
- Mix with commercial real estate that is typically sold at triple the cost



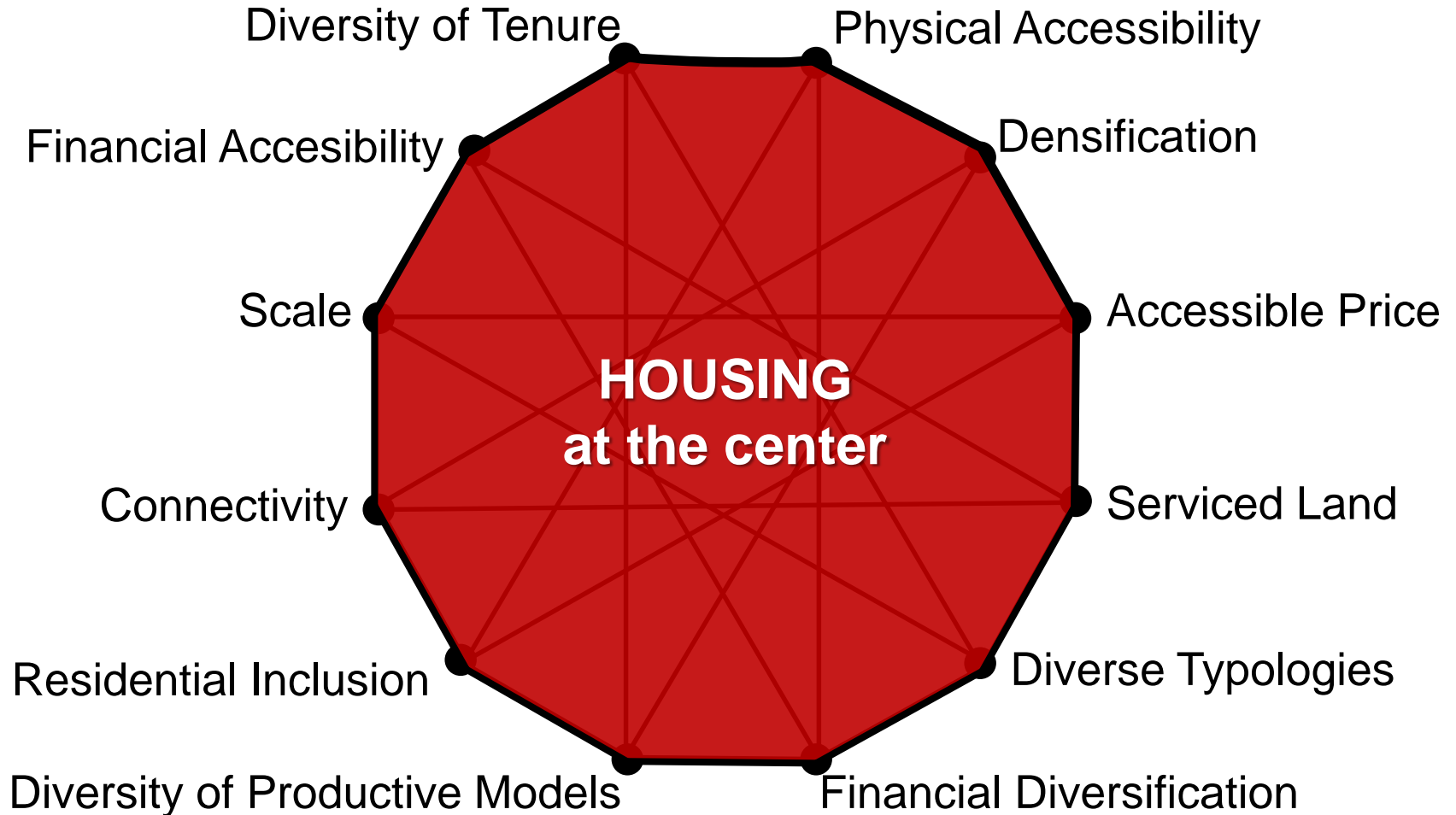
Four approaches can narrow the housing-affordability gap by 20 to 50 percent.



