Rapid Urbanisation in Zambia – The Challenge of Providing Low-Income Housing in Urban Areas - 1964 to 2018

The Case of the City of Lusaka

By

Alexander CHILESHE

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Supervised by

Dr Laurine Platzky

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To the three Chileshe's - Mutale, Mutumwa and Mapalo. I hope this inspires you to greater heights.

Glossary of Terms

Adequate Housing

It is defined within the Global Strategy as meaning: adequate privacy, adequate space, adequate security, adequate lighting and ventilation, adequate basic infrastructure [such as water and sanitation][1] and adequate location with regard to work and basic facilities-all at a reasonable cost[2].

Affordable Housing

Generally, a function of three things: (1) a household's income, (2) the price of the house that is available for sale or rent, and (3) the terms of the mortgage loan for which the household qualifies[3].

Informal Settlement

Groups of people living on land they have no legal claim to or settlements that have only temporary permission from the planning authority to occupy the settled land[4]. The neighborhoods usually lack, or are cut off from, basic services and city infrastructure and the housing may not comply with current planning and building regulations, and is often situated in geographically and environmentally hazardous areas[5].

Urbanisation

Urbanisation refers to the increasing number of people that live in urban areas. This results in the physical growth of an urban area, either horizontally or vertically[6].

Counter-Urbanisation

It is said to occur when an urban area starts losing its population or when there is decrease in the population of an urban area. In other words when population loss of urban core exceeds the population gain of the ring of agglomeration resulting in loss in overall population, then counter urbanisation is said to take place[7].

Human Rights

Rights inherent to all human beings, whatever our nationality, place of residence, sex, national or ethnic origin, colour, religion, language, or any other status[8].

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[1] UNHabitat, 2003, Global Report on Human Settlements

[2] United Nations, 2018, Fact Sheet No. 21 – The Human Right to Adequate Housing, [Online], Available: https://www.un.org/ruleoflaw/files/FactSheet21en.pdf, [30 March 2018]

[3] CAHF,2018, [online], Available: http://housingfinanceafrica.org/dashboards/calculating-mortgage-housing-affordability-africa/, [30 March 2018]

[4] Ministry of Local Government and Housing, 2015, Urban and Regional Planning Act No. 3 of 2015

[5] UNHabitat, 2015, Habitat III Issue Papers 22 – Informal Settlements

[6] Science Daily Reference Terms, 2018, [online], Available: https://www.sciencedaily.com/terms/urbanization.htm, [6 March 2018]

[7] Planning Tank, 2018, [Online], Available: https://planningtank.com/urbanisation/what-is-counter-urbanisation, 13 July 2018

[8] United Nations Office of the High Commissioner for Human Rights, 2018, [Online], Available: https://www.ohchr.org/EN/Issues/Pages/WhatareHumanRights.aspx, 13 July 2018

Abbreviations and Acronyms

ANC	African National Congress
CEEC	Citizen Economic Empowerment Commission
CAHF	Centre for Affordable Housing Finance
CSO	Central Statistical Office
GDP	Gross Domestic Product
HfHZ	Habitat for Humanity Zambia
H(SIA) Act	Housing (Statutory Improvement Areas) Act, 1974
IDP	Integrated Development Plan
LAs	Local Authorities
LG Act	Local Government Act, 1991
LCC	Lusaka City Council
LIDP	Lusaka Integrated Development Plan
MCD	Ministry of Community Development
MCTI	Ministry of Commerce Trade and Industry
MDPNG	Ministry of Development Planning and National Guidance
MoF	Ministry of Finance
MoFNP	Ministry of Finance and National Planning
MHID	Ministry of Housing and Infrastructure Development
MLSS	Ministry of Labour and Social Security
MLGH	Ministry of Local Government and Housing
MMD	Movement for Multi-Party Democracy
MNDP	Ministry of National Development Planning
NCDP	National Commission for Development Planning
NDP	National Development Plan
NGO	Non-Governmental Organisation
NHA	National Housing Authority
NHA Act	National Housing Authority Act, 1971
NHP	National Housing Policy, 1996
NUA	New Urban Agenda
ONDP	Office of National Development Planning
PF	Patriotic Front
PH Act	Public Health Act,1930
PHI	Presidential Housing Initiative
PPHPZ	Peoples Process on Housing and Poverty in Zambia
TCP Act	Town and Country Planning Act, 1962
UDHR	Universal Declaration of Human Rights
UN	United Nations
UNCHS	United Nations Centre for Human Settlements
UNDESA	United Nations Department of Social and Economic Affairs
UNDP	United Nations Development Programme
UNHABITAT	United Nations Human Settlements Programme
UNIP	United National Independence Party
URP Act	Urban and Regional Planning Act, No. 3 of 2015
SDG	Sustainable Development Goals
TEVETA	Technical Education and Vocational Entrepreneurship Training Authority
VAT	Value Added Tax
WB	World Bank
ZHPPF	Zambia Homeless and Poor Peoples Federation
ZIPAR	Zambia Institute for Policy Analysis and Research
ZNBS	Zambia National Building Society

Abstract

Soon after independence, in 1964, Zambia's urbanisation proceeded very rapidly presenting significant housing problems to the independence government. In the last five decades, Zambia's Capital City, Lusaka has been growing most rapidly. Unfortunately, most of this growth has been in informal settlements on insecure land because most residents cannot afford formal low-income housing.

Since 1964, government has undertaken several initiatives to bridge this low-income housing crisis. These include; providing complete housing, providing housing subsidies, providing serviced land, enacting new laws, establishing new institutions and even giving away housing for free. But all these initiatives, designed around the ruling political party governance system, have not yielded the desired results. As a result, the urban housing backlog which was estimated to be around 24,000 housing units at independence may now grow to over 3.0 million by 2030 if urgent action is not taken.

Government has an opportunity to transform the urban housing sector by addressing weaknesses in the current laws and institutions, providing specific support to low-income households and encouraging private sector involvement. In all this, government must remember that context matters.

