

**UN-Habitat**

**Global Housing Strategy**

**Framework Document**

Housing and Slum Upgrading Branch



# Global Housing Strategy framework document

## I. Introduction

1. The UN-Habitat Global Housing Strategy is a collaborative global movement towards adequate housing for all and improving access to housing in general and the living conditions of slum dwellers in particular. Its main objective is to assist member States in working towards the realization of the right to adequate housing.
2. To achieve the goal of adequate housing for all, the backbone of the Strategy will rely on the principle of inclusive cities as the foundation for sustainable urban development. Inclusive cities are achieved by mainstreaming human rights in urban development, including housing and slum upgrading, to ensure social integration and aiming for the elimination of the urban divide.
3. One of the main objectives of the Strategy is for member States to develop national housing strategies. A national housing strategy, as a pillar of national urban policy, comprises agreed sets of activities formalized in Strategy documents and their updates. It guides policies, planning and programming of investment, management and maintenance activities in the areas of housing, slum upgrading and slum prevention. These need to be formulated with the full participation of all relevant stakeholders. Housing strategies, at national and city levels, are inseparable from land-use strategies, infrastructure strategies, including mobility and local economic development strategies, all integrated in the broad, participatory and inclusive urban planning and management process within a supportive legal and regulatory framework.
4. The expected outcomes of the UN-Habitat Global Housing Strategy through a paradigm shift in thinking and practice in housing policy will (re)position housing within the global contemporary debate on economically viable, environmentally and culturally sustainable and socially inclusive cities and towns. Furthermore, the Strategy will bring about several critical outcomes, such as: an assurance that housing is integrated with other urban uses; a contribution to the global discourse on and definition of the post-Millennium Development Goals agenda and the sustainable development goals; a redefined role for Governments beyond enablement to reassuming a leadership role in encouraging pro-poor performance of the markets, facilitating and supporting the demand capabilities of the economically weakest sectors of the society; the promotion of systemic reforms to enable wider access to adequate housing with a variety of housing solutions matching effective demands; strengthened linkages between housing and other parts of the economy and consequent economic development, employment generation and poverty reduction; decentralization of housing production and empowerment of different actors and modalities of housing development; increased use of sustainable building and neighbourhood designs and technologies towards more cost-effective, flexible and energy-efficient solutions. Most importantly, the Strategy will have a significant and measurable impact in terms of improving housing and the living conditions of a large proportion of the population aiming at poverty reduction.

## II. What is the Global Housing Strategy?

5. The UN-Habitat Global Housing Strategy is a collaborative global movement towards adequate housing for all and improving housing for and the living conditions of slum dwellers. Its main objective is to assist member States in working towards the realization of the right to adequate housing.
6. For ease of use and to ensure its relevance for a variety of national and local contexts, the Strategy is short and relatively general. Organized in 10 sections, specificity and practical details are incorporated through references to selected thematic practical “how-to-do-it” publications of UN-Habitat and its partners, based on global comparative knowledge and on specific hands-on experience.

### III. Why do we need it – what went wrong?

7. The unprecedented proliferation of slums and other informal settlements is the physical manifestation in cities of a chronic lack of adequate and affordable housing resulting from inadequate public urban policies. In 2013, over 860 million people are living in slums, up from 725 million in 2000. Thus, despite the significant efforts that have served to improve the living conditions of 230 million slum dwellers, the net growth of slums continues to outpace the improvement. With the exception of a few success stories, there is an urgent need to revisit housing and slum improvement in the context of present-day realities.

8. A pro-poor housing policy is therefore a very important element of a national development strategy. When adequately developed, it can be a major source of local employment and can act as development multiplier, benefitting different related complementary industries.

9. A variety of strategies have been tried around the world in terms of pro-poor housing policies, some of which have involved significant cooperation with the private sector, focusing on financial support to tenants, while others have been based on direct construction in the public sector. Different strategies have been also used in terms of allocating housing, including full tenure, leasing and renting.

10. A new series of challenges is emerging with the development of large-scale pro-poor strategies. The most common problem is that new low-income housing areas are located too far away from the means of livelihood of the local population with the high cost of transportation being prohibitive for the affected families.

11. The transfer of poor households from slums to new housing areas often leads to unlawful forced evictions and the breakdown of existing community links within the slum settlements and with the surrounding areas. The high cost of current basic services at the new low-income housing areas is also an important concern.

12. Such shortcomings are a demonstration of an all too common pattern of building pro-poor housing without adequate and proper urban planning, which should respond to the need for urban cohesion in the available space. The pro-poor housing projects tend to be too big and, in the absence of urban planning, they run the risk of creating segregated communities (just for the poor), which contribute little to the urban economy and increase the inequity gap in society.

13. Predictions based on robust data and analysis indicate that the world will become a planet of cities, expanding its urban boundaries at a much higher rate than the rate of population growth. The urban debate will be entrenched in current global reality marked by several sustainability challenges, including:

(a) Financial crisis and a global recession resulting from the housing market crash caused by uncontrolled credit without guarantees, the decreasing availability of financial resources for development assistance and shrinking public sector funding, all leading to reduced housing supply;

(b) Urban exclusion resulting from the growing fragmentation of urban areas exacerbated by insufficient urban planning to scale; lack of coordinated housing policies impeding a wide range of initiatives; and lack of slum prevention strategies to ensure the availability of diverse, equitable, adequate and sustainable housing options;

(c) Increasing economic inequalities, leading to social polarization with risk of violent and destructive conflicts, exacerbated by prevailing zoning regulations and policies that favour single homeownership solutions over other tenure modalities, preventing access by large portions of the population to adequate housing, resulting in mismatches between supply and affordability, and creating income stratification of cities with divisions into large units of one social class and tenure type that result in ghettos and other forms of social exclusion;

(d) Environmental degradation stemming, among other things, from the urban sprawl characterized by low-density suburban development in some contexts and the rapid multiplication

and persistence of slums and informal settlements in others, further threatening the sustainability of cities;

(e) Climate change and environmental impacts, which increase urban vulnerabilities while, conversely, the building sector represents the single largest contributor to greenhouse gas emissions, accounting for up to one-third of global material resource consumption.

