

# **INTERNATIONAL TRENDS AND GOOD PRACTICES IN HOUSING: SOME LESSONS FOR SOUTH AFRICAN HOUSING POLICY**

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## **Introduction**

South Africa's housing policy was based on international good practice during the early 1990s, but since then there have been major shifts in international trends in housing, and it is important to continue to learn from international experience. Internationally, a new urban development paradigm has emerged since the mid-1990s, as reflected in the Habitat Agenda (1996), Urban 21 (2000) and the Millennium Declaration on Cities (2001). In particular, Chilean housing policy has been a model for many other countries, including South Africa - there are valuable lessons that can be learned from the continued evolution of Chilean housing policy. There are, however, a number of gaps in Chilean policy, where we need to look at other international experiences. Most notably, Chilean housing policy does not have an integrated development approach, and lacks urban upgrading and managed land settlement programmes. The provision of rental housing is also noticeably absent from Chilean housing policy. This paper briefly examines Chilean housing policy, integrated development, managed land settlement and the promotion of rental housing, and proposes some lessons for South African housing policy.

## **Chilean housing policy**

Chile had the first, and best known, example of a capital subsidy scheme for housing. It was first introduced in 1978, and was subsequently widely replicated by other countries in Latin America, for example, Costa Rica (1987), Colombia (1991), Paraguay (1992) and Uruguay (1993). South Africa's housing subsidy scheme introduced in 1994 was also partially based on the Chilean model.

There are problems with the capital subsidy model, but generally the experience of developing countries that have implemented this is that it has been considerably more successful than the public provision of housing in the past and that "the capital subsidy model a la Chile and Costa Rica continues to represent current best practice" (Gilbert, 2004: 16). The biggest weakness with capital subsidies has been that the whole rationale behind choosing this type of easily-budgeted-for subsidy, as opposed to the open-ended subsidies associated with public rental housing, is generally to restrict government expenditure. As a result, resources allocated are generally inadequate, which means that too few subsidies are delivered and the subsidies are of insufficient size to provide good quality housing on well-located land (ibid.). Only where housing has been made a priority and has been adequately resourced, as in Chile, has there been any success in reducing housing backlogs.

Chilean housing policy is widely regarded as being successful: "Chilean housing policy is exemplary. It is meeting many of the goals set by all developing countries, such as bringing an end to the illegal occupation of land, providing housing solutions for all families that need them (including the poorest), and making basic services available almost to the whole population" (Ducci, 2000: 149). Another evaluation of the Chilean housing subsidy system is

that it “covers all the income strata in a coherent manner, facilitating the access of the neediest sectors of the population to formal (albeit somewhat rigid) solutions to their housing needs” (Gonzales Arrieta, 1999: 149). Some of the exemplary features and some of the weaknesses of Chilean housing policy are discussed below.

### *Sustainable allocation of resources*

Chile has managed to greatly reduce its housing backlog through prioritising spending on housing – Chile spends about 6% of total government expenditure on housing, whereas the international average for developing countries is about 2% (Gilbert, 2004). It has been noted that the relative success of the Chilean housing subsidy system is due to “the sustainability over time of the budgetary resources earmarked for the provision of subsidies” (Gonzales Arroeita, 1999: 149). An average of 116 000 houses per year were built during the 1990s, and the housing backlog decreased from about 800 000 in 1990 to a current level of about 200 000 (Sugranyes, 2002). The levels of delivery achieved rose to 10 units per 1000 inhabitants per year, equivalent to the rate of delivery during the reconstruction period in Western Europe immediately after World War II (ibid.). There have also been spin-offs in terms of economic growth, as there has been a steady flow of work for big construction companies and for materials manufacturers.

### *A range of subsidy options and subsidy types*

The Chilean housing subsidy scheme is a multi-tiered system that attempts to provide a range of solutions for a range of housing needs, ranging from the poor to the middle class, including both supply-side and demand-side subsidies, and including both contractor-built housing and self-help housing.

