

Housing and Sustainable Urban Development in Namibia

By Dylan van Wyk

It is estimated that by 2030 about 60% of the world's population will live in urban areas. The developing world in particular, has seen a huge increase in rural to urban migration. This is especially evident in many African countries, Namibia being no exception. Based on data from the 2011 Namibia Population and Housing census the percentage of people living in urban areas increased from 27% in 1991 to 33% in 2001 and to 43% in 2011. This is an indication that Namibia will transit from being a mostly rural society to a mostly urban one within the next two decades, with a third of the country's population projected to be living in the Erongo and Khomas regions. The huge increase in people living in informal settlements in and around towns is the main symptom of this trend.

Sustainable Development Goal 11 (*Sustainable cities and communities*) aims to make cities and human settlements inclusive, safe, resilient and sustainable by the year 2030. Ensuring that urban spaces are safe and sustainable entails providing safe and affordable housing available to all, and upgrading informal settlements. This also includes providing basic services like sanitation, electricity and water. SDG11 also aims to minimise the environmental impact of urbanisation, provide affordable public transportation and provide universal access to green and public spaces. To achieve these goals an integrated urban development plan is essential.

In the past, many have argued that housing is a by-product of economic growth. After an economy has grown, people will be able to afford housing and conditions will improve as wealth increases. However, more recently opinion has shifted to the fact that housing is an important catalyst to economic growth. In fact, some have claimed it an essential prerequisite for growth.

A lack of quality housing can have severe negative effects on people's sanitation, ability to learn and overall wellbeing and health. This in turn has consequences for economic productivity. Unavailability of low-income housing is also a restrictive factor in the mobility of skilled and unskilled labour. If housing is not affordable or available for the general working population, which include teachers, nurses and cleaners, then this will have an impact on the productivity of a place as labour cannot be attracted and retained where it is required.

It is also of vital importance that urban development integrates residential areas, offices, light manufacturing, service centres and recreational areas in order to reduce travel distances, and encourage environmentally friendly modes of transport such as walking and cycling.

Housing also plays a significant role in economic development due to its forward and backward linkages to other areas of the economy. These include the construction sector, financial intermediation sector and the retail sector. Most importantly the construction of housing creates employment, not only in the construction sector itself, but because of many off-site activities including land surveying, draughtsmen, building materials production and marketing and distribution of construction materials and equipment. Research in other parts of the world has found that for every job created in the construction industry, two are created in other sectors.

The Namibian housing market faces a large mismatch between supply and demand, and many find it difficult to afford housing. To date the national housing backlog is estimated at over 100,000 housing units, which is growing at an annual rate of about 3,700 units.

According to the May 2016 First National Bank Housing Index, a median housing unit costs N\$800,000 by a private developer, while a small-sized property costs N\$280,000 by a public developer (Namibian Housing Enterprise). At current interest rates a household would have to earn about N\$11,500 a month to be able to afford a mortgage for a small house, and roughly N\$32,500 for a medium house. A worrying fact is that the same median home cost only N\$450,000 five years ago, representing a 78% increase.

Seeing as almost 90% of the population earn less than N\$7,000 a month, the majority of the population cannot afford mortgaged housing in urban centres. Some of the factors contributing to the increase in house prices include shortage of serviced land in the face of increasing demand, increases in the costs of building materials and the use of auctions by local authorities to distribute land. The limited availability of serviced land is mainly due to a lengthy and outdated approval process for proclamation, surveying, subdivision and registration of land.

Government introduced a number of national policies and has been allocating financial resources to facilitate access to housing among low income and ultra-low income households. The Mass Housing Development Programme was launched and implemented by the Government in 2013, but suspended in 2015, aimed at increasing investment in the affordable housing sector to increase the production of the housing stock and significantly increase the supply towards meeting the demand for housing in the country.

Furthermore, the Mass Land Servicing Programme aims to increase the availability of serviced land by 200,000 plots. Additionally, the government has resolved to amend the land servicing process in accordance with an agreement reached with the Affirmative Relocation Movement to fast track land delivery.

The issues faced in the Namibian housing market are well known and have been acknowledged by government. However, looking back at the track record for institutions like the National Housing Enterprise, which has only delivered 450 houses per year since 2003, we can only hope that the new measures are more successful.

When considering the issue of housing in Namibia, it should be noted that both the public and private sector have a role to play in the effective delivery of affordable mass housing. The ideal situation would be if housing construction and finance were primarily borne by the private sector, with the public sector subsidising and supplementing with finance and planning where needed.

During the course of the last few years a few alternative housing solutions have been suggested. The Namibian MOME modular home has been a very interesting proposal. These homes are built almost entirely from fibreglass. They offer a flexible, prefabricated two-bedroom home, with integrated water and electricity solutions.

The material is fireproof and has a tensile strength comparable to mild steel, and acts as insulation from the Namibian heat. It is also lightweight and can easily be transported. The

process uses no water, making it an ideal solution in Namibia's current water shortage and giving it a distinct advantage over brick and mortar. The construction process is also quite fast, taking on average five days to produce a unit. One home is expected to cost between N\$74,000 and N\$150,000.

One can also visit the Habitat Research and Development Centre, which has aimed to be the centre of research for alternative building materials focused on sustainable low-cost housing in Namibia. The centre is a monument to what can be achieved using relatively unskilled labour and low cost materials including earth bricks, compressed earth, sandbags, soil-filled tyres and cob, recycled steel beams and corrugated metal.

Urban areas are often particularly vulnerable to the impacts of climate change due to their geographic location and their structural density. The use of renewable energies and energy efficient construction methods reduces not only emissions and prevents serious consequences of climate change, but also cuts the operational costs of houses.

Institutions like the Shack Dwellers Federation of Namibia (SDFN) have played a pivotal role in alleviating housing shortages. The SDFN is a network of community-led savings groups, which is subsidised by government and supported by private sector companies.

The SDFN comprises of 620 housing groups and provides members with loans ranging from N\$8,000 to N\$26,000. The loans are repayable within a period of 11 years at an interest rate of 0.5% per month, and require a 5% deposit. After the land is purchased by the SDFN, the individual members are collectively involved in clearing the land, as well as undertaking other manual labour during the construction phase. This helps to reduce construction costs to as little as N\$705 per square metre. So far 3,488 houses have been completed by the members themselves.

Furthermore, some private companies have taken it upon themselves to provide lodgings to their employees. A notable example, among others, has been ship repair company Elgin Brown & Hamer (EBH) Namibia, which purchased 10,000 hectares of undeveloped land for the sole purpose of building 220 houses for its employees. First time home-owners employed by EBH Namibia, who have previously not had access to affordable housing, will be given first option to purchase the houses directly from the developer, via bank-approved loans.

In summary, housing is an extremely important goal for sustainable development, but the way in which houses are constructed influences the achievement of other SDGs as well. Despite various public and private sector initiatives, the situation still needs serious attention if we are to reach our Vision 2030 goals of providing affordable housing to all, and to do so in a carefully planned and sustainable manner.



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