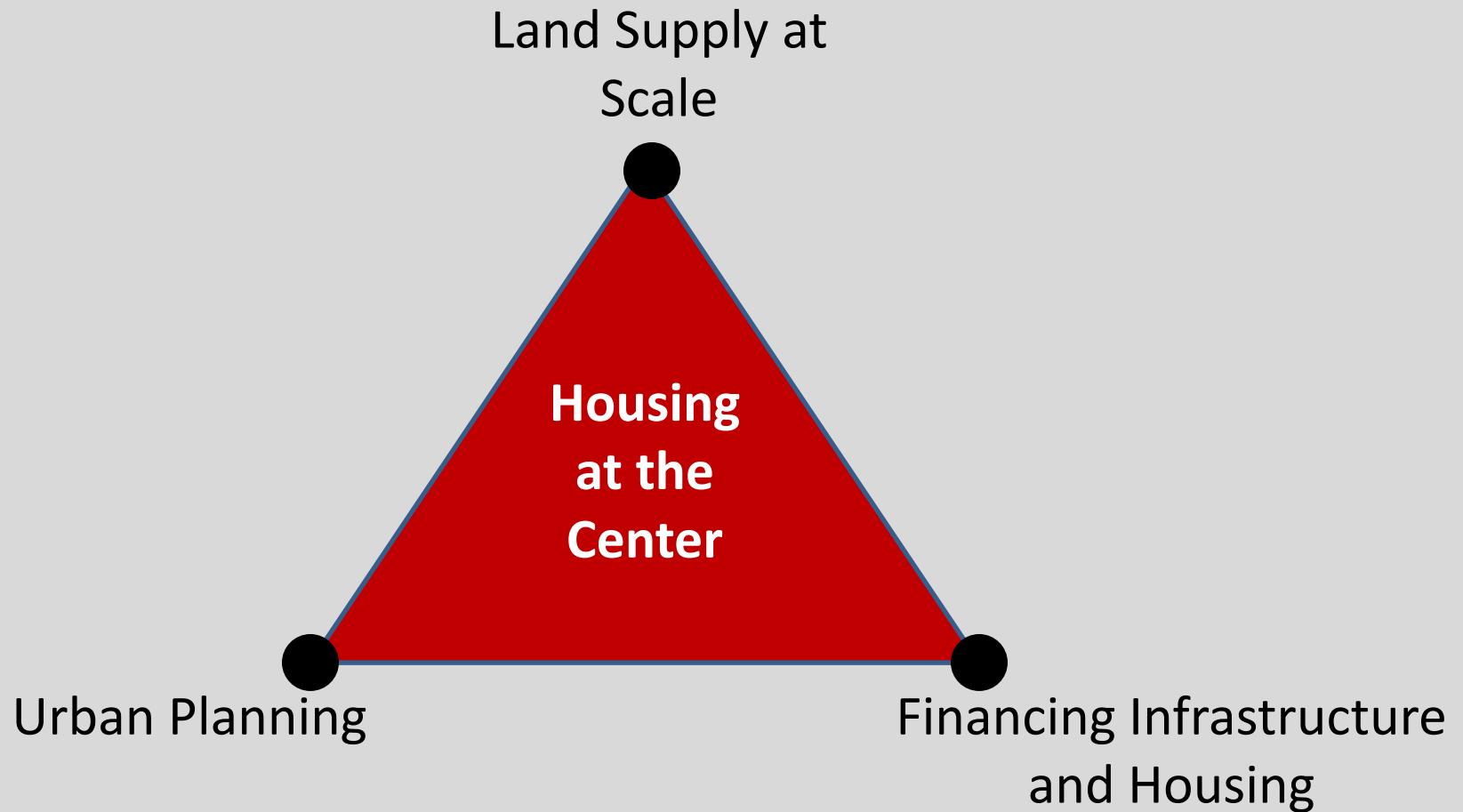
Affordability gap = the difference between the cost of an acceptable standard housing unit (which varies by location) and what households can afford for housing using no more than 30 percent of income.¹



Housing at the Center in Practice



Conclusion 4



9.



Propositions for the New Urban Agenda:

Housing at the Centre



The 4 Critical Factors identified at global trends:

1. Urban population growth
2. Increasing inequality
3. Low density and fragmented urban expansion
4. Informal & unplanned urbanisation



POLICY IMPLICATIONS



NEW URBAN AGENDA:

1. Prepare cities to anticipate growth with adequate planning
2. Create capacities to plan and manage urbanisation
3. Safeguard the public goods: land, space, services, infrastructure
4. Adequate legislation and regulations
5. Create sustainable housing solutions at scale
6. Planning and Management instruments to enable accessibility to serviced land and adequate housing
7. Innovative tools to support sustainable urban densities
8. Etc.

