



Republic of Namibia

Ministry of Regional and Local Government,
Housing and Rural Development

Namibia

National Housing Policy

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Abbreviations:

BTP	Build Together Programme
CBO	Community Based Organisation
DBTP	Decentralised Build Together Programme
FY	Financial Year
GDP	Gross Domestic Product
HLCGT	Home Loan Credit Guarantee Trust
HRDC	Habitat Research and Development Center
MLR	Ministry of Lands and Resettlement
MRLGHRD	Ministry of Regional and Local Government, Housing and Rural Development
HIRC	Housing Industry Regulatory Council
NAMPAB	Namibia Planning Advisory Board
NDP	National Development Plan
NHAC	National Housing Advisory Committee
NHAG	Namibia Housing Action Group
NHC	National Habitat Committee
NHP	National Housing Policy
NPC	National Planning Commission
NUO	National Urban Observatory
PPPUE	Public Private Partnerships for Urban Environment
PTO	Permission To Occupy
SDFN	Shack Dwellers Federation of Namibia
SDRC	Skills Development Resource Centre
UNAM	University of Namibia
GIPF	Government Institutions Pension Fund

PREFACE

The housing sector is often described as a major contributor to the national economy. Besides the financial impact on the economy, housing also impacts on social, political and environmental fabrics of the Namibian society. Sustained and increasing housing development output therefore presents a great potential for various spin-off effects. At the level of general development policy there is a consensus that a properly functioning market economy, underpinned by a dense network of civic associations and overseen by a strong and accountable government, is the best framework for economic growth and social development.

The White Paper on Housing is a policy and strategy response of the Namibian Government whose aim is to strategically position housing to play an important and meaningful role in the implementation and realization of Namibia's Vision 2030, Habitat Agenda and Istanbul Declaration on Human Settlements of 1996, United Nations Millennium Declaration and Johannesburg Plan of Implementation of the World Summit on Sustainable Development of 2001 to which Namibia has committed itself.

Positioning housing as one of the main enablers of Namibia's economic growth in complementing other economic sectors forms the basis of the core housing development strategy. Housing has the potential to play an important role as a means of reducing poverty in both urban and rural areas, hence the emphasis to extend housing to rural areas as an integral part of the Government rural development efforts as well as to upgrade and formalize the informal settlements.

Therefore, Namibia's housing vision is to see the housing sector become one of the key contributors to Namibia's economic growth and the creation of sustainable communities throughout Namibia.

EXECUTIVE SUMMARY

The White Paper provides a strategic and policy framework within which public and non-state entities are expected to undertake their housing development and financing operations and activities. It replaces the National Housing Policy that was adopted by Government in 1991.

The Government of Namibia reiterates its declaration of housing as one of its development priorities. The role of the Government therefore, is to ensure that the housing development process is inclusive for all and that those households excluded from the market and conventional housing development mechanism are given the opportunity to access land, housing and services as well as creating an enabling environment for a vibrant housing market.

The Namibian housing sector continues to be characterized primarily by limited financial support for the low-income groups as well as limited capacity to meet the demand for land and housing development. Currently, about seventy per cent (70%) of the Namibian population do not access and afford conventional home loan facilities offered by the financial market, nor can they access urban freehold land and professional services due to poverty and limited disposable income. A support model should thus be put in place to facilitate accessibility to affordable land, finances, professional services and other means of livelihood.

The housing vision underpins the values of equality, sustainability, holistic and integrated, people-centred development as well as good governance.

In order for Namibia to achieve its housing Vision, the White Paper provides for ten key housing development strategies. It also seeks to promote the right of property ownership in both urban and rural areas as a means of empowering local communities and individuals to use their asset bases as security in order to access credit capital. This strategic framework advocates the adoption of a “value chain” in order to enable the housing sector to make significant impacts on various trades that are directly or indirectly connected to housing. These trades include the building supply industry, financial service providers, building contractors, professional engineering and other service providers, which supply inputs into housing development processes. It is in this context that the Ministry of Regional and Local Government, Housing and Rural Development, (under its Build Together Program), National Housing Enterprise (NHE), private housing developers and people housing processes are seen as important drivers of economic growth as they require and possess the capacity for consumption and absorption of building materials, finances, labour and other input services.

The White Paper promotes an integrated development approach from the housing point of view, especially within the context of Namibia’s rural development efforts in collaboration with other socio-economic sectors such as health, education, nature conservation, energy, water and sanitation, transport, and financial services. The aim is to pursue the concept of “creating sustainable human settlements” endowed with all social and economic ingredients necessary to sustain communities, particularly in rural areas without neglecting urban development.

Facilitating affordable, durable, adequate, and qualitative housing outputs in order to shelter as many Namibians as possible is a fundamental emphasis in this White Paper. For this very reason, the paper advocates the imperative of aggressive mobilization of domestic savings, government subventions, exploring alternative building materials and technologies, and supporting people housing processes (people's own contributions) to enable Namibia to provide more and affordable housing to her people. From an institutional coordination point of view, this policy framework advances the concept of People-Public-Private Partnership and cohesion within the housing sector.

The Ministry of Regional and Local Government, Housing and Rural Development, local authorities and regional councils shall, through the Build Together Program, support social /subsidy housing programs and efforts. Whereas The National Housing Enterprise (NHE) shall be involved predominantly in providing credit-linked and rental housing within the affordable housing market, private housing developers and commercial banks are envisaged to continue to serve predominantly the high to upper housing market segment. In addition, Government recognizes the need to support the efforts of community based organizations, particularly Shack Dwellers Federation of Namibia, that are expected to predominantly play a role in facilitating housing development by people themselves.

This paper also promotes the involvement of commercial and development banks in financing affordable housing through partnerships with the National Housing Enterprise (NHE) as well as with other governmental and non-governmental agencies involved in housing provision, including that of the identified role of the Government Institutions Pension Fund (GIPF) and other private pension funds.

1. INTRODUCTION

1.1 Background

Namibia experiences a daunting housing backlog, a situation that calls for accelerated housing development efforts. 40% of the Namibian population is under the age of 15, and 51.2% are below the age of 19 years. Only 2.4% of the inhabitants are older than 75 years. This situation has a direct effect on the housing demand state. In the case of the low scenario, the total need of 265,609 units would be required by the year 2030; for the medium scenario the total would be 288,620 units, and for the high scenario 311,766 units would be required.

Namibia is classified as a lower to middle-income country. However, the most recent estimate of income distribution showed that Namibia still is one of the most skewed in the world (as per gini-coefficient inequality measure). A large proportion of the population therefore lives in poverty and lacks access to essential services. The National Household Income and Expenditure Survey also indicate that 74% of the Namibian's households cannot afford conventional housing, resulting in Namibia facing a big challenge in addressing the basic shelter needs of the majority of the population. According to the 2001 census, over 54% of households do not have toilet facilities. In urban areas, 72.5% have access to flush toilets, whereas over 78% of the population in the northern regions use the bush compared to 17% in urban area.

Following Namibia's independence in 1990, the rate of urbanization has been estimated by the National Planning Commission (NPC) to be 4.5% per year, which is higher than the average population growth of 3.3%. The urbanization rate in Namibia is projected to rise to almost 60% in 2025, up from 41% in 2001, which suggests that the challenges of orderly urban development will intensify. Most local authorities experience an influx of people and are not yet in a position to catch up with the task of providing basic services to urban newcomers.

The Namibian housing sector is characterized primarily by limited financial support for the low income groups as well as limited capacity to meet the demand for land and housing development. Low incomes and high costs for services have excluded many inhabitants from acquiring land and subsequently a house. This state of affairs has been worsened by the fact that the local economies in most local authorities have been stagnant or growing at low rates, limiting the abilities of such urban centers to deliver service infrastructure at the pace and magnitude housing developers would require.