Table of Contents

List of Tables and Figures

Tables

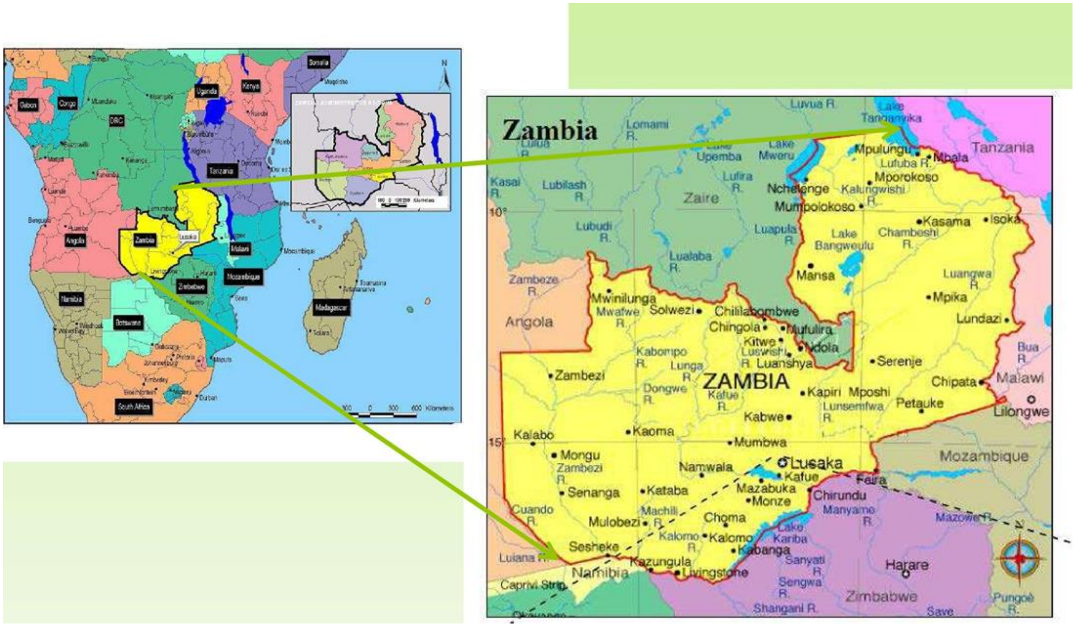
Figures

Chapter 1 A Historical Overview of the Research Focus

1.1 Urbanisation – Its Impact and Implications for Housing in Zambia

Zambia is a sub-Saharan African country lying in the middle of the Central African plateau (**See Figure 1, below**). Its 752,614 square kilometre land mass is managed through three categories: State Land, Statutory Improvement Areas and, Customary Land[9] (Berrisford, 2011).

Figure 1: Location of Zambia in Africa and Map of Zambia



Source: Phiri D, 2015, Access Use and Potential Size of Housing Microfinance: A Case of Zambia, Centre for Affordable Housing Finance in Africa

Zambia's urbanisation and housing history can be traced back to 1964, when it became independent from British colonial rule (Levy,2014). Its urbanisation proceeded very rapidly shortly after independence (ONDP, 1966), **Figure 2** below illustrates. As a result, the country has been facing a critical shortage of housing since then (MoFNP, 2008).

The country's mineral wealth influenced the development of cities, along the north-east to south-west corridor, known as the "line of rail"[10] (Makasa,2010), which by 1972, were absorbing 82 percent of total government expenditure (MDPNG,1972). From 1963, there was

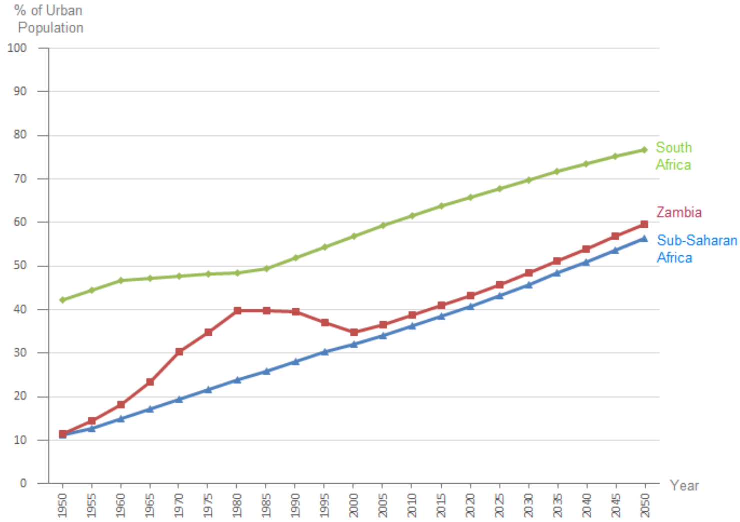
[9] In terms of planning and land use development: **State Land** includes areas within the boundaries of a Local Authority plus land held on leasehold title in rural areas; **Statutory Improvement Areas**, introduced in 1974, includes former informal settlements declared as such in urban areas under the H(SIA) Act 1974; **Customary Land** under the control of the Chiefs as stated in the Lands Act 1995 (Berrisford, 2011)

[10] Although the cities along the line of rail only constitute 9.1 percent of Zambia's land area, in 2010 they accounted for 38.3 percent of the country's total population and 74.7 percent of the total urban population: In 2010, this corridor had 54.5 persons per square kilometre compared to the national average of 17.4 persons per square kilometre (CSO,2010).

an increasingly widening gap between rural and urban economic opportunities[11] (Rakodi,1986; Banda,2005; Zulu et al 2017).

Therefore, these urban-skewed investment patterns, coupled with changes in fertility and mortality rates (Potts, 2005), plus guaranteed freedom of movement (McClain,1978), triggered a quantitative increase in the demand for urban housing, mainly affecting the supply of low-income housing (Banda,2005).

Figure 2: Urbanisation Trends in Zambia, 1950 to 2050



Source: UNDESA, Population Division (2012). World Urbanisation Prospects: 2011, Revision, CD-ROM Edition

At Independence only 13 percent of the total population was living in urban areas (ONDP,1966; Banda, 2005). By 1969 it had swelled to 28 percent and was over 35 percent by 1974 (NCDP,1979; Makasa,2010; Zulu, 2017). Between 1963 to 1969, the urban population grew at 8 percent per annum and 6.7 percent per annum from 1969 to 1980 (Banda,2005). Over 9.6 percent of the country's total population moved to the cities of Lusaka, Kitwe and Kabwe between 1963 and 1969 (MDPNG, 1972).

Today, over 40 percent of Zambia's population are urban residents (UNHabitat,2012). It is projected to grow to approximately 50 percent by 2030, and to 60 percent by 2050 (UNDESA,2012)[12].

