

HOUSING AFFORDABILITY AS A CHALLENGE IN IMPLEMENTATION OF THE SUSTAINABLE DEVELOPMENT GOAL NO.11

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Abstract

Tanzania is one among countries that experience rapid urbanization in the world with estimated growth rate of 5.4% per annum. Its urban population experience among other things, shortage of adequate, safe and affordable housing and basic services as well as development of slums. In responding to these experienced problems as a result of urbanization, on 25th September 2015, United Nations member countries of which Tanzania is a member signed an agreed on the 2030 Agenda for Sustainable Development aimed at transforming World from the challenges that it faces. Seventeen development agenda goals were agreed and adopted for implementation by the year 2030 of which among is goal No.11 for Sustainable Cities and Communities. Under this agenda, a series of targets have been outlined to indicate how sustainable cities should look like to ultimately overcome shortage of adequate, safe and affordable housing and basic services and development of slums.

This paper analysed the extent to which Tanzania is prepared in implementing the Sustainable Development Goal No.11 for Sustainable Cities and Communities targeting access for all to adequate, safe and affordable housing and basic services and eradication of slums. Principally, the key purpose of the study was to evaluate the Tanzania housing finance projects of 2010 in relation to affordability of the constructed houses. The discussion centered on the 1,000 units of housing project for National Housing Corporation, 815 units of housing projects for the Tanzania Building Agency to be built at Bunju area in Dar es salaam and 481 units of Watumishi Housing projects in Dar es Salaam.

Keywords: *Sustainable Development Goal, Sustainable Cities, housing affordability*

Background Information

International human rights law recognizes everyone's right to an adequate standard of living, including adequate housing. In due regard, owning a home is one of the strategies to increase wealth (UN Habitat, 2015). However, Universal Declaration of Human Rights under article 17 provided for the Adequate Housing as a fundamental human right (Ibd). Housing accounts for more than 70 per cent of land use in most cities and determines urban form and densities, also providing employment and contributing to growth (World Cities Report, 2016). That is why the fate of housing largely determine the fate of our cities.

United Nations (UN) and over 190 member countries on 2015 ratified seventeen (17) Sustainable Development Goals (SDG) of which one among the goals is the sustainable development goal No.11 which advocated among other things for the increased access to sufficient, safe and low cost housing for the world poorest people residing in slum areas by the year 2030. In due regard, Jaiyesimi (2016) maintained that, the goal is said to be a remarkable success for urbanisms and local stakeholders worldwide as it put urbanization at the heart of sustainable development. More important, the sustainable development goal No.11 contains ten (10) targets that require action from each national urban government.

More than half of the world's population now lives in urban areas (Lucci et al, 2015; UNDP, 2018). It was envisaged that, by 2050, that figure will rise to 6.5 billion people – two-thirds of all humanity (Lucci et al, 2015). Additionally, sustainable development cannot be achieved without significantly transforming the way we build and manage our urban spaces (UNDP, 2018). This is to say, sustainable future of cities and benefit accrued from urbanization highly depends upon future approaches to housing. In due regard, making cities safe and sustainable means ensuring access to safe and affordable housing and upgrading slum settlements. Sustainable development cannot be achieved without considerably transforming the way we build and manage our cities and urban living spaces. Therefore, policy to increase housing supply will need to set clear targets and strategies based on sound assessment of needs and trends and the capacities of existing housing resources (UN-Habitat 2012).

Despite the large scale housing development project that was evidenced to increase the supply of residential housing, a gap is still noticeable in the

supply of affordable housing as an indicator for sustainable development. The same may be as a result of the inexistence of the affordable housing finance. This paper explored ways in which the supply of affordable housing can be enhanced to cater for the ever increasing demand for the low income group and the use of extensive microfinance as source of affordable housing finance. The paper further explored the ways to monitor housing needs for delivery of effective solution which the government has already begun addressing by embarking on the design of information center with purpose of collecting, storing and analysing housing data for forecasting housing demand, supply and price level.

This paper analysed the extent to which Tanzania prepared in implementing sustainable development goal No.11 targeting access for all to adequate, safe and affordable housing and basic services and eradication of slums. Principally, the key purpose of the study was to evaluate the Tanzania housing finance projects of 2010 in relation to the affordability of constructed houses. The discussion centred on the 1,000 units of housing project for National Housing Corporation, 815 units of housing projects for the Tanzania Building Agency built at Bunju area in Dar es Salaam and 481 units of Watumishi Housing Projects in Dar es Salaam. Thus, challenges with regards to the achievement of the goal and recommendation on the best ways to reduce risk of failure in implementing the goal by 2030 have been provided.

Urbanisation Trends Tanzania

The study by UN Habitat (2012) as cited by Singh and Pandey (2012.p.8) indicates that, developing nations accounted for less than 40% of the world population, a figure which reached to 70% in 2005. It was projected that by 2030 the urban population in developing nations will continue to grow reaching 80%. In the same line, Agwanda and Amani (2014) indicated that, during the last population census in 2012, Tanzania's population had reached 44.9 million people, with 13 million living in urban areas which is 29.1% (Elias K. 2016). However, with an urban population growth rate of 5.4% per annum, Tanzania had the sixth highest rate of urban population growth globally in 2015. This means, Tanzania urban population is expected to reach 50% by 2030. Also, a survey conducted in 2015 reveals that, 61.4% of the urban dwellers migrated from rural areas against 38.6% who are borne in urban areas (Elias K. 2016).