Informal settlement is threatening to become a permanent feature of the urban landscape. It is estimated that the total number of families living in informal settlements without secure tenure in Namibia was around 30 000 in 2003 or an estimated 150 000 people. A shack count from aerial photos used for the census indicated more than double that number of informal structures in urban areas.

Some urban development patterns in Namibia are also characterized by a huge backlog in infrastructure and services, lack of development and poor living conditions. The Namibian Household Income and Expenditure Survey 2003/2004 confirms that pipe water is the main source of drinking water for households in Namibia, accounting for 75% of all households. According to the 2001 Census, 54.2% of Namibians do not have access to flush toilets, a situation that calls for a drastic move to provide sanitation facilities to communities. Alternative affordable and healthy sanitation options are not widely accepted and used and the situation in informal settlements is even worse where indications are that up to 80% of the population do not use sanitation options. Access to energy sources for cooking and lighting is dominated by wood, as 64.6% of all households use biomass for cooking purposes and 35.4% use electricity for lighting. Many informal settlements as well as many rural households are still not linked to the electricity supply grid in Namibia.

Land tenure systems in Namibia include customary land rights, freehold title (by individuals or communities) leasehold title, and land owned by government or local authorities. At least the land tenure in Namibia is stable enough especially in urban setting. In rural areas leasehold systems are applicable to further rural housing development efforts.

About seventy per cent (70%) of the Namibian population can neither access nor afford conventional home loan facilities offered by the financial market nor can they access urban freehold land and professional services due to poverty and limited disposable income. The housing provision efforts of the Government and that of the NHE and other housing developers have concentrated to date in urban centres, thereby excluding approximately 62% of the populace residing in the rural areas. This has resulted in urban-rural imbalances that call for redress.

1.2 Justification

The National Housing Policy adopted by Government in 1991 has continued to provide a useful policy framework and guide for various actors in the housing industry. However, the review of this policy has become a necessity in order to tackle contemporary issues affecting sustainable delivery of housing in Namibia. Key factors and conditions that prompted the review of the existing housing policy and hence the development of this White Paper on Housing include:

- a) The need to acknowledge and recognize the inseparability of housing from municipal service infrastructure at a policy level. Since independence Namibia has experienced a very low level of investment in municipal infrastructure that lead to severe shortage of serviced land in all local authority areas. This resulted in non delivery of sufficient housing stock;
- b) The existing housing policy does not give due recognition and support to the critical role the people housing processes can play in addressing the housing backlog in the country through their own contribution;
- c) The existing housing policy does not recognize the decentralization of housing function to local and regional authorities as the policy of decentralization was only adopted by the Government in 1996, six years after the housing policy was put into effect;

- d) The emergence of new alternative building technologies, methods and materials need to be recognized and vigorously explored at a policy level as a means to reduce building cost and thereby increase the affordability capacity of people in need of housing;
- e) The housing policy should make provision for rural housing and for the adoption of integrated development approaches, especially to advance housing provision within the context of the Government rural development efforts.

1.3 Objective

The objective of this White Paper on Housing is to provide a national policy and strategic framework within which actors in the housing industry are expected to undertake their housing development and financing operations and activities.

In a broader sense the aim of this policy is to promote the concept of sustainable human settlements characterized by integrated housing development designs and livable built environment. This paper promotes the provision of four types of housing to the people of Namibia namely: credit linked housing, rental housing, social / subsidy housing, houses built by people themselves.

The White Paper on Housing further recognizes the inseparability of housing and local infrastructure and hence promotes an integrated financing of housing and municipal infrastructure as a critical condition towards housing the people of Namibia. It also seeks to promote the right of property ownership in both urban and rural areas as a means of empowering local communities and individuals to use their asset bases as security in order to access credit capital and build up wealth.

The paper seeks to strategically position the housing sector so as to play a meaningful role in terms of the sector's contribution to the implementation of Vision 2030 and Namibia's economic development strategies and objectives of poverty eradication, economic growth, job creation and narrowing inequality in income and wealth distribution.

Within the context of this framework, sub-national governments could develop their housing policy and strategic frameworks in order to better provide direction and parameters as far as their housing development and facilitation efforts go.

2. CONTEXT AND POLICY ENVIRONMENT

2.1 Developmental Context

The most powerful form of economic empowerment is to enable individual members of a society to own long term assets, which in turn can be used to mobilize more resources (capital) in order to build up wealth for families and communities. This approach stands a chance to be the most effective way of broad-based black economic empowerment (BEE).

Supporting and financing housing will elevate the position of this sector in terms of its contribution to Namibia's GDP. The sector shall adopt a value chain approach in terms of its contribution to various trades that are related to the housing industry through their inputs and absorption capacity. The trades and sectors that form part of the value chain include the building supply industry, the financial sector, building contracts, especially Small and Medium Enterprise contractors, professional service providers such as consulting engineers, town planners, surveyors, estate agents, conveyance agencies, Namibians in need of housing, health, education, local authorities and regional councils as their infrastructure get expanded, just to mention a few. This highlights the increased impact housing delivery has on many aspects of the economy.

The multiple inputs that go into housing production can be used as catalyst for economic development especially if the number of houses to be developed is in-line with national development goals.

Housing delivery should not just concern itself with increasing the number but must aim at creating a sustainable human habitat and environment. Therefore, the integrated development approach must be followed where housing, schools, hospitals / clinics, commercial services and other public amenities are provided as part of the same development.

2.2 Policy and Regulatory Environment

In pursuing the implementation of state policies, Government identified housing as one of the priority areas of development.

Government's commitment to addressing the housing needs in all rural and urban areas of Namibia led to the formulation and adoption of the first ***National Housing Policy***, approved by Cabinet in 1991. The Policy clearly states that the role of Government is to facilitate and promote partnership between all relevant public and private parties concerned with the delivery of land, shelter and human settlement development.

The National Housing Development Act, which was promulgated and implemented in 2000, the Flexible Land Tenure Bill and the Urban and Regional Planning Bill form an important part of the legislative environment relating to housing. The National Housing Development Act provides for the establishment of the National Housing Advisory Committee, the establishment of housing revolving funds by Regional Councils and Local Authorities, the establishment of decentralized Build Together Committees for Regional Councils, Local Authorities and resettlement areas to provide low cost residential accommodation within their respective areas.

The Local Authorities Act of 1992 (as amended) provides for the establishment of housing schemes by a municipal or town council with the approval of the Minister. Housing schemes established under the Local Authority Act must further establish funds known as the Housing Fund. The money in the fund may be utilized for purposes of the construction, acquisition or maintenance of any dwelling, the cost incurred in connection with the administration of any housing scheme and for any other purposes as approved by the Minister in writing.

Other legislation that impact on housing are the ***Regional Councils Act*** of 1992 (as amended), and the proposed ***Urban and Regional Planning Bill*** and ***Flexible Land Tenure Bill***.

Vision 2030 has been devised as a long-term framework for national development and as such has set targets, such as providing access to adequate shelter for 60% of the low-income population by the year 2025. Sanitation and water are housing related issues included in Vision 2030. Sanitation is of particular concern in rural areas. Vision 2030 projects a 100% access to acceptable sanitation by 2030 in urban area and 50% in rural areas. Overall, the main goal of Vision 2030 is to see Namibia attaining the status of an industrialized and developed country by the year 2030.

National Development Plans (NDP) are drafted in five year intervals towards achieving Vision 2030. ***Regional Development Plans*** are produced by Regional Councils with the inputs of Local Authorities, setting clear development targets for the regions after every five years. These plans are in turn incorporated into the National Development Plans. Housing is integrated with other developmental sectors so as to act as catalyst for economic development and growth in all thirteen regions of the country towards realizing Namibia's economic development goals. Land and services, such as water and sanitation are basic inputs into a housing infrastructure and hence, the role of the housing sector is of utmost importance in helping the country to make progress in its development efforts.