Majority of the urban residents mainly live in the City of Lusaka (UNHabitat,2012), whose annual average growth rate of 4.0, is almost double the national average (Makasa,2010). Although the rate of urbanisation decelerated in the 1980's, mainly in the Copperbelt Province, compared to the years immediately after independence[13], urban growth is still substantial (NCDP,1979; Potts,2016).

[11] The GDP contribution of the manufacturing sector grew from 6 percent in 1965 to 25 percent in 1988 (Potts,2005).

[12] The absolute numbers are striking: Zambia's urban population was projected to grow from 5.1 million in 2010 to 11.9 million in 2030, and 26.8 million in 2050 This scale of increase is more than five-fold (UNDESA, Population Division, 2012).

[13] Low wages, lack of economic safety nets and higher living costs in urban areas induced circular and reverse migration (Potts,2005)

Zambia's urbanisation has been dominated by the rapid growth of informal settlements[14]. In 1968 only 15 percent of the urban population lived in these settlements[15]. By 1974 it had risen to 42 percent (World Bank,1983) and by 2003, was over 60 percent (UNHabitat,2003). Today it exceeds 70 percent[16].

As a result, from 1973 to 1987, formal housing only increased by 10.3 percent while informal housing grew by 65 percent (CSO,1990). In 1990, out of Zambia's 1.3 million housing units, only 31.0 per cent were formal (MLGH,1996). Even though by 2001, formal housing had increased to 47 percent, informal housing was increasing at a fast pace and had already contributed over 1.7 million housing units compared to just over 800,000 housing units from the formal sector (Tembo,2007), **Appendix 2** Illustrates.

To access quality housing, over two thirds of Zambians spend more than the global affordability threshold of 30 to 40 percent of income (Phiri,2016). In 2015 the average annual household income was only USD$5,102 while the cheapest newly built house by a formal developer was US$ 65 000 (CAHF,2015). Only 5 percent of Zambian households could afford to buy from a formal developer in 2017 (CAHF,2017). In 2015, over 70 percent of the urban population spent as much as 40 percent of their income on rent (Phiri,2016).

Although mortgage finance only accounts for 1.29 percent of GDP, it remains the main source of formal housing finance[17] (CAHF,2015).

In the last five decades government has supported provision of low-income housing, but Zambia lacks clarity on the definition of low-income housing. Different government agencies follow a variety of definitions. For example, the National Housing Authority (NHA) use materials used while Local Authorities (LAs) use plot sizes to define low-income housing **(Source: Interview notes, government official, August 2018).** As a result, government efforts have not yielded the desired results.

[14] **See Appendix 3,** Social Issues resulting from Zambia's pattern of urbanisation, a problem tree developed during the National Urbanisation Policy Technical Committee data gathering workshop, led by the Ministry of Local Government, at Gonde Lodge in the city of Kabwe from Thursday 19th – Friday 20th April, 2018. Over 40 government staff representing different government Ministries and Agencies were in attendance

[15] Turok et al, 2013, illustrates the impact of urbanisation in Sub-Sharan Africa and Africa in General; Online, Available: http://journals.sagepub.com/doi/full/10.1177/0956247813490908, 11 October 2018

[16] Source: http://www.lusakavoice.com/2014/10/03/zambias-70-percent-of-the-urban-population-is-in-unplanned-settlements/, 30 September 2018

[17] Zambia National Building Society (ZNBS), Pan African Building Society (PABS) and Finance Building Society (FBS) are the major lenders (CAHF,2015). The residential mortgage market has grown steadily as reflected in a loan portfolio for all Building Societies of ZMW1 493 million (US$287 million) in July 2014 up from ZMW298.7 million (US$57 million) in 2013 and ZMW1 208 billion (US$241.6 million) in 2012. The number of people accessing ZNBS mortgages has increased to above 2 000 in 2015 from 1 238 loans in 2013 with long term demand recorded in Lusaka, Copperbelt and North Western regions (CAHF Zambia Newsletter,2016)

1.2 The Three Phases of Governance – Their Impact on and Implications for Housing

1.2.1 Phase 1: 1964 to 1990 – United National Independence Party (UNIP) Government – The Humanism Era

Soon after independence, the government placed emphasis on improving the standards of living for its people (ONDP, 1966). Government, by law, now required all employers to provide housing for their employees[18] (Employment Act,1965; Tait,1997; CAHF,2015).

The government anchored its housing policies in five-year National Development Plans (NDPs), which were initiated after independence. These are discussed below:

1.2.1.1 First National Development Plan (1966-1970): During the first decade after independence, government's housing policy emphasized: construction of self-contained low-income housing and provision of serviced plots (Zulu, et al 2017). Although the country already had an urban housing backlog of 24,000 housing units, government budgeted to build 4,750 housing units annually and spend four times more than the colonial government on low-income housing (ONDP,1966; Mwimba, 2002), **See Appendix 4**. Government strategy was to provide more housing in the urban centres of Lusaka, Kitwe and Ndola because of the rapidly increasing population (MDPNG,1972). In 1968, government established the Zambia National Building Society (ZNBS Act,1968) as a means of providing Loans to formal employees (ONDP,1966).

But seven years later, only 20,000 low-income houses had been built (MDPNG, 1972). In addition, because of government's decision to provide low-income housing to those in formal employment (Zulu (et al, 2017), coupled with rapid urban growth, the number of urban residents living in poorly constructed housing, was rapidly growing (ONDP,1966). In the initial years, government continued the colonial policy of demolishing poorly built housing but soon realised that this was inconsistent with their philosophy of humanism (Bamberger,1981; MoFNP,2006). The abrupt end of the period of economic growth of the 1960's, increased military expenditure (Bamberger,1981), plus the failure to construct sufficient complete

[18] Although there was no longer any restriction on movement of people, tying employment to housing was actually a pre-independent policy (Potts,2005)

houses (Rakodi,1991), made it necessary for government to begin considering less costly solutions to this growing urban housing crisis.

