



REPUBLIC OF NAMIBIA

**MINISTRY OF URBAN
AND RURAL DEVELOPMENT (MURD)**

Revised National Housing Policy 2022

Draft for stakeholder consultation

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The TTNHP would like to acknowledge the contributions of **XXX**

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1 FOREWORD

...by the Minister of Urban and Rural Development

2 ACRONYMS AND ABBREVIATIONS

ACLH	Affordable Credit-Linked Housing
AfDB	African Development Bank
CBO	Community Based Organisation
CLIP	Community Land Information Program
CO	Certificate of Occupancy
DBTP	Decentralised Build Together Programme
DW	Development Workshop Namibia
FLTS	Flexible Land Tenure System
GDP	Gross Domestic Product
GIPF	Government Institutions Pension Fund
HPP	Harambee Prosperity Plan
HRDC	Habitat Research and Development Centre
HSF	Housing Subsidy Formula
HOSSM	Home Owner's Scheme for Staff Members
IAP	Implementation Action Plan
ICT	Information and Communication Technologies
IGD	Incremental Greenfield Development
LA(s)	Local Authority(ies)
MAWLR	Ministry of Agriculture, Water and Land Reform
MCA-N	Millennium Challenge Account Namibia
MHDP	Mass Housing Development Programme
MoF	Ministry of Finance
MoHSS	Ministry of Health and Social Services
MoWT	Ministry of Works and Transport
MTEF	Medium Term Expenditure Framework
MULSP	Mass Urban Land Servicing Programme
MURD	Ministry of Urban and Rural Development
NDP-5	Fifth National Development Plan
NAISU	National Alliance for Informal Settlement Upgrading
NGO	Non-Governmental Organisation
NHAG	Namibia Housing Action Group
NHDF	National Housing Development Fund
NHP	National Housing Policy
NHIS	Namibia Housing Information System
NPC	National Planning Commission
NSDF	National Spatial Development Framework
NUA	New Urban Agenda
NUST	Namibia University of Science and Technology
OECD	Organisation for Economic Co-Operation and Development
O/M/A	Organisations, Ministries and Agencies
PISU	Participatory Informal Settlement Upgrading
POS	Public Open Space
PPP	Public-Private Partnership
PSUP	Participatory Slum Upgrading Programme
RC	Regional Councils
SDFN	Shack Dwellers Federation of Namibia
SDG	Sustainable Development Goals
SDI	Shack/Slum Dwellers International
TIPEG	Targeted Intervention Programme for Employment and Economic Growth
TFRDEP	Trust Fund for Regional Development and Equity Provision
UN	United Nations
UN-Habitat	United Nations Human Settlements Programme

3 GLOSSARY OF CONCEPTS, TERMS AND JARGON

For the purpose of this policy the following definitions apply:

Adequate housing (UN definition)	This includes security of tenure; availability of services; adequacy of materials; facilities and infrastructure; affordability; habitability; accessibility; location; and cultural adequacy.
Affordable housing	Housing-related expenditure (for rental or homeownership) not exceeding 30% of combined household income, aligned with current income demographics. Affordability is one component of adequate housing
Beneficiary household	A household that benefitted from a <i>housing opportunity</i> as defined herein
Bulk infrastructure	This can vary depending on context, but generally refers to roads, storm water management, sewerage reticulation and treatment, water storage and reticulation, electricity, waste management and information technology
Certificate of Occupancy	These include certificate issued by a <i>Local Authority</i> which certify the name of the inhabitants living in a specific structure in an <i>informal settlement</i>
Greenfield extension	New planned or unplanned development on unimproved land
Habitable dwelling	A dwelling unit that provides the inhabitants with adequate space, protects them from cold, damp, heat, rain, wind or other threats to health, structural hazards and ensures physical safety of occupants.
Housing density (gross)	Number of housing units per unit of land (hectare) within a boundary which includes other land uses such as schools, streets, parks, etc.
Housing density (net)	Number of housing units per unit of land (hectare)
Housing opportunity	Core deliverables of <i>implementors</i> under this policy, including Greenfield Plots, Improved Plots, Core Houses, Improved Houses, Credit-linked Houses and Rental Dwellings
Implementor	State or non-state organisations with the mandate to provide <i>housing opportunities</i>
Inclusionary Housing Incentives	Incentives for market-related housing developments to include a set percentage of units that are affordable to income groups that are lower than the local median income to ensure mixed-income neighbourhoods
Informal settlement	Un-proclaimed settlements and areas where groups of housing units have been constructed on land that has no water, sanitation and electricity services and the occupants have no legal claim to occupy the land or occupied the land illegally
Local authority	The authorities governing Namibia's municipalities, towns, and villages as per the Local Authorities Act of 1992 and its amendments
Participation	The active involvement of residents in policy, planning, implementation, and evaluation of strategies under this policy
Public Private Partnership	Public-private partnerships as per the Public Private Partnership Act of 2017
Public sector	All government or parastatal institutions, (offices, ministries, agencies) at national, regional, and local authority levels
Public space	Any street, square, recreation ground, garden, park or enclosed space situated within and/or owned by the <i>local authority</i> for the use and benefit of the public
Regional councils	The authorities governing Namibia's regions as per the Regional Councils Act of 1992 and its amendments
Rural Housing	Housing in places that are not promulgated as <i>urban areas</i> (<i>this excludes housing on private agricultural farmland</i>)
Services (basic)	This can vary depending on context, but generally refers to provision of water, sewerage reticulation / treatment and electricity
Services (full)	This includes land that has been surveyed, planned and approved by the relevant authorities and includes <i>bulk infrastructure</i>
Subsidy	Financial support from the state that is not recovered from the beneficiary
Re-blocking	Participatory repositioning of existing <i>substandard dwelling</i> in <i>informal settlements</i> to enable provision of <i>bulk infrastructure</i>
Starter title	Individual title under the Flexible Land Tenure Act of 2012 requiring collective administration
Landhold Title	Individual title under the Flexible Land Tenure Act of 2012 requiring collective administration
Substandard dwelling	Makeshift building for mainly residential purposes colloquially referred to as 'shack'
Tenure security	This includes title deeds as per the Deeds Registries Act of 2015, title categories under the Flexible Land Tenure Act of 2012, leasehold agreements and certificates of occupancy issued by <i>Local Authorities</i> .
Townland	Land situated within a <i>Local Authority</i> jurisdiction but outside the boundaries of proclaimed urban land
Urban area	Land under the jurisdiction of a <i>Local Authority</i>

4 EXECUTIVE SUMMARY

The National Housing Policy (NHP) was adopted in 1991 and revised in 2009. The current revision was necessitated by a shifting policy direction in the urban land and housing sector in response to the economic situation requiring larger policy impact with reduced capital outlay, recent developments in the housing sector, fragmentation of policies, programmes, and projects and the lack of a detailed Implementation Action Plan as envisaged by the 2018 Guidelines for Public Policy Making by the National Planning Commission (NPC). The revision of the NHP outlines the overarching framework for a **focused, affordable and pragmatic approach to progressively realize adequate housing** for the largest majority in Namibia in the short (2022), medium (by 2024), and long term (beyond 2026).

Rapid and largely informal urbanisation provide major developmental challenges: by 2050 Namibia's urban population alone will outnumber its current overall population; today, about 50% of Namibia's population still has no access to adequate sanitation; and about 66% of Namibia's urban population lives in an informal settlement. In this context adequate housing is a cross-cutting issue with major significance for the attainment of national and international development goals and allows to harness the opportunities that urbanisation presents for social development.

The Namibian housing crisis is characterised by high housing costs due to slow and costly delivery of serviced land and negligible affordable formal housing production, in a context of high un- and underemployment, and extremely low levels of household income. Consequently, the 2009 NHP emphasis on homeownership as economic driver and the ensuing predominant focus on credit-linked housing during the Mass Housing Development Programme (MHDP) pilot phase did not create the envisioned impact as the houses remained unaffordable to the majority. Furthermore, public spending on housing development in Namibia has historically not exceeded 0.1% of GDP, far below regional and international benchmarks.

The revision of the NHP rather emphasizes the attainment of adequate and affordable housing for the largest number of inhabitants, prioritising the *Ultra-low- and Low-income groups* that make up about 88% of households nationally, through an incremental, targeted and collaborative approach. The policy aims to incrementally enable access to secure tenure and service infrastructure, and to financially support the construction and incremental improvement of housing units, in the process harnessing communities' own contributions towards the improvement of their living environment.

The policy shifts the focus from the government-led provision of houses to enabling a broad spectrum of stakeholders to deliver *housing opportunities*. It emphasises the need for increased public spending on urban amenities to render neighbourhoods more liveable and allow residents to access the *spatial opportunities*, in other words the opportunities for social and economic empowerment, public spaces and transportation networks, educational and healthcare facilities, and the generally increased density of social interactions, that urban areas offer.

Preliminary estimates show that there is an annual need of about 30 000 housing units to

replace existing and future substandard housing from 2021 until 2030. However, the planning of annual delivery of housing opportunities at National, Regional and Local Authority levels will be based on a continuous housing needs assessment process facilitated through the Namibia Housing Information System (NHIS), as well as through implementor's own mechanisms for enumerating housing needs such as the Community Land Information Programme (CLIP), amongst others.

The short and medium-term policy focus will be on:

- A. *Participatory Informal Settlement Upgrading* to unlock housing opportunities for the priority target groups (Ultra-low and Low-income households) at the required scale;
- B. *Incremental Greenfield Development* to pre-empt further informal settlement formation; and
- C. *Urban densification* to increase spatial opportunities through regulatory review and development incentives.

To structure the state intervention towards adequate housing in the long term (leading up to 2030), the policy envisions an equitable and transparent housing subsidy/grant system that includes capital grants for upgrading of services and/or servicing of new extensions aimed at implementing agencies as well as end-user subsidies for the construction and improvement of housing and progressive subsidies for rates and taxes, with clearly structured eligibility criteria and transparent allocation mechanisms.

