

Private Sector Partnership Forum

Innovative Solutions to Challenges in Slums & Informal Settlements in Africa 24 to 26 June 2020, eConference

Scaling Solutions: Affordable Housing and Construction Solutions Date: Thursday, 25 June 2020, 1515-1645h

Topics Explored

- 1. Findings: Kenya Affordable Housing Survey
- 2. Community Needs
- 3. Government Priorities
- 4. Taking Stock of the Innovations
- 5. Recommendations and Way Forward

Moderator

Seeta Shah, Housing Expert

Panel Discussions

- 1. Christophe Lalande, Housing Lead Specialist, UN-Habitat
- 2. Andrew Jones, Research & Policy Manager, Reall
- 3. Jane Weru, Executive Director, Akiba Mashinani Trust
- 4. Victor Malu, Head, Future Financial Systems, FSD Kenya
- 5. Habitat for Humanity
- 6. Baraka Housing, Senegal

Innovator Pitches (3-5 minutes)

1. Prefab Housing

Prefab houses comprising lightweight wall and roof panels with polyurethane insulating core, and that can be manufactured to a variety of designs and levels up to Ground +5.

Andrew Fiati, Business Development Manager

BASF, Nigeria www.basf.com

2. Elastopave

Dual-purpose infrastructure for mobility corridors and stormwater drainage pathways.

Jeshika Ramchund, Lead Engineer Developments

BOSCH Projects, South Africa, www.boschprojects.co.za

3. Block Solutions

Environmentally friendly block-modules used for building sustainable and safe homes world over.

Markus Silfverberg, Founder and CEO

Block Solutions Oy, Finland, www.block-solutions.org

4. Affordable Modular, Rapid Build, Relocatable Housing Solution

An affordable, secure and simple housing product designed to meet the challenges of informal settlements. Winnie Gitau & Simon Dixon, Co-Founders

Kwangu Kwako, Kenya, www.kwangukwako.com

About the Private Sector Partnership Forum

The three-day Private Sector Partnership Forum has been organized in recognition of the critical roles played by the private sector in innovating and piloting novel solutions to development challenges, and the public sector in scaling up successful innovations. To this end, the Forum seeks to facilitate partnership between national governments and municipalities with private sector companies, specifically investors and innovators with low-cost innovative solutions to development challenges.

Description of the Session

Provision of durable, affordable and environmentally sustainable housing for low-income households remains a key challenge for many African countries. The players in this industry are too few and there is minimal interest of private sector housing developers to provide low-income housing units. The sector is driven by the much higher profitability and demand of the middle-and high-income housing market, leading to a huge shortfall in supply of affordable, low-income formal housing for the urban poor.

The cost of production and the opportunity cost to the developer's aren't attractive enough to serve the lower market segments. Provision of low-cost housing to lower income groups is also hugely affected by the cost of land and inadequate infrastructure investments by governments. The motivating factors for developers venturing into the lower market segment are few, while appropriate housing models and solutions are limited.

The session panellists and innovators will discuss the needs of communities, government priorities, the challenges, opportunities and trends in the affordable housing sector including the impact of COVID-19 on access to finance (supply and demand sides) and the investment requirements to meet the housing shortfall. In addition, the innovators will briefly describe some of their innovative solutions including novel construction technologies and materials that are successfully responding to these challenges.

Guiding Questions

- ✓ What are some of the challenges ailing the affordable housing sector in Africa?
- ✓ What is the market potential of the affordable housing sector in Africa? What are some of the opportunities available to mSME (developers, innovators) in the housing sector in Africa?
- ✓ What are some of the key innovations in the affordable housing and construction sector that are worth taking note? What has been the recipe for their success?
- ✓ What are some of the good practices or flagship programmes or partnerships or innovative financing models in Africa that have been successful and need replicating?
- ✓ What are the key barriers to private sector entry into the affordable housing sector in Africa? What are some of the actions that governments need to take to eliminate these barriers?
- ✓ What measures can governments implement to incentivize or reduce the risks to developers willing to venture into the lower end of the market to provide low-cost housing to the BOP? What measures can governments implement to address the informality of the low-cost housing market?
- ✓ Which key sector reforms would accelerate the realization of the affordable housing SDG? What has been the impact of recent policy reforms, and government plans and strategies on the affordable housing sector in your country?
- ✓ What existing infrastructure, investments or partnerships can be leveraged to accelerate the realization of the affordable housing SDG in informal settlements?
- ✓ What investments are required to meet the affordable housing access challenge? What are your municipality's plans and budgetary commitments towards upgrading of informal settlements or providing affordable housing to residents of informal settlements?
- ✓ What does success look like for the affordable housing sector in Africa?
- ✓ How can we successfully address the affordability challenge (housing finance) for residents of informal settlements and slums?
- ✓ What is the role of communities living in informal settlements in the realization of the affordable housing SDG?

Expected Outcomes

The Forum is among a series of events organized by UN-Habitat to strengthen partnership with the business community to support sustainable and inclusive urban development and the New Urban Agenda. It provides a platform for matching the needs of informal settlements residents and demands of cities with innovative private sector solutions. The session is expected to have:

- 1. Demonstrated the business potential and identified opportunities to develop and deploy low-cost innovative housing and construction solutions in informal settlements
- 2. Identified opportunities for partnership and matched governments and investors with investable innovative solutions and models are explored
- 3. Identified bankable and investment-ready projects to be piloted in slums and informal settlements.