1.2.1.2 Second National Development Plan (1972-1976): The high urban population growth rate had pushed the urban housing backlog to over 85,000 housing units (MDPNG,1972; NCDP,1979). The second plan focussed on, crafting context specific solutions. The main thrust of this plan was to promote homeownership (NCDP,1979) **See Appendix 5**. Therefore, the focus was on site and service schemes and on making changes in the regulatory and institutional framework, briefly discussed below:

(a) In 1971, government established the National Housing Authority (NHA, Act 971), to deliver adequate, decent and affordable housing**.**

(b) In 1974, government passed the Housing (Statutory Improvement Areas) Act which, paved the way for improving housing and upgrading of informal settlements, circumventing the tough regulatory requirements in the Town and Country Planning Act 1962 (Berrisford,2011). With the support of a USD$20 million loan from the World Bank, the first Squatter Upgrading and Sites and Services programme was initiated (Mulenga, 2003).

(c) In 1975 government passed the Land (Conversion of titles) Act 1975, which radically changed land administration in Zambia (NCDP, 1979). Its thrust was to remove economic value from bare land, limit foreign ownership of land and improve access by Zambians (Ng'ombe, 2009).

Unfortunately, although 67,000 housing units were planned under the site and service schemes, only 12,200 units were actually completed compared to 125,000 housing units in informal settlements (NCDP,1979). More than 60 Percent of urban households were failing to pay the monthly charges on the serviced plots (NCDP,1979). Land values continued to escalate beyond the reach of most urban residents (Musole,2007), less than 5 percent owned their homes in urban areas (NCDP,1979).

In practice, government was still spending significantly more money on providing medium and high-income housing, compared to all the combined low-income housing initiatives (NCDP,1979), **See Appendix 6.**

1.2.1.3 Third National Development Plan (1979 – 1983): In 1979, after a period of economic stress, the third plan was launched emphasising urgent and creative actions to avoid the deepening low-income housing crisis (NCDP,1979). The urban housing backlog was now over 142,500 units (NCDP,1979) and by this time, government was determined to match: housing needs and available public financial resources with household's ability to afford the housing (NCDP,1979). This plan focussed on initiatives aimed at delivering low-income housing **(See Appendix 7).** In this plan, the government committed to spend over 90 percent of its housing budget, on low-income housing.

But despite these good intentions, only 25.3 percent of the housing budget was actually spent on low-income housing (NCDP,1989), **See Appendix 8**. As a result, only 5.5 percent of the low-income housing target was achieved (NCDP,1989), **See Appendix 9.**

The provision of the bulk of low-income housing remained very heavily dependent on informal sector initiatives (Zulu et al, 2017).

1.2.1.4 Fourth National Development Plan (1989-1993): During this period, government investment in housing dropped to 0.6 percent of Gross Domestic Product[19] (GDP) and the urban housing backlog had grown to over 208,000 units (NCDP,1989). The plan's thrust was to: continue promoting homeownership, but this time, through government agencies and private sector, ensure adequate delivery of land and mobilise adequate financing for acquisition of serviced plots` (NCDP,1989).

However, the high cost of building materials, problems of land acquisition for low-income housing and difficulties in accessing credit made it complicated to deliver adequate numbers of low-income housing (NCDP,1989). In addition, the high rate of inflation pushed house costs beyond the affordability thresholds of the target group[20] (NCDP,1989).

Therefore, while homeownership for the low-income category continued to be rare, poor quality housing in urban informal settlements increased rapidly (NCDP, 1989). Implementation of this plan was abandoned when the ruling UNIP lost the 1991 general elections to the opposition MMD (JICA, 2007).

[19] from 3 percent of Gross Domestic Product in 1969 (NHP,1996)
[20] Inflation rose from 35 percent in 1986 to over 64 percent in 1988 and to 154 percent per annum in 1989 (Kalinda B, et al 1992)

1.2.2 Phase 2: 1991 to 2010 - Movement for Multi-party Democracy (MMD) Government – The Liberalisation Era

The ascendance of the opposition MMD to political power, not only marked the end of UNIP's 27-year rule but also ushered in economic liberalisation. During the first decade (1991-2001) of their rule, the government abandoned the five- year National Development Planning (JICA, 2007). As a result, housing policy was only reflected in the MMD party manifesto (MMD Manifesto 1991 and 1996). This decision significantly contributed to poor public investment priorities, especially in the housing sector (MoFNP,2002). The government:

(a) Committed to "rewarding individual initiatives, promoting private sector participation"[21] and to improving land management and administration (MMD Manifesto, 1991, 1996). Subsequently the Land Act 1995 was passed.
(b) No longer required employers to provide housing to their employees (Zulu et al, 2017). This decision coupled with the slow nature of land delivery for formal housing contributed to an increase in informal housing (Banda, 2005).
(c) Passed the Local Government Act (LG Act,1991), with the aim of strengthening Local Authority involvement in the delivery of housing. However, by 1992 due to fiscal constraints, government investments in housing, including financial transfers to Local Authorities, had dropped even further to less than 0.5 percent of GDP (NHP, 1996).

By 1996, nation-wide there was now an estimated backlog of over 846,000 housing units, of which 36 percent (or 304,560 housing units) was now the urban housing backlog (NHP, 1996). Government therefore, enacted the first comprehensive National Housing Policy (NHP, 1996). Its aim was to provide housing for all income groups (NHP,1996). This policy encouraged home-ownership and self-help housing (Phiri,2016). A key objective of the NHP (1996), was for government to set aside 15 percent of its annual budget for housing. However, this was never achieved (Makasa,2010). As a result, only 1,500 housing units were constructed annually between 1996 and 2000 while 92,000 units were built from 2001 to 2011, falling far below the 110,000 units annual construction rate required to clear the backlog (Makasa, 2010).

[21] Movement for Multiparty Democracy (MMD), 1996, Manifesto

Later in 1996, through what appeared to be a combination of desperation and political expediency[22], the President instructed the sale, to sitting tenants, of slightly over 80,000[23] government, parastatal and Local Authority housing units (Mwimba, 2002). **Table 1** below illustrates.

Table 1- Total Number of Housing Units Offered for Sale Country-Wide

	Total # of units	Units Offered	Units Fully paid	Units unpaid/ partly paid
Zambia	86,988	80,097	65,975	11,355

Source: (MLGH, 2000: 12).

These institutions were compelled to sell at less than market value or give the houses away for free[24] (**See Appendix 10**). This initiative however only benefited a few urban residents, as a result the urban housing deficit kept on increasing (Kangwa, 2009).