For lower income groups there is a supply-side subsidy (the Basic Housing Subsidy) linked to a loan from the State housing bank. The subsidy is typically for about 60% of the total cost of a standardized housing unit. The decentralized State housing agency (Serviu) is largely responsible for developing this housing, typically through rent-to-buy arrangements.

The Progressive Housing Programme (replaced by the Dynamic Low-Cost Housing without Debt programme in 2001) was introduced in the 1990s for self-help incremental housing: in phase one households get access to a serviced site and wet core and have to complete the house by themselves – the subsidy covers 94% of the cost of the serviced site and wet core (the other 6% must be covered from savings). In phase two the household can get access to a further subsidy to improve or extend their house. In 2002 a new self-help subsidy programme, Joint Housing Projects, was introduced, aimed at poor households organised in groups and with technical support from a local authority, NGO or private company.

Demand-side subsidies are used for the higher income subsidized groups to be able to access housing provided by private sector developers (the Unified Subsidy). Beneficiaries are issued the subsidy upfront in the form of a voucher with an expiry date, which can then be used to shop around for a suitable house and mortgage loan from a private bank. The Unified Subsidy is for between about 5% and 25% of the total house cost, depending on house price.

There are also a wide range of other subsidies including Urban Renewal Subsidies, Rural Subsidies, subsidies for leasing, the Special Workers Programme and a subsidy programme for people over the age of 60.

Based on Sugranyes (2003) and very roughly translated into approximate South African terms, the Dynamic Housing programme and Basic Housing Subsidy are aimed at the below R2000 per month income group, with a total house price of approximately R30 000 to R65 000. The maximum subsidy value is about R30 000. The Unified Subsidy is aimed at the above R1500 per month income group with a total house price of approximately R65 000 to R200 000 (the subsidy varies from about R20 000 for a R65 000 unit to about R10 000 for a R200 000 unit).

### *High density urban environments with basic facilities*

Densities of the new housing projects are fairly high, which help contributes towards urban compaction, making public transport more efficient and creating higher thresholds which can potentially facilitate greater levels of service and facility provision. None of the subsidised housing delivered by Serviu has been freestanding housing, and all subsidised housing projects have densities of more than 50 dwelling units/Ha: 50% of the subsidised housing delivered by Serviu in Santiago, the largest city in Chile, consists of blocks of flats, 34% is row housing and 16% is semi-detached housing (Sugranyes, 2002). Table 1 shows the options for the Basic Housing Unit of 28-42 m<sup>2</sup>.

*Table 1: Options for Basic Housing Unit (Sugranyes, 2002)*

<b>Type of unit</b>	<b>No. of storeys</b>	<b>Plot size</b>	<b>Density*</b>
Semi-detached house	1 or 2	100-130 m <sup>2</sup>	50 – 65 DU/Ha
Row house	1 or 2	60 – 90 m <sup>2</sup>	70 – 106 DU/Ha
Block of flats	3 or 4	-	100 – 200 DU/Ha

\* Assuming 5 people per household

Although most of the new areas created by the Chilean housing subsidy scheme are typical dormitory suburbs, there has been some attempt at providing some public spaces and facilities for all new areas and for greening all projects. New subsidised housing is provided in neighbourhoods of up to 300 housing units, together with greening of the area and the provision of plazas (public spaces) and neighbourhood-level facilities. The minimum standards for urban facilities provided with new housing are (MINVU, 2003):

- For 30 to 70 households: 200m<sup>2</sup> children’s playground; 80m<sup>2</sup> recreational area.
- For 71 to 200 households: 400m<sup>2</sup> playground; 200m<sup>2</sup> recreational area; multipurpose community hall of 120m<sup>2</sup>.
- For 201 to 300 households: 800m<sup>2</sup> playground; 600m<sup>2</sup> sports field; multipurpose community hall of 120 m<sup>2</sup>.

