

## **Opening Remarks by Governor Evans Kidero at the African Housing Conference**

Members of the Executive & Parliamentary Branches of the Government of Kenya

Ministers & Head of Delegations of the 44 member countries;

Members of the Diplomatic Corps

The Chairman, Board of Directors, Managing Director, Management and Staff of Shelter Afrique;

Distinguished Guests;

Members of the Fourth Estate;

Ladies and Gentlemen:

Good Morning,

*Karibu* Nairobi.

For most governments in Africa, providing adequate housing remains one of the biggest challenges. This is evident from the number of countries in the continent, which are grappling with this challenge.

When we go back in history and consider Africa's Housing Policy and Practice Trends since the 1950s, what stands out is the government's support for self-help schemes.

These schemes were implemented on a project-by-project basis with the government providing sites with services for the poor.

They would enable the poor to build their own shelter using the funds available and according to their housing needs.

Kenya, Zambia, Nigeria and Tanzania among other African countries embraced the sites and services schemes.

In Kenya, what stood out were the Kariobangi Serviced plots, which were conceived in 1954 and implemented in 1964. This was mainly a squatter re-housing project, which was to act as a model solution "for housing the flood of immigrants expected to arrive in the city."

Those who had been allocated the plots were allowed to build initial temporary structures so as to secure their land rights. These structures would then be improved within 10 years.

Fifty years down the line, many countries within the continent are still struggling to provide decent housing for their population. In Africa, every country has a segment of its population, which cannot afford to buy a home.

Development of residential rental markets largely depends on governments creating an enabling environment. It is the onus of each government to have in place laws and regulations that enable citizens to access decent housing.

UN Habitat recommends that governments modify the regulatory framework; develop credit programs and other forms of assistance to support housing production.

Many governments within African countries are gradually adopting and implementing policies and strategies aimed at making housing habitable, affordable and accessible.

However, the government's role does not stop there. It needs to engage in Pro-poor, proactive action, which will ensure provision of affordable land and housing to cater for the ever-increasing demand for housing. Up to 85 percent of urban dwellers in Africa are not able to secure housing finance.

This means only 15 percent of the urban dwellers enjoy that privilege. African governments should pick up the role of enablers when it comes to providing and scaling up affordable land and housing within the continent.

In addition, governments should also ensure that key inputs such as land, finance, building and construction costs which are needed for housing, are available.

15% only..... This is a worrying statistic. For something that our constitution calls a basic right, we need to do better.

By current estimates, 80 percent of most housing in Kenyan cities is rental; going further afield to West Africa, the number is also true for the metropolis of Port Harcourt in Nigeria and despite efforts at driving and subsidizing homeownership in Johannesburg, South Africa, 42 percent of the accommodation is rental".

For too long now the rental housing sector has remained largely neglected, the UN-HABITAT has often referred to it as the “neglected sector” despite ample evidence that most of the world lives in rented housing.

As we anticipate the coming decades of economic and demographic growth, the rental sector is a sector that we can simply no longer afford to ignore.

It behove us as interested parties and national governments to give rental housing the regard it deserves and for good reason too; the rental housing sector is not without its benefits, it offers great flexibility, the ability to choose housing that better fits the family budget, the freedom from responsibility for home maintenance and finally it also opens the door to the tenant purchase schemes which can ultimately lead to home ownership.

From an economic and commercial point of view rental housing is also an attractive prospect, to put numbers behind it the combined value of the housing shortage of Africa’s first and second largest economy, Nigeria and South Africa respectively is \$97 billion

Bringing it closer home; Kenya was recently announced as a mid-income nation and that was in no small part attributed to the significant contribution of the Real Estate sector to the national GDP.

It is no secret what a booming real estate market can do for an economy; the task then becomes finding a way to make sure that the rental housing sector which is largely unregulated and undocumented plays its part in contributing to an already established and thriving real estate sector

Earlier this month, we at the Nairobi City County released our blueprint for housing in the city. The plan for implementation at the start of the first quarter of next year will be done through a public-private sector partnership model.

As part of the plan, Eastland’s in Nairobi which consists of many council estates will be turned into a mini-city of 650,000 residents with better housing and commercial use of the space.

The Eastland's re-development plan will serve as a template for similar consolidated urban nodes across the city, which will have all-inclusive services as part of a move to decentralize services for residents.

It envisages the re-generation into compact city 800 hectares of urban space of which 352 hectares will be developed by the private sector.

The public component will comprise social housing projects and infrastructure development. The private sector is expected to provide at least 80,000 commercial housing units, with 20 per cent of its space allocation set aside for light scale industrial and business parks.

This is just one of the ways we plan to ensure decent housing for our people.

I am very eager to hear the deliberations from this conference. As a county government, we are ready to engage with various experts in this field and chart a way forward.

With those few remarks, I declare the 2014 African Housing Conference officially open.

Thank You.