In 1999, government launched the Presidential Housing Initiative (PHI). Its mission was to provide housing to all, especially those in low income (Mwengwe,2001). However, during implementation, only 4,000 houses were built in Lusaka and Ndola (Mwengwe,2001). The cheapest house was slightly over USD$11,000 (UNHabitat,2012) yet the average annual household income for urban residents has never gone beyond USD$5,102 (CAHF, 2015). Unfavourable housing finance conditions also made it difficult for the majority of urban Zambians to obtain housing loans (MoFNP,2002).

1.2.2.1 Fifth National Development Plan (2006 - 2010): National Development Planning was re-introduced in 2002 (MoFNP, 2002). In this plan, government admitted its poor handling of the housing sector and subsequently identified the lack of adequate finance as a major hinderance to providing low-income housing (MoFNP,2006). Consequently, government committed to construct over 50 low-cost houses in each district every year in

[22] In 1993 more than 9 senior members of the ruling party (Cabinet Ministers and Members of Parliament) resigned, in 1994 Zambia's Vice President Resigned. They all cited rampant corruption and abuse of office as their reasons for resignation. Presidential elections were due towards the end of 1996 (Moomba,2009)

[23] Ministry of Local Government and Housing, 2000, A Report on the Sale of Council Houses. July 2000. Department of Physical Planning and Housing: Lusaka

[24] Those that were built before 1959, were just given away for free, when payment of legal fees of "USD$8 to USD$15 was made (UNHabitat, 2012)

addition to 10,000 units that were to be constructed by NHA for homeownership and rental (MoFNP, 2006).

However, by 2011 none of the plans had been fully met, only 2,898 urban housing units had been constructed: coordination in the sector was increasingly becoming ineffective and weak enforcement of standards was continuously contributing to poorly constructed individual housing (MoFNP, 2011).

1.2.2.2 The Sixth National Development Plan (2011-2015): By this time the chronic unavailability of adequate low-income housing had become a major challenge to the government (MoFNP,2011; Zulu et al, 2017). This plan pledged to address the shortcomings, by creating an enabling environment for private sector (MoFNP,2011).

The plan identified: ineffective coordination of stakeholders in the housing sector and poor management information systems, as key constraints to urban housing provision (MoFNP,2011). Government then pledged to construct 500,000 low-income housing units through public-private partnerships, encourage home ownership and rental schemes, provide serviced land for private sector housing development, mobilise low-income long-term financing for housing, among other strategies (MoFNP,2011). However, eight months into implementation, this plan was abandoned when the MMD lost the 2011 general elections to the opposition Patriotic Front (PF).

1.2.3 Phase 3: 2011 to date - Patriotic Front (PF) Government – The Partnership Era

1.2.3.1 Revised Sixth National Development Plan (2012 – 2016): The new government has inherited a worsening housing situation[25]. According to UNHabitat (2012), construction of 1.4 million urban housing units is now required to clear the backlog by 2030. Government has committed itself to providing low-income housing through government guaranteed loans and Public Private Partnerships (PF Manifesto, 2016). Upon assuming office, government:

(a) Launched the Revised Sixth National Development Plan (MoFNP,2012) and through this committed to deliver at least 500 000 housing units between 2011 and 2016.

[25] In 2015, 23.5 percent of the urban population was living below the poverty line, majority of them could not afford decent housing (CSO,2015)

(b) Initiated review, introduction of several laws and policies and launched a revised institutional framework in the housing sector (MFNP,2012).

(c) Increased its role in housing supply by entering into public private partnerships (PPPs) to deliver 100 000 prefabricated housing units a year, mainly for defence personnel (CAHF,2015).

But by 2014, government had delivered less than 3,000 housing units and had only completed 5 000 prefabricated housing units for defence personnel (CAHF,2015). During this phase, NGOs[26] have continued providing housing for the very poor, settlement upgrading has been dominated by NGOs and international donor initiatives in the last 20 years (CAHF,2015).

1.3 Private Sector Involvement in Housing Since Independence

1.3.1 Phase 1: 1964 to 1990 – The Humanism Era

Before independence up to 1967, private property developers were the main providers of housing (Munshifwa, 2015). However, by 1968, the post-colonial government started re-orienting the economy towards 'socialist-communist policies'[27] (ONDP,1966).

As a result, a number of private contractors operating in the country left while those that were well established but operating outside the country were no longer given contracts (Makasa,2010). The year 1975 marked a turning point:

(a) A nationalisation programme was initiated, in which state-owned enterprises were to dominate economic production (MDPNG,1972). These state enterprises, controlled interests in all economic sectors, including housing, marking the end of private sector involvement (Turok, 1981).

(b) All privately owned real estate agencies were ordered to surrender all matters pertaining to housing to, the state owned, ZNBS and were closed down (Loenen, 1999). All land and housing under their administration[28], was forfeited to the state (Makasa,2010).

[26]Like Habitat for Humanity Zambia (HfHZ), Zambia Homeless and Poor People's Federation (ZHPPF), People's Process on Housing and Poverty in Zambia (PPHPZ), Shelter for All and the UK-based Homeless International. ZHPPF have mobilised more than 50 000 urban poor families to secure land in 42 municipalities and signed a MOU with the NHA to commit land to federation members (CAHF,2015)

[27] Turok (1981), refers to this as 'Capitalism by adopting Socialist policies'

[28] including that owned by other private sector developers, financial institutions and laws firms (Makasa,2010)

In 1985, government amended the Lands Act (1975), to include a requirement for all non-Zambians to obtain written Presidential consent before acquiring land (Loenen, 1999). Other measures included a ban on individual construction of housing for rent and an abolition of any further private sector investments in housing (Makasa,2010).

Consequently, from 1975 to 1995, there was no significant private sector investment in land and housing (Makasa, 2010).

1.3.2 Phase 2: 1991 to 2010 – The Liberalisation Era

The year 1991 again marked a turning point for private sector participation:

(a) It was yet again encouraged, this position was accompanied by a number of legal and regulatory reforms (Munshifwa, 2015).

(b) In 1995, government repealed the Land Act 1975 and replaced it with the Land Act 1995 (Loenen, 1999). Although this new law did not change the land tenure system significantly, it put back economic value on bare land, permitted customary land holders to convert to leasehold, established the Land Development Fund and introduced the Land Tribunal (Loenen, 1999).

During this period, a number of private sector initiatives in housing and land development were established but none focussed on low-income housing (Tembo, 2007).