14. The UN-Habitat Global Strategy for Shelter to the Year 2000 has encouraged an enabling approach,<sup>1</sup> shifting housing policies away from an exclusive focus on building houses towards a more comprehensive approach through regulatory measures and public sector incentives to enable and facilitate housing action by a wide range of actors, rather than Governments alone.

15. Significant shifts in policies and approaches, and a consequent wealth of empirical research emerged. A wide range of practical applications of the principles set out in the Global Strategy for Shelter policy documents took place in different countries with mixed results. In certain countries there was a total retreat of Governments from housing, while in others a focus on programmes to boost home ownership to the detriment of rental housing emerged. Housing finance institutions and mechanisms to ease access to housing credit were established in some countries. City and nationwide slum upgrading programmes combined with sites and services programmes and a supply of new plots were created with an emphasis on security of tenure so as to enable individuals and households to invest their savings in housing improvements. During the 1990s, about 150 countries reported annually to UN-Habitat on their progress in implementing the Global Strategy for Shelter.

16. The main lessons learned from the implementation of the Global Strategy for Shelter and related developments since its inception, as summarized in the UN-Habitat report on regional reviews and global assessment of the Global Strategy for Shelter<sup>2</sup>, include:

(a) Confirmation that focusing government housing policies on creating an “enabling environment” and thereby facilitating housing action by a wide range of actors is a valid approach and a step in the right direction. This enabling approach was often linked, however, with the overly optimistic assumption that the “enabled” deregulated markets would, in their own right, be able to respond to the housing needs of all income groups, which they failed to do in the majority of cases. Governments’ withdrawal from a direct role in the provision of housing and in the markets of key inputs such as land, finance, infrastructure or building materials, had, in a number of cases, the effect of reducing the supply of affordable housing, especially for the poorest. Governments need to play a more active role, supported by the allocation of necessary resources;

(b) Absence of effective urban planning has a profound effect on the availability of affordable housing. The lack of an organizational framework integrating land use and infrastructure planning, including mobility and transportation, has resulted in chaotic urban sprawl, penalizing the poor, in particular, and worsening accessibility to sources of income, services and markets. Lack of planning and of enabling zoning regulations, which would allow and support mixed land uses, is detrimental to local economic development;

(c) The “enabling approach” has often been guided by inadequate understanding of the breadth of policies and areas affecting the supply of affordable housing. This has limited the areas of reforms of the regulatory framework to those directly implicated in housing production, with insufficient inclusion of urban planning, urban economy, land markets and fiscal mechanisms that would encourage efficient use of urban land, urban services, public spaces, building materials and components industries, regulations concerning local economic activities and others;

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<sup>1</sup> UN-Habitat, *Enabling shelter strategies: Review of experience from two decades of implementation*, 2006.

<sup>2</sup> UN-Habitat, *Global Housing Strategy, First report, Regional Reviews and Global Assessment of the Global Strategy for Shelter to the Year 2000*, 2012.

(d) The approach and implementation of the Global Shelter Strategy was not sufficiently responsive to the broad variety of needs and priorities of the urban poor, women-headed households, indigenous people, minority groups, the youth and the elderly;

(e) Inadequate involvement of stakeholders at the national, city and local levels, both in terms of the breadth of stakeholders and of real participation from the early stages of strategy formulation, resulted in mismatches between the needs of the urban population and urban development;

(f) Too much emphasis was placed on documents and reporting as compared to action on the ground.

17. In cases where ministries of housing or central housing delivery institutions have built large number of housing units, they usually built them in large areas dedicated only to housing, sometimes with only a few basic facilities. In most of these cases, the housing estates were built far away from the existing cities and their social facilities, job opportunities, recreation, retail and other urban amenities. As a result, many of these housing estates either end up as dormitory towns or even worse, as in many cases they remain abandoned resulting in the phenomenon of “ghost towns”. The cheap cost of land or the fact that it already belongs to the national or local government is given as the rationale for building such residential areas so far away from existing cities. The real costs of additional transportation systems, the need to duplicate services and the wasted investments that remain vacant for years are never really calculated as a result of isolated planning for delivery of housing in isolation. This could be avoided if, for example, land readjustment is made on the urban peripheries or through urban infill.

18. The quantitative approach to housing policies, i.e. building a certain number of houses per year, even if achieved does not always address the need for housing units. There is therefore a need for a results based type of policies where the result to be achieved is housing households that need housing. This will ensure that resources are not wasted and that supply meets demand qualitatively and quantitatively.

19. In sum, while most of the objectives, the rationale, the general principles and the guidelines for action of the Global Strategy for Shelter to the Year 2000 remain valid, a new impetus that responds to present-day realities and addresses the drawbacks identified above is clearly needed. The Global Housing Strategy is a necessary response to this challenge.