The National Poverty Reduction Action Plan was devised for five years periods, based on the Poverty Reduction Strategy of 1998. The document states that line Ministries, Regional Councils and Local Authorities will be involved in poverty reduction efforts. The complementary role of the civil sector is acknowledged. It focuses on sectors such as infrastructure investment, education, health, agriculture, SME development, tourism, labour-based works, grant-bases transfers, public services, and decentralization.

The Government of Namibia is actively participating in UN-Habitat activities, being a signatory to the ***Habitat Agenda, Istanbul Declaration and United Nations Declaration*** covering matters of habitat and housing. A National Habitat Committee has been involved in drawing up and reviewing the National Plan of Action in this regard. The Government has therefore committed Namibia to work towards achieving the developmental goals outlined in such declarations.

In addition, Namibia has committed itself to work towards the realization of the ***Millennium Development Goals*** (MDG) in concerted efforts with the rest of the global community, in particular to reducing the proportion of households living in relative poverty, ensuring environmental sustainability, to increase proportion of rural households with access to safe drinking water and basic sanitation and increase the provision of freehold land.

2.3 Role players

Regional and Local Authorities have a critical role to play in ensuring effective and sustained housing delivery at scale. These roles include planning and regulation of land use and development, provision of bulk and internal engineering services, and the creation and maintenance of the public environment. Electricity is provided by regional electricity distributors (REDs).

The **Ministry of Regional and Local Government, Housing and Rural Development** (MRLGHRD) is acutely aware of the inequalities in the human settlement sector, which prompted it to redress the situation and to meet the people's aspirations through the Directorate of Housing. Functions include adopting and promoting legislation to give effect to national housing policies, setting broad national housing delivery goals and negotiating with regional and local delivery goals in support thereof, establishing a funding framework for housing, including a national subsidy program, guidelines for the spatial restructuring of cities, towns, villages and rural settlement areas.

In addition the Ministry facilitates the **Decentralized Build Together Programme** (DBTP) through Local Authorities and Regional Councils and the provision of housing credit to groups not catered for by the private sector and NHE, the upgrading of informal settlements and other special housing projects and schemes, the rendering of technical services to Local Authorities and Regional Councils in order to deliver BTP activities efficiently and effectively and setting of minimum national norms and standards for the housing sector.

The role of the **National Planning Commission** (NPC) is to mobilize financial resources and technical support from development partners for housing and local infrastructure development. This support is especially directed to affordable housing, social housing and to rural housing development programmes.

The role of the **Ministry of Lands and Resettlement** (MLR) is to ensure that a functional land tenure system exists, especially in rural areas. The Ministry will also be instrumental in the implementation of a flexible land tenure system in urban areas. The role of Regional Land Boards of allocating and managing land rights in rural areas is particularly important in the country's effort to pursue a rural leasehold land tenure system.

The **National Housing Enterprise** (NHE), a State Owned Enterprise, strives to promote home ownership through project development and provides credit facilities in the form of housing loans to low- and middle-income households. NHE shall continue to provide affordable housing through interest rate subsidy and management of a Government-capitalised housing subsidy fund to provide for indigent cases in Namibia. NHE shall, in collaboration with regional councils, implement a rural housing development programme, in addition to undertaking housing development projects in urban centres of Namibia. NHE will also strike partnerships with local and regional authorities to ensure speedy delivery of developable land through intense local infrastructure development. In supporting local and regional authorities, the Government will strengthen the NHE in order to play a greater role in municipal infrastructure planning and development with the aim to accelerate the provision of service infrastructure and consequently access to land and housing by the majority of Namibians.

The **National Housing Advisory Committee** (NHAC), in addition to its statutory role of advising the Minister of RLGHRD on housing related matters, will be responsible for facilitating, in collaboration with the line Ministry and the NHE, housing forums on an annual basis as well as national housing conferences as it deems fit. The role of the Committee in this regard is critical in bringing together various actors in the housing industry to deliberate and exchange views on matters and issues of national importance that affect a smooth provision and development of affordable housing.

The **Habitat Research and Development Centre** (HRDC) was established by the MRLGHRD in collaboration with other key stakeholders to become the focal point for research and development of the Namibian housing sector aimed at promoting sustainable human settlements. Activities include the promotion of local building materials through appropriate technologies and design, promoting and facilitating ecological sanitation, water conservation, renewable energy and biodiversity and supporting communities and local and regional authorities. The technical support to local and regional authorities will be channelled within the context of Decentralised Build Together Program. The Skills Development Resource Centres shall also manage the process of sourcing funds for affordable housing and work hand in hand with the HRDC in the housing research field.

The **National Habitat Committee** (NHC) is instrumental in facilitating the development of the National Plan of Action as well as other processes aimed at the implementation of Namibia's housing strategy involving all key stakeholders in the housing sector. The role of the NHC is also critical in co-ordinating linkages between the Habitat Agenda and the national housing strategy with the view to achieve synergy and focus pertaining to housing and habitat intervention and activities.

The **Shack Dwellers Federation of Namibia** (SDFN) / **Namibia Housing Action Group** (NHAG) **and other NGO's** have been actively working with low-income communities to establish saving schemes in order to assist with the servicing of land and the construction of houses. NHAG is a local non-governmental organization that provides technical, financial and organizational support to the SDFN, one of Namibia's most active community based organizations in the field of housing the poor.

The **Private Sector** provides a key link in the chain of delivery of serviced land and housing. In the context of habitat involvement, the private sector consists of five main sub-sectors; the material supplier, contracting, professional service, property developers and the well-established and thriving banking sector, resulting in billions of local financing in investment and credit annually. It has however, focused on middle and high income housing in proclaimed areas. Lack of serviced land limit opportunities of developers and households to multiply this investment and development for those who can afford.

3. KEY STRATEGIC CHALLENGES

The housing sector is faced with a number of strategic challenges, which provide the basis for policy and strategy decisions. The challenges are inter-related and cannot be addressed in isolation of each other. Government therefore, takes a holistic approach in formulating strategic responses to the challenges.

3.1 Capacity to deliver Land and Housing

Namibia has, in proportion to a population of about 2 million, ample land (842 000 km²) that can be made available for urban and rural habitation purpose. However, at the local and regional level, adequate technical, planning and financial capacity is limited. This constraint delays and hampers the delivery of serviced land and housing. It furthermore, contributes to the uncoordinated planning

and funding of land development projects, as the projects are not based on needs analysis. Many of the Local Authorities and Regional Councils rely on Central Government for capital provision as these authorities have insufficient resource and skill capacity to fund and deal with their land development projects and facilitation in the provision of housing, including social housing. However, the budgets for land development are limited and projects are often not completed and have to repeatedly receive funding over a number of years. This casual approach to the development of land delayed housing delivery for years and consequently increased the costs to future homeowners.

3.2 Secure Tenure

The issue of secure tenure for low income groups, especially informal settlers has to be addressed, as the process of housing for these groups depends much on security of tenure. For them to invest in shelter that meets the minimum standards of safety, they have to be sure that their investment will improve their overall quality of life. A key policy innovation to respond to the demand for secure tenure, notably within urban areas of Namibia, has been the development of a Flexible Land Tenure System (FLTS) as a component of the overall land reform programme. The basic idea of the FLTS concept is to establish a parallel, interchangeable system complementary to the current formal system of freehold tenure. The concept is considered 'parallel' insofar as the parallel institutions will be responsible for registration of different tenure types and 'interchangeable' in the sense that the different tenure types catered for in the parallel registries could be upgraded. The FLTS however, is still awaiting promulgation as an Act of Parliament.

3.3 Access and Affordability

Access to affordable land and credit facilities for the low-income groups is one of the major constraints to the housing process. The cost of conventionally serviced land is unaffordable to most low-income groups under the present planning and infrastructure regimes. The high cost of serviced land has to do with planning and land development procedures including prescribed minimum sizes of erven, and the standards of infrastructure used by Local Authorities. Thus, due to poverty levels, a sizable number of the population has no access to adequate shelter.