Movie

- New Urban Agenda on the White Board



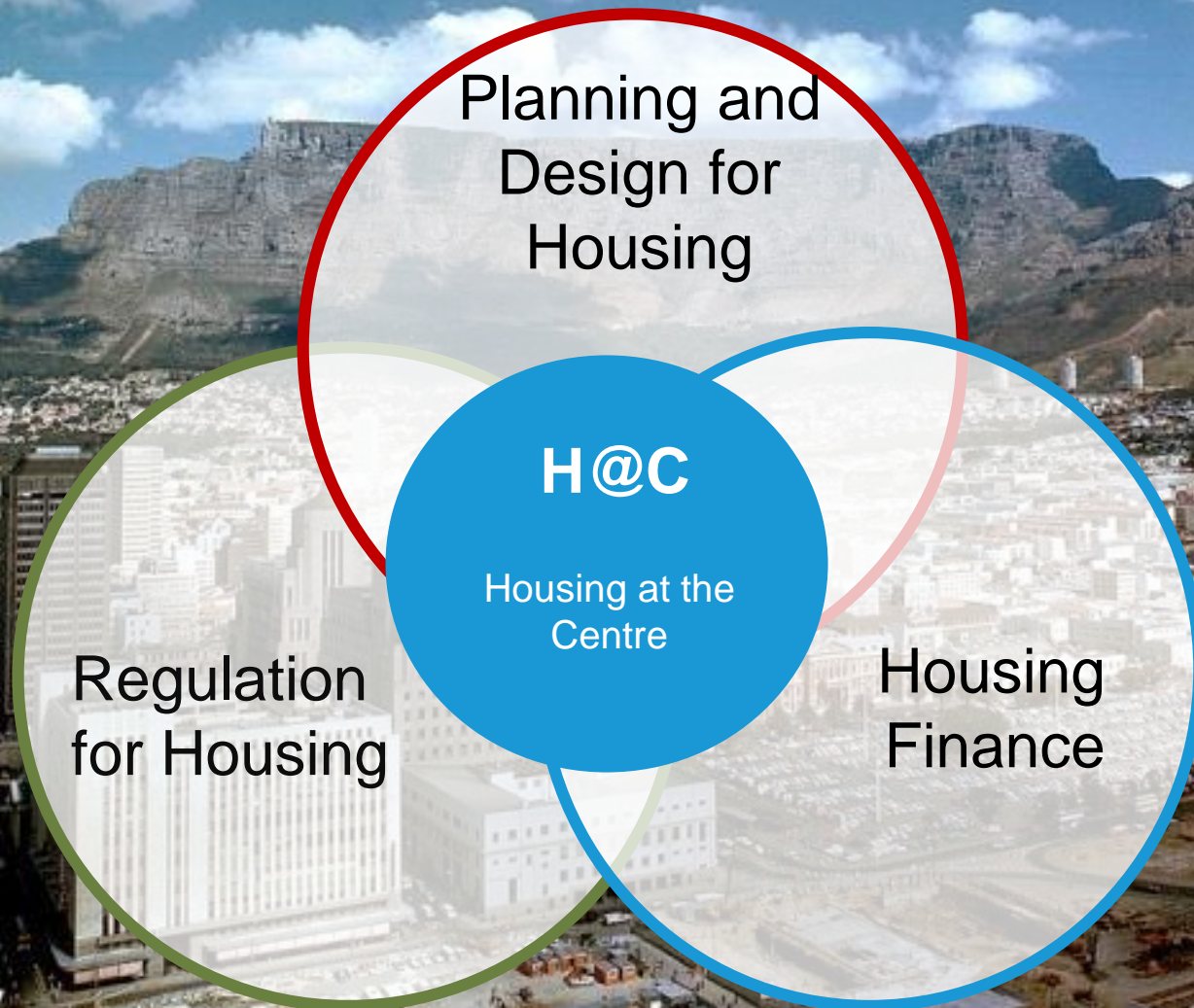
HOUSING AT THE CENTRE

of the New Urban Agenda

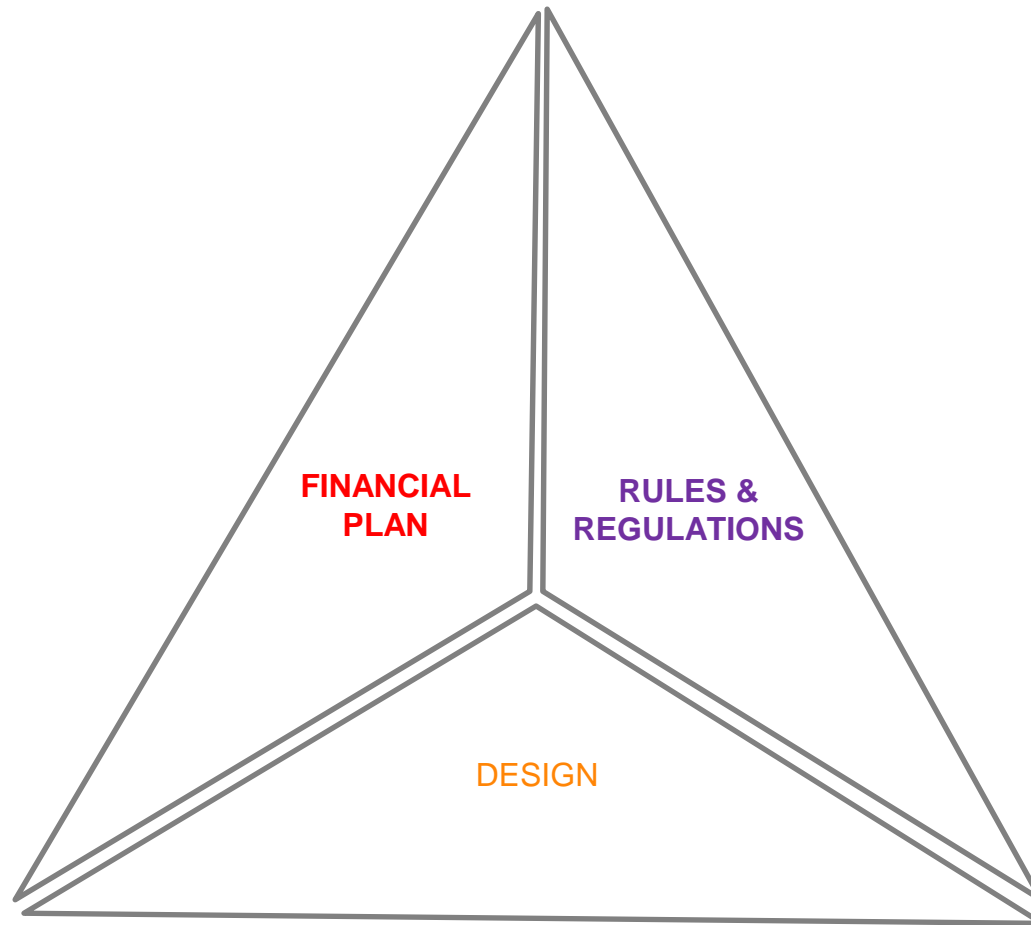