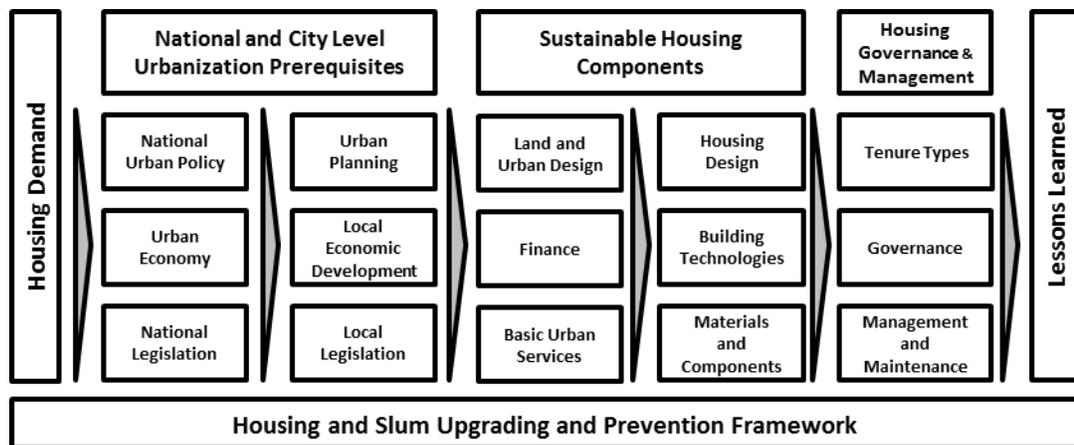
#### **IV. What is the paradigm shift that will guide the Strategy?**

20. To achieve the goal of adequate housing for all, the backbone of the Global Housing Strategy will rely on the principle of inclusive cities as the foundation for sustainable urban development. Inclusive cities are achieved by mainstreaming human rights in urban development, including housing and slum upgrading, to ensure social integration and aiming for the elimination of the urban divide. The following sustainable urbanization prerequisites, based on lessons learned from past experience, including the implementation of the Global Strategy for Shelter to the Year 2000, will guide UN-Habitat work on housing delivery and slum upgrading and prevention, reflecting the new urban development principles.

21. The proposed paradigm shift will change the way housing has been addressed as an isolated product in the form of housing estates. This change will be achieved by utilizing national urban policies, urban planning and urban design as well as urban economy and legislation as the essential entry points. The aim is to integrate housing in the urban fabric with other uses, to integrate different economic groups, at appropriate densities to achieve better mobility and to reduce the urban footprint to ensure environmental sustainability as well as taking social and cultural needs into account through participatory approaches.

22. To achieve this, the guidelines are set out in five groups corresponding to the five levels of the housing process, respectively: sustainable urbanization prerequisites at the national level, sustainable urbanization prerequisites at the city level, housing development prerequisites,

sustainable housing, and housing governance and management, including tenure and maintenance. While such presentation provides an overview of the process, it represents, by necessity, a simplification. The area of finance, for example, is highly relevant at all five levels of the housing process, as are the areas of land and technologies.



## A. Sustainable urbanization prerequisites at the national level

### 1. National urban policy

23. The objective of a national urban policy should be to provide the organizing and unifying frameworks for the overall national urban growth strategy. It needs to ensure effective coordination of all government actions towards sustainable urban development, including affordable housing for all and the improvement of the living conditions of slum dwellers. It should include intersectoral coordination of national government institutions, vertical coordination between various levels of government, coordination with the private sector, civil society organizations, research organizations and academia. Slum upgrading and prevention need to be mainstreamed within the national urban policy. The housing strategy is one pillar of the national urban strategy.

### 2. National economic policy

24. The national economic policy, as it refers to urban development, should support and take full advantage of sustainable urbanization as a key driving force of national economic development.<sup>3</sup> It should also take full advantage of forwards and backwards linkages in the production, improvement and maintenance of housing<sup>4</sup> and of the enormous employment potential of the construction industry for local economic development. It should enable, encourage and support local economic activities, especially within the lower-income areas of cities and towns, and should include slum upgrading and prevention as priority areas for attention. Locally appropriate approaches should be considered for possible use of housing subsidies for the poorest sectors of the population.

### 3. National legislation

25. National legal frameworks should cover all areas determining the production and availability of affordable housing, including legislation and regulations addressing housing and affecting the availability of required housing inputs, especially land and finance, as well as legislation influencing the income-earning opportunities of the poorest sectors of the population,

<sup>3</sup>UN-Habitat, *Urban Patterns for Green Economy: Clustering for Competitiveness*, 2012.

<sup>4</sup>UNCHS (UN-Habitat) and the International Labour Organization, *Shelter provision and employment generation*, 1995.

i.e., the demand side of the affordability equation.<sup>5</sup> The legal and regulatory framework should ensure that the housing process is transparent, equitable and regulated by the rule of law and should empower all the actors involved in housing.

## **B. Sustainable urbanization prerequisites at the city level**

### **1. Urban planning<sup>6</sup>**

26. A continuous, participatory and inclusive urban planning process should be the starting point and framework for integrating housing within planned city extensions or urban in-fills, so that housing is no longer a stand-alone exercise. We need:

(a) Mixed urban land uses integrating housing with economic, social, recreational and other land uses and avoiding dormitory towns;

(b) Appropriately high urban densities<sup>7</sup> to improve urban efficiency, reduce the cost of network services and safeguard the environment by limiting the urban footprint through planning and locally based densification;

(c) Social mix of the population, including people from different income groups, family compositions and ethnic origins, through a variety of tenure modalities, housing types and costs to render housing accessible and responsive to varying social and economic demands;

(d) Comprehensive land management and thorough integration of land use and infrastructure planning to create highly efficient urban patterns and facilitate better mobility;<sup>8</sup>

(e) Climate change responsiveness and preparedness<sup>9</sup>.