To unlock private investment in housing provision and land servicing the policy aims to improve regulation of public-private partnerships (PPPs) for the provision of credit-linked and medium-density rental housing serving largely the bankable middle-income sector. Such PPPs can be established with the National Housing Enterprise (NHE) and/or Regional Councils (RCs) and/or Local Authorities (LAs), in line with the Public Private Partnership Act of 2017. Furthermore, the policy outlines incentives for residential densification of single residential neighbourhoods as well as inclusion of low-income housing in market-related residential developments.

To ensure maximum articulation between housing production and the larger infrastructural system that support it, the forthcoming National Strategy for Informal Settlement Upgrading, Urban Land Reform Policy and the Spatial Development Framework envisaged in the Urban and Regional Planning Act of 2018 (URPA) require direct alignment with this policy, amongst a host of other related policies and strategies which make up the urban development regulatory framework.

Ultimately, achieving the envisioned outcomes of this policy will require a well-coordinated and collaborative alliance between Government Offices, Ministries and Agencies (O/M/As), the private sector, civil society organizations, academia, and inhabitants. The policy envisions mechanisms for stakeholder capacity building, as well as research and innovation. This policy along with its Implementation Action Plan (IAP) will thus require continuous public and stakeholder engagement through the strengthening of existing sub-national Habitat Committees and their alignment with a Public Forum on Housing and Urbanization to facilitate evaluation and monitoring of policy progress at the National level.

5 INTRODUCTION

Urbanization in Namibia and the associated urban land and housing crisis has in recent years become a central topic of public debate. Rapid urbanization is partly attributed to rural underdevelopment, which attracts large numbers of people to urban centres. Since independence, legacies of historical spatial inequality in urban areas have been compounded by inadequate and insufficient measures to address the urban land and housing question.

The overall population of Namibia has increased from 1,4 million in 1991 to 2,1 million in 2011. Assuming medium level population growth, the population is expected to be 3.4 million in 2041ⁱ; figures from the United Nations project a population of 3.7 million by 2050, out of which 68% (2.5 million) is expected to be urbanⁱⁱ. Between 2001 and 2011, the urban population grew by 50% compared to the rural population, which decreased by 1.4%, indicating a high rural-urban migration amongst other factors. In addition, since independence a high number of settlements were promulgated as local authority areas, bringing their populations into the fold of urban residents.

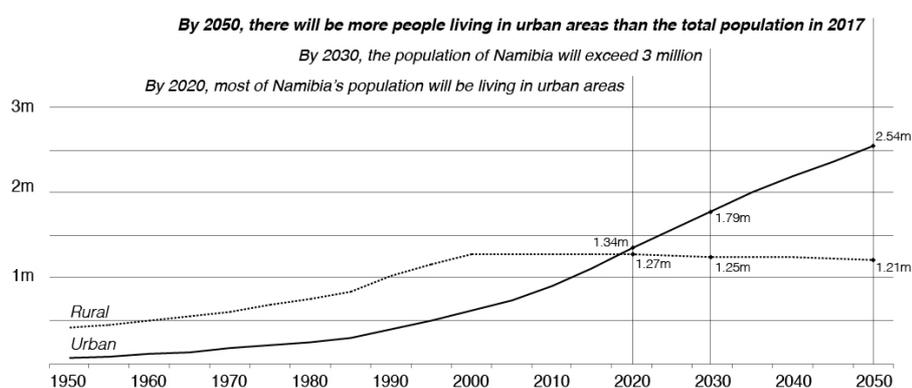


Figure 1: Urban and rural populations projections. Source: World Urbanization Prospects: the 2014 Revision.

The rural-urban population distribution is uneven between regions; 85% of the population of Khomas and Erongo lives in urban areas, while in regions like Ohangwena, Omusati and Oshikoto only 15% doesⁱⁱⁱ. Migration lies at the heart of this uneven distribution; at the national level the 2011 census indicated that about 33% of the population lived in a place different from their place of birth, and in the Khomas and Erongo regions, almost 50% of the inhabitants were born elsewhere. The Namibia Statistics Agency (NSA) reports that 63% of those who migrated to urban areas do so due to unemployment in their area of origin. This is a key factor in the growth of urban informal settlements; the City of Windhoek reports that 85% of those living in informal settlements come from the Northern areas of the country^{iv}.

From peripheries of medium and large towns to small rural settlements, informal settlements are present in virtually all urban areas of the country. Today, their residents make up about 67% of the urban population^v. Urban development largely follows apartheid-era spatial patterns and perpetuates socio-economic inequality with widespread informal settlements generally deprived of basic services and spatial opportunities on one side and enclaves of extreme wealth with living standards comparable to first world countries on the other. Urban inequalities are also motive for social tensions, which have been identified as a matter of concern given Namibia's economic outlook^{vi}.

6 BACKGROUND

6.1 The state of housing in Namibia

6.1.1 Rapid and informal urbanization

The key indicators on the state of housing in Namibia is that half of the population does not have access to adequate sanitation^{vii}; about a third of the National population lives in informal settlements^{viii}; and that in urban areas this proportion reaches 2/3. Although many informal settlements do lack basic services, they are home to hundreds of thousands of residents, and seedbeds of grass-roots creativity and entrepreneurship. As Namibia largely experiences jobless growth^{ix}, the proportion of those employed in the informal economy is considerable^x and the relevance of informal local economies is significant^{xi}. Considering that women are most active in the informal sector^{xii}, housing strategies supporting informal livelihood generation are an affirmation towards gender equality. While community-led participatory informal settlement upgrading is practiced in Namibia^{xiii}, community efforts remain limited without a framework for government support, and a strategy to up-scale such efforts nationwide.

6.1.2 Widespread poverty and inequality

Namibia is characterised by extremely high, though slightly decreasing, income inequality. It remains at the top of the list in terms of the GINI Index^{xiv}. 88% of households have a monthly household income of less than N\$ 10,000, and even employees in Namibia's public service sector who are considered middle income, including nurses, teachers, police officers, and military personnel experience difficulties in accessing adequate housing^{xv}. The most vulnerable sectors of Namibia's labour force, such as domestic workers, security guards, or construction workers; as well as those working in the informal economy, are much further removed from accessing adequate housing. Currently, only about 2% of households have a monthly income above N\$ 20,000^{xvi}, which is not a guarantee of being able to afford the median house price^{xvii}.

6.1.3 Scarcity of serviced land

Although Namibia has historically maintained high standards of infrastructure in comparison to other Sub-Saharan African countries, it has also excluded the majority of urban residents from accessing such service infrastructure because of its prohibitive costs. The established minimum plot size of 300m² for single residential erven is widely regarded by communities and built environment professionals to be a major cause of retarding land delivery and has few parallels internationally. The average cost of servicing a 300m² plot of residential land stands at N\$86,000^{xviii}, which can rise considerably in areas with challenging terrain and soil types, amongst other factors. Lacking financial resources and technical capacities at local government level further exacerbates delays in servicing land at scale.

6.1.4 Non-diversified housing stock

In Namibia the word 'housing' generally evokes the typology of a detached house on an individual plot, which is generative of the sprawling, low-density urban areas typical of

Southern Africa. This detached typology constitutes the vast majority of the housing fabric in the country. Rental housing is widely perceived as an inadequate form of housing provision as tenants' rights are not adequately protected. Mixed-income neighbourhoods are very rare and higher density and multi-storey housing remain an exception.

6.1.5 Inadequate Local Authority funding

Local Authorities (LAs) have some of the key responsibilities in urban development, which makes their financial sustainability central in achieving their local development mandate. LAs are yet to reach a balance in revenue sources and expenditure^{xxix}. While Regional Councils are fully funded by central government, LAs are expected to source their funds locally, with only minimal intervention from the line ministry. However, there are only few LAs that are able to fully sustain their functions; and even fewer that are able to undertake housing initiatives, as per their legal mandate^{xx}.

6.1.6 Insufficient public spending on housing and urban development

Government-led housing provision since Independence has not reached the required scale partly because budget allocations to housing development (including the Decentralised Build Together Programme, support for Shack Dwellers Federation of Namibia, and the Mass Housing Development Programme) have historically ranged around 0.1% of GDP, despite the 1991 National Housing Policy calling for 5% of GDP to be expended on housing. This is far below international figures such as 0.6% of GDP (European Union member states in 2015)^{xxi}, 0.3% for OECD Countries^{xxii}, 0.5% in Zambia^{xxiii} or up to 3.7% of GDP in South Africa^{xxiv}. While this figure does not consider investment in bulk infrastructure^{xxv} and other public amenities, it illustrates the need for increased public spending on housing and urban development, which will provide the necessary basis for increased economic growth.

6.2 Problem Statement

Access to adequate housing remains severely limited for the vast majority of residents in Namibia due to lasting colonial legacies of underdevelopment and spatial segregation; public spending on housing and urban development since Independence being out of step with the high rate of urbanisation; widespread poverty and low levels of household income; lack of financial, technical and coordination capacity amongst all stakeholders to enable housing delivery at the required scale; and a fragmented policy landscape and institutional infrastructure that frustrates a proactive and efficient implementation.

7 RATIONALE

The multi-dimensional nature of the housing and urban development challenge outlined above requires the comprehensive revision of the NHP in order to:

- a. Refine Namibia's approach towards progressively **attaining access to adequate housing** in order to achieve more sustainable and inclusive urban and rural settlements.
- b. Define **realistic and pragmatic priorities** for government intervention and expenditure within the urban and rural land and housing sector - with an emphasis on reaching the lowest income groups who make up the majority of citizens.

- c. **Identify gaps** in the housing sector and **align existing** urban and rural land servicing, sanitation and housing provision initiatives to target groups through intensive consultation with a broad range of stakeholders in government, civil society and the private sector.
- d. **Calibrate policy objectives, strategies, interventions and indicators** to achieve an accelerated attainment of adequate housing and an enhanced impact in terms of human development indicators.