At present the DBTP has a limit of N\$40,000 per loan, whereas the NHE entry level is about N\$60,000. Some financial institution's minimum amount is set at N\$40, 000 accompanied by strict criteria. This situation limits the ability of some of the people to afford the credit facilities so offered. The low and ultra low income groups living in informal settlements therefore, need additional support.

In addition, many communities face problems in housing certain social groups, such as the aged, differently-abled and orphans.

3.4 Integration of Housing and Service Infrastructure

Housing can be used as a catalyst for the provision of sanitation, water and other basic human necessities. Housing and local infrastructure are inseparable variables, hence the two development processes need to be integrated. In the end, accelerated local infrastructure development will substantially unlock the socio-economic and business opportunities in many of the local and regional authority areas including the expansion of their revenue bases, which will allow them to deliver sustainable municipal services. Service infrastructure can be used as a hub around which

integrated development and provision of many of the basic services and amenities can take place in both rural and urban areas of Namibia. Access to such amenities continues to be lacking, whilst urban areas have more facilities than rural areas. At present statistics do not exist, especially in informal settlements and in rural areas.

Limited capital investment in local infrastructure has slowed down the process of serviced land delivery and in turn limits the housing outputs. The demand for serviced land is extremely high and therefore partnerships between public, private and communities could be important sources of resources to tackle the issue of investment in municipal infrastructure. Substantive investment will enable the country to deliver serviced land faster and in sufficient quantity as per market demand. Needless, to say without developable land there can be no housing. Government, Local and Regional Authorities, NHE and relevant private sector entities should put in maximum efforts to invest enough capital in local infrastructure. Creation of more local infrastructure does not only necessitate the process of sheltering people, but also enabling Local and Regional Authorities to expand their revenue bases and thereby better sustain the provision of basic services such as water, sanitation and energy to their communities. The attraction of private investment in any local economy is only feasible when the necessary local infrastructure exists. Basic services are generally expensive and conversely contribute to the situation of un-affordability of housing by many residents. Thus, this aspect must be put into account as Namibia considers a model that reduces cost and hence, makes housing affordable for the majority of people.

3.5 Financing the Housing Sector

Expensive development processes and high building costs impact negatively on the affordability of many Namibians. Development costs are associated with land, building materials, cost of capital, professional services among others. Hence the need to explore alternative and affordable building materials and methods, the use of renewable energy, affordable capital and a subsidy system that oblige Government and sub-national governments to subsidize housing through grants, technical support and subsidized land. The community-driven housing processes can result in affordable options and thus, deserves policy promotion.

Current available financing for housing purposes is considered both inefficient and inadequate and tends to disregard the housing requirements of the majority of the Namibian population.

Furthermore, the private sector does not find the low-income housing environment lucrative due to the high levels of risk, and concentrate their lending efforts on the middle and upper-income earners.

However, Government on the other hand wishes to increase the amount of private sector financing being invested in middle and low-income housing, but in such a way that the housing market will not be distorted. The extremely low (almost insignificant) level of end user finance provision to people in the income categories below N\$ 2,800 is cause for great concern. Given the limitation on state resources, the mobilization of private credit for housing purposes is a central aspect of government approach to housing. Government recognizes and accepts the responsibility to create and maintain a lawful environment in which contractual rights and obligations are respected and enforceable. At the same time it is believed that there is an obligation on the private sector to support Government in its efforts to stabilize the environment.

The effective withdrawal of private sector finance from low-income communities causes a further deterioration in physical and environmental conditions in these areas, which in turn leads to conditions resulting in further withdrawal of investment. If this cycle is not broken the situation cannot be expected to improve. The contractual savings industry in Namibia controls vast savings of the nation of which very little currently finds its way into housing. It is essential that ways and means be found to channel a significant proportion of these resources into housing investment.

3.6 Standards and Service Levels

Throughout Namibia, first world standards in terms of municipal services are applied nearly everywhere, irrespective of appropriateness or affordability. This is one of the contributing factors for high land costs and house prices. The adherence to standards set for the developed world, increases the dependency on external technologies, knowledge and skills. The HRDC demonstrates and tests various alternative technologies in the fields of water, sanitation, building materials and energy, which are suitable to Namibia's conditions. Sensitivity to regional variation is very important and there may well be instances where, alternative standards that do not meet the accepted standard in the short-term may have to be considered.

Various communities in Namibia have already been exposed to certain alternative technologies, which have been accepted, as in the case of projects such as the Ecosan (ecological sanitation) system in Mariental and the clay houses in Otjiwarongo. Furthermore, the Shack Dwellers Federation of Namibia has developed an appropriate house design and plot layout to maximize the use of land and promote secure land tenure to its members. This requires intensive involvement of the target communities as part of an educational process. In addition these technologies can create employment opportunities and can often utilize local materials and skills.

3.7 Town Planning and Proclamation

The town planning and proclamation processes in Namibia are outdated, cumbersome, and tend to inflate development costs, and thus, the prices of erven. There are also physical spatial development discrepancies between formal and informal townships and settlements in terms of services and infrastructure. An Urban and Regional Planning Bill is currently reviewed for submission to Parliament to enable government to address and redress this equity challenge and simplify and speed up development processes with a view to reduce associated costs.

3.8 Enabling Environment

There appears to be a lack of institutional sensitivity and people's orientated philosophy in the formal housing delivery system (no human face). The housing regulatory environment is not strong enough to safeguard the interest of the public, especially potential new homeowners. The housing sector is regulated only by by-laws and regulations of local and regional authorities applicable in the areas under their jurisdiction. Legislations should also aim at protecting the consumers. At present the delivery of housing is open to any person or company who feels qualified to provide housing. The danger of this *carte blanche* approach is that consumers may fall victims to unskilled and unscrupulous persons who do not possess the qualifications or capital to operate in the sector.

Also, poor communication and limited information flow between formal public and private institutions (e.g. public authorities, banks) and communities critically inhibits many members of the public to make informed decisions about their housing needs and requirements.

3.9 People's Housing Processes

Throughout Namibia people have organized themselves to build homes, as they cannot afford the minimum conventional housing option. They demonstrate accountability in their organizations to be recognized by governmental and private sector as partners in development.

The most recognized group is the Shack Dwellers Federation of Namibia, supported by Namibia Housing Action Group (NHAG), which serves as a network of saving schemes that have continued to play a significant role in people's housing processes in Namibia.

The challenge is to create an enabling environment (increase communities' capabilities) for a sustainable development approach, which would institutionalize the involvement of low-income communities in planning and land management for both informal settlement upgrading and new block developments (community land tenure and institutionalizing the registration of the participating households), ensuring the availability of affordable land for shelter development with bulk infrastructure, recognizing the practice of incremental installation of individual services and construction of houses within the framework of appropriate standards, facilitating development funding in the form of soft loans for shelter development and grants to local and regional authorities for the installation of bulk infrastructure and ensuring affordability with special service and revenue tariff structures.

Also, the BTP program has delivered to a certain extent. However, it has been characterized by limited resources and operational management problems that need to be addressed. One of the challenges facing the program is lack of financial provision for the development of local infrastructure necessary to develop housing. Therefore the issue of securing land tenure among many low-income residents needs addressing, especially in larger urban areas.

In addition, skills deficit and technical capacity constraint hamper the ability of many people, who require shelter to help themselves successfully.

4. HOUSING POLICY CORE

Namibia's Housing Vision is to see the housing sector become one of the key contributors to Namibia's economic growth and the creation of sustainable communities throughout Namibia.