### **2. Urban economic development**

27. Economic development at the local level needs to take full advantage of the potential leading role of housing through its broad backward and forward linkages and high employment generation capacity. Related income-generating activities and job creation for lower-income groups represent an important component of bridging the affordability gap to ensure improved access to adequate housing. Sustainable local economic development strategies are inseparable from housing strategies and from urban planning in general. Predictable availability of land and infrastructure is a precondition for economic growth at all scales. Mixed land-use zoning, combined with regulations supporting family-based and small and medium-sized enterprises, facilitate better income levels thus enhancing the ability to afford housing. Regulations supporting incremental expansion of single family homes by adding rental units also improve family and local economy, while improving rental housing opportunities, increasing urban densities and reducing urban sprawl.

### **3. Local legislation and regulations**

28. Legislation and regulations, and the procedure for their implementation and enforcement at the local level, need to encourage the efficient use of urban land and infrastructure<sup>10</sup> in order to support investment, improvements and maintenance. Subdivision regulations need to encourage mixed land uses, social and income-level population mix, and incremental upgrading of infrastructure. Building codes need to allow for incremental improvement, expansion and

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<sup>5</sup>Geoffrey Payne and Michael Majale, *Urban Housing Manual: Making Regulatory Frameworks work for the Poor*, EARTHSCAN, 2004, London and Sterling VA.

<sup>6</sup>UN-Habitat and SIEMENS, *Urban Planning for City Leaders*, 2012, HS/090/12E; ISBN Number: 978-92-1-132505-8.

<sup>7</sup>UN-Habitat, *Urban Patterns for Green Economy: Leveraging Density*, 2012.

<sup>8</sup>UN-Habitat, *City-wide Strategic Planning: a step-by-step guide*, Global Land Tool Network, 2010.

<sup>9</sup>UN-Habitat and International Institute for Environment and Development, *Developing Local Climate Change Plans: Guide for Cities in Developing Countries*, 2012.

<sup>10</sup>UN-Habitat, *Innovative Land and Property Taxation*, Global Land Tool Network, 2011.

densification. They should also encourage the use of indigenous construction materials and building technologies. Subdivision regulations and building codes need to be sufficiently flexible and appropriate to local conditions and should preferably be performance-based and not prescriptive.

## **C. Housing development prerequisites**

### **1. Land and urban design**

29. The availability of land, along with a variety of tenure types and adequate tenure security, should be ensured in advance of construction within a planned urban development framework. Functioning land management information systems are required to supply sufficient information for large-scale urban operations, such as the supply of major infrastructure. Appropriate subdivision regulations, enabling community-oriented urban design, are required to ensure adequate provision of land for public spaces, streets, other infrastructure, services and other public uses.<sup>11</sup>

### **2. Finance<sup>12</sup>**

30. A variety of housing finance options<sup>13</sup> should be made available, including mortgage finance, financing for social and rental housing, non-collateral credit mechanisms for owner-builders, credit for developers and contractors, and producers of building materials and components. Cross-subsidy mechanisms, within urban projects, between commercial and housing land uses, and between high-cost and low-cost housing and plots are important to encourage socially mixed development.

### **3. Basic urban services**

31. A variety of options for infrastructure provision levels, including the option of incremental provision, need to be availed while ensuring that the planning and layout framework allows for rational upgrading in the future.<sup>14</sup>

## **D. Sustainable housing**

### **1. Design**

32. Functional and cultural adequacy, energy efficiency, climatic and environmental appropriateness, affordability, flexibility for expansion and for upgrading of standards, and adaptability for future needs, should be maximised in housing design, both at the level of buildings and at the level of neighbourhoods.<sup>15</sup> Designs should also allow for possible economic activities in the dwelling unit to enhance income generating opportunities. Housing is to be mixed with other uses achieving appropriate densities to increase urban interaction, improve mobility and ensure the environmental sustainability of the urban fabric.

### **2. Technologies**

33. As is the case of design, the aims in terms of technologies should be energy efficiency, environmental friendliness, cost-minimizing, allowing incremental expansion and improvement of standards, and enabling, where appropriate, owner building and use of local labour and contractors. Traditional technologies should be considered for local use and their adaptation for better performance should be encouraged.<sup>16</sup>

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<sup>11</sup>UN-Habitat and International Institute of Rural Reconstruction, *Handling land: Innovative tools for land governance and secure tenure*, Global Land Tool Network, Nairobi, 2012.

<sup>12</sup>UN-Habitat *Financing Urban Shelter: Global Report on Human Settlements 2005*, (Earthscan, 2005), abridged edition, 2005; also available as full edition.

<sup>13</sup>UN-Habitat, *Sustainable Housing for Sustainable Cities: A Policy Framework for Developing Countries*, 2012.

<sup>14</sup>UN-Habitat, *Urban Patterns for Green Economy: Optimizing Infrastructure*, Nairobi 2012.

<sup>15</sup>UN-Habitat, *Sustainable Housing for Sustainable Cities: A Policy Framework for Developing Countries*, Nairobi 2012.

<sup>16</sup>UN-Habitat, *Going Green: A Handbook of Sustainable Housing Practices in Developing Countries*, Nairobi, 2012.

### **3. Materials and components**

34. It is important to maximize the use of local materials and components in lower-income countries while striving for climatic appropriateness, energy-efficiency and environmental friendliness of the production processes of building materials, and for energy efficiency in their use. The use of imported materials should be systematically avoided.