8 ALIGNMENT

Adequate housing is a cross-cutting issue that holds potential to accelerate the achievement of human development goals. The policy is therefore aligned to the following National and international development agendas:

8.1 Global Development Goals

- 1.1.1 The **African Agenda 2063** regards the continent as a place where “people have access to affordable and decent housing including [...] all the basic necessities of life such as water, sanitation, energy, public transport and ICT”^{xxvi}. Agenda 2063 also recognises the need for tenure security, territorial planning, urban management systems, and improving conditions in informal settlements.
- 1.1.2 The **New Urban Agenda** (NUA), endorsed by Namibia in 2016 at the Habitat 3 conference, strives to position ‘housing at the centre’^{xxvii} of central and local government policy based on a human rights perspective. The NUA stresses issues of urban equity and key concepts, such as *the right to the city*^{xxviii}.
- 1.1.3 The **Sustainable Development Goals** (SDGs) to which UN members have committed include making “cities and human settlements inclusive, safe, resilient and sustainable”^{xxix}. It is recognised that housing is cross-cutting in nature, and it is a key device in targeting many of the other goals, such as Goal 1 - No poverty, 3 - Good health and well-being, 5 - Gender equality, 6 - Water and sanitation, 10 - Reduce inequalities, 11 - Make cities and human settlements inclusive, safe, resilient and sustainable, 13 - Climate action, and 17 - Partnerships for the goals.
- 1.1.4 Since 1994 Namibia is party to the legally binding **International Covenant on Economic, Social and Cultural Rights**, which in Article 11 on an adequate standard of living, encompasses the *right to adequate housing*. This policy revision has thus been developed based on the UN definition of *adequate housing*, which comprehensively defines Government's commitment including not only delivery of houses, but also public open spaces, public infrastructure, opportunities for livelihood generation, public transport options, amongst the various components that support urban life. This commitment does NOT mean that governments are required to build houses for the entire population; rather, they should make all possible efforts within their powers for the largest majority to attain adequate housing^{xxx}, which provides the conceptual framing for this policy revision.

8.2 National Development Goals

- 1.1.5 **Vision 2030** outlines that in 2030 Namibia will be “able to meet its housing needs”^{xxxix}, and stipulates specific targets in this respect^{xxxix}. Deficiencies in achieving these targets provide a core impetus for the current policy revision.
- 1.1.6 The **Fifth National Development Plan (NDP 5) 2017-2022** is one of the first national documents stating government’s will to promote densification in urban areas^{xxxix}. It also highlights that housing efforts have mainly concentrated in urban areas, enhancing urban-rural inequities. NDP 5 calls for alternative land delivery mechanisms that accelerate of housing delivery^{xxxix}.
- 1.1.7 The **Harambee Prosperity Plan II (HPP-II)** contains ‘Delivery of Urban Land, Housing and Sanitation’ within the ‘Social Progression’ pillar and identifies housing as a ‘key catalyst to engender economic activity’ under the “Economic Advancement” pillar. The plan foregrounds the need for intensified and alliance-based informal settlement upgrading and outlines specific housing-related targets to be implemented during the plan period (2021-2025)^{xxxix}, including the current review of the National Housing Policy.
- 1.1.8 The 2018 **Second National Land Conference (2NLC)** foregrounded ‘Urban Land’ as a major field of policy reform. The conference resolutions contain amongst others: the inclusion of housing as a ‘human right’ in the Constitution; the need to develop an ‘Urban Land Reform Programme’ and an ‘Urban Policy’ and to expedite National Spatial Development Framework to guide urbanisation; the need to increase public investment in urban development; the development of a structured ‘Local Government Funding Formula’; the development of a structured housing subsidy system for low-income groups; the prioritisation of and adequate financial support for incremental, participatory informal settlement upgrading; the unlocking of ‘underutilised land’ for housing; the need to define the objectives of and develop a ‘Social Housing Programme’; and to enable inclusive urban development with more diverse uses and higher densities to enable local economies and improve livelihoods.
- 1.1.9 Finally, Namibia has a longstanding commitment to **decentralisation** envisaged in the Decentralisation Enabling Act 33 of 2000, and an array of policies and programmes.

8.3 Related Policies

To achieve a coherent and articulated urban development policy framework requires the alignment of forthcoming and/or revisions of policies, strategies and plans with the NHP, including the Urban Land Reform Policy, National Informal Upgrading Strategy, National Spatial Development Framework, Local Government Reform, Revision of the Decentralisation and Rural Development Policies, the Compensation Policy (for traditional land transforming into urban land) and the Regional Local Economic Development Policy, amongst others.

9 GUIDING PRINCIPLES

Housing is key in national development, addressing inequality and ensuring political stability. Housing is the place where can enable income-generating activities, promote civic engagement, break with the apartheid spatial legacies, create healthy environments

conducive for education activities, help reduce negative environmental impact and energy/water consumption, and promote new forms of civil society. The following core principles guide the conceptualisation and implementation of this policy:

- a. **Adequate:** interventions shall be guided by the principles of the UN-defined Right to Adequate Housing which outlines a broad understanding of housing as an enabler for social and economic empowerment.
- b. **Targeted:** interventions and public expenditure shall be proportional to locally varying social and income demographics, leaving no-one behind.
- c. **Incremental:** the scale and complexity of the urban land and housing challenge requires incremental approaches towards obtaining adequate housing for the majority.
- d. **People-focused:** ensuring broad public ownership requires continuous public engagement, education and capacitation for inhabitants, stakeholders and government officials at all levels.
- e. **Learning-focused:** effective housing solutions will evolve through learning by doing and assessed continuously through monitoring and evaluation.
- f. **Accountable:** the vast policy scope and its financial implications require accountability and consistent monitoring and evaluation to achieve social equity.

10 POLICY DIRECTION

10.1 Vision

To achieve adequate housing as the core of inclusive and sustainable human settlement development for the majority of urban and rural residents in Namibia by 2030.

10.2 Mission

To acknowledge current forms of largely informal urbanisation as the departure point for more sustainable and inclusive human settlements. To create a unified framework for urban land delivery and adequate housing implementation across the governmental, non-governmental, and private sectors, while foregrounding the involvement of residents in the transformation and improvement of their environment. To underpin the necessary policy shift away from a narrow focus on the delivery of 'houses' towards creating an enabling environment for a broad array of strategies and activities for the incremental improvement of security of tenure and living conditions of the majority of urban and rural residents (as encompassed in the UN definition of adequate housing), guided by the principles of sustainable and inclusive urban development.

1.1 Goals

The aim of the revised policy is to outline the overarching framework for a **focused, affordable and pragmatic approach to progressively realize adequate housing** for the largest majority in Namibia in the short (2022), medium (2024), and long term (beyond 2026). The policy aims to create the enabling environment for all housing-related stakeholders to pursue a wide array of adequate housing supporting initiatives emphasizing strategies that will enable the

largest amount of housing opportunities and the improvement of living conditions for the greatest majority.

11 OBJECTIVES

The policy aims to provide focus and facilitate all stakeholders' efforts to:

- a. **Refocus public expenditure** in line with Namibia's socio-economic stratification.
- b. **Scale-up and accelerate** provision of housing opportunities at local and regional levels.
- c. **Capacitate O/M/As and other implementors** for enhanced implementation.
- d. **Develop a transparent and equitable** urban land and housing subsidy/grant system.
- e. **Unlock private sector investment** in adequate housing provision.
- f. **Facilitate innovation** in urban land, sanitation and housing.
- g. **Promote environmental sustainability** to mitigate the negative impact of urbanization.
- h. **Redress historical socio-spatial inequity** in urban development.

12 STRATEGIES

12.1 Redefining impact

12.1.1 From "houses" to housing opportunities

The core policy shift from delivering a finished product (i.e. a house) to incrementally enabling *adequate housing* for the largest majority requires a broad set of cumulative interventions, cognisant of divergent urban, neighbourhood and household conditions. These *housing opportunities* provide the core deliverables of implementors under this policy, and key indicators in the Implementation Action Plan (IAP) are designed to ensure incremental attainment of housing opportunities. Depending on their current residential status and affordability, residents may benefit from one or from a combination of housing opportunities, with the aim of obtaining full housing adequacy over time. Implementors under this policy must ensure that pathways to full housing adequacy (as per UN definition) are envisioned from the onset and are made accessible for residents. The range of housing opportunities include the following:

- a. **Greenfield Plot:** includes access to and tenure security (see Definitions) for an individual or communal plot of non-serviced or (basic) serviced land
- b. **Formalised Plot:** Improvement of an existing plot of land in an informal settlement (see Definitions) to ensure residents' tenure security and development rights, as well as to provide basic or full services.
- c. **Core House:** access to a house (on tenure-secure land) which meets minimum requirements for habitable dwellings (see Definitions).
- d. **Improved House:** addition and/or improvement of existing sub-standard house (on tenure-secure land).

- e. **Credit-linked House:** access to a credit-linked house through schemes similar to those provided by (but not limited to) those offered by the National Housing Enterprise (NHE)
- f. **Rental Dwelling:** access to an affordable and tenure-secure rental unit which meets minimum requirements for habitable dwellings (see Definitions).

12.1.2 Harnessing spatial opportunities

Spatial opportunities refer to the proximity to and connectivity with resources that the city offers, including economic and social infrastructure, public spaces and transportation networks, educational and healthcare facilities, amongst many others. Access to these improves the adequacy of housing opportunities defined above and is thus central to the attainment of adequate housing. The provision of multi-scalar urban infrastructural systems constitute the core responsibility of Central Government and require extensive coordination between relevant OMAs:

- a. **Bulk services infrastructure:** to enable the upgrading and/or development of residential and mixed-use neighbourhoods.
- b. **Public amenities:** to render residential and mixed-use neighbourhoods liveable, incl. spaces for education, cultural activities, social interaction, parks, sports facilities, amongst others.
- c. **Public transport:** to enable integrated and affordable mobility infrastructure with emphasis on safe non-motorised transport (walking and cycling) at neighbourhood level.
- d. **Local economies:** to enable localised income generation opportunities through encouraging local economic activities, neighbourhood markets, urban agriculture, amongst others.