Yet, Tanzania is now experiencing rapid urban population growth, the equivalent of 1.4 million people will be added to the country's urban population every year between 2012 and 2050. The urban population is projected to grow at twice the rate of total population growth, meaning that over half of Tanzania's population will live in urban areas within 25 years (Elias, 2016). Conversely, By 2050, Tanzania's urban population is expected to reach 68.6 million people meaning that, more than a fivefold increase in a 40 year period. Aligning with such urban population growth, the implementation of SDG No 11 in Tanzania is all about dealing with the urban demographic issues and sustainable life for future. The extent to how Tanzania dealt with such population growth and making urban sustainable are provided in the section below.

Housing Supply in the Urban Areas in Tanzania

Center for Affordable Housing Finance in Africa (2018) indicated that the current housing deficit in Tanzania is estimated at three million housing units valued at US\$180 billion coupled with a 200 000 unit annual demand with a projected combined cost of US\$12 billion, with a rapidly growing urban population for about 75 percent of Dar es Salaam residents living in an informal settlement (Resmusen, 2013). Furthermore, in Tanzania the latest household budget survey for year 2011/12 published in July 2014 by the National Bureau of Standard revealed that, nearly 68 percent of the households lived in houses with modern roofs (55 percent in 2007). Similarly, 46 percent of households lived in houses with modern walls in 2011/12 and 35 percent in 2007 (Resmusen, 2013). Thus, the realities stated above are an indication that, Tanzania still suffers from a shortage of good quality and affordable housing.

In due regard, Komu (2016) indicated that, when one investigates the house tenure system in Tanzania, it is realized that majority of housing stock are indeed found in informal settlements where the rental units are in the form of rooms and not complete dwelling units. Therefore, considering the realities on the ground and with this fact of urbanization and its consequence, it is necessary to have policies for sustainable housing that address better the problem of housing and balance between implementation of sustainable development sustainable development goal No.11 and problem of affordable housing. This involves not only developing affordable housing sustainable to low income households but also developing sustainable management of urban housing for low income

household on affordable, safe and sustainable housing and investment in public transport, green public spaces and urban development planning. Based on the essence of sustainability, sustainable development and sustainable housing, cities planners and decision makers ought to consider housing development that incorporates the quality of life of the present and future generation considering the aspect of social, environmental and economic dimension of sustainability (Yip et al, 2017).

Housing Affordability

Kiwara (2016) stated that, with increased urbanization around the world, accessing land as well as housing in urban areas presents huge development limitations. These limitations are also associated with the increase and growth of economic and commercial activities in cities that accelerate demand for affordable housing and thus development of slums. It is therefore wise to consider development of affordable houses for the poor people to avoid slum proliferation. However, enhancement of affordable housing delivery as well as control of the growth of slums is linked and much dependent to the country housing policy that consider satisfaction of community welfare. It should be understood that, housing affordability, being a complex phenomenon and its assessment should consider not only financial attributes and economic viability but it should also consider quality of life, community sustainability and socio sustainability of housing (Singh, 2012)

Additionally, an affordable housing should be a house that is adequate for human shelter that specifies the number of conditions to be met before particular form of housing is being provided. In Tanzania, still there is no established standard for housing provisions that have to be followed to attain adequate house in consideration of affordable housing as it is being promoted under the National Human Settlement Development Policy (2000). The policy advocate for the development of sustainable human settlements with a remit to make serviced land available for shelter and human settlements development to all sections of the communities through the improvement and provision of infrastructure and social services. Although, it does not cover housing adequately, it remains the principal legislation governing housing in Tanzania. A Tanzania Housing Policy, currently in final draft, will be enacted with specific reference to the housing situation in Tanzania, in parity with this prevailing policy. However, the issue of affordable housing and indicators for evaluation criteria for

attainment of affordable housing remain to be in dilemma with a new policy in pipeline.

For housing to be adequate there are minimum standard criteria to meet as provided by Mulliner and Maliene (2012) who asserted that, housing affordability can be measured using household income with other indicators other than financial aspect such as location related attributes and neighborhood characteristics. The criterias identified includes; House price in relation to income, interest rate and mortgage availability, safety crime, access to employment, access to public transport facilities, access to good quality school for good education, as well as access to healthcare facilities. (Mulliner and Maliene, 2012)

In Dar es Salaam, the aspect of housing is not satisfactory because most housing units are sub-standard, in terms of quality as well as quantity. The report by Center for Affordable Housing Finance in Africa (2018.p.23) has established the data regarding the standard of housing in Dar es Salaam as shown in statistics as quoted below:

The 80% households do not have toilets, 34% of housing stock in the city need to be upgraded and an additional 36% are not permanent (DISH, undated). Furthermore, 65% of Dar es Salaam residents are accommodated in rental houses, with 71% living in rooms instead of houses. 54% of the residents in the city are living in tenements, 12% are accommodated in stores as well as garages, and a large portion of the housing is non-upgradable because the materials used are semi-permanent. Poor living conditions are more common amongst residents of Kigogo, Kisiwani, Mwananyamala, Tandale and Manzese.

Methodology

This study used secondary data as relevant in developing an understanding of the sustainable housing in Tanzania. The housing constructed by the Tanzania Building Agency and Watumishi Housing Company (WHC) was used to gather evidences of the situation relating to the provision of affordable housing in Tanzania as a challenge to the achievement of sustainable development goal no.11.

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