UN HABITAT
FOR A BETTER URBAN FUTURE

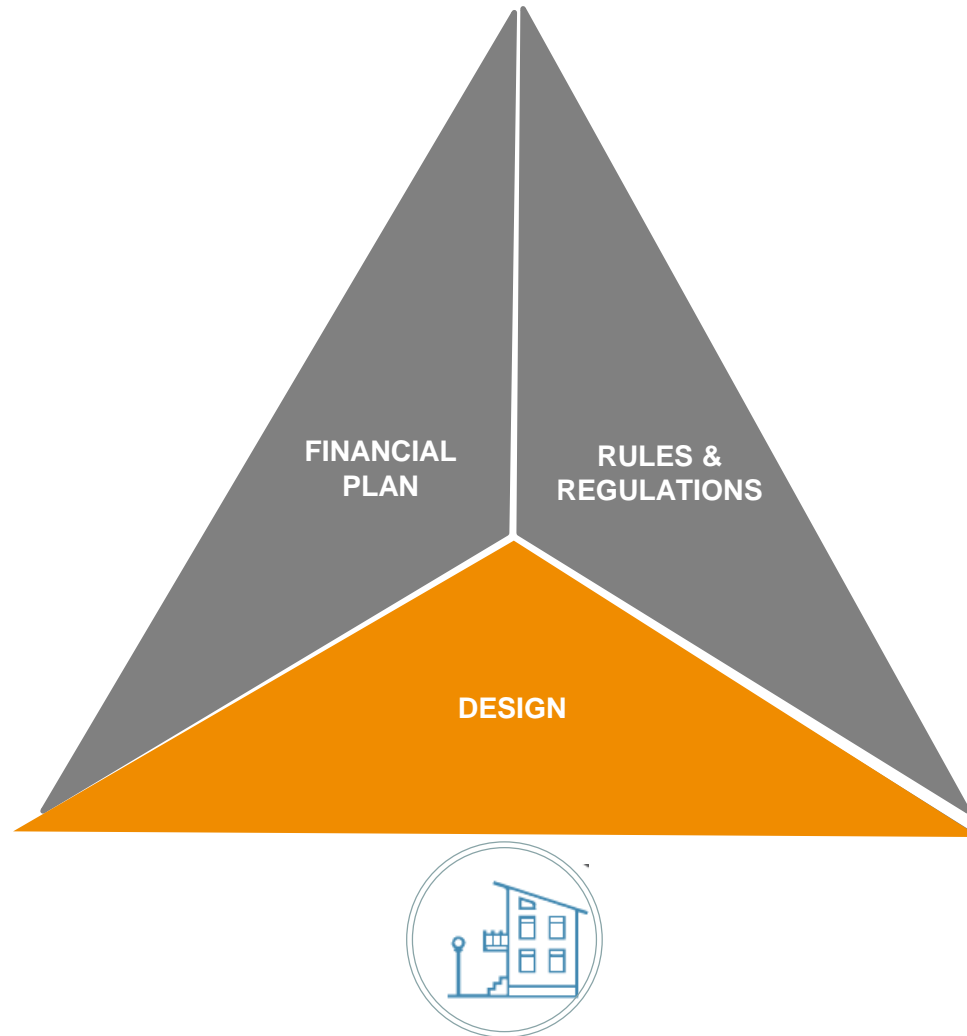
UN-Habitat's 3-Pronged Approach (3PA) Fundamentals of Urbanization



