

2020 REVIEW & OUTLOOK FOR 2021

PROGRAMME FOR THE PROVISION OF LOW-COST LAND FOR HOUSING

CONCEPT

The Programme for the Provision of Low-cost Land for Housing was initiated in 2019 by Development Workshop Namibia (DWN) and the Namibian Chamber of Environment (NCE), and is fully supported by the Ministry of Urban and Rural Development (MURD). It is currently assisting 6 local authorities (see details below) in the provision of affordable land for housing, and during 2021 is expected to expand to 15-20 towns across the country.

APPROACH

The objective of the programme is to provide assistance to local authorities in the provision of affordable land for housing. The programme works as follows:

1. DWN enters into partnership with a local authority, where DWN acts as an agent on behalf of the local authority to develop low-cost residential land;
2. The local authority provides land, and DWN (together with its private sector partners) provides all services to develop the land, including town planning, land surveying, engineering and conveyancing;
3. The cost of the residential plots is calculated on the basis of all costs incurred for the development of the new extension (including construction of services [\(water, electricity, sewer\)](#), town planning, land surveying, engineering and conveyancing). There is no profit on the sale of land nor hidden costs, and the land remains the property of the local authority until title is transferred to the new owners;
4. Extensions can be developed with partial services only in order to keep the costs low (per decisions taken by the respective local authority).

FINANCIAL MANAGEMENT

1. All income and expenditures of a project in a specific town are managed through a **joint bank account**, with two signatories from the local authority and two signatories from DWN. Any transaction from the account needs one signature from each party;
2. An initial **donation** from DWN/NCE is deposited into this account, and all payments of clients that are purchasing plots also go into this account;

3. The account serves to pay the service providers (such as town planner) and the construction of services;
4. The donation serves to provide initial cash flow and acts as a revolving fund. After one project cycle (extension) is concluded and all clients have paid off their land, the amount of the initial donation is available again for the next phase.

CURRENT STATE

Over the last two years, the programme has been established in six towns: Oshakati, Okahao, Karibib, Keetmanshoop, Opuwo and Oniipa.

Oshakati: In a first phase 80 plots were developed and sold. A second phase is set to begin in February 2021. Plots with water connections and title cost NAD 10,000.

Okahao: In a first phase a total of 371 plots were developed and sold, with a current waiting list of 126 clients. Plots with water connections and title cost NAD 14,000.

Karibib: In a first phase 28 plots were serviced and are sold. Hard rock in the project area increased development costs substantially. Plots with water, sewer connection and title cost NAD 53,000.

Keetmanshoop: Registration for phase 1 is set to begin in February, with 320 plots being developed. Plots with water, sewer connection and title cost NAD 32,000.

Opuwo: Registration of phase 1 with 473 plots commenced in December 2020. Plots with water, sewer connection and title cost NAD 35,000.

Oniipa: The planned extension has been approved by the Town Council in December 2020.

Some local authorities plan to subsidize the cost of the sewer connections in order to lower the cost/plot. Clients have one year to pay off their plots.

IN TOTAL, 7 EXTENSIONS WITH MORE THAN 2,000 PLOTS ARE CURRENTLY BEING DEVELOPED, WITH 2 EXTENSIONS ALREADY COMPLETED.

EXPANSION

Projects in 4 additional towns will begin in early 2021, based on requests from respective town councils in late 2020. During 2021, the programme plans to become active in a total 15-20 towns. The aim is for towns to contain informal settlement growth by providing sufficient formal affordable land for housing.

NEW PROGRAMME COMPONENTS - 2021

Beyond geographic expansion, the programme will also introduce new components:

Payment mechanisms: New client payment mechanisms will be introduced and tested, in order to assist low-income earners with the purchase of plots.

Rental housing: Pilot initiatives are lined up to test innovative financing and construction of low-cost rental housing, based on community living values and green technology.

Web-GIS: A web-based information portal will allow public access to see progress of the programme. Based on the Geographic Information System (GIS), all project extensions and all plots will be visible, including information if the plot has been serviced, sold and home construction initiated. See <https://arcg.is/54umu0> for work in progress.

DONORS & SUPPORTERS

Most of the financial support to date has been provided by B2Gold, the FirstRand Foundation, German Development Cooperation and the NCE. They are the programme's first and biggest donors. Other important donors include Bannerman Resources and the Namibian Chamber of Mines. Local fund acquisition and management is facilitated by the NCE. The contributions of these institutions have almost exclusively been used to establish revolving funds in the different towns.

During 2021, international development bank support will facilitate the expansion of the programme.

The programme is jointly implemented between DWN and the NCE with technical support from Urban Dynamics (town planner), Strydom & Associates (land surveyor), Knight Piésold (Engineer), Lithon (Engineer) and ESI Attorneys (Conveyancer). All supporters have provided guidance and assistance from the beginning of the programme, and fundamentally contributed to the programme's design and successful initiation. In order to keep costs as low as possible, all institutions work as a team, maximizing synergies and efficiency.

For additional information do not hesitate to contact the CEO offices of the respective towns, or DWN.



Roads levelled in Okahao,



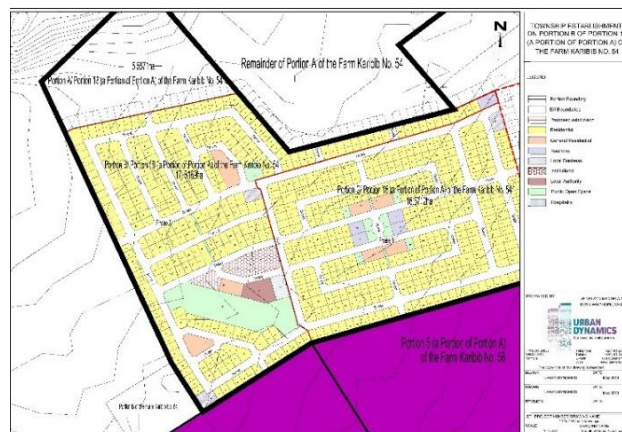
Water pipe installation, Okahao, phase one



New homes being built in Okahao



Brick construction of a new plot owner in Oshakati



Layout under development in Karibib