1.3.3 Phase 3: 2011 to date – The Partnership Era

This phase, brought with it another shift for private sector participation, to a mixture of state-private sector partnership. Private sector now seems to be taking some initiatives in providing housing and serviced plots[29](Munshifwa,2015). Private developers and individuals are able to obtain 99-year leasehold titles with no limitations and land is transferable (CAHF,2015). However, the current institutional framework presents some bottle necks, it is either out-of-date or inadequate to support their full participation in housing provision (Munshifwa,2015).

[29] Meanwood housing estates is selling serviced plots in Ibex and Ndeke; Silverest estates and Lilayi housing estates are selling fully developed housing units (Munshifwa,2015)

1.4 Research Focus and Hypothesis

1.4.1 Research Focus

The focus of this study is twofold, first to examine the trajectory of urbanisation in Zambia since independence focusing on the resulting pressures exerted in the urban areas, especially the Capital City Lusaka. The second is to relate the impact and implications of these urbanisation pressures on low-income urban housing, focusing on the decisions made by the different governments, which have ruled Zambia since independence in 1964.

1.4.2 Hypotheses

Emanating from the research focus, the researcher's hypotheses are that:

1. Rapid urban growth has contributed to insufficient low-income housing;
2. Government has not provided an enabling environment or adequate support to the housing sector.

1.5 Overall Objective

The overall objective of this research is to identify factors that have contributed to insufficient low-income housing in Zambia's urban areas, especially Lusaka, examine government actions in this sector and add to the current debate on provision of adequate low-income housing with private sector participation.

1.6 Specific Objectives

The specific objectives are to:

1. Understand why government has not been able to reduce the backlog of low-income housing in the urban areas of Zambia since independence;
2. Explore how government can support low-income households in Lusaka in meeting their housing needs and;
3. Investigate the possible role for private sector in low-income housing, explore whether government needs to incentivise that and how.

1.7 Purpose and significance of the Study

Both urbanisation and housing are now at the centre of global and national discourse. Urbanisation has an immense contribution to any nation's industrialisation and development but also has catastrophic effects, if not well managed. Housing has long-term benefits and can contribute to human social and economic development.

This study specifically explores how Zambia can begin moving towards providing housing that is adequate and affordable as its cities continue to rapidly urbanise.

1.8 Study Methodology, Design and Analysis

This study used both secondary and primary data sources. Secondary data included Zambia's laws, regulations, plans and policies, publications, reports and studies relating to urbanisation, housing and informal settlements, with a specific focus on Lusaka. Primary data was collected from two sources: (a) From 23 public and private sector stakeholders with expertise in housing, urbanisation and informal settlements management. Respondents were selected through quota sampling because this method allowed the researcher to focus on those who were likely to have insights on the research topic and therefore save the researchers' limited time to conduct this study; (b) From 96 randomly selected low-income households in three informal settlements; Kanyama, Garden and Mtendere. All Primary data was collected through semi-structured questionnaires. Where possible, the researcher collected the same data from different sources to improve the validity of the study. This data was then analysed with the Statistical Package for Social Scientists (SPSS).

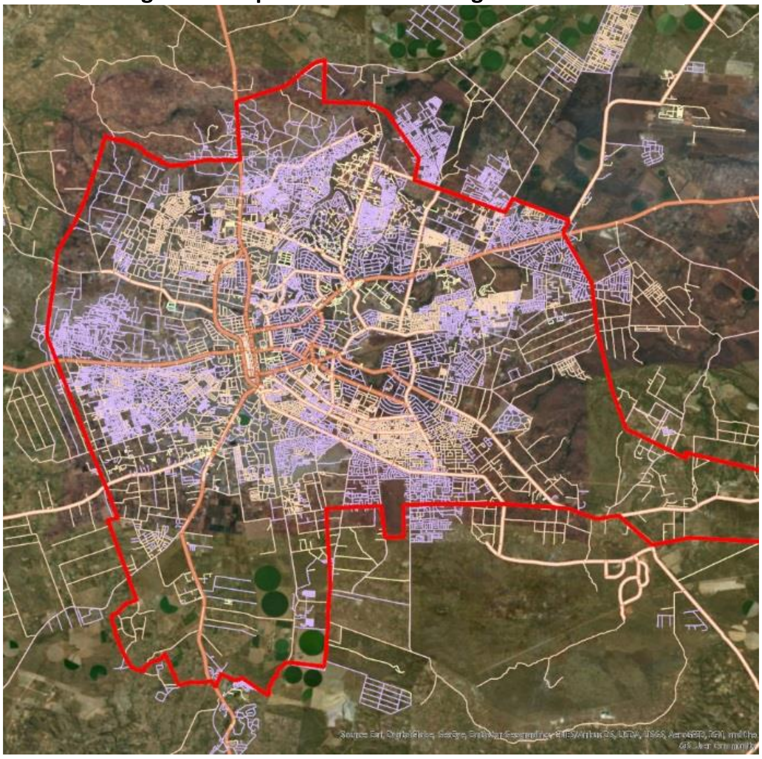
1.9 Limitations of the study

The main limitation of the study is its focus on the city of Lusaka whose urbanisation trajectory and low-income housing needs may be different from that of other cities in Zambia. This had the potential to limit the applicability of the findings and recommendations of the study. Further, the small number of respondents from the housing sector had the potential to narrow the perspectives of urbanisation and its impact on the provision of adequate and affordable housing in Zambia's urban areas. To counter these potential weaknesses, increase the validity of findings and recommendations, the researcher complemented the primary data with recent studies and interviewed private sector respondents who had organisational representation in other urban areas of Zambia.

Chapter 2 Background and Context of the Study Area

2.1 Introduction

Figure 3 -Map of Lusaka Indicating Road Network



Source: OpenStreetMap, 2018, (online), Available: https://wiki.openstreetmap.org/wiki/Lusaka, September 29 2018

Lusaka, with 1.7 million people, is the largest city in the Republic of Zambia. It significantly eclipses the second largest city, Kitwe, which has slightly over 500,000 people (CSO, 2010). Lusaka serves as the country's capital in addition to its role as the administrative and commercial centre (Mulenga, 2003; MoFNP, 2006). See **Figure 3** above for the map of Lusaka.

Before independence, the majority of Lusaka's residents were European or Asian (Mulenga, 2003). Indigenous Africans who worked in the city were forced to live in settlements on the outskirts of the city. Their wives and children were not allowed to live with them in the city (MDPNG,1972; Bamberger, 1981; Mwimba, 2002; Mulenga, 2003).