The 3PA approach of UN-HABITAT

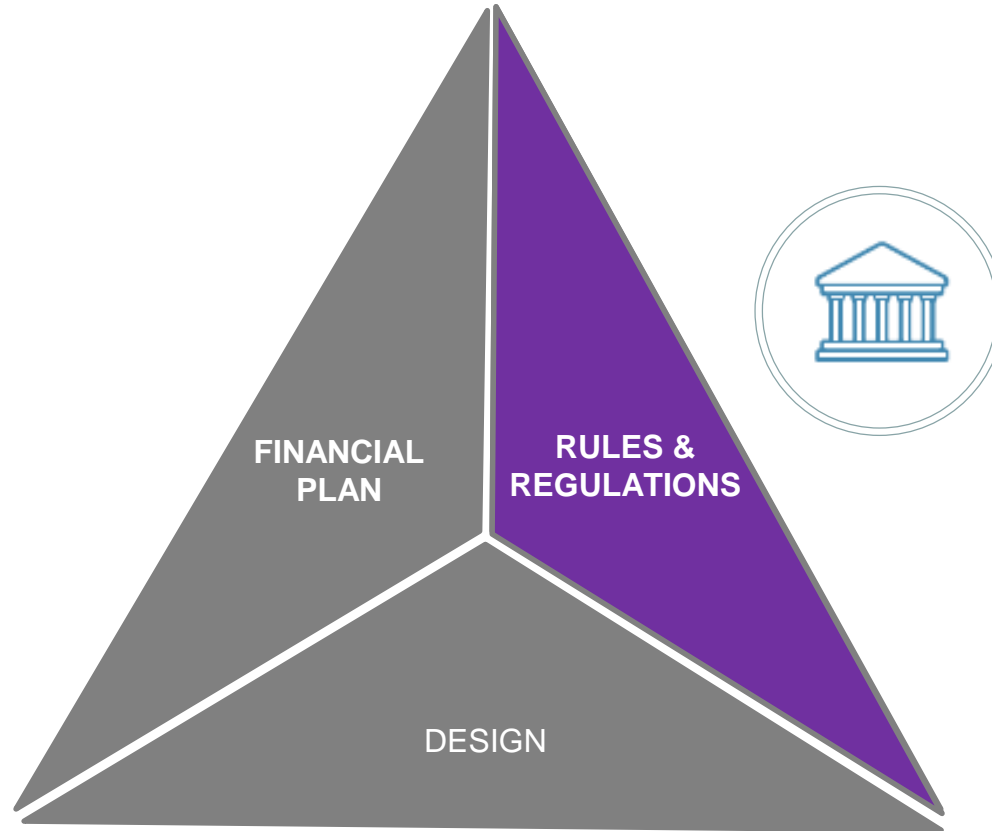


3PA – Design





3PA – Rules & regulations

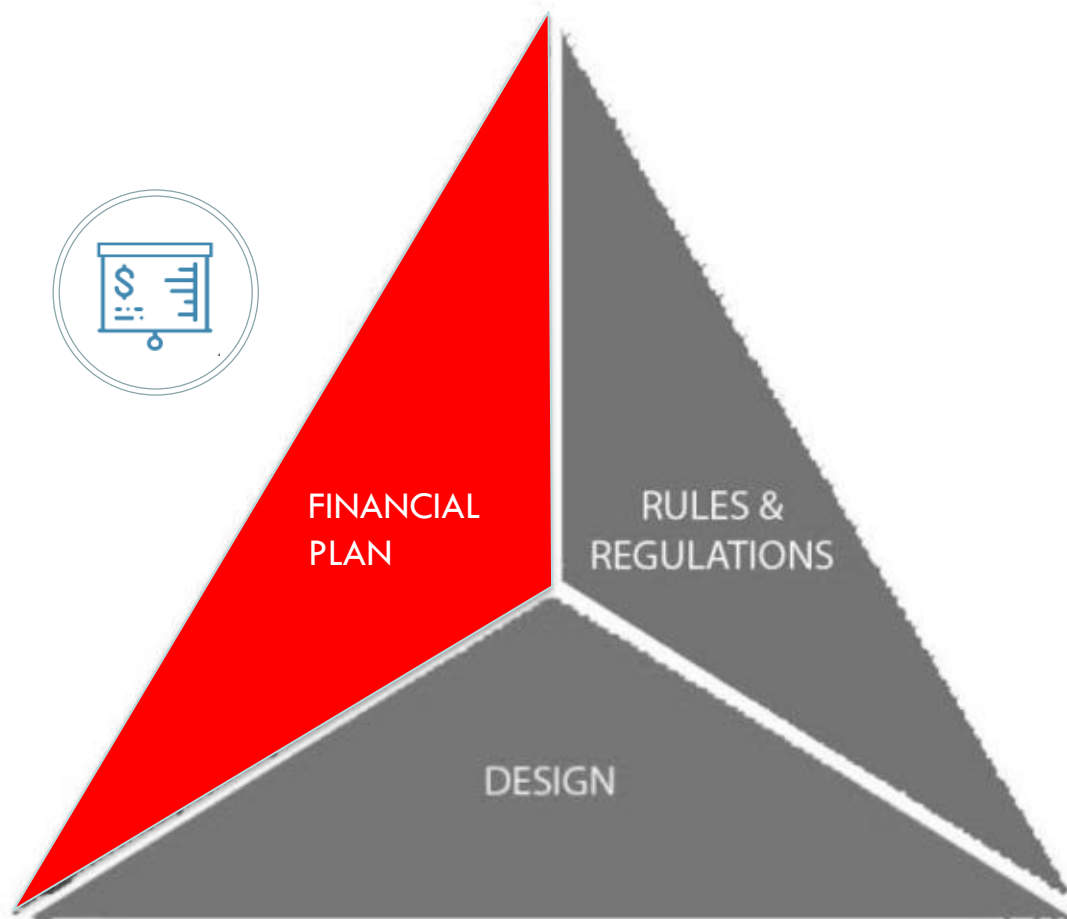


3PA: Housing & Regulation



- Policy makers cannot ignore the **different modalities of housing tenure and construction** that could allow for the most poor to access adequate housing in the long-term.
- Regulating and allowing for housing **cooperatives as well as co-financing** the construction of housing should be regulated in a simple way, taking into account the most poor.
- People have to be **protected against forced evictions** and the arbitrary destruction and demolition of one's home.
- **Land tenure** has to **be made flexible** enough to allow legal forms of customary, communal, co-owned tenure, as well as to provide the adequate space for rental and mid-term leasing modalities.

Three-Pronged Approach



3PA: Finance & Housing



- **Integrate fiscal planning and budgeting** into the housing policy and strategy process
- **Optimize** public financing and **resource allocation** to housing programmes
- Strategically **collaborate with private and civil society** actors to deliver housing goals and objectives
- Engage in the **development of innovative and inclusive housing finance mechanisms** to promote affordable housing

Three main policy themes for improving access to home financing for buyers of affordable housing