12.1.3 Defining income groups and affordability

To re-focus government intervention on the neediest population groups and align interventions accordingly, the policy target groups are defined based on their *monthly household income* as per Table 1 below^{xxxvi}. The income group designators for the purpose of this policy include **Ultra-low** (62% of the population with monthly household income between N\$ 0-5,000), **Low** (25% of the population with monthly household income between N\$ 5,000-10,000), **Middle** (10% of the population with monthly household income between N\$ 10,000-20,000), **High** (1.7% of the population with monthly household income between N\$ 20,000-40,000) and **Ultra-high** (1.1% of the population with monthly household income above N\$ 0-40,000). These income group brackets need to be regularly adjusted during policy implementation based on the latest available income statistics and inflationary adjustments.

Income group distribution, nationally, in urban and in rural areas provides the basis for prioritising resource allocation through this policy. In the 2009/10 NHIES household incomes in *urban* areas were reported to be 1.5 times National average, compared to incomes in *rural* areas that were 0.6 times National average. Incomes of *male-headed* households were 1.2 times National average compared to incomes of *female-headed* households which were 0.7 times National average. Furthermore, household sizes are inversely proportional to household income. About 58% of the employed population is informally employed (42% in urban and 78% in rural areas), implying low and irregular household income^{xxxvii}. Women are

more often informally employed than men. For housing to redress various forms of inequality, gender, household size and geographical inequities need to be considered in designing interventions and key indicators in the IAP.

For the purpose of this policy affordability is defined as housing-related expenditure (for rental or homeownership) not exceeding 30% of household income^{xxxviii} as indicated in Table 1 below. The continuous improvement of housing-related data collection and management will allow to refine the analysis of housing needs.

INCOME GROUP DESIGNATION	2009/10 Namibian Household Income and Expenditure Survey (NHIES)					2015/16 NHIES			
	Income Deciles	% of overall Population		Average Household Size	Average Monthly Household Income (N\$)	Average Monthly Household Income (N\$)	Housing Affordability (max. 30% of income) (N\$)	Affordable Loan (7.5% interest / 20 years) (N\$)	
ULTRA-LOW (Monthly household income range N\$ 0-5,000)	1-10	15.9	62.4	87.5	7.5	1,308	1,543	463	57,470
	11-20	13.5			6.4	1,811	2,565	770	95,580
	21-30	12.3			5.8	2,167	3,222	967	120,040
	31-40	11			5.2	2,520	4,004	1,201	149,080
	41-50	9.7			4.6	2,873	4,518	1,356	168,320
LOW (Monthly household income range N\$ 5,000-10,000)	51-60	8.8	25.1		4.2	3,434	5,441	1,632	202,580
	61-70	8.3			3.9	4,276	6,857	2,057	255,340
	71-80	8			3.8	6,063	8,250	2,475	307,230
MIDDLE (Monthly household income range N\$ 10,000-20,000)	81-90	6.6	9.8		3.1	8,473	11,936	3,581	444,520
	91-95	3.2			3	14,832	17,882	5,365	665,970
HIGH (Monthly household income range N\$ 20,000-40,000)	96-98	1.7			2.7	24,756	29,589	8,877	1,101,920
ULTRA HIGH (Monthly household income above N\$ 40,000)	99-100	1.1			2.5	47,758	67,337	20,201	2,507,590

Table 1: Household income distribution according to the 2009/10 and 2015/16 Namibia Housing Income and Expenditure Survey. Source: Namibia Statistics Agency

12.2 Strategy A: Upscale Participatory Informal Settlement Upgrading

Although living conditions in informal settlements are often inadequate, they do provide shelter and livelihoods to a majority of urban dwellers, who have built social networks, communities and basic infrastructure often through their own means. This collective energy and perseverance is acknowledged as the major force of contemporary urbanization. Self-organised community groups have proven their capacity to plan neighbourhoods and incrementally develop service infrastructure through alliances with various stakeholders including Local Authorities and NGOs. It is widely recognised that public resources are better spent on improving existing forms of shelter, including those in informal settlements^{xxxix}. The recently operationalized Flexible Land Tenure System (FLTS) was designed to facilitate the incremental attainment of tenure security and is in the process of being mainstreamed across Local Authorities.

The Gobabis Freedom Square^{xl} upgrade, pioneered by the Namibia Housing Action Group (NHAG) and the Namibia University of Science and Technology (NUST) in collaboration with the Shack Dwellers Federation of Namibia (SDFN) and the Gobabis Local Authority, has

received international recognition as a ‘best practice’ and has provided valuable lessons. The process comprises five essential steps: 1) *profiling* of settlements; 2) *enumeration* of household data; 3) *planning* of neighbourhood layout; 4) *Re-blocking* of informal structures to fit new layout; 5) *servicing* and installation of basic service reticulation. Participatory Informal Settlement Upgrading (PISU) is the core pathway towards enabling adequate housing for the majority, as it prepares the basis for a broad array of housing construction initiatives by individual households, communities, property developers, and Local Authorities.

>>> This policy provides the enabling framework for residents’ communities and CBOs in the Ultra-low- and Low-income groups, Local Authorities and/or non-state PISU implementors to lead PISU with support from Central Government and relevant stakeholders. Proven track record of upgrading informal settlements will enable LAs to access Central Government funding for Urban Amenities (incl. bulk infrastructure development).

12.3 Strategy B: Mainstream Incremental Greenfield Development

Rapid urbanisation rates, limited technical and financial capacities at Local Authority level, and prohibitive costs of upfront full land servicing have resulted in large backlogs of serviced land country-wide, leading to the rapid expansion of informal settlements. Hitherto cumbersome and lengthy statutory township establishment procedures have further added to the delay in accelerating land delivery, leaving residents in informal settlements without security of tenure and development rights on the land they occupy. To avoid further informal settlement formation, some LAs have developed innovative ways of ensuring that new urban residents settle in planned settlement layouts with basic services which conform to town planning requirements for future upgrading and provide residents with a locally recognised form of tenure security, such as Certificates of Occupancy (COs) of a certain portion of land. In conjunction with PISU, Incremental Greenfield Development (IGD) enables a broad array of housing construction initiatives by individual households, communities, property developers, and Local Authorities.

>>> This policy provides the enabling framework for Local Authorities and/or non-state implementors to lead Incremental Greenfield Development for the Ultra-low- and Low-income groups with financial support from Central Government and/or Development Cooperation partners for bulk infrastructure and public amenities.

12.4 Strategy C: Realign Government Programmes, Processes and Budget

In order to serve the greatest possible majority, the policy prioritizes incremental improvements in housing adequacy over the construction of complete houses. Therefore, the success of the policy is not measured in terms of number of ‘houses’ produced, but instead on *housing opportunities* enabled, and *urban amenities* developed over a period of time.

All land servicing- and housing-related programmes and projects administered by MURD and their related budgetary provisions will be reviewed, aligned with the revised policy in relation to income group proportions. This includes the Mass Urban Land Servicing Programme (MULSP), Mass Housing Development Programme (MHDP), grants for the SDFN, NHE recapitalisation, DBTP, Trust Fund for Regional Development (TFRD), Social Housing, Single Quarters Upgrading, and PPPs. A structured grant system for urban land and housing (see

below) will guide the allocation of budgets (incl. for PISU and IGD) according to proven demographic needs, incentivising LAs to provide security of tenure and basic services in order to access funding for Urban Amenities. The revised policy focus and objectives set out above might require institutional restructuring within MURD to enable maximum responsiveness.

>>> This policy provides for the evaluation and realignment of ongoing housing and land servicing initiatives under MURD, and a structured urban land and housing grant system.

12.5 Strategy D: Incentivise Private Investment in Land and Housing

Private investment in the housing sector happens on three distinct scales: on the one hand housing development companies constructing housing units for commercial mortgage-financing (through direct sale or rent-to-own schemes) at scale (incl. entire satellite estates); on the other hand individual households who construct new homes with own resources following PISU or IGD initiatives that have created development rights; and thirdly established homeowners in statutory neighbourhoods who may construct additional dwellings on their properties for own use and/or rental purposes or who may re/zone and/or subdivide their property to increase its residential density. The large-scale housing development model often requires PPPs or Joint Ventures (JVs) with LAs to access land and/or existing bulk services in line with the new Public Private Partnership Act of 2017. However, while providing necessary housing for specific income demographics, this model can lead to enclave development with increased spatial segregation along income lines, counter to the policy principle to redress historical social and spatial inequities. To include target groups that would usually not meet the income requirements for mortgage lending, especially in cases where LAs availed land or other public resources for such developments, requires clear incentives and PPP guidelines for housing and land development to be developed. Incentives could include additional bulk or higher net densities, relaxation of parking requirements, development fees, of-site provision of affordable housing amongst others. Increasing residential densities further requires reviewing and aligning various statutory town planning documents.

>>> This policy proposes the development of Inclusionary Housing incentives for private-sector housing developers and Residential Densification incentives for individual homeowners as well as alignment of relevant statutory town planning documents.

12.6 Strategy E: Promote Inclusive and Sustainable Urban Development

The common perception that Namibia has abundant land available is misleading if the cost for servicing per household and low long-term rates base are considered. The current minimum plot size of 300m² for single residential zoning that was first established through the 1991 NHP, has few parallels internationally and impedes more efficient use of land. The revised NHP is informed by the urgent need to review Namibia's spatial planning model in line with the realities of a rapidly urbanizing society and globally accepted principles of compact, sustainable and inclusive urban development.

Urban sprawl largely caused by prioritizing single residential zoning is not only expensive in terms of cost of services per capita (both construction and long-term maintenance) but also undermines the future rates base for LAs as densities remain extremely low in international comparison. It is furthermore widely acknowledged that the low-density urban sprawl is

environmentally unsustainable and creates immense burdens for future generations. Peripheral development, without interventions promoting polycentric development, enhances the social and economic exclusion of the poorest sectors of society. PISU needs to be complemented by *Urban Amenities* including integrated public transport development and public amenities to develop existing settlements into integrated neighbourhoods. The informal economic sector needs to be considered as an integral part of urban development, as it supports local livelihoods and eventually a local tax base.