2.1.1 Phase 1: 1964 to 1990 – Rapid Population Growth

The first decade following independence saw a rapid increase in Lusaka's population. (Mulenga, 2003; Banda,2005; Musole,2007). This increase was attributed to a combination of factors: economic boom from high copper prices, economic diversification, administrative growth of Lusaka, a relaxation of internal migration and establishment of new settlements (Bamberger,1981). Soon, the new government found itself responsible for two cities within one: the formal planned part on one hand and the rapidly growing unplanned informal settlements[30], like Mtendere[31], on the other (Bamberger,1981). The free movement of

[30] Initially informal settlements in Lusaka were treated as a threat, there were sporadic attempts to demolish the informal housing and repeated verbal denigration, but gradually an official attitude of laissez-faire emerged. Between 1967 and 1970 informal settlements in Lusaka grew from 9 to 32 (Simmance,1974). In 1972 a new Government policy towards squatter settlements presented in the Second National Development Plan (MDPNG,1972) was published, stating that, squatter settlements had to be upgraded instead of being demolished (Yasini,2007)

[31] This informal settlement was established in the 1960s, by a local UNIP politician, on land that was reserved for high income housing. In 1969 Lusaka City Council (LCC) started upgrading the settlement into a site a service area. In 2000 Mtendere had a total population of 61,341 and roughly 10,155 households (CSO,2000). But by 2010 the population had risen to 106,128 people with over 22,074 households (CSO,2010)

people, inefficiencies in the formal land market plus the inability of the formal job market to quickly absorb the new arrivals in the city, further aggravated this situation (Musole,2007).

A review of inter-censal data for the period 1963 and 1969, revealed that Lusaka's population grew by over 13 percent (CSO,1969; NCDP,1979; Musole,2007). During the same period informal settlements population grew by over 32 percent (Banda, 2005). In the following five years (1969 to 1973) informal settlements grew at 14.5 percent, almost double the growth rate for formal areas (Banda, 2005). The population living in informal settlements which had grown to 37 percent by 1969, further expanded to 45 percent by the end of 1973 (Musole,2007). The political tension between the ruling UNIP and its rival ANC contributed to this state of affairs[32] (Banda,2005). Because of Lusaka's rapid growth, the city boundary was extended[33] (Mulenga,2003). Between 1969 and 1980, Lusaka's population doubled (Mulenga, 2003).

By 1963, around 17.2 percent of Zambia's urban residents were now living in Lusaka (Mulenga (2003), resulting in an estimated housing backlog of slightly over 4,000 units[34]. The city was increasingly accommodating more and more of the county's urban residents: 22 percent in 1969 and 25.3 percent by 1974. It is however important to note that the city's share of the urban population reduced to 21 percent in 1980 due to economic decline during this period (Mulenga, 2003).

In 1968, government introduced a policy of integrated housing development in Lusaka to move away from the colonial policy of segregated housing but despite this good intention, in reality, few of these developments integrated low-income housing (NCDP,1979). Although the number of people on the waiting list was overwhelming[35], most people could not afford the costs associated with this housing and therefore kept on moving into informal settlements (Hansen,1982; Mwimba, 2002). By 1976 over 34,000 households were living in these settlements (Martin, 1976).

In 1974, In a dramatic departure from policy, provision of complete housing was abandoned and the first Lusaka upgrading and site services project was launched[36]: this involved provision

[32] Although UNIP had Central government control, they lost the majority in Lusaka City Council and therefore relaxed building standards and eventually disbanded the squatter control unit in 1973, to win over the electorate's support (Banda,2005); These pollical tensions also contributed to LCC inability to collect money from their rental housing, UNIP strongly opposed the use of various sanctions to enforce payment (Bamberger,1981)

[33] from 139 square kilometres in 1969 to 360 square kilometres in 1970 (Mulenga,2003)

[34] Authors calculation using 1963 National Urban Housing Backlog: 17% of 24,000

[35] In 1969 LCC had over 16,345 families and 3,636 single persons on its waiting list for housing: It built 668 low income houses but spent twice as much money on civil service housing (Hansen,1982).

[36] With the support of a USD$20 million loan from the World Bank (Mulenga, 2003)

of water, roads and security lighting to 17,700 households and 11,400 serviced plots for low-income housing in George, Chawama, Chaisa and Chipata (NCDP, 1979; Bamberger, 1981; Mwimba, 2002). Although the programme reached over 30 percent of the city's population[37] (Rakodi, 1991), because of high service charges, it was the middle-income households who benefitted most (Mashamba, 1997) as a result, informal settlements continued to grow (Hansen,1982).

By 1983, over half of Lusaka's population was living in informal housing (Musole,2007)

2.1.2 Phase 2: 1991 to 2010 – Increase in Inadequate Housing

By 1990, Lusaka's share of the urban population had grown to 26.5 percent (Mulenga,2003). A review of census data for 1990 and 2000, revealed that Lusaka's population growth rate was 1.1 percent higher than the country average (CSO,1990; CSO,2000). Between 2000 and 2010 the city grew by over 60 percent (CSO,2000; CSO,2010). **Tables 2 and 3** below illustrate.

Table 2: Population Growth Rates for Lusaka, 1990-2010

Name	Population in '000			Average Annual Growth Rate (percent)		
	1990	**2000**	**2010**	**1980-1990**	**1990-2000**	**2000-2010**
Lusaka	769.4	1084.7	1,747.2	3.7	3.5	4.9

Source: 1990, 2000 and 2010 Censuses of Population and Housing, Zambia

Table 3: Evolution of Lusaka's' Population in 1990 to 2010, and Forecast 2015 and 2035

Level in Hierarchy	Population					Percentage Change	
	1990	**2000**	**2010**	**2015 Forecast**	**2035 Forecast**	**Between 2000 and 2010**	**Between 2010 and 2035**
Level 1	769,353	1,084,703	1,747,152	2,281,702	4,560,560	61%	161%

Source: 1990,2000 and 2010 Census of Population and Housing, Zambia

As a result, the Lusaka Integrated Development Plan (LIDP,2000) proposed another boundary extension (Mulenga, 2003). It is estimated that during this period, the housing backlog had risen to slightly over 80,000 units[38].