### *Targeting of subsidies*

Chile has a relatively sophisticated system for targeting subsidies that looks at more than just incomes. The Ficha-CAS questionnaire, in which households are awarded points based on living conditions and income, is used for means testing. Local authority officials administer the questionnaire in the home - it is used as the basis for all social support programmes (state

pensions, family allowances, housing subsidies, access to free health care and school feeding programmes). A weakness of the Ficha-CAS questionnaire, however, is the emphasis it places on savings – as a result, only 27% of beneficiaries during 1994-1996 came from the bottom income quintile (Nieto, 2000, cited in Gilbert, 2004).

### *Weaknesses of Chilean housing policy*

Although Chile has greatly reduced its housing backlog, there is now a new housing problem, the problem of new subsidised housing estates in poor locations and with all the usual problems of social segregation and fragmentation that characterise public housing estates. Based on the presentations of a group of community leaders from some housing projects in Santiago, and from personal observation, some of the key problems with the new subsidised housing projects in Chile, specifically the Basic Housing Subsidy projects implemented by Serviu, are:

- *Poor location:* Most new housing projects are located on the urban periphery due to high market prices for land. The cost of raw land can be up to 40% of the total housing unit cost (Rojas, 1999). Even in very high density projects (three and four storey blocks of flats) on the urban periphery, the land costs are typically about 15-20% of the total cost per unit (Sugranyes, 2004). The net effect is that the new housing projects in Santiago are often a two hour trip away from the city centre. In many cases the new residents are people relocated from informal settlements that are closer to the city centre. As a result, although people now have better housing, people sometimes lose their jobs, there is increased expenditure on transport and there are difficulties with access to facilities such as schools and clinics. Surveys of people relocated in Santiago in the 1980s showed that more than 50% wanted to return to the slums where they had previously lived (Sugranyes, 2002). A weakness of Chilean housing policy and of most policies relying on capital subsidies is the emphasis on greenfield development – there should have been more emphasis on upgrading of *campamentos* (informal settlements) rather than on relocations. The relocations have contributed to social segregation and fragmentation.
- *Social problems:* There are increased problems of violence and insecurity in the new housing estates and low levels of community cohesion and participation. Although there are public spaces in housing projects in Chile, women and children generally do not use them because they are perceived as being unsafe. Community leaders in Santiago talk about a lack of community spirit in the new housing estates.
- *Lack of an integrated development approach:* Due to a housing-only policy emphasis, there is a lack of economic activity in new housing projects – they are basically dormitory suburbs. The housing delivery programme also seems to have reinforced spatial inequities – in Santiago, for example, most of the new subsidised housing provided by Serviu has been on the southern periphery of Santiago, whereas the most affluent, and economically fastest growing, areas of Santiago are in the north-east.
- *Dominance of large construction companies:* The large construction companies and the body that represents them, the Chamber of Construction, are very powerful in Chile, and some commentators regard them as effectively setting the housing policy in Chile. Construction companies in Chile sometimes have profit margins of up to 50% for subsidised housing projects due to the lack of a genuinely competitive environment (Sugranyes, 2002). The rapid delivery rate and the dominating role of big construction companies in Chile has resulted in a lack of participation by communities, which in turn

has resulted in new subsidised housing that sometimes does not meet the real needs of low-income people, especially in terms of location. The dominance of large construction companies in the Chilean housing programme has also resulted in the self-help options being greatly neglected.

- *Unsustainable provision of housing finance*: The Chilean State Bank provides loans to supplement the Basic Housing Subsidy. International experience “has proved beyond doubt that purely government-managed institutions, while seemingly operating in the public interest, ultimately become inefficient, monopolistic, bureaucratic and stifle interventions”, and Chile is no exception (Renaud, 2000: 30). There has been government reluctance to evict beneficiaries for fear of a political backlash, so there are high arrears (over 60% of loans are in arrears of over three months), so many loans effectively end up being converted into grants (Rojas, 1999).