4.1 National Housing Goal

The housing vision underpins the values of equality, sustainability, holistic and integrated development, people-centred and good governance. This vision focuses on both urban and rural areas in terms of providing housing and promote sustainable living and closing spatial development discrepancies between urban and rural areas. Government efforts will be complimented by private sector and community-based housing development efforts and shall constitute a partnership network between public and private sector role players.

4.2 Targets and Commitments

The National Development and National Habitat Plans are to confirm specific targets of housing output to be developed by every housing institution for the period of five years.

- 4.2.1 The Government's goal is, subject to fiscal affordability, to increase housing stock on a sustainable basis to a peak level of 2 200 housing units per annum until the housing backlog is overcome. The Government, sub-national governments and the NHE shall make budgetary provision and put in place the necessary housing delivery programs to achieve this goal.
- 4.2.2 The Government, in partnership with other role players, is committed to upgrade 75% of the informal settlements to formal townships by the year 2030. The attainment of this goal requires the mobilization of public, private and community resources and energy within the context of public, private and people partnership.
- 4.2.3 This policy advocates the increase of Namibian households that can access sustainable credit facilities to 65% for the purpose of acquiring land and housing by the year 2015. Accessibility to affordable financing will be feasible through government subsidies, affordable credit by financial institutions, self-help saving schemes, donor grants and sub-national government subsidized land and services.
- 4.2.4 The contribution of the housing sector to the national economy (GDP) is to be increased to 12% by the year 2020 through direct and indirect job creation, investment in local infrastructure and other business opportunities so created by the growth in housing stock.
- 4.2.5 The Government, NHE and other actors in the housing industry are committed to attract not less than N\$ 1.5 billion private capital for investment in municipal and housing infrastructure development for the next five years. This amount of investment is to be supplemented by investments in mortgages by commercial banks and other financial institutions. Of such investments at least 50% should cater for middle to low income groups (affordable housing).
- 4.2.6 Ninety percent (90%) of the rural population is targeted to have access to basic services such as potable water, sanitation, energy and decent housing by the year 2030.

4.3 Principles for Housing Policy

The following principles form the basis of Namibia's approach to the development and provision of housing. They are integral to the implementation of this framework and should be embraced by housing sector role players in public and non-state sectors.

4.3.1 Partnership and collaboration between public, private and community actors

The Government is committed to a housing process built on the foundations of people's participation and partnerships. All housing role players, including the private sector, local communities, those adequately housed, non-governmental organizations, development agencies, the international community, and others are expected to participate in meeting the housing challenge Namibia faces. This principle calls on all players to contribute their skills, labour, creativity, financial and other resources to the housing process in partnership with one another.

4.3.2 Innovation

The complexity of the housing crisis in Namibia requires much more than conventional approaches to developing housing. The crisis is not just about an enormous backlog, but also about a dysfunctional market, torn communities and a strained social fabric, spatial as well as social segregation, and a host of other problems. Namibia's response to this crisis must therefore be innovative and diverse in nature. The need for innovation is not only that there is flexibility to respond to varied situations and varied inputs but also in respect of how to implement the framework. It is dependable upon housing practitioners, housing beneficiaries and housing developers, as well as government, to utilize the opportunity provided by policy with as much innovation as possible.

4.3.3 Economic empowerment

Housing development as a process represents more than a simple economic activity. It also contributes towards ongoing growth and prosperity, and enhances the creation of stable and productive communities. Government housing policy and strategies therefore are directed at enabling and supporting communities in participating in the satisfaction of their own housing needs, so that they benefit also from skills transfer and economic empowerment processes that complement the physical housing development process.

4.3.4 Quality and affordability

Housing must be built to quality standards at a price that home seekers can afford. Namibia's housing programme cannot afford to build dwellings that last only in the short term, and which soon become cracked and uninhabitable. Not only does this undermine the benefit received by the beneficiary, it also undermines government's plan for a normalized, vibrant housing market in which dwelling units are bought and sold among subsidized beneficiaries. Government investment must be in a quality product that meets the objectives of the broad housing programme for a sustainable housing market. Namibia's housing products must have a market value. Similarly, housing products must be affordable to the beneficiary in the long term. Affordability is significant in a number of areas, including the cost of the unit upon purchase, access to and payment of long term home finance charges, municipal rates and services payments, and long term maintenance and other costs.

4.3.5 Equity and economic justice

Within the framework of fairness and equity, government acknowledges the existing diversity of our society, and responds accordingly. All functional policies and strategies should accommodate the complexities of the upgrading and redevelopment of human settlements in order to create sustainable humane living conditions for residents within the context of a broader community. State housing policies and subsidies programmes should accommodate the needs of the youth, the disabled, of single parent families, of rural households without formal tenure rights, of hostel inhabitants, and of other persons with special needs. This must occur within a framework that gives appropriate attention to these needs in both their urban and rural contexts to ensure balanced development.

4.3.6 Sustainability and fiscal viability

The housing process must be economically, fiscally, socially, financially and politically sustainable. This implies balancing end-user affordability, the standard of housing, the number of housing units required, and the fiscal allocations to housing. It is therefore important that opportunistic short term action does not undermine the viability of medium to longer term interventions. The State has insufficient resources to meet the needs of the homeless on its own. Sustained and substantial investment in housing from sources outside the national fiscals is therefore required. Thus, the housing policy recognizes the fundamental pre-condition for attracting such investment: housing must be provided within a normalized market in order to attract maximum private investment. The challenge is achieving a balance between State intervention (with a focus on the poorest who operate on the fringes of the formal market) and the effective functioning of the housing market as a whole with vigorous and open competition between suppliers of goods and services to end user.

4.3.7 Skills development

The involvement of different actors in the process of delivering housing provides an opportunity for growth in skills and expertise. This impact is particularly real among SME contractors who are involved in the construction of houses. This is one way in which the housing sector shall contribute to the development of human capital, a critical asset for ensuring economic growth and prosperity.

4.3.8 Integration and co-ordination

This principle reinforces the importance of taking a holistic and integrated approach in steering development by different sectors of the economy in which housing can play the role of a catalyst.

4.3.9 Pro-poor orientation

The main focus of this paper is to enable Namibia to provide affordable housing especially to those who face constraints that hamper their capability to help themselves. Hence, its orientation is towards poor communities and low income earners who mostly need support and assistance in the form of financial, technical and other support services.

5. HOUSING STRATEGIES

The two major issues that need to be addressed are firstly, that the provision of housing should, as far as is practically possible, be made affordable to as many Namibians as possible. Secondly, efforts by various housing providers need to be synchronized and regulated in order to establish an effective system of housing delivery in the country.

The following key strategies have been formulated to address the constraints and principles within the housing sector in Namibia:

- i. **Housing: an agent of economic growth**
- ii. **Promotion of capital investment in local and regional infrastructure to speed up the process of land delivery.**
- iii. **Mobilization of domestic savings and affordable credit to provide and finance housing.**
- iv. **Provision of subsidies and grants by government and development partners to support social housing.**
- v. **Creation of sustainable human settlements through an integrated housing development approaches.**
- vi. **Promotion of the use of appropriate and alternative building materials and techniques in order to provide affordable housing solutions**
- vii. **Introduction of a four - based housing mix**
- viii. **Strengthening the housing regulatory environment**
- ix. **Enhancing institutional capacities and cohesion within the housing sector**
- x. **Supporting people housing processes**

5.1 Housing – an Agent of Economic Growth.

Housing should be seen as a process with secure tenure as first priority with possibilities for incremental development, thereby addressing the issues of informal settlement upgrading particularly in urban centers. Government's contribution towards empowering people to become homeowners will enable the new homeowners to use their properties as security for the acquisition of further wealth. This in turn can be a powerful and self-sustaining form of black economic empowerment that creates stable, livable and sustainable communities.