Alternative housing models such as social rental, rent-to-buy, and housing cooperatives need to be explored through on-going experimentation, and monitoring and evaluation of the outcomes. Such housing innovation could be encouraged through design competitions and availing land for the purpose of pilot project implementation. Town planning and engineering standards should be responsive to the needs and affordability levels of specific target groups. They should respond to incremental development according to expressed community needs and not blindly apply existing standards that increase costs and thus make servicing costs prohibitive.

>>> This policy envisions the impending National Spatial Development Framework and the Urban Land Reform Policy to be fully aligned to enable more integrated and compact urban development which should be promoted at all policy levels.

13 IMPLEMENTATION FRAMEWORK

13.1 Institutional Arrangements

13.1.1 Government OMAs

13.1.1.1 National Government

National Government has the key role to enable the policy goals and strategies defined herein through ongoing legislative and policy reform, adequate financial support, accountability and oversight. It has the mandate for National Planning and coordination amongst O/M/As to achieve National development aims. While the Ministry of Urban and Rural Development (MURD) is the custodian of this policy, necessary alignment with other Ministries needs to be attained through coordination by the National Planning Commission (NPC). This will ensure that stumbling blocks across Government are removed and the cross-Ministerial nature of the housing sector is effectively leveraged. Key public institutions in this process include: Ministry of Agriculture, Water and Land Reform (MAWLR) for the FLTS operationalisation; Ministry of Works and Transport (MoWT) for planning and procurement of public amenities; Ministry of Finance (MoF), particularly the Public-Private Partnerships (PPP) Unit for PPP Guidelines in land and housing development; Ministry of Environment and Tourism (MET) to ensure rural and urban sustainability and biodiversity; the Namibia Statistics Agency (NSA) for the NHIS; and the Namibia Standards Institute (NSI) for the revision and development of adequate National building codes.

13.1.1.2 Regional Councils

Regionals Councils have a direct housing mandate within proclaimed settlements and for integrated spatial development at regional level. In order to achieve the objectives of

decentralization and to create more sustainable rural communities it is crucial to enable the improvement of rural sanitation and housing, while ensuring integration into wider national and regional spatial development frameworks as well as alignment with LAs within their jurisdiction. Especially the social and economic viability of small rural settlements requires attention if rural-urban migration is to be slowed down.

13.1.1.3 Local Authorities

Local Authorities (LAs) are primarily challenged with rapid urbanization and are central to achieving the aims of accelerated urban land and adequate housing delivery. Many LAs however lack the financial and administrative capacities for effective implementation of land servicing and as a result cannot facilitate housing delivery at scale. While this might not be resolved in the short term, capacity building at local level needs to be prioritized. In the medium and long-term reform of LA financing is critical to enable LAs to effectively realize their full mandate in terms of land servicing and housing provision. Through partnerships, particularly with organised local community groups and NGOs, professional bodies and traineeship programmes and the support of international development agencies, LAs will be able to mitigate the most pressing developmental needs in the short term.

13.1.1.4 National Housing Enterprise

NHE acts as a developer and financier of credit-linked housing for individuals earning between N\$5,000-20,000 per month, or a combined household income of N\$30,000 per month. Loan repayment periods range between 20 - 30 years at prime interest rate minus one percent. Between its inception in 1993 until 2010, NHE has delivered over 8,000 houses. The delivery rate was comparatively high between 1993 and 1999 with 625 houses per annum. Housing delivery has drastically declined from 816 houses per annum in 2000 to 216 houses in 2008/9 before increasing again to 719 houses during the 2009/10 financial year^{xli}. Throughout, the delivery rate of houses built by the NHE falls considerably short of the annual target of 1,200 as set out in Vision 2030^{xlii}. NHE is governed by the National Housing Enterprise Act of 1992, amended in 2000 and is further subject to the State-owned Enterprises Act of 2 of 2006. As per Section 3 of the NHE act, its core mandate is “the financing of housing for inhabitants of Namibia” and more generally “providing for the housing needs of such inhabitants”.

13.1.2 Key non-state implementors

13.1.2.1 National Alliance for Informal Settlement Upgrading

The NAISU is coalition between the Namibia Housing Action Group (NHAG) and the Shack Dwellers Federation of Namibia (SDFN); Namibia Association of Local Authorities Officials (NALAO); the Association of Local Authorities in Namibia (ALAN); the Civil Society Organizations’ Working Group on Land Reform (CSO-WGLR); and the Namibia University of Science and Technology (NUST) to coordinate and scale up efforts to improve living conditions in informal settlements nationwide. NAISU has drafted Standard Operating Procedures as a basis for a learning-while-implementing approach to PISU, based on local best practices and its partners experiences.

13.1.2.2 Shack Dwellers Federation of Namibia / Namibia Housing Action Group

Namibia Housing Action Group (NHAG) was established in 1992 to address the lack of shelter of the urban poor, especially women. In 1998, the organizational structure was transformed into a more open and informal saving group network called the Shack Dwellers Federation of Namibia (SDFN). Subsequently, NHAG was restructured as an NGO in 1999 to provide

technical support for SDFN. Today, the federation counts 28,834 members organized in 916 groups; 2/3 of membership are women. At the core of the SDFN movement is community saving which enables the groups to access funds from the Twahangana Fund. This community-governed revolving fund was established in 1995 to finance income generation and housing construction. SDFN members have so far saved N\$ 32,543,387. Initially supported with donor funding, the fund has received Government funding to match the savings of its members since 2000/2001. Since 1995 the Twahangana Fund has channelled N\$ 231,520,000 to SDFN housing groups for members to build houses, install services and improve income.

The Community Land Information Program (CLIP) is a community-led information gathering program to provide a planning basis for participatory ISU in urban and urbanising areas of Namibia. Through CLIP about 216,000 households living in informal settlements with varying degrees of services, tenure, and shelter were enumerated across all urban areas in Namibia. Land Management and Town Planning students from the Namibian University of Science and Technology (NUST) regularly receive practical in-service training with NHAG/SDFN. Since 2000 SDFN/NHAG have built over 7,000 houses (current average cost per house is N\$ 40,000) for its members and upgraded and formalised 4,525 plots (current average cost per plot is N\$ 12,000).

13.1.2.3 Development Workshop Namibia

Development Workshop Namibia (DWN) is a Namibian NGO established in 2016 with links to an international NGO network focusing on providing LAs with financial, technical and project management support for low-cost greenfield land delivery, sanitation and early childhood development. The model is based on cost-recovery and provides clients with freehold tenure and basic services (cost per plot ranging between N\$15,000-35,000). DWN has developed Standard Operating Procedures allowing for up-scaling country-wide. DWN is funded by non-governmental organisations, private citizens, and national and international development organisations. Since its inception DWN has realised **XXX** greenfield plots across **XXX** LAs.

13.1.2.4 Private sector housing developers

A broad array of private sector entities are active in the land servicing and housing sector. This might include property developers, private rental corporations, corporations aiming to provide housing to employees including mining companies, commercial farmers providing housing for farmworkers, amongst others.

13.1.3 Civil Society

LAs are mandated to engage in various forms of public participation, and the statutory land delivery process stipulates public consultation at various stages. These processes need to evolve to ensure more meaningful public participation in land and housing delivery. Particularly the PISU process requires a partnership approach between communities, LAs, Technical support through NGOs and academia amongst others. Professional bodies, sector associations and other built environment-related NGOs, trade unions, CBOs and interest groups are critical allies in ensuring the maximum civil society participation.

13.1.4 Academia

Higher education institutions are supporting LAs, community groups and NGOs in a number of built environment related disciplines. Academia can play a key role in flanking the full

spectrum of policy strategies. This may include programmes to capacitate OMA staff, developing curricula to educate young professionals with the skillsets required to facilitate PISU, housing innovation, policy reform, and continuous evaluation of socio-economic impact of various land and housing initiatives through trans-disciplinary research. Vocational training institutions can up-scale programmes that increase local capacity for land and housing delivery.

13.1.5 International Cooperation Partners

The Namibian and German governments have recently agreed to foreground urban development in their bilateral cooperation. The German Cooperation Agency (GIZ) embarked on a programme to support ‘Inclusive Sustainable Urban Development’ in May 2020 with a budget of about €5m for the next four years, in partnership with MURD. The German Development Bank (KfW) will begin investing in urban development in two phases, firstly through a €6m grant-based 2-year programme supporting existing initiatives, and thereafter through a larger project potentially entailing a fund supporting urban development. Other international partners such as UN Habitat and UN Development Programme have long-standing relationships with central government with a renewed focus on urban development.

13.2 Legal and Regulatory Arrangements

13.2.1 Key Legislation

ACTS OF PARLIAMENT	
<i>Item and purpose</i>	<i>Required law reform</i>
The Urban and Regional Planning Act of 2018 contains key innovations to improve the land delivery systems in Namibia. It reduces the number of processes in land delivery, it establishes decentralized authorised planning authorities, and determines the need for a National Spatial Development Framework (NSDF) to guide country-wide socio-spatial development and the deployment of state efforts in the different regions.	
Flexible Land Tenure Act 4 of 2012 , creates new forms of land title designed to make security of tenure more affordable and to encourage collective ownership within low-income groups, mitigating the internationally recognised vulnerabilities associated with freehold title in the context of very low incomes ^{xliv} .	
National Housing Development Act, 2000 (Act 28 of 2000) , establishes a National Housing Advisory Committee to advise on housing programmes, and provides for Housing Revolving Funds to be established by regional and local authorities to be used for low-cost housing. It further provides for the establishment of Decentralised Build Together Committees for each region, to deal with applications for assistance from the Housing Revolving Funds.	This act will need to be reviewed after a thorough revision of the DBTP. A revision of this act may also provide for the creation of a social rental housing sector.
Local Authorities Act 23 of 1992 , provides for the determination of local authorities and the establishment of Local Authority councils. It is a function of LAs to establish housing schemes, provision of services (water, sewerage, drainage, electricity, gas, etc), and public infrastructure (streets, public places, transport, etc.), which establishes a direct relevance for this policy.	
Regional Councils Act 22 of 1992 , provides for the establishment of regional councils in respect of regions. RCs have the duty to undertake the planning for the development of the regions, infrastructure development, and land utilization. This is of key relevance not only for urban areas (as the infrastructure that feeds them are situated in or cross through the Regions), but also for inhabitants in the settlement areas.	