### **An integrated development approach**

Internationally, there has been a shift towards focusing on poverty alleviation and socio-economic issues in urban development interventions: “Urban housing strategies should provide more than shelter... Local housing policy as a consequence is always a housing ‘plus’ policy which involves community development goals, environmental goals, urban transportation and other forms of infrastructure (schools, hospitals, child care, etc.)... Housing subsidies are social policy instruments, but they are not standalone subsidy policy instruments – it needs to complement other social policy instruments, such as family assistance, livelihood programmes, redistributive pension systems or general social assistance” (Hall and Pfeiffer, 2000: 230-231, 234).

This shift has been particularly evident with urban upgrading programmes, which are essentially programmes for improving living conditions in informal settlements. In the past, urban upgrading programmes focused on the provision of infrastructure and were often fairly top-down and unparticipatory, e.g. the Kampung Improvement Programme (KIP), the first large-scale urban upgrading programme, started in Indonesia in 1969. More recent urban upgrading programmes have tended to have a more integrated approach and a greater emphasis on community participation - even the Kampung Improvement Programme evolved in line with the changing trends and became more decentralized and more participatory, and has started including community development activities as well as physical infrastructure (Kessides, 1997).

Integration can mean many things (including spatial integration of different land uses and integration of different socio-economic groups), but the overarching meaning of an integrated approach to development is that physical development should always occur as part of a broader social and economic development strategy aimed at addressing poverty.

The linkage of housing and anti-poverty measures have to be seen within the context of sustainable livelihoods. A livelihood comprises “the capabilities, assets (including both material and social resources) and activities required for a means of living. A livelihood is sustainable when it can cope with and recover from shocks and stresses and maintain and enhance its capabilities and assets both now and in the future, whilst not undermining the natural resource base” (Carney et al, 1994: 4). There are various approaches to supporting livelihoods and addressing poverty. A distinction can be made between poverty alleviation (addressing basic needs, such as food, shelter, water), poverty reduction (reducing the depth

of poverty through the transfer of assets, skills building, provision of employment opportunities, etc.) and poverty eradication (institutional reforms that increase the political power of the poor) – all three strategies are important (Pieterse and Van Donk, 2003).

The essential motivation of an integrated approach to housing is that urban poverty is complex and multi-dimensional, and “single sector interventions cannot sustainably improve the shelter conditions of urban poor households”; improving shelter involves “building human capital through skills upgrading, strengthening community based groups (social capital) and facilitating access to credit (financial capital), as well as reviewing regulatory frameworks” (Majale, 2003: 7-8).

Integrated approaches need to be multi-faceted and build on the linkages between physical development, economic development, social development and institutional development. Housing and infrastructure can play an important role in poverty alleviation and reduction. In an urban upgrading programme in Visakhapatnam in India, in which 170 settlements with a total population of 200 000 were upgraded, it was found that the improvements in physical infrastructure had a significant impact on poverty alleviation, and in the Slum Networking Project in Ahmedabad it was found that infrastructure provision can result not only in poverty alleviation, but in poverty reduction as well (Amis and Kumar, 2000; Amis, 2001). Housing also plays an important role with regard to income generating activities. There is a symbiotic relationship between housing and home-based enterprises – “many households would not have a dwelling without their home-based enterprise and many enterprises would not exist without the use of a dwelling” (Kellet and Tipple, 2000: 204). The linkage between increasing incomes and the resulting improvement of shelter by households is complex and long-term, but, essentially, community based savings and credit schemes support income-generating opportunities and help households cope during sudden drops in income and sudden increases in expenditure; this, in turn, this can help households to be able to buy, rent or build better accommodation (UN-Habitat, 2004).