There are three components to the housing asset which this paper seeks to promote, namely:

- **Social asset** (family safety net, citizenship building, neighborhood consolidation)
- **Financial asset** (inheritance, household wealth and equity potential, access to finance)
- **Economic asset** (sustainable livelihood through income generation – home based enterprises and backyard rentals).

5.1.1 Local authorities, through policies, should strive for in situ incremental upgrading with secure tenure.

5.1.2 A support model should be put in place to facilitate accessibility and affordability to land, finances, professional services and other means of livelihood. This White Paper therefore provides for the establishment of a Home Loan Credit Guarantee Trust to be established to provide and facilitate accessibility to technical and financial resources.

5.2 Promotion of Capital Investment in Local and Regional Infrastructure to speed up the Process of Land Delivery

A key issue is the country's ability to mobilize and harness affordable capital to invest in land development which in turn should be easily and affordably accessible by the majority of Namibians. Access to basic services and shelter should be viewed as the inherent right of human beings in Namibia, particularly given the socio-economic background of the Namibian society characterized by poverty, inequality and lack of access to basic services. More local infrastructure is a prerequisite for local economic growth and development without which the country cannot hope to achieve national economic growth and development.

- 5.2.1 Local and regional authorities should find ways of developing and providing affordable land for public and low-cost housing development purpose. These authorities thus need to come up with subsidy schemes to provide affordable land.
- 5.2.2 Central Government should make budgetary provision to give grants, subventions and possibly soft loans to sub-national Governments to invest in local infrastructure.
- 5.2.3 NHE should mobilize private capital to invest, in collaboration with local and regional authorities, in local infrastructure in order to alleviate the backlog of serviced land.
- 5.2.4 Commercial banks, investment houses, pension funds, insurance companies and other financial institutions should work hand in hand with central and local governments as well as NHE to make funds available for local infrastructure development.
- 5.2.5 The approval process of proclamation, surveying, subdivision and registration of municipal land should be streamlined and shortened to a period of six months or less in order to expedite the delivery of land.
- 5.2.6 This policy framework sets the erf size at 300 m² minimum with a proviso that special motivation for smaller erven can be submitted to the Minister of MRLGHRD for exemption consideration.

5.3 Mobilization of Domestic Savings and Affordable Credit to Provide and Finance Housing.

Domestic saving is of critical importance for the achievement and maintenance of sustainable growth and development.

- 5.3.1 The Government Institutions Pension Fund and other private pension funds should provide investment capital to NHE, the Development Bank of Namibia and other similar institutions for housing financing purposes on a wholesale basis. The NHE in turn shall invest such money in housing with a commercial obligation to pay back such money to the pension funds as per contractual terms.
- 5.3.2 The Government Institutions Pension Fund and other private pension funds should serve as guarantee mechanisms to back home loan facilities of their members sought from NHE and commercial banks.
- 5.3.3 Commercial banks will work in close partnership with housing developing institutions to finance mortgages around public and private housing schemes and projects. This approach shall enable public and private sector entities to concentrate on their core businesses and complement each others' efforts and thereby maximize the housing output.

5.3.4 The Government will establish a Home Loan Credit Guarantee Trust whose role is to facilitate accessibility to financial, technical and information services by those aspiring to own housing in an affordable manner. The Trust will predominantly provide credit guarantee facilities to people who are unable to afford credit facilities offered by commercial and development financing institutions. Its' capitalization is open to public and private investment and equity.

5.4 Provision of Subsidies and Grants by Government and Development Partners to support Social Housing.

Recognition and acknowledgement is given to the fact that there are individual citizens and families that do not have any form of income, living in destitute conditions but yet need basic shelters.

5.4.1 Social housing shall be provided to the indigent cases on a subsidized basis. A coherent grant/subsidy system shall therefore be instituted by central Government, Local Authorities and Regional Councils to provide special support to such indigent cases. The Government in this regard will play a pivotal role in providing financial and technical support to social housing development schemes. These include the BTP and community based initiatives.

5.4.2 Sub-national governments shall also contribute to social housing provision through subsidizing land and other services for low income housing purposes. Local Authorities and Regional Councils should not use land, especially land sought for social and low cost housing, as a form of maximizing their income but rather as an affordable means of socio- economic and political empowerment as well as security for the citizenry of Namibia.

5.5 Creating Sustainable Human Settlements through an Integrated Housing Development Approach.

Lack of access to basic services and amenities in informal settlements, deny the people living in such areas their basic rights to a decent and adequate livelihood.

The core of this strategy is three-fold – upgrading of informal settlement areas in terms of providing the basic services and amenities currently lacking in these areas in many urban and peri-urban centres; extending housing to rural areas; and making housing an integral part of development efforts (particularly rural development efforts) of other Government Offices, Ministries and Agencies as well as private sector entities.

5.5.1 Regional and local authority councils, with the support of the MRLGHRD and its Agency, the NHE shall implement informal settlement upgrading programs in their respective localities. The informal settlement upgrading program will consist of components – a) town planning aimed at formalizing such settlements, b) capital investment fund aimed at developing service infrastructure in such areas, c) community mobilization unit whose function is to mobilize and harness people's resources - labour, ideas and other resources, and d) commercial and public amenities such as shopping services, public parks /play grounds etc. The line Ministry will be responsible to mobilize financial and technical resources nationally and internationally to support the sub-national government structures to implement informal settlement upgrading programs effectively. Community based organisations will play a crucial role in mobilizing the people to make their own contribution to the upgrading /development process of informal settlements in collaboration with the authorities.

5.5.2 NHE as the agency of Government, mandated with housing provision, must spearhead the rural housing development program in collaboration with Regional Councils that will bring quality housing services to rural areas similar to the urban programs currently undertaken by the various stakeholders. The strategy promotes mobilization of development finance as well as mortgage finance for people to participate in rural housing development. The sustainability of this development effort will rest on obtaining guarantees in particular from GIPF for civil servants participating in the rural development housing.

5.5.3 The provision of rural housing should not only concern itself with the provision of shelter per se but rather follow an integrated development approach aimed at the total upliftment of the living standards of the rural communities. Rural housing development will therefore be integrated with other services such as health, education, rural electrification and telecommunication, job creation, rural water supply, local and regional economic development, poverty reduction and improved sanitations. There is a need to have an institutionalized linkage to institutions such as Ministry of Health, Ministry of Education, Ministry of Works, Transport and Communication, Mines and Energy and others that have a vital link to housing.

5.6 Promotion of the Use of Appropriate and Alternative Technologies, Methods and Services in order to provide Affordable Housing Solutions

Apart from the conventional technology used in Namibia, alternative building materials and methods should be promoted and it is foreseen that national investments must be made into innovative and strategic industries and technologies in order to source sustainable and effective housing solutions for Namibia. The exploration of alternative technologies include renewable energy and energy efficiency technologies which entail among others solar water heaters and solar home systems. The objective of utilizing alternative approaches is to minimize cost and thereby make housing affordable in Namibia. The approach also promotes the use of available local resources and value addition orientation for sustainable economic growth.

5.6.1 The following four alternative options should be explored by the Namibian housing industry:

- Alternative building materials and technologies;
- Alternative housing types;
- Alternative service levels and standards; and
- Alternative forms of ownership.

5.6.2 This strategy should also borrow from the experience of people processes involved in housing development at community based levels where such experiences have worked and proven to be cost effective and easily implementable.

5.6.3 There shall be a focus on affordability. The provision of affordable housing is a special bias of this policy which entail a following factors that influence the state of affordability and hence need to be addressed by custodian institutions:

- Financial institutions should consider reducing the cost of capital in order to make credit affordable in support of the provision of affordable housing in Namibia;
- Local Authorities and Regional Councils should provide land at affordable price and should not pursue a policy that aims at maximizing their income from land sale proceeds;
- Municipal service accounts have remarkable impact on the ability of individual consumers to afford housing and hence should be addressed as part of Namibia's efforts to provide affordable housing to the needy;
- Building materials form the basis of input into the development and provision of housing and thus supplies of such inputs need to price them at affordable rates;

The process of developing and providing a house also generates highly priced professional service inputs that need to be reviewed by those service providers in order to enable Namibia to deliver affordable housing.