## **E. Housing governance and management**

### **1. Tenure types<sup>17</sup>**

35. A continuum of tenure types should be available, including customary forms of tenure, all providing adequate security of tenure in order to guarantee the welfare of households and stimulate improvements and expansion.<sup>18</sup> Special attention should be accorded to the equal rights of women, young people and the elderly as well as social and ethnic minorities. Land and dwelling tenure types other than freehold ownership should be encouraged, including leaseholds, condominiums, cooperatives, shared leaseholds and various forms of rental housing.<sup>19</sup>

### **2. Governance**

36. Fully inclusive community collaboration and neighbourhood-level self-governance should be encouraged for the management and upgrading of housing areas, including through condominiums and cooperatives, homeowners' and tenants' associations and local area improvement committees.

### **3. Management and maintenance**

37. The contracting of maintenance work within the local community should be encouraged, especially in lower-income and mixed-income areas, to support the local economy and create income-generating opportunities, and to strengthen the local sense of ownership and identification with the living environment. Organizational and financial mechanisms should be put in place for the maintenance and replacement of housing and neighbourhood components.

## **V. Who needs to be involved?**

38. The full involvement, from the early planning stages, of all stakeholders at national, city and local levels, is essential for ownership and the success of the Global Housing Strategy.

### **A. Global level**

39. With UN-Habitat assuming the role of convener and secretariat, it is necessary to ensure the involvement of key Habitat Agenda partners, including: National and local governments; international cooperation partners and external support agencies; civil society; global centres of know-how in urban development and housing; Global umbrella organizations for local authorities; global umbrella organizations for community and grass-roots organizations; International professional organizations; global opinion forming media; and the private sector.

### **B. National level**

40. The first step at the national level would be the revitalization and expansion of the national habitat committees, the inclusion therein of Habitat Agenda partners and other relevant stakeholders.

41. Each national habitat committee requires a secretariat and an agreed convener, usually a national ministry from the members or a civil society organization.

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<sup>17</sup>Geoffrey Payne, *Urban Land Tenure and Property Rights in Developing Countries : A review*, (IT/ODA Publications, 1997).

<sup>18</sup>Geoffrey Payne, *Land rites: Innovative approaches to secure tenure for the urban poor*, 2001.

<sup>19</sup>UN-Habitat, *Rental Housing: An essential option for the urban poor in developing countries*, 2003.

42. The committees should include all the relevant government ministries and agencies impacting on housing, such as housing, urban development, economic planning, finance, infrastructure, local government, the interior or territorial administration. It is important to ensure the representation of key relevant civil society organizations, local government associations, professional associations, the research community and academia, and relevant private sector actors. National representatives of slum dwellers should also be included along with representatives of women, young people, the elderly and minority groups.

### **C. Local and city level**

43. One of the first tasks of national habitat committees should be to encourage broad multi-stakeholder participatory consultation, planning and coordination with the objective of a “Better city and housing for all” at the local level. This could occur through the creation or revitalization of city habitat committees, or by expanding the participatory mechanisms of existing local urban development and planning processes.

44. Getting all the relevant stakeholders “on board” as early as possible is crucial. These stakeholders should include representatives of slum dwellers, women, young people and the elderly, as well as social and ethnic minorities as well as the private sector, especially real estate developers. In cases of apparent conflicts of interest, negotiations and even mediation may be required to bring everyone “all on board” to ensure the sustainability of urban and housing development.

45. These city habitat committees need to reach out to existing local improvement committees, or similar organizations, in the neighbourhoods, especially in low-income areas, to ensure that the local population is involved, and are able to articulate their demands and needs.

46. The leadership of the city habitat committee should be vested in the local mayor, with responsibility for the secretariat and day-to-day servicing being vested in an appropriate department designated by the mayor, such as the department of urban planning, urban development or housing. In special cases civil society organizations could also assume a leadership role.

## **VI. What are national housing strategies?**

47. A national housing strategy, as a pillar of the national urban policy, is a process of agreed sets of activities formalized in strategy documents and their updates, which guide policies, planning and the programming of investment, management and maintenance activities in the area of housing, and slum upgrading and prevention. These agreed sets of activities need to constitute an integral component of the national urban strategies and should be formulated with the full involvement of all relevant stakeholders. Housing strategies, at the national and city levels, are inseparable from land-use strategies, infrastructure strategies, including mobility and local economic development strategies, all integrated in the broad, participatory and inclusive urban planning and management process within a supportive legal and regulatory framework.

48. National housing strategies, as a part of the full complement of urban strategies, assume a guiding and harmonizing role for decisions at the national level, and provide the framework for the urban strategies at the local level – metropolitan, city, town and village.

49. National-level decisions in the area of housing, and slum upgrading and prevention, generally include the majority of urban and housing legal and regulatory frameworks; requirements for, and support to, urban planning at the local level; systems of fiscal incentives; major infrastructure investments; and measures to ensure local availability of land, finance, infrastructure, services and supply of building materials and components. They also guide the direct involvement of national Governments in ensuring the supportive pro-poor performance of markets, as well as possible enabling support for housing demand.

50. In sum, the national housing strategy, which is the housing component of the national urban policy, constitutes the instrument for providing enabling support and guidance for inclusive housing, slum upgrading and prevention activities at the local level.