ACTS OF PARLIAMENT	
<i>Item and purpose</i>	<i>Required law reform</i>
Decentralisation Enabling Act 33 of 2000 , provides for and regulates the decentralisation of central government functions to regional and local authorities	Local Government Reform, particularly of financial decentralization needs to be prioritized and might require the amendment of this act.
Land Survey Act 33 of 1993 , regulates the survey of land.	
National Housing Enterprise Act 5 of 1993 , provides for the continued existence of a corporation, the National Housing Enterprise, to provide for the housing needs of the inhabitants of Namibia.	A review of this act will further clarify the role of NHE within the new policy focus as well as public enterprise reform through the Ministry of Public Enterprises (MoPE).
Public Procurement Act 15 of 2015 recently operationalized legislation to regulate public procurement with direct implications for this policy, requiring all procurement processes to be aligned.	
Public Private Partnership Act 4 of 2017 recently operationalized legislation to regulate public private partnerships with some implications for this policy.	Procurement processes to be fully aligned to this recently operationalized legislation.
Sectional Titles Act 2 of 2009 , provides for the division of buildings into sections and common property, and the acquisition of separate ownership in sections coupled with joint ownership in common property. A recent revision of this act allows for non-contiguous properties to be governed as Sectional Titles. This could enable new options for urban development.	
Rents Ordinance 13 of 1977 , regulates the letting and hiring of non-commercial immovable property.	This is currently under review in form of the Rent Bill of 2017 and will have great relevance for this policy.
Trust Fund for Regional Development and Equity Provisions Act of 2000 , provides for a national fund with trans-ministerial governance and related to the LA Housing Revolving Funds.	In order to position the TFRDEP as a possible national fund for housing and land development might require the evaluation of the fund and potential revision of the act.
Deeds Registries Act 47 of 1937 , regulates the registration of deeds.	
National Land Use Planning Bill	Currently under review.
POLICIES, PROGRAMMES AND DOCUMENTS	
Rural Development Policy	Currently there is no mention on rural housing measures on this; a revision of this will be required once the NSDF
National Land Policy of 1998	Section on Urban Land has relevance for housing but requires review or integration with Urban Land Reform Policy
Urban Land Reform Policy	Process under development through MURD
National Spatial Development Framework	Provided for in the Urban and Regional Planning Act.
Town Planning Standards and Urban Design Guidelines 2013	The guidelines prescribe a minimum Erf size of 300m ² for single residential erven and need to be reviewed in line with this policy
National Informal Settlement Upgrading Strategy	To be developed by MURD with support by UN HABITAT

13.3 Budgeting and Resource Mobilisation

The definition of adequate housing and the current socio-economic context of Namibia renders affordability - both for beneficiaries, and for government - paramount to achieve the aims of accelerated urban land and housing delivery for the majority of the population. While the lack of available serviced land in urban areas affects all income sectors, it impacts the Ultra-low- and Low-income groups most severely. Therefore, public spending needs to be

appropriate and aligned to income group proportions, in order to achieve the greatest impact. In a context of extreme low levels of household income and historical inequality, government public investment in urban land and housing development must be considered as an affirmative, redistributive action, including subsidizing the Ultra-low- and Low-income groups in a structured way. These groups are unable to afford the monetary expense of full land servicing, yet they can contribute own resources and labour. Government subsidies and international development finance for land servicing (PISU and IGD) are therefore the only realistic ways to improve living conditions for this majority.

13.3.1 Cost estimates

The following amounts have been estimated for the various stages of achieving adequate housing, based on research and experience of community-led processes, as well as on the existing DBTP framework. Figures are to be reviewed and adjusted periodically during implementation:

	Reference	Description	Amount (N\$)
LAND	VIRGIN LAND	Un-serviced and un-planned land	<i>free of charge</i>
	PLANNING SUBSIDY (per 150m² plot)	Layout planning, surveying (paraprofessionals), basic services (incl. erf pegs, water, pit latrines, scraped roads, <u>but</u> excl. tenure and development rights)	5,000
	BASIC SERVICING (per 150m² plot)	Community-driven servicing / upgrading (if bulk infrastructure available) (incl. erf pegs, water, sewer, tenure / development rights)	10,000
	FULL SERVICING (per 150m² plot)	(incl. bulk infrastructure, gravel roads, street lighting, electricity)	45,000
	FULL SERVICING (300m² plot)	(incl. bulk infrastructure, gravel roads, street lighting, electricity)	86,000
HOUSING	Core House of 35m²	(incl. bathroom and kitchen, materials only)	40,000
	Credit-linked house	Cost recovery / PPP	350,000
	Rates and Taxes Subsidy	Annual average amount to subsidize Rates and Taxes not to be above 5% of beneficiaries' income for a maximum 5 years per beneficiary.	3,600

13.3.2 Budgeting guidelines for targeted impact

The primary policy focus on the improvement of housing adequacy of the Ultra-low- and Low-income groups requires the largest proportion of allocation to be directed to PISU where residents are already settled in informal settlements. The following ratios for target setting regarding overall Government budgeting are proposed based on preliminary estimates (these will have to be continuously verified and adjusted accordingly during the implementation phase according to actual demand per RC and LA and local income groups demographics):

- a. 60% of annual housing budget to be allocated for urban land servicing, of which:
 - i. 70% for PISU, incl. bulk infrastructure (via new institutional framework to be established), incl. bulk infrastructure (via RCs and LAs)
 - ii. 30% for bulk infrastructure for IGD (via RCs and LAs)

population, the generally low levels of financial independence of RCs and LAs, and the generally low levels of public investment in urban development (in international comparison) require a structured subsidy/grant system to guide Government budgeting in the urban land and housing sector. This system must include a mix of capital grants for RCs and LAs to finance bulk infrastructure and public amenities and resident/end-user subsidies in support of the construction and improvement of housing. Clear beneficiary eligibility criteria and allocation mechanisms must create transparent and realistic public expectations, avoid multiple benefaction, and allow structured budgeting based on continuously-verified land and housing demand per RC and LA identified through NHIS.

In the short to medium term (2021-2030) the main emphasis will be on land delivery (PISU and IGD) for the Ultra-low- and Low-income groups. Capital grants for RCs and LAs for bulk infrastructure should be conditional upon showing evidence of the number of residents who obtained tenure security through PISU and/or IGD (see Figure 2).

PARTICIPATORY INFORMAL SETTLEMENT UPGRADING

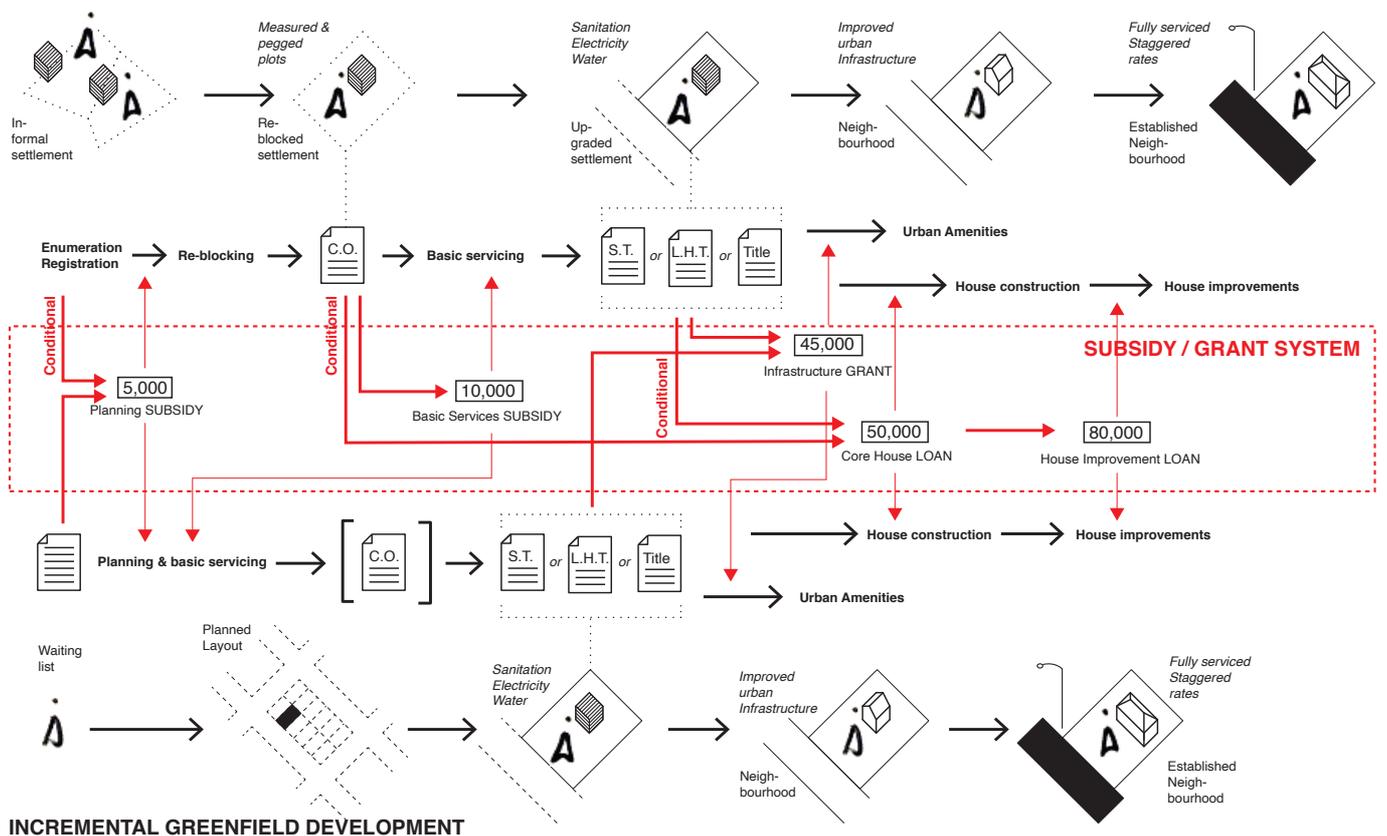


Figure 2: Diagram of the subsidy / grant system supporting incremental urban development through PISU and IGD.