In an integrated approach it is important that all facets of poverty are addressed through a multi-faceted strategy that includes improving social capital (strengthening community institutions and social networks, e.g. neighbourhood committees, savings groups, income generating activity groups), human capital (improved health and education), financial capital (increasing income) and physical capital (access to infrastructure and shelter) (Majale, 2003). Integrated urban upgrading programmes in India have typically included the following (Barrett, 2000; Amis, 2001; Majale, 2003):

- Physical development: roads, pavements, stormwater drainage, water supply, sanitation, street lighting, solid waste management.
- Social/ human development: setting up neighbourhood and women’s groups, youth activities, forming savings groups, preprimary education, adult literacy, community health, mother and child care.
- Economic development: mobilizing community savings, supporting income generating activities through vocational training/ skills upgrading and facilitating access of small businesses to finance and trade.

A precondition for successful large-scale urban upgrading programmes is access to land through flexible land tenure arrangements. Security of tenure needs to be ensured by promoting flexible land tenure arrangements, for example, from a moratorium on relocations

and evictions, to temporary occupation licences, communal or individual leases and community land trusts (Payne, 2003; UN-Habitat, 2004). In Cambodia, for example, there was a six month moratorium of relocations and evictions while decisions were made on which informal settlements should be relocated and which should be upgraded; for the upgrading of settlements, 12 year community leases and 10 year sub-leases were introduced, with the option, at the end of the 10 year period, for extending or upgrading the lease or of terminating the lease with market-related compensation for improvements (Payne, 2003). "This is considered adequate to encourage those with funds or access to credit to invest in home improvements without raising land values to the level at which 'downward raiding' by higher income groups would become widespread" (ibid.).

Regulatory frameworks, planning and building regulations, standards and administrative procedures also need to be flexible and appropriate and not be a barrier to development. Above all, in order to be sustainable and replicable, it has been found that urban upgrading initiatives must be undertaken in a way that is inclusive and responsive to local conditions. Community participation in all stages of the programme is essential, and the energies of residents of informal settlements and their representative organizations must be involved (UN-Habitat, 2003a).

There needs to be a "twin track" approach, in which urban upgrading initiatives to provide security of tenure and infrastructure in existing settlements is accompanied by a programme to ensure that new informal settlements do not form (Payne, 2003). The only way to prevent the growth of new informal settlements through new household formation and rural-urban migration is through the rapid provision of serviced land for settlement, or "managed land settlement". These areas can be laid out and basic services provided so that health and safety can be considerably better than in informal settlements, and they are also considerably easier to upgrade than spontaneous, unplanned settlements. The key elements of such a strategy are that it must be simple and quick and it must replicate the key benefits of informal settlements as far as possible. The Hyderabad Incremental Development Scheme in Pakistan provides a model of managed land settlement in order to avoid the growth of unplanned and unserviced informal settlements (UNCHS, 1991; Walker et al., 1993).

The key to the project's success was that administration and allocation procedures were very simple and rapid: households applied for a plot by submitting a photocopy of their ID card, and they were allocated a plot within 12 days. A reception area was set up in the scheme where households could erect a temporary shelter or rent a room while they waited for their application for a site to be processed. Beneficiaries were required to complete construction of a house immediately (no building standards were applied in the project). This was a major departure from previous projects, where there had been periods of up to a year for beneficiaries to build a house on their plots, which had often resulted in plots being allocated to people who never occupied them. The legal transfer of tenure did not take place immediately (there were instalment sale agreements) - in this way, the Hyderabad Development Authority had a way of cancelling the allocation of beneficiaries who left the project (beneficiaries leaving the project could be paid a proportion of the money they had paid for the plot).

The Hyderabad Incremental Development Scheme was successful in a number of ways: it was able to reach the poorest 10% of the population; the time lag in implementing projects was eliminated, because households were immediately allocated plots, which were then

subsequently upgraded while the household was living there; and the continuous supply of plots ensured that there was never a shortage of land in the area, which could have resulted in speculation (people with housing elsewhere obtaining plots to rent out accommodation) or land invasions resulting in overcrowded informal settlements.