## VII. What are the key components of a national housing strategy?

51. The suggested key components of a national housing strategy are as follows:

(a) Mobilizing for action: (i) stakeholder mobilization; (ii) taking stock of the current situation; (iii) taking stock of on-going activities; (iv) agreeing on the scope of work and developing a shared vision and goals for the national housing strategy; (v) formulating a preliminary action plan for the national housing strategy;

(b) Building the basis for a sustainable national housing strategy: (i) legal and regulatory reviews; (ii) reviewing and, as appropriate, changing the laws, regulations and procedures, which represent barriers to improved housing and neighbourhoods; (iii) planning reviews:<sup>20</sup>; (iv) finance reviews:<sup>21;22,23</sup>; (v) fiscal reviews; (vi) action based on the reviews above leading to proposals for modifications and the formulation and review of the main national housing strategy document. Addressing some of these issues might require systemic reforms to unblock obstacles to access to housing. These should be prioritized in the immediate term while other should be considered to be undertaken through medium- and long-term interventions during the implementation of the housing strategy and should be done in parallel with the short-term interventions;

(c) Formulation, adoption and periodical updating of the national housing strategy: (i) national housing strategy formulated and adopted;

(d) Support activities for actions at city and local level: (i) mobilizing for action at the local level, beginning with the mobilization of stakeholders; (ii) formulating the preliminary local action plan for the national housing strategy; (iii) supporting local level reviews of selected laws and regulations, urban planning, and financial and fiscal instruments in parallel with the national-level reviews; (iv) action based on the reviews; (v) formulation and adoption of the local housing strategy;

(e) Strategy activities covering both national and city/local levels: (i) encouraging and supporting innovation; (ii) providing continuous methodological support, monitoring and evaluation; (iii) encouraging the development and use of new know-how; (iv) societal mobilization through broad awareness-raising and educational campaign for “Better housing and neighbourhoods for all”.

## VIII. How to achieve it: the role of UN-Habitat

52. The responsibility of UN-Habitat in terms of the Global Housing Strategy is to initiate, facilitate and support the Strategy as a collaborative global movement towards adequate, inclusive and sustainable housing for all, and sustainable urban development. As part of this support, UN-Habitat has developed, jointly with partners, this framework document for actions at the global, national and local levels. The UN-Habitat mandate includes the promotion of gender responsiveness at all phases, facilitating international cooperation and assessing progress on implementation. Countries are expected to develop, implement and update their own national housing strategies to address current and future challenges with methodological support from UN-

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<sup>20</sup>UN-Habitat and SIEMENS, *Urban Planning for City Leaders*, Nairobi 2012, HS/090/12E; ISBN Number: 978-92-1-132505-8.

<sup>21</sup>UN-Habitat and IIRR, *Handling land: Innovative tools for land governance and secure tenure*, Global Land Tool Network, 2012.

<sup>22</sup>UN-Habitat, *Guide to Preparing Housing Finance Strategy*, 2009.

<sup>23</sup>UN-Habitat, *Guide to Municipal Finance*, 2009.

Habitat and this Global Housing Strategy framework document as well as additional more detailed guidelines and handbooks.

53. To that end, national and local authorities will define the challenges in terms of housing, slum prevention and slum improvement and UN-Habitat will consider any request for possible support within its specific context.

54. UN-Habitat facilitates the linkage between the issues and challenges faced by key stakeholders and successful solutions and responses identified by its partners. More specifically, the approach to the Global Housing Strategy will include:

- (a) Continuous joint refinement of principles, methods and generic tools, building on a broad range of UN-Habitat and its partners' documents, including this framework document;
- (b) Exchange of experiences between key actors through innovative approaches, including real-time follow-up on good practices as they emerge (utilizing social and professional media);
- (c) Application of evidence-based research to address present-day challenges in housing, slum improvement and prevention;
- (d) Ensuring effectiveness at scale to impact on housing costs and overall housing market performance contributing to slum prevention and improvement;
- (e) Applying result-based management to achieve efficiency through partnerships with Habitat Agenda partners with joint goals, planning and implementation;
- (f) Development of capacity at the national and local levels to assist Governments and other Habitat Agenda partners in localizing the Global Housing Strategy;
- (g) Mobilization of international cooperative support towards adequate housing for all;
- (h) Contribution to discussions on the post-2015 Millennium and Sustainable Development Goals to ensure that housing, slum upgrading and prevention are adequately addressed;
- (i) Continuous review of progress and disseminating lessons learned, including through the social media and high visibility events such as sessions of the World Urban Forum;
- (j) Provision of necessary inputs to Habitat III to ensure that the Global Housing Strategy goals are adequately included as part and parcel of its outcomes.

## **IX. Which thematic areas require special attention and improvement of know-how?**

55. In order to address the challenges of gaps in know-how on the road to adequate housing for all, several thematic clusters were identified during the development of this framework document.

56. The ultimate objective of the Global Housing Strategy is to improve local practice by developing and updating appropriate know-how on the basis of the local culture, tradition and economy, while incorporating lessons learned and experience garnered at the global level. The thematic clusters identified transcend the area of housing, slum improvement and prevention. Nevertheless, the further improvement of know-how and practice in these areas would represent an important contribution to the success of the Global Housing Strategy.

57. The thematic clusters include:

- (a) Urban planning principles including: (a) Mixed land uses; (b) Adequate density; (c) Social mix; (d) (e) Limited land-use specializations, (e) improved mobility;

(b) Urban land management to ensure the availability of land for mixed urban uses, including housing, within the urban planning framework, and to facilitate, in combination with fiscal instruments and with the provision of infrastructure, its effective and efficient use;

(c) Legal and regulatory frameworks, appropriate to specific country conditions, that enable and encourage investment in housing at all levels, while contributing to local economic development and facilitating income-generating opportunities, especially low-income groups;

(d) Urban economy and housing, including the role of housing in economic development at national and local levels, and the economic prerequisites of sustainable housing policies and actions;

(e) Affordability of housing, including housing finance for all levels of housing supply;

(f) Instruments for cross-subsidies between various income categories and different land uses, and subsidies and incentives on the supply side as well as various forms of possible demand-driven subsidies. There is a need to increase income-generating opportunities, enhance services and markets of inexpensive products, and opportunities to use housing as an income-generating vehicle (through rental and for home-based enterprises), to ensure housing affordability;