The upgrading of bulk infrastructure to accommodate increased residential densities the release of underutilized inner-city municipal land for *social rental housing* and/or residential densification will require further capital grants that could be conditional on LAs proving rental affordability of such projects. Additionally, low household income levels will for the foreseeable future prevent beneficiaries to fully cover applicable rates and taxes, while

service provision should not be compromised. At the same time RCs and LAs need to be ensured of adequate revenue flow and the eventual creation of a solid rates base. RCs and LAs should be eligible to receive rates and taxes subsidies on behalf of their Ultra-low- and Low-income residents.

13.3.5 Align and increase Government budget allocations

Currently, the combined government investment in land servicing and housing is not proportional to the urban land and housing crisis. There is an urgent need to increase overall budget allocations to housing and land servicing in line with the aims of this policy. The IAP includes budget figures that should guide the allocation of resources in the upcoming MTEFs, until a National Spatial Development Framework and a structured Subsidy/Grant System is in place to guide budget allocations more proactively.

13.3.6 Private sector contributions and cross-subsidies

The private sector contributions to the overall aims of this policy will remain difficult to measure, as it includes both densification of single residential properties as well as private development for credit-linked housing. Through ring-fencing betterment fees at LA level for service infrastructure improvements, *Inclusionary Housing Incentives*, and/or development charges (in cases where private developers gain from public infrastructure investment) a measure of cross-subsidizing lower incomes groups can be achieved.

13.3.7 Unexplored sources of Government funding

A number of unexplored funding sources have been identified for further investigation, including development charges; ringfencing of betterment fees, transfer costs and other property-related income to be used specifically for land servicing and bulk infrastructure; and the introduction of a capital gains tax to be ring fenced for housing and land delivery.

13.3.8 International Development Cooperation

This policy will guide the negotiations with international development partners to establish urban land servicing and housing delivery as an impactful and accountable sector for international development investment.

13.3.9 Funding devices

MHDP envisaged a National Housing Development Fund (NHDF) to be established, which remains an outstanding task. The HPP II envisions an Urban Development Fund for infrastructure development and housing, which is yet to be conceptualised. Regional and local housing revolving funds are best positioned to become the vehicles through which budget allocations are administered.

13.4 Monitoring and Evaluation Framework

The IAP below sets out key indicators related to the strategies, interventions, activities and deliverables of this policy and indicates timelines and targets, preliminary budgets and Responsible Entities, including state and non-state actors and implementors that often

function as partnerships. The monitoring and evaluation (M&E) of policy achievement is directly guided by the policy Guiding Principles formulated above.

13.4.1 Annual Land and Housing Report

As custodian of this policy the MURD is principally responsible for the annual reporting to cabinet and the general public on policy achievement in relation to set timelines, targets and budgets, drawing on data provided by the various actors and implementors. The reports must clearly indicate achievement of targets established in this policy as regularly revised. The schedule for reporting is aligned to provide adequate time for revision of targets and budgets (see below) in preparation for annual government budget negotiations.

13.4.2 Annual Public Forum on Housing and Urbanisation

The Public Forum on Housing and Urbanisation is hosted annually by MURD in collaboration with NUST, and other key stakeholders, and is the key annual gathering of stakeholders in socio-spatial matters in the country. The annual Land and Housing report will be publicly launched at the Public Forum, allowing for joint stakeholder reflection on policy achievement. While continuing the tradition of inviting guest speakers to provide an international perspective, the Public Forum will include co-learning sessions to share experiences and practices from the implementation level between stakeholders. It will be flanked by a construction industry trade fair to allow for private sector exposure and networking. This co-learning will inform the annual revision of targets and budgets (see below) with input from all stakeholders. In addition, the co-learning sessions will allow for a more qualitative appraisal of the improvement of residents quality of life as a result of improvements in housing adequacy.

13.4.3 Annual revision of targets and budgets

The dynamic context of land and housing provision requires the annual revision of IAP targets and budgets to account for changes in housing needs, implementation capacity, and budgetary allocations with the input of all actors and implementors. The schedule for revision of targets and budgets is aligned to provide adequate time before annual government budget negotiations.

13.4.4 Improvement of the Namibia Housing Information System

The recently launched Namibia Housing Information System (NHIS) is an ambitious project to centrally host housing-related data from all relevant stakeholders. NHIS follows a decentralised approach where all stakeholders are required to collect and capture their own information. It is anticipated for the system to have four modules, incl. housing needs, land use, housing stock, and informal settlements. While still in its infancy, the instrument should be improved and adjusted to align with and enable the policy aims outlined here.

13.5 Communications Strategy

The policy's extensive reach will require a programme on 'urban literacy' to assist the various stakeholders to progressively attain full hold of Namibia's urban future. Amongst others, the key interventions include the following:

13.5.1 Government

Through initial conversations between Namibia Institute of Public Administration and Management (NIPAM) and NUST, courses aimed at public servants will train those employed in central government and LAs and RCs on local government financing strategies, urbanisation trends in Sub-Saharan Africa, participatory strategies for decentralisation, amongst others.

13.5.2 General public

In a similar fashion as ongoing financial literacy campaigns, an 'urban literacy' programme will acquaint inhabitants on the rights and responsibilities of urban life. Examples of this would be on planning regulations for opening a home-based business, rental rights and legal protection against evictions, how to form community-based groups for housing or other purposes; as well as general introduction to the on-going housing programmes.

DBTP 'habitat centres' are resource centres at the local constituency level that will provide information as well as the necessary space for on-going urban literacy campaigns and for groups to self-organise and decide upon collective matters. The centres are set to perform the functions of the centres that were to be built to support the DBTP.

13.5.3 Rural communities

Considering the sparse nature of Namibia's settlements, programmes targeting information sharing with inhabitants in rural areas will require innovative thinking to be effective: radio shows, bulk mobile messaging services, and social media, amongst other campaign methods. Decentralized Habitat Centres could be established to promote sanitation and housing initiatives under the MHDP-II and other relevant programmes.

14 IMPLEMENTATION ACTION PLAN

The Implementation Action Plan (IAP) outlines interventions related to each of the five core Strategies and is complemented by the detailed tabular IPA in Appendix XX which relates the policy objectives, strategies, interventions and indicators, targets, timelines and budget estimates to enhance implementation, monitoring and evaluation.

**Please note that the Detailed IPA in tabular format is not included in this draft and will be co-developed with stakeholders during the National Stakeholder Consultation Workshop in February 2022*

14.1 Interventions

14.1.1 STRATEGY A

Short term (2022)

14.1.1.1 Articulate political commitment to recognize COs as secure tenure Certificate of Occupancy (COs) are increasingly issued to informal settlement residents by LAs as a first step towards formalisation. This policy implies a commitment to residents that such COs will be considered as secure tenure and will not be revoked in future without substantive motivation. A Cabinet directive in this regard will make this commitment explicit.

14.1.1.2 Develop National Strategy for Participatory Informal Settlement Upgrading

The mainstreaming and up-scaling of PISU country-wide requires a National Strategy to be developed with all relevant stakeholders based on local best practice, as envisioned by NAISU and MURD. The Strategy will be aligned with the Urban Land and Housing Grant System and has to include the development of institutional frameworks and governance to enable the upscaling of budget allocation directly to non-state implementors.

Short-long term (2022-2030)

14.1.1.3 Capacitate existing PISU implementors

In collaboration with 19 LAs in 10 Regions, SDFN/NHAG are undertaking ISU of 41 settlements for the benefit of 21,056 households, impacting the lives of 61,175 residents. Currently there are opportunities for 1,700 houses to be constructed through the SDFN/NHAG process once additional funding is availed. These ongoing efforts need to be supported financially, administratively, technically and to scale up operations and reach. This will include the increase of budget allocations to the Twangana Fund administered by SDFN/NHAG, including funding for increased administrative capacity for the fund, the establishment of regional multidisciplinary technical teams to support LA's and non-state implementors (this might include convening retired professionals, professionals-in-training, and work-integrated learning students).

14.1.2 STRATEGY B

Medium-long term (2024-2030)

14.1.2.1 Increase budget allocations for Urban Amenities

Current approaches for incremental land servicing are based on cost-recovery, but provision and/or funding of bulk infrastructure by RCs and LAs allows the costs for end-users to be decreased considerably. Increasing budget allocations for RCs and LAs to provide bulk infrastructure, linked specifically to the provision of low-cost land will be prioritised in the short-medium term. The Urban Land and Housing Subsidy / Grant System will incentivise RCs and LAs to provide security of tenure and basic services to its Ultra-low- and Low income residents through PISU and/or IGD in order to access funding for Urban Amenities and bulk infrastructure. Budget allocations for public transport, public amenities and local economies need to be increased over time in line with structure plans and other statutory planning documents.