## **Promotion of rental housing**

There are many myths about homeownership: that everyone owns in affluent countries; that everyone wants to be a homeowner; that ownership offers people a better life; and that homeownership encourages the emergence of a politically stable society (UN-Habitat, 2003b). In reality, international experience shows that rental housing tends to offer better location, services and infrastructure than equivalent ownership housing, and facilitates labour mobility, which is an important livelihood strategy of the poor (Gilbert, 1997). It has been argued that the availability of affordable rental housing is an essential element of any poverty alleviation strategy (Nordberg, 2000).

Many of the mechanisms used to stimulate the provision of rental housing in developed countries have limited applicability in developing countries, but can still be important, for example, stimulating the emergence of a social housing institutions (for subsidised rental and co-operative housing) and stimulating the provision of large-scale private rental housing through tax incentives. However, the encouragement of the provision of adequate and affordable rental housing by small-scale landlords seems to hold most potential for developing countries. Ways of doing this include (UN-Habitat, 2003b):

- Assuring small-scale landlords that, subject to very basic minimum standards, letting accommodation to tenants is encouraged, and that landlords will not lose the property to the tenants and will be able to repossess the property if tenants do not pay the rent.
- Ensuring that landlords and tenants understand their right and responsibilities, that standard rent contracts are easily available, that all rent contracts are put in writing, and establishing mediation and conciliation tribunals.
- Implementing urban upgrading programmes (providing infrastructure and facilities, improving transport links, etc.): international experience shows that upgrading generally does not lead to the displacement of tenants, except in well-located areas which are particularly attractive to higher income groups, where ‘gentrification’ sometimes occurs.
- Providing micro-credit for existing and potential landlords.
- Relaxing building and planning standards and regulations, although there do need to be certain minimum standards to ensure health and safety.
- Ensuring affordability of rentals through “second-generation” rent controls, i.e. rent controls that allow inflation-linked increases in rentals and which allow evictions of tenants under certain conditions.

The importance of rental housing has implications for existing public rental housing. From the 1980s onwards there had been a trend towards the transfer or privatization of public rental stock, due to widespread mismanagement of rental stock by government bodies. The experience in Britain with the transfer of public rental housing stock to newly established housing associations with tenant representation on the boards of the institutions shows that “regulated, subsidised, non-profit bodies do seem to offer the prospect of a socially and



politically acceptable rental housing sector” (Malpass, 2002), although there does still seem to be the need for at least some public rental housing.

## **Conclusion: Lessons for South African housing policy**

There are a number of lessons for South African housing policy which can be drawn from this brief overview of some notable international trends and experiences:

- The current 1.3% of total government expenditure that is spent by the government on housing has to be greatly increased if any real impact on reducing the housing backlog is to be made. The National Housing Goal of increasing expenditure on housing to 5% of total government expenditure is still relevant.
- Housing delivery needs to be regarded as being part of broader integrated development interventions aimed at social and economic development. These broader development programmes need to include capacity building, skills development, access to credit, job creation, health, education, community safety, etc. One of the key factors in achieving integrated development is good location in relation to economic and social opportunities.
- Building and strengthening livelihoods and social cohesion are essential. Upgrading projects are therefore preferable to relocation projects, and effective capacity building and community participation is essential, even if it slows down delivery.
- For greenfield projects, densities need to be increased so that urban compaction can be promoted, optimal use can be made of land and more viable urban settlements can be created. The Department of Housing’s Guidelines for Human Settlement Planning and Design (the Red Book) recommend that in order to create sufficient thresholds for the viable provision of a range of services and facilities a gross density of over 50 dwelling units/Ha is appropriate (CSIR, 2000). In reality, virtually all of the subsidised housing provided in South Africa has been low-density freestanding housing, typically with densities of only 10 to 30 dwelling units/Ha, and this has contributed to the sterility and unviability of many of these new settlements (PSC, 2003).
- Rental housing needs to be promoted, through the stimulation of a social housing sector, through the encouragement of large-scale private sector housing, and, in particular, through the encouragement of small-scale rental housing.
- Subsidies need to be complemented by savings and loans. Private sector banks in developing countries do not provide finance for the poor – in Mexico, for example, only 4% of the population is able to access finance from commercial banks (Renaud, 2000). The more successful capital subsidy schemes are supplemented by loans from State-owned banks (e.g. the State Bank in Chile and the State-owned Housing Mortgage Bank in Costa Rica), and it would appear that it is only through the existence of a State-owned housing bank that lower middle class households can be assured of reasonable access to mortgage loans to combine with subsidies. The debate on a National Housing Bank in South Africa should therefore be re-opened. Typical problems of State-owned housing banks that need to be guarded against are a lack of political will to foreclose on mortgages (having an effective right sizing programme can potentially overcome this) and long loan approval periods. For lower income groups, for whom mortgage loans are inappropriate, there is a need to stimulate the provision of savings-linked micro-finance by community-based financial institutions. Onlending via community-based groups has been successful internationally, and is capable of reaching large numbers of households and achieving reasonable repayment rates, e.g.

the Community Mortgage Programme in the Philippines, the Urban Community Development Office in Thailand and FONHAPO in Mexico, which collectively provided loans to 320 000 households through more than 1400 community-based savings and credit groups (Lee, 1995; Yap, 1996; Mitlin, 1997).

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• Identify trends and best practice in affordable housing policies at Member State level; and. • Identify the main policies in relation to the affordability of housing at EU level and specify what more can be done at EU and national levels in the future. The analysis is based on desk-research (review of recent publications and statistical data), supplemented by several interviews with key EU-level stakeholders in the field of housing policy. Key findings. There is a variety of criteria for and definitions of housing affordability used across different Member States and institutions. Finally, in some cases the term 'affordable' (often used interchangeably with 'social') housing does not denote a single criterion/factor, but instead encompasses a complex range of factors that can make housing affordable. International Best Practices were presented at a high-level workshop held in April 2007 with the intent of assessing different schemes of housing subsidies and reforms used in other emerging markets, in order draw lessons pertinent for Egypt. Finally, a note (World Bank) summarized the framework for moving from a program-based to a policy-based approach to housing sector reform, which was jointly developed by the World Bank and USAID TAPRII teams and discussed with Government of Egypt (GOE) policymakers in the high-level workshops of April and May 2007, and endorsed in September 2007. South Africa. South Sudan. Spain. Sri Lanka. Figure 7. Housing policy responses to Covid19 involve trade-offs and complementarities. Note: Green means that the policy in the row supports progress towards the objective in the column; orange means that the policy in the row hampers progress towards the objective in the column; white means that there is no known effect. Measures that preserve housing affordability for mortgage-holders and tenants in the short term can have adverse longer-term side-effects. They can undermine resilience or compromise the long-term functioning of the housing market. Tax support. South Africa began the post-apartheid era facing challenges as formidable as those confronted by Europe at the end of World War II, or the Soviet Union after communism. It had to re-engineer an economy dominated by mining and expand into modern pursuits like tourism and agriculture, while overcoming a legacy of colonial exploitation, racial oppression and global isolation – the results of decades of international sanctions. –™s a very deep structural problem, said Ian Goldin, who served as a senior economic adviser to Nelson Mandela when he was president of South Africa, and is now a profes Although many in South Africa have access to low cost housing from the government, persistent housing problems continue to take center stage among the poor and needy in the country. This paper examines the housing problems in the housing programs in South Africa through a literature review. Findings show that most of the housing problems are caused by corruption and mismanagement while some are due to small housing structures, whereas others are due to the poor housing material, and others are caused by poor location of housing projects, with others resulting from lack of involvement of stakeh