(g) Basic urban services, including infrastructure services, urban mobility, and educational, health and commercial facilities. Cost-recovery and affordability issues need to be better addressed through the incremental introduction and upgrading of basic services in response to changes in affordability, and experiment with progressive user charges and betterment development charges. Spatial planning of basic urban services should be based upon the principles of integrated water resources management and using the urban basin catchment approach, notably having in mind the impacts of climate change (floods and land slides);

(h) Slum upgrading and prevention, ensuring human rights and preventing unlawful forced evictions, while promoting the efficient use of land;

(i) Sustainability of housing, physical, social, economic and environmental, including design, construction materials and practices;

(j) Housing tenure types to ensure the diversity necessary to address different social, economic and cultural needs;

(k) Governance and maintenance of housing and neighbourhoods;

(l) Housing needs and rights, and inclusive, affordable and culturally adequate solutions for women, young people, minority and special groups;

(m) Post-disaster reconstruction and resilient solutions for housing in areas prone to disaster and climate change impacts;

(n) Revisiting the role of the public sector beyond enablement, including solutions to respond to the housing needs of the poorest segments of the population and to combat homelessness, and Government as the provider of last resort, including safety nets, housing and other subsidies targeting affordability of urban services for the poorest segments of the population.

58. It is important to keep in mind that several of the above-mentioned clusters are mutually cross-cutting, including, for example, urban planning, legal and regulatory frameworks, or the housing needs of women, young people, minority and special groups.

## **X. What outcomes are expected?**

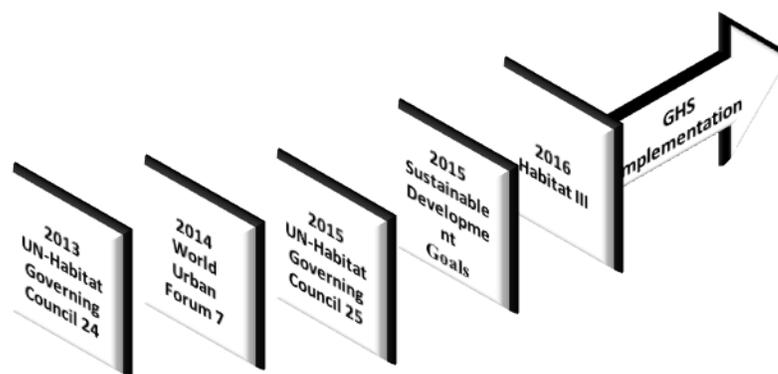
59. This approach is expected to result not only in the (re)positioning of housing within the global contemporary debate on economically viable, environmentally and culturally sustainable and socially inclusive cities, but also critical outcomes such as:

- (a) Paradigm shift in thinking and practice in housing policy and serviced land delivery, given the powerful impact of housing on the economy, within the new charter for urban planning, strengthening the linkages between urban planning, neighbourhood development and housing, including slum improvement and prevention;
- (b) Contribution to the global discourse and definition of the post-Millennium Development Goals and sustainable development goals;
- (c) Redefined role of Governments beyond enablement to a continuing, or reassuming, as appropriate, of a leadership role in encouraging pro-poor performance of the markets, and in facilitating and supporting the demand capabilities of the economically weakest sectors of society;
- (d) Systemic reforms to enable wider accessibility to adequate housing, with the variety of housing solutions matching the variety of effective demands;
- (e) Strengthened linkages of housing with other parts of the economy and consequent economic development, employment generation and poverty reduction;
- (f) Decentralization of housing production and empowerment of different actors and modalities of housing development;
- (g) Increased use of sustainable building and neighbourhood designs and technologies towards more cost-effective, flexible and energy-efficient solutions.

60. And, most importantly of all, result in a:

- (a) Significant and measurable improvement of housing and living conditions of a large proportion of population, while facilitating at the same time the role of housing production and use as an important support for poverty reduction.
- (b) An increasing number of member states have requested support in the development of their National housing Strategies. These requests are being addressed as resources are being identified. Already funding to support six countries is being secured for implementation during 2014 and other proposals are being developed.

## XI. When it will happen?



61. It is anticipated that member States will endorse the Global Housing Strategy framework document at the twenty-fourth session of the Governing Council of UN-Habitat, and that it will be endorsed subsequently by the United Nations General Assembly. It is also envisaged that the issues of housing, slum improvement and prevention will be addressed in preparation for Habitat III at national urban forums, the seventh session of the World Urban Forum, regional and international summits and the twenty-fifth session of the Governing Council in 2015.

## XII. Glossary

The UN-Habitat Global Housing Strategy is a collaborative global movement towards adequate housing for all and improving the housing and living conditions of slum dwellers. It is primarily a process rather than a document, but it is guided by this framework document. The use of the word “strategy” emphasizes its long-term, goal-oriented, and multi-stakeholder character. It is an adaptation of a general concept of strategy as derived from the business environment and serves to indicate a continuity of efforts initiated under the Global Strategy for Shelter to the Year 2000.

**Housing:** As defined in this document the term “housing” is used at a number of levels and is a multi-dimensional concept. It refers to the activity, a process of residing, as well as to the objects of dwellings and their environment. The main attributes of housing as a dwelling are its location (determining access to livelihood), tenure arrangements, cost and physical structure. Housing is a physical structure as well as social structure, functioning at different spatial scales (homes, neighbourhoods, cities and other settlements, regions and countries). It is also a sector of the economy and an important category of land use in cities and in other settlements. Linkages with the national economy and with the overall urban system are an integral part of the understanding of the concept of housing. The graph at the end of section III of this document (What guides us? Principles and guidelines) summarizes the various dimensions of housing. The meaning of housing in this document is similar to, but broader than, the meaning of the word shelter as used in the Habitat Agenda and in the Global Strategy for Shelter to the Year 2000. The definition of “adequate shelter”, cited below, taken from paragraph 60 of the Habitat Agenda, illustrates this point.