14.1.3 STRATEGY C

Short-medium term (2022-2024)

14.1.3.1 Enshrine the right to adequate housing in the Constitution

The right to adequate housing is internationally recognised and protected. The 2nd NLC recognized the need to include urban land and housing as part of the overarching, post-independence redistributive land reform agenda and called for the inclusion of the right to adequate housing in the constitution. Understanding housing primarily as a human right, instead of foregrounding its function as economic asset as the 2009 NHP did, is the basis for a more holistic approach envisioned in this policy review. MURD as the ministry responsible for the implementation of the 2nd NLC resolutions will lead the process of a constitutional amendment to include the right to adequate housing as a as a fundamental human right and

freedom (Chapter 3) of the constitution.

14.1.3.2 Align all Government housing initiatives

Based on the Medium Term Expenditure Framework (MTEF) of 2017/18, the following Government institutions were carrying out housing-related activities: Office of the Prime Minister (e.g. housing for relocation and resettlement of San communities), Ministry of Finance (e.g. managing State obligations towards employees housing schemes), Ministry of Health and Social Services (e.g. Housing Units for Independent Low Income Older People), Ministry of Environment, Forestry and Tourism (e.g. houses for staff in the various state-supported tourism destinations), Ministry of Agriculture Water and Land Reform (e.g. housing at Okongo Strategic Food Reserve, engaging in water and sanitation provision projects), Office of the Judiciary (e.g. staff housing), Department of Works (e.g. administration and maintenance of public housing), Ministry of Veteran Affairs (e.g. construction of veterans' houses), as well as the various activities of MURD. There is thus a need to review these various housing related budget allocations in relation to the income group demographics and in line with this policy.

14.1.3.3 Revitalise the Decentralised Build Together Program

For nearly three decades the Decentralised Build Together Program (DBTP) has proven capable of reaching inhabitants in the Ultra-low- and Low-income groups, which make up the vast majority of the population. DBTP entails nine components, namely: lease of a plot of land; improved services for a plot; support for saving groups; obtaining a partly-serviced plot collectively through Community Land Trusts; acquisition of a plot of land; obtaining a serviced plot; buying building materials; acquisition of completed houses; building of collective facilities; of which only few were implemented. The programme relies on revolving funds administered by LAs and RCs and a centralised fund administered by MURD. The nine components were never fully implemented due to lack of infrastructure, financial support and capacity building needed to flank the programme as originally envisioned. Yet, during the period from 1992-2013 DBTP had 41,934 beneficiaries (almost 2,000 beneficiaries per year) making it the most impactful government housing programme since independence.

For the DBTP to be scaled up and decentralised more effectively, its implementation should be evaluated with the aim to improve administrative capacity at central and local government levels and align with recent developments and income target groups.

14.1.3.4 Accelerate Local Government Reform

Local Government Reform, and particularly Local Authorities' finance reform is critical to the effective decentralisation of land servicing and housing delivery. The sustainability of LAs' finances will rely increasingly on economically vibrant neighbourhoods and locally-generated revenue. Yet, the scope of the land and housing challenge requires strategic financial support for local authorities to become more independent, including the building of administrative capacity through education and urban literacy. In addition to increasing the efficiency of revenue collection and internal capacity at LAs and RCs, organised communities and local entrepreneurship should be harnessed in the provision of local services by and for the communities, such as solid waste management, amongst others. A white paper on Local Government Reform from 2011 will act as the baseline for this activity.

Medium-long term (2024-2026)

14.1.3.5 Refocus and recapitalise the National Housing Enterprise

Namibia's socio-economic context currently prevents the vast majority of households (including the Ultra-low- and Low-income groups or 88% of the population) to access credit^{xliv}, which limits the broad applicability of credit-linked housing models. Nevertheless, the number of employees in the public sector alone stands at approximately 128,856^{xlv}, of which a large segment cannot access housing due to lack of supply in this market segment. Re-aligning the NHE's dual function of financial institution and housing developer specifically towards target groups who can access credit will provide focus for the required recapitalisation and on-going public enterprise reform.

The houses built under Mass Housing Development Program (MHDP) are currently not listed in the NHE loan book, limiting its capital base and thus ability to finance housing development on a revolving basis. Furthermore, NHE may build on LA- or central government-owned land, which will assist in unlocking this land resource for housing provision. This could allow for NHE to provide social rental housing especially in rural areas, but also in urban centres where underutilised government-owned inner-city land is abundant.

14.1.3.6 Develop a social rental housing framework

The definition of social housing in the 2009 NHP lacks a clear outline of the envisioned target group and vaguely refers to housing for "indigent residents", mixing up related but distinct concepts such as subsidized housing, low-cost and low-income housing and refers to processes such as DBTP and community-led initiatives. High residential mobility in Namibia creates demand for adequate rental housing for those who cannot or do not want to commit to the responsibilities of property ownership, including tertiary education students, young professionals and families, public sector workers amongst others.

Such housing could be developed and administered by LAs, parastatals, cooperatives, NGO's and private social housing providers and could include innovative socio-spatial interventions, such as urban in-fill developments allowing for a mix of incomes, ages and economic activities, as well as walkable public spaces and integrated transport options. Financial institutions such as Government Institutions Pension Fund (GIPF) have scope to invest in urban, medium-rise affordable rental accommodation. In addition, such accommodation could be developed on LA- or central government-owned land based on long-term leaseholds to guarantee the recuperation of the investment. Refurbishing government-owned housing currently administered by Ministry of Works and Transport (MoWT) could provide a starting point and in-kind capital for a social rental sector.

14.1.4 STRATEGY D

Short-medium term (2022-2024)

14.1.4.1 Encourage PPPs/JVs for land servicing and housing

Public-private Partnerships (PPPs) have recently been legislated under the Public Private Partnership Act of 2017. The Act defines PPPs as a partnership between a Public and a Private Entity, which is governed by a PPP Agreement in line with the legislation for the purpose of public service provision. The Ministry of Finance PPP Unit defines PPPs as a measure to boost the supply of Public Service Provision where the Government has no capacity to provide, for

a target group that will be able to pay for the service provided. PPPs thus require cost recovery and are generally for-profit and are largely not applicable for interventions targeted at the Ultra-low- and Low-income groups. PPPs will function well in the middle and high-income groups, both for land servicing at cost recovery, and provision of credit linked housing as well as for rental housing. The NHE as well as several LA's are currently engaging private developers in PPPs for the purpose of land and housing delivery and the review of impactful cases needs to inform the development of guidelines for PPPs in land and housing development.

14.1.4.2 Develop Residential Densification Guidelines

Following recent international precedent to encourage increased urban densities through blanket approvals of additional dwellings on previously single residential zoned land, and given the generally large plot sizes in older parts of towns and cities in Namibia, policy instruments need to be developed to incentivise individual homeowners to build additional dwellings on their land. This can be facilitated through simplifying and reducing cost of rezoning and approval processes to achieve this aim. This will be further elaborated in the forthcoming Urban Land Reform Policy.

Medium term (2024-2026)

14.1.4.3 Develop Inclusionary Housing incentives

Related to PPPs above is the potential to incentivise developers to include a portion of affordable homes in development, especially where LA or Central Government land was made available. Such incentives need to be formulated as part of general guidelines for PPPs for land and housing development, and need to strike a balance between enabling housing development to take place, and achieving public benefit in return for public resources made available to developers. The development of inclusionary housing policy instruments must be firmly grounded in international experiences with similar policy aims.

14.1.5 STRATEGY E

Short term (2022)

14.1.5.1 Review urban density regulations and engineering standards

The minimum plot size of 300m² for single residential zoning is unsustainable for urban areas and with few parallels internationally. The uncontested application of excessive urban planning and engineering standards such as excessive road widths, over dimensioned service infrastructure together with the minimum plot size often cause delays in PISU processes or stall the process altogether, with the potential risk of residents' ultimate displacement and relocation^{xlvi}. Pilot projects for alternative planning and urban design have furthermore been frustrated due to inflexible municipal regulations that frustrate innovation^{xlvii}. Such innovation is required to speed up the process, guide informal growth through planned layouts, lower costs and encourage ownership of the process of land delivery through participation.

Short-long term (2022-2026)

14.1.5.2 Enable Housing innovation

Housing innovation is considered broadly in terms of social processes, financing mechanisms, planning schemes, density, housing typologies, building materials and technology,

construction standards, resource efficiency (renewable energy, water), allocation mechanisms, housing governance models, and post-occupancy assessments amongst others. Housing innovation can be government-supported partnership between universities, technical and vocational training institutions, the private sector, international organisations, and community groups. The Habitat Research and Development Centre (HRDC) provides an optimal setting for applied research and community interaction.

15 CONCLUSION

The urgency of addressing the urban and rural land and housing needs in Namibia is of high priority on the National developmental agenda, as reflected in the HPP Plan II and the 2nd NLC resolutions. This was also reflected in the blueprint for the MHDP, which was conceived as the largest government programme since independence. While the aim to intervene at a large scale was commendable, the interventions require recalibration to actually benefit the largest majority of residents.

Hardly any country has achieved the task of providing ‘houses’ for its entire population. However, Namibia has subscribed to the principle of adequate housing, which includes making possible efforts to enable the right to adequate housing for its citizens. Based on the 2009 NHP emphasis on housing as economic asset and financial product, the MHDP blueprint conveyed a notion that government would build large numbers of houses, without addressing the lack of implementation capacity at all levels of state- and non-state organisations. This policy review instead aims at facilitating the largest majority of residents to progressively access adequate housing.

The complex nature and lengthy process of land delivery, housing and urban development, as well as the limited capacity to coordinate and manage such a complex process in effective, decentralised and cost-efficient ways, require concerted measures to make significant impact. Success requires boosting coordinated implementation in the immediate term, scaling-up grass-roots initiatives paired with decentralized Government support and opening up opportunities for new forms of interventions to emerge.

The policy further aims to enhance the culture of dialogue and common learning between the various stakeholders in housing and land delivery. Platforms like the Public Forum on Housing and Urbanisation, hosted by MURD in collaboration with NUST and other key stakeholders, can become the annual event for stakeholders to meet to deliberate on socio-spatial matters. In line with this culture of dialogue and cooperation, this document along with its IAP must become a *living document* that is continually reviewed.

16 NOTES

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