5.7 Introduction of a Four-based Housing Mix

The strategy focuses on the provision of various types of houses with the view to satisfy the demands of the housing market in Namibia in both rural and urban areas. Many residents are not interested in committing themselves to acquiring a house and serviced land and thus are simply interested in renting an accommodation. This situation calls for the introduction of rental housing apart from the provision of credit-linked housing.

Four types of housing processes will be developed in the Namibian housing market:

- Credit linked-housing (houses for sale)
- Rental accommodation including rent to buy option
- Social / subsidy housing
- Houses built by people themselves

5.7.1 The MRLGHRD, Local Authorities and Regional Councils shall, through the Build Together Program support social /subsidy housing programs and efforts.

5.7.2 NHE shall be involved predominantly in providing credit-linked and rental housing within the affordable housing market.

5.7.3 Private housing developers and commercial banks are envisaged to continue serving the high to upper housing market segment predominantly.

5.7.4 Government recognizes the need to support the efforts of community-based organizations that are expected to predominantly play a role in facilitating housing by people themselves. This policy framework also promotes the involvement of commercial and development

banks in financing affordable housing through partnerships with the NHE as well as with other governmental and non-governmental agencies involved in housing provision endeavour. Of particular interest is the identified role of the GIPF and other private pension funds to do two things:

- a) To provide guarantees to their members who access loans from NHE and other financing institutions to build houses anywhere in Namibia including the rural areas; and
- b) To provide lump-sum upfront capital to the housing sector through NHE for investment in housing and related local infrastructure

5.7.5 Local Authorities and Regional Councils shall encourage high density development of housing (blocks of flats and apartments) in their localities with the view to reduce cost of land and to enhance positive and attractive image and outlook of their local authority and settlement areas. High density development requires bigger plots of land in order to make the built environment livable and conducive to adequate livelihood.

5.8 Strengthening the Housing Regulatory Environment

Through legislation, the provision of subsidies, and through the creation of appropriate institutional frameworks and support structures, government seeks to create an enabling environment in which the housing process is people-centred and partnership thrive. The regulatory framework shall be flexible enough to accommodate unconventional methods and practices of developing land and top structures. This, in turn will enhance the ability, creativity and aspiration of many people who are willing to help themselves with housing provision and development

- 5.8.1 The National Housing Development Act of 2000 will require amendment in order to cause harmony subsequent to the adoption of this White Paper by Cabinet.
- 5.8.2 A regulatory body, the Housing Industry Regulatory Council (HIRC) will be established by an Act of Parliament to regulate the whole housing sector. The duties and functions of the HIRC shall include the registration of all housing developers operating in Namibia and to ensure adherence to and compliance with the provisions of the NHC by all housing development agencies and companies.
- 5.8.3 A Namibia Housing Code (NHC) will be put in place to provide a regulatory framework within which the Housing Industry Regulation Council (HIRC) will perform its duties. The MRLGHRD will, in consultation with the NHAC, the NHE and in consultation with the Ministry of Works and Transport develop the Namibia Housing Code.

5.9 Enhancing Institutional Capacity and Cohesion within the Housing Sector

In order to support the efforts of the various parties in the housing process, government housing policy is primarily facilitative. The core of this strategy is to strengthen coordination and interaction among public and private as well as non-governmental institutions and agencies involved in the housing arena.

- 5.9.1 The NHAC in collaboration with the MRLGHRD and the NHE, shall facilitate the arrangements of the national housing forums on an annual basis and national housing conferences which will bring stakeholders together to deliberate and discuss housing related matters at the national level. The NHAC shall continue to play its role of advising the Minister MRLGHRD on all policy issues and other matters related to housing as per the relevant provision of the National Housing Development Act of 2000.
- 5.9.2 This White Paper provides for the Habitat Research and Development Centre through its Skills Development Resource Centres to be charged with the responsibilities of providing technical support to Local Authorities and Regional Councils in order to manage and operate the Build Together Program efficiently and effectively. Capacity building and empowerment of Local Authorities and Regional Councils to deal with data collection, decision making in terms of housing delivery must be strengthened. The same technical support could as well be provided to community-based housing initiatives such as Shack Dwellers Federation of Namibia (SDFN), Namibia Housing Action Group (NHAG). The Skills Development Resource Centres will be run by qualified and professional personnel and shall serve as a conduit through which Government subsidies and donor funding will be channeled to affordable housing in addition to technical capacity provision.
- 5.9.3 The Habitat Research and Development Centre (HRDC), shall further coordinate, in collaboration with the Skills Resource Development Centres, research activities in the housing sector and manage a national housing database. The national housing database will serve as an important mechanism to enable the housing sector to measure, through information and statistics so gathered, the contribution housing is making to Namibia's economic growth within the national statistical framework.

5.10 Supporting People Housing Processes

The strategy is aimed at building capacity of the poor to manage their scarce resources and support each other. Beneficiaries require technical, financial, logistical and administrative assistance so as to succeed in their people's housing development processes. With government support in terms of access to subsidies and technical support, communities will be able to build their own housing, supplementary to the market-driven process which commonly focuses on a developer-driven process, with or without mortgage finance. The increased value of properties, (which through the subsidy scheme people will own) will place them in the formal market if they wish, and allow them to accumulate wealth as an integral part of the normal market system.

- 5.10.1 In both urban and rural areas, the people's housing process shall apply to all families eligible for housing subsidies, and who:
- a. Are on fully serviced sites and have ownership rights; or

- b. Have been settled on fully serviced sites but have not yet received ownership rights; or
- c. Have settled informally on land and are not yet in possession of any form of tenure rights; and / or
- d. Are without land in the sense that they reside in hostels, backyard shacks and any other form of accommodation without secure tenure.
- e. Have un-contested informal land rights in respect of state land.

5.10.2 For such households, Government shall provide the financial resources in the form of housing subsidies (consolidation, project-linked, institutional and rural subsidies) and facilitation and establishment grant funding for the preparation for and establishment of housing support functions (technical, financial, logistical and administrative support regarding the building of their homes, on a basis that is sustainable and affordable).

5.10.3 The DBTP will be strengthened in terms of financial support and providing technical / managerial support to regional and local authorities as well as educating the beneficiaries.

6. IMPLEMENTATION AND INSTITUTIONS

The outcome of an enabling environment is that together, all parties to the housing process share the risk and rewards of that process. It is critical that communities are no longer required to shoulder the risk of bad housing alone, as they have done in the past. In the current socio-economic environment, government alone cannot afford to relieve them of this burden. The private sector and other parties must also come on board.

The following existing and possible future institutions are instrumental in the implementation of this White Paper:

- The MRLGHRD, which will be responsible for the administration of this White Paper
- The National Planning Commission
- The Ministry of Lands and Resettlement (MLR)
- National Housing Enterprise
- Housing Industry Regulatory Council (*proposed*)
- National Housing Advisory Committee
- Habitat Research and Development Centre (Skills Development Resource Centres)
- National Habitat Committee
- Regional and Local Authority Councils
- Home Loan Credit Guarantee Trust (*proposed*)
- Shack Dwellers Federation of Namibia/Namibia Housing Action Group and other NGOs
- Private sector entities.

6.1 Resources and Capabilities

Availability of requisite resources and proper management systems are essential ingredients for the implementation of this policy and strategy. It requires mobilization and harnessing of public, private and donor money.