The use of the term “shelter” was discontinued by UN-Habitat as it was sometimes narrowly understood to mean temporary emergency accommodation and translation into other languages aggravated the confusion over its meaning. To avoid such misunderstanding, UN-Habitat now uses the term “housing”.

“Adequate shelter” was defined in the Habitat Agenda document as follows: “Adequate shelter means more than a roof over one’s head. It also means adequate privacy; adequate space; physical accessibility; adequate security; security of tenure; structural stability and durability; adequate lighting, heating and ventilation; adequate basic infrastructure, such as water-supply, sanitation and waste-management facilities; suitable environmental quality and health-related factors; and adequate and accessible location with regard to work and basic facilities: all of which should be available at an affordable cost. Adequacy should be determined together with the people concerned, bearing in mind the prospect for gradual development. Adequacy often varies from country to country, since it depends on specific cultural, social, environmental and economic factors. Gender-specific and age-specific factors, such as the exposure of children and women to toxic substances, should be considered in this context.” This definition applies equally to “affordable housing”.

**Inclusive cities:** This concept refers to cities that promote growth with equity, places where everyone, regardless of their economic means, gender, race, ethnicity or religion, is enabled and empowered to participate fully in the social, economic and political opportunities that cities have to offer. Participatory planning and decision-making are at the heart of an inclusive city. Promoting inclusiveness is not only socially just, but is good for growth and central to sustainable urban development. Inclusive urban development and governance reduces inequality and social tension; incorporates the knowledge, productivity, social and physical capital of the poor and disadvantaged in city development; and increases local ownership of development processes and programmes.

**Incremental development:** This term refers to the gradual expansion and improvement of individual houses, infrastructure and services, and neighbourhoods as a whole. Incremental development increases affordability by spreading construction expenditures over a longer period of time. It also allows for increased flexibility and adaptability to new needs and opportunities that may emerge during the extended construction period. At the same time it minimizes the risk of defaults in times of downturns in the family economy.

**Informal settlements:** This term is used to describe settlements that have been built illegally, without the consent of the planning authorities, usually without infrastructure and services and often without fully secure tenure. In the majority of cases, informal settlements are built for, and often by, the low-income population. In some countries they also include housing for middle-income and even high-income families that take advantage of land prices that are usually much lower than in a fully formal market. Housing in such areas often improves over time, as do the services and infrastructure. Lack of the proper layout and an adequate planning framework is, however, one of the important challenges in informal settlements. These areas are often referred to as spontaneous housing areas or, in some cases, as self-help housing areas, although only a portion of the housing represents self-help construction.

**Policy:** A policy is typically described as a principle or rule, or set of rules, to guide decisions and achieve rational outcomes. It usually consists of a set of established ways of responding to the recurring challenges in a given area of activities. Policies can be understood as political, management, financial or administrative mechanisms that aim to reach explicit goals. They can be formulated and applied at various levels of organization.

**Slums:** Pejorative term for poor quality housing, e.g., “a contiguous settlement where the inhabitants are characterized as having inadequate housing and basic services. A slum is often not recognized and addressed by public authorities as an integral or equal part of the city” (UN-Habitat, 2002). Up to the 1980s the term was used mainly to describe deteriorated old housing, once occupied by high-income and middle-income groups and subsequently subdivided and changed to poor quality rental units for low-income groups, often recent migrants to cities– sometimes called “slums of the inner city”.

Since the 1990s the term has often been used to describe any areas of substandard housing, including the informal housing built in the urban periphery, usually in the spontaneous unplanned subdivisions, without infrastructure and services, and usually with low levels of tenure security. They are sometimes called the “slums of the periphery”.

**Slum upgrading:** This term refers to improving the physical and environmental conditions, as well as the provision of infrastructure and services, in the areas that are considered to be slums, and incorporating them into the mainstream city. It usually begins with a survey of actual conditions followed by the planned rationalization of layouts of individual plots (land readjustment) in order to enable the introduction of streets and land required for the infrastructure and services. This is combined with some means of ensuring security of tenure (regularization). To be successful the process must be community-driven and fully participatory. Slum upgrading is the main component of the Global Housing Strategy addressing the housing situation in existing areas of cities. The cost of slum upgrading is usually higher for inhabitants, the city and society in general than the planned development of new residential mixed-use areas, with appropriate planning, which enables “slum prevention”.

**Slum prevention:** This term refers to the set of measures that provide viable, and preferable, alternatives to the creation of new slums. It requires ensuring the availability of a highly diversified supply of affordable housing solutions, matching the diversity of housing demand in terms of locations, tenure types, costs and standards. Slum prevention is the main component of the Global Housing Strategy addressing the need for new housing. It requires comprehensive and forward-looking urban planning, appropriate and effective legal and regulatory frameworks, timely provision of affordable serviceable land, and availability of finance. It also requires demand-responsive mechanisms for the introduction of infrastructure and basic services, and the availability of adequate and affordable construction materials and components.

**Strategy:** This term refers to a plan of action designed to achieve a specific goal. A strategy sets the direction and scope of an organization over the long term to achieve advantages for the organization through its configuration of resources within a challenging environment to meet the needs of markets and fulfil stakeholder expectations.