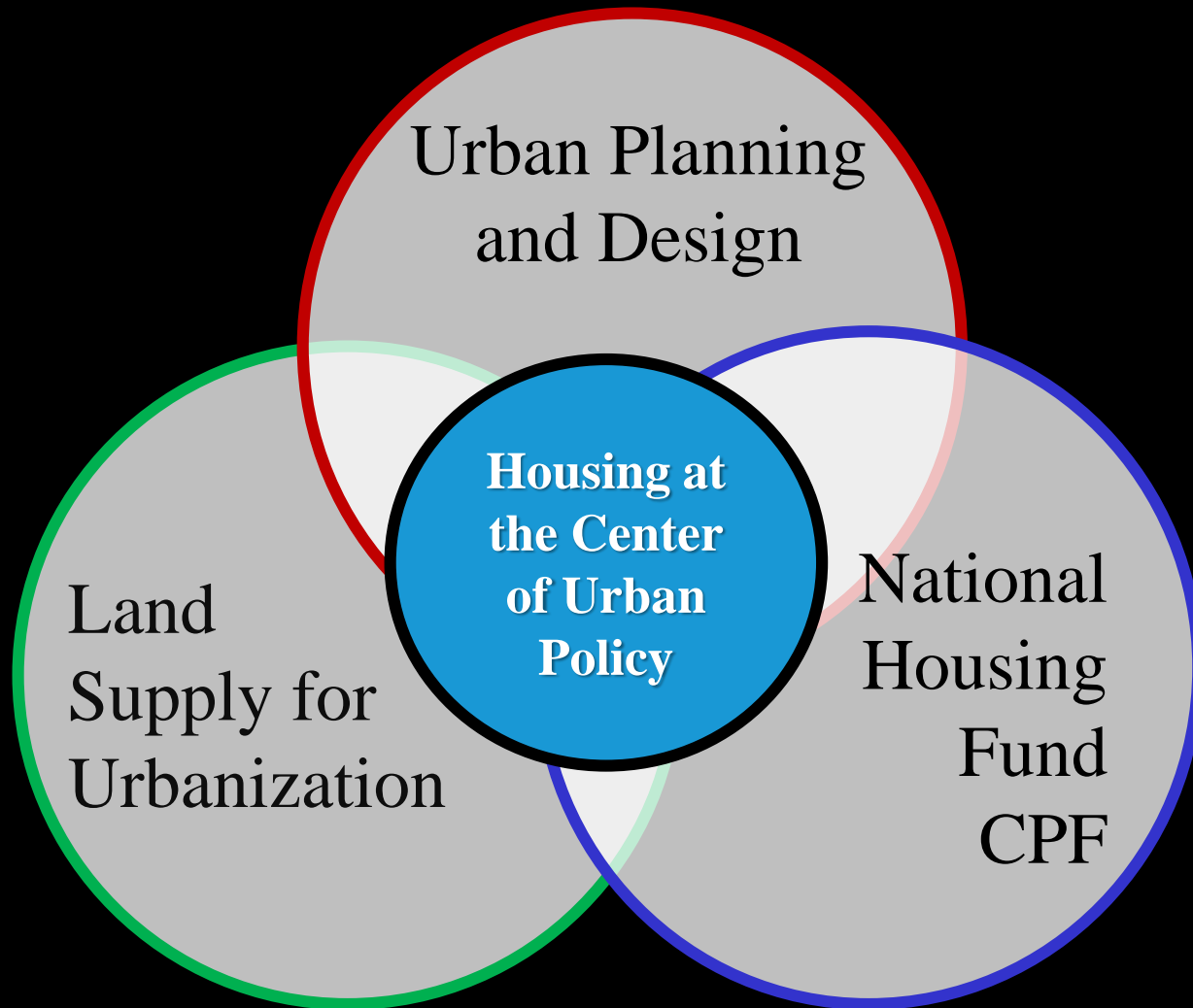


Themes	Tactics	Relevant for countries with		Select country examples
		Emerging primary markets	Strong primary markets ¹	
Reduce loan origination costs	Improve assessment methods to qualify borrowers	●		<ul style="list-style-type: none"> India South Africa
	Introduce standardized property valuation methods	●		<ul style="list-style-type: none"> Poland Romania South Africa
	Initiate mortgage-guarantee schemes	●	●	<ul style="list-style-type: none"> United States India
Reduce cost of funding mortgages	Establish liquidity facilities	●		<ul style="list-style-type: none"> Colombia Malaysia Jordan
	Expand capital market funding (with covered mortgage bonds or mortgage-backed securities)	●	●	<ul style="list-style-type: none"> Denmark Germany Spain
	Increase use of core deposits	●	●	<ul style="list-style-type: none"> United Kingdom
Leverage collective savings to reduce rates	Launch housing provident fund	●		<ul style="list-style-type: none"> Singapore Mexico
	Offer contractual savings schemes	●	●	<ul style="list-style-type: none"> France Germany Kenya

1 In the primary mortgage market, lenders originate loans directly with borrowers.

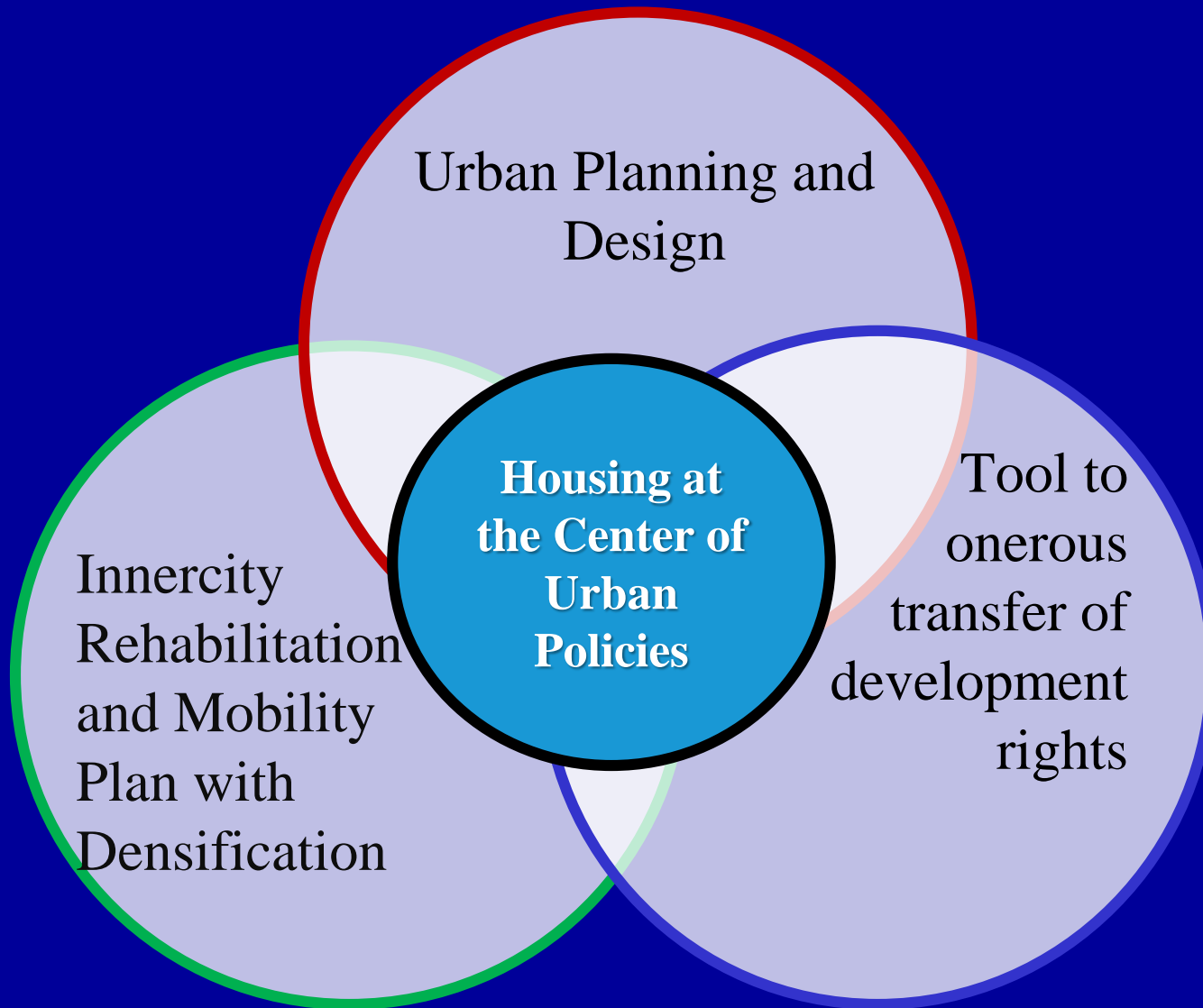
SOURCE: McKinsey Global Institute analysis