- 6.1.1 The Government will provide funds to local and regional authorities as well as to NHE in order to finance service infrastructure and housing development. The NHE will actively mobilise domestic savings as well as source private capital from commercial and development banks locally and internationally. It is imperative that NHE partners with other financial institutions to finance mortgages and or housing construction around projects executed by NHE in various localities and regions.
- 6.1.2 Central to providing access to financial resources is the proposed creation of the Home Loan Credit Guarantee Trust. It will be managed by competent and knowledgeable people and its operations will be funded by Government and/or development partners. The operational structure, the funding of the Trust and other organizational matters will be initiated by the MRLGHRD.
- 6.1.3 The housing circumstances of employees have a material influence on their health and productivity. Housing in Namibia requires the mobilization of every effort, including those of employers in relation to their employees. It is incumbent on employers to know the housing circumstances of their employees and to, within their means, provide advisory, administrative, financial and other material assistance in order to improve the housing circumstances of their employees. This process and challenge would be undertaken in consultation with the affected workers and the representative trades unions. As such businesses and employers shall put in place housing support schemes to enable their employees access decent housing.

6.2 Research and Information Management System

The HRDC in collaboration with the Polytechnic of Namibia, University of Namibia and Vocational Training Centres shall undertake research activities in the housing sector. The Centre will also receive statistical information from NHE, MRLGHRD and SDFN and administer an information management system, which shall feed information into the national statistical information system run by National Planning Commission Secretariat and Bank of Namibia on a quarterly and annual basis. With such database and information management mechanism, Namibia will be in the position to measure its housing development efforts and the impact of housing on the country's economic growth.

6.3 Regulation

Namibia's housing industry needs to be regulated so as to promote stability of the sector and to protect the interest of all stakeholders especially customers of various housing developers. In this regard, the MRLGHRD in collaboration with NHE and the Ministry of Works and Transport will develop a Housing Code for the country in order to strengthen the housing regulatory environment. The Code will be used by the proposed National Housing Industry Regulatory Council as a basis for regulating the housing industry. The Housing Industry Regulatory Council shall serve as a regulatory body for the whole housing sector. It will undertake its activities within the context of this strategy and in particular Namibia Housing Code in order to ensure safety, security and smooth delivery of housing products in Namibia.

Defective workmanship and other product defects have, in the past, compromised housing consumers and consequent losses by financial institutions. Contractors should be obliged to stand behind products delivered to vulnerable consumers without the necessary knowledge and expertise to assess the technical integrity of the product received. It is further believed that the construction industry as a whole should create a mechanism through which an accredited contractors' warranty will be backed by a central warranty mechanism in the event of such a contractor failing or not being able to meet his / her warranty obligations. Of specific importance will be to ensure that such a scheme does not, by virtue of qualifying requirements exclude small and emerging building contractors from participation in the provision of housing. The possibility of special mechanisms to enable such participation without compromising the right of the consumer to a proper standard product, is currently under investigation. It is envisaged that consumers will be given the choice to either contract with an accredited contractor or to deliberately waive cover under the proposed warranty fund, under which circumstances there will be a legal obligation on the contractor to disclose this fact to the buyer.

6.4 Environmental Impact Assessment

Environment impact assessment should be undertaken by every developer before significant housing development project is implemented. It is a formal study whereby information on likely environmental impacts, possible alternatives, and mitigating measures of a given proposed project are determined.

To ensure sustainable human settlement development the following measures will be necessary:

- a) Environmental Impact Assessment (EIA) will be applied on sources of building materials, such as quarries to check against possible negative impacts on the environment;
- b) Developers will be required to submit an EIA report together with the development proposal. Where in the opinion of the approving authority, the proposed development activity is likely to have injurious impact on the environment, such development will not be approved unless remedial measures are appropriately put into place.

6.5 Skill Development and Innovation

Skill development and innovative thinking are important interventions to enable the housing sector to deliver goods and make a meaningful contribution to Namibia's economic growth. Creating and enhancing institutional and individual capacities is a task that requires joint efforts of the MRLGHRD, sub-national governments, UNAM, Polytechnic, NHE, private sector, and NGOs. Training of architects, surveyors, planners, engineers, administrators and other related professionals shall form priority areas in the housing sector.

6.6 Education and Awareness Program

The majority of home owners and potential home owners in Namibia are first generation property owners who need proper education and orientation on what it means to own property in proclaimed areas and ways to use such assets to build up further wealth in their families and communities. It is for this reason the Government recognizes the need to promote understanding, knowledge and responsibility around the issue of home ownership and management of assets. All key public housing developers will institute training and education programs to help clients and potential clients understand all-important aspects of home ownership. These institutions include local and regional authorities responsible for delivering the Build Together Program. NHE will assist the NHAC and the MRLGHRD in coordinating the arrangements of housing forums including national housing conferences as well as in developing and reviewing national policies on housing.

6.7 Monitoring and Evaluation

The functioning and performance of the housing sector in Namibia has not been effectively monitored and evaluated through regular assessment of progress towards the objective of providing adequate shelter for all. Monitoring and evaluation shall thus form part and parcel of this housing strategy as such results will feed back into review processes of policy, strategy, programs and projects in order to respond, in a timely manner, to any constraints that may be identified during implementation.

6.7.1 The MRLGHRD in collaboration with role-players will develop and implement strategic plans and action plans to further the implementation of this strategy. The strategic plans will cover a time frame of five years in line with the National Development Plans and in turn such strategic plans are to be implemented through annual Action Plans. Based on their Action Plans, role-players will submit annual progress reports to the MRLGHRD for discussion and record purpose. The MRLGHRD shall in turn submit a combined progress report to relevant Cabinet committee as part of the overall sector reporting system. Based on their strategic plans, a five year report will be submitted by role-players to the National Planning Commission through the MRLGHRD as part of the NDP term reviews. The implementation and review of the five-year strategic plans and annual Action Plans referred to above will be guided by the following principles and indicators:

- a) All plans should be harmonized and integrated with the goals and objectives of Vision 2030 and the contemporary National Development Plan;
- b) The number of houses developed and occupied in the middle to low income earning groups;
- c) The number of loans /credit facilities given to middle to low income groups;
- d) The number of erven developed and sold to public and private developers;
- e) The number of affordable houses built in rural and semi-rural areas; and
- f) Direct and indirect jobs created in the housing industry as per localities on a temporary and permanent basis.

6.7.2 Measuring the impact of housing on national economy

The impact of the housing sector to Namibia's economic growth shall be measured on a quarterly and annual basis. Hence this strategy advocates the need for the establishment of a database and information management service to be managed by the HRDC. Statistical information will be supplied to HRDC on a quarterly basis by all major providers of housing such as the MRLGHRD (Build Together Program), NHE, SDFN and private sector entities involved in housing delivery and financing in Namibia.

Apart from the official statistical information HRDC will receive on the state of housing provision from the institutions indicated above, the Centre will also rely on research and survey materials produced by itself, Polytechnic of Namibia, UNAM and other institutions.

The HRDC will in turn feed the statistical information received into the national statistical information management system administered by the National Planning Commission and Bank of Namibia for quarterly and annual reporting on the state of national economic performance.

CONCLUSION

Decent housing and access to fundamental services is one of the gatekeepers for a dignified life. Housing development, in both urban and rural areas, is part and parcel of Namibia's development efforts in order to complement other interventions aimed at bringing development to the majority of the people of Namibia. The housing sector thus presents a great potential to become an engine of equitable socio-economic wellbeing.

This White Paper advocates the concept of inseparability between housing and service infrastructure; hence the importance of investment in local infrastructure and accelerated land delivery as prerequisites to housing provision. In the same vein, Government recognizes the need to make housing affordable through cost cutting and or subsidizing land and finding affordable cost of capital for the low-income earners.

Institutional and individual capacity enhancement in an enabling national framework remains an important ingredient if the housing sector is to deliver adequate housing and make meaningful contribution to the country's poverty reduction efforts.

This policy and strategic framework will be reviewed after every 10 years in order to adapt it to contemporary situations and environment.

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