Housing at the Center - Singapore

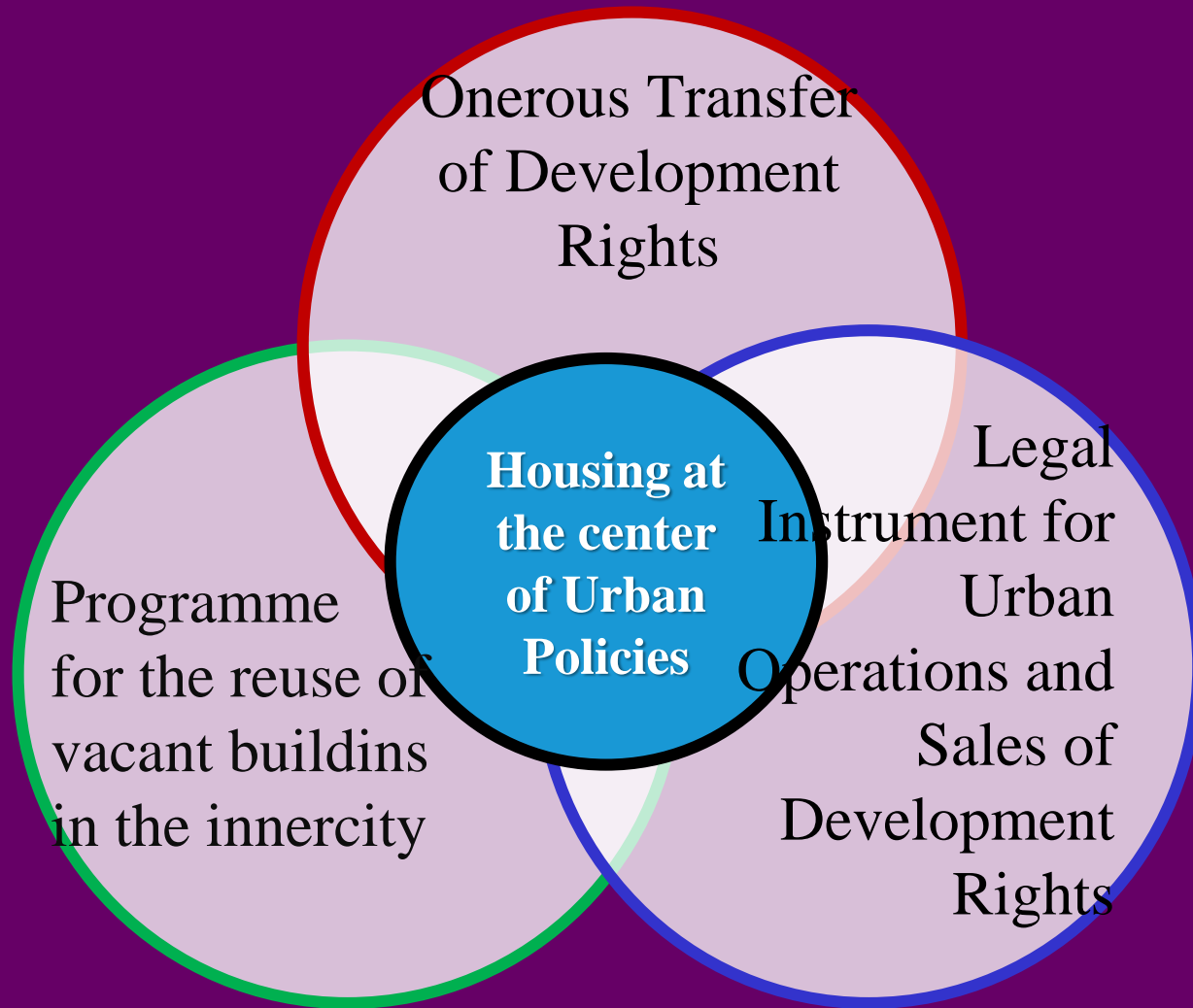


Source: E. Steekelenburg, 2007

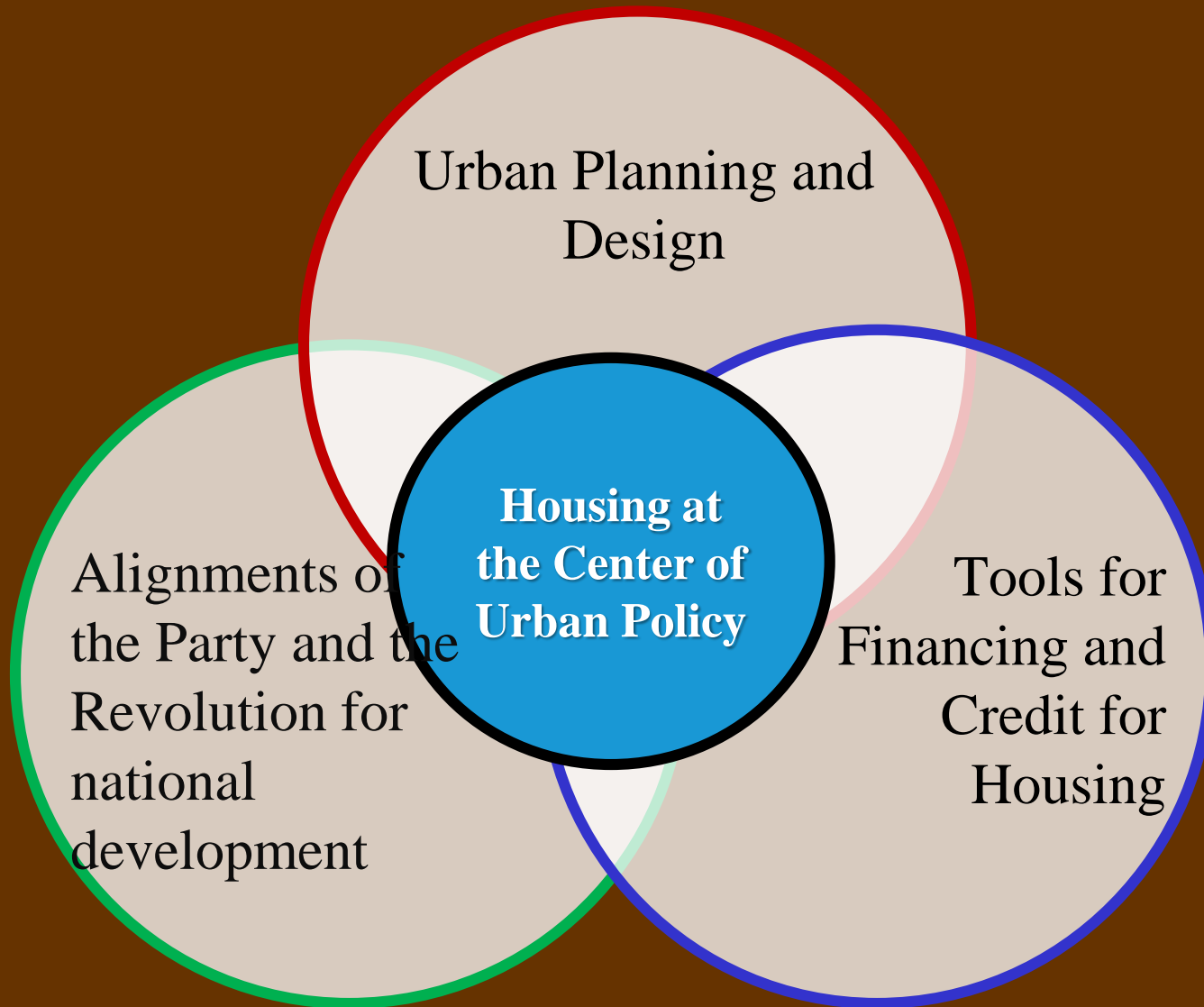
Housing at the Center in Curitiba (1990's)



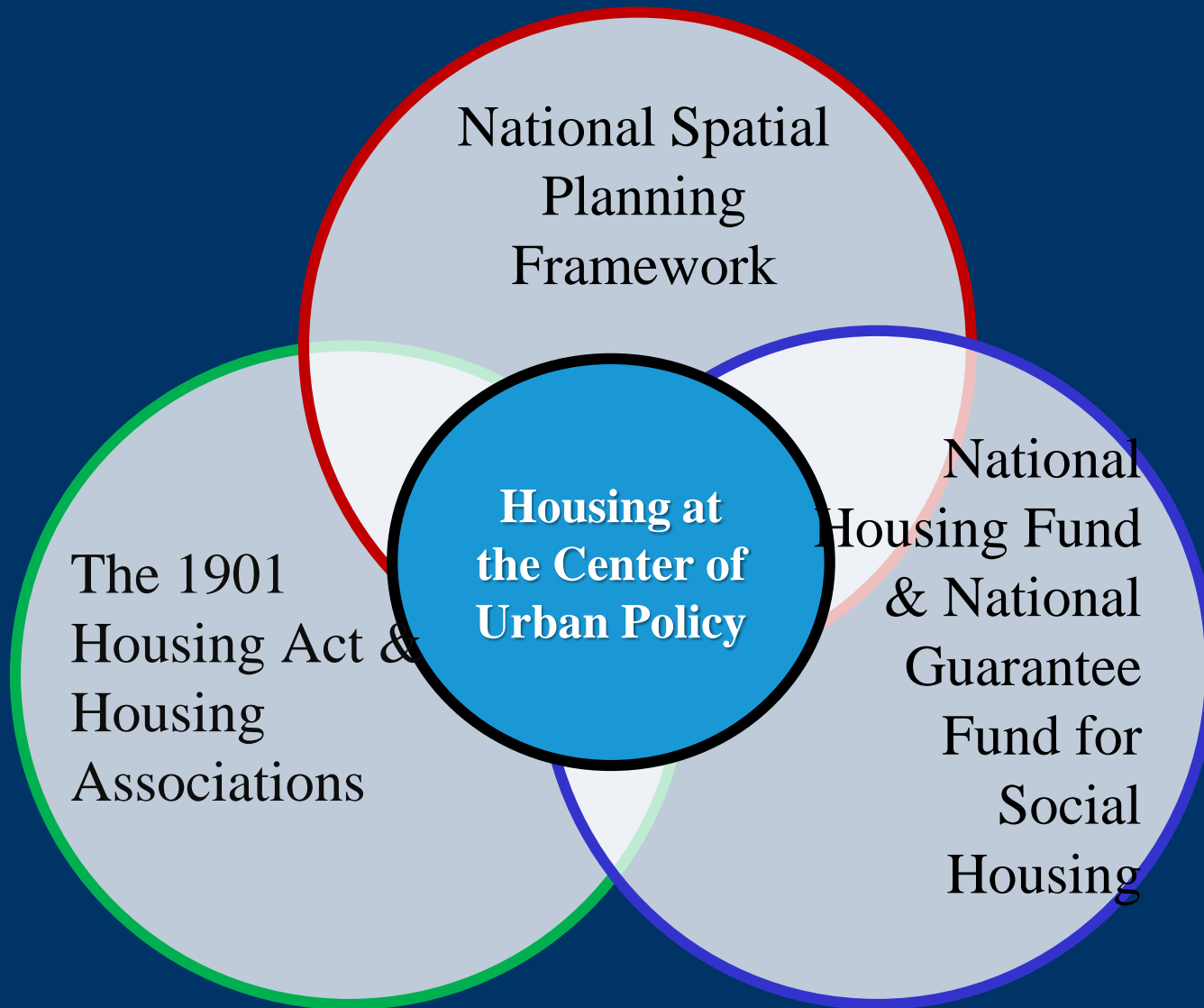
Housing at the Center – São Paulo (1990)



Housing at the Center – Cuba (2018)



Housing at the Center – The Netherlands





THE END

Thank you.