Although government efforts focussed on providing housing in the city, it was mostly directed at those in middle and high income (Tembo, 2007). From 2001 to 2006, only 1,410 housing

[37] The ruling UNIP utilized party structures to enlist community participation (Ibrahim,1987) which invariably excluded those of different views.
[38] Researcher's calculation using 1991 National Urban Housing Backlog: 26.5% of 304,560

units were provided by government and its agencies, falling far short of demand[39] (Tembo, 2007). This situation plus government's pro private sector policies, led to the emergence of a number of private sector housing programmes which had potential to contribute to the production of low-income housing[40] (Tembo, 2007). But their combined effort provided less than 5,000 completed housing units per annum, mainly directed at the high end of the housing market (CAHF,2015). High unemployment in the city (29 percent) and the large informal sector (65 percent) presented a considerable challenge to providing low-income housing (CSO,2007).

2.1.3 Phase 3: 2011 to date – Dominance of Informal Housing

Today, Lusaka hosts 32 percent of the urban population of Zambia (UNHabitat, 2012). However, the city only has an estimated 10 percent formal housing: the remaining 90 percent consists of poor-quality informal housing units (Banda, 2005; Tembo, 2007). It is estimated that between 2012 and 2030, the city will need to provide 450,000 housing units, most of which is low-income[41] (MHID,2015).

The City has more than 37 informal settlements of which: 9 are site and service areas; 15 have been granted legal status[42] while; 13 have no secure tenure (Tembo, 2007). Most of the land is secured in temporary nature by 30-year Occupancy Licences (Banda,2005). The land shortages being experienced in the city have partly been attributed to the dramatic population increase (Mulenga,2003).

Although non-governmental organisations have been contributing low-income housing to the city (UNHabitat,2012), since the 1970s, majority of low-income housing in Lusaka has been provided by the informal sector[43] outside local planning guidelines (UNHabitat, 2012). **Figure 4 below**, illustrates the current housing supply system in Lusaka.

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[39] By 2000, only 12 percent of those living in informal settlements had a legal claim to the land on which they lived (Lusaka City Council 2000)

[40] These include Meanwood Property Development Limited Projects and those of Lilayi Development Holdings (Tembo, 2007).

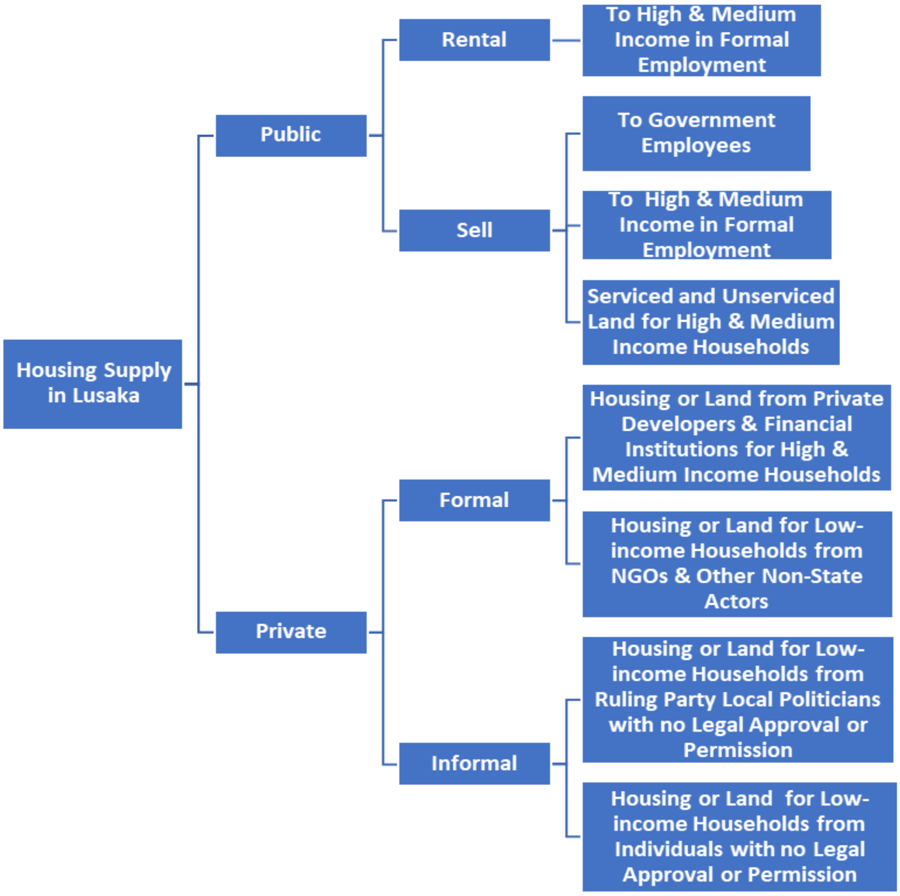
[41] Government will need to provide almost 1 million low-income housing units between 2015 and 2030 for all urban areas, 32% (or 320,000) of these will be in Lusaka (MHID,2015)

[42] (a) **Garden Informal Settlement** was established in the 1960s on a former private farm. Upgrading began in 1977 with a grant of USD$70 to selected families, mainly those who belonged to UNIP. It was granted legal status under the Housing Act (HSIA Act 1974), in 1999 (Yasini,2007). In 2000, total population was estimated to be around 42,506 with 7,829 households (CSO,2000). However, by 2010 the population had risen to 95,041 with 18,667 households (CSO,2010)

(b) Although **Kanyama Informal Settlement** was established by local politicians on a former farm in the 1960s, it was only legalised as an improvement area under the Housing Act in 1999. In 2000, the population was roughly around 103,381 with 19,995 households (CSO,2000). But by 2010 the population had risen to almost 200,000 with around 35,682 households (CSO,2010)

[43] Lusaka's informal settlements are growing at a rate of 12 percent per annum (MLGH 2013)

Figure 4: Housing Supply in Lusaka



Source: Developed by Researcher from Secondary and Primary Data Sources (July to October 2018)

Chapter 3 Literature Review

Housing is essential for normal healthy living and critical for human welfare and survival. It fulfils deep-seated psychological needs for privacy and personal space; physical needs for security and protection; and social needs as basic gathering points where important relationships are forged and nurtured (UNHabitat, 2004). In many societies, a house serves as an economic centre where essential commercial activities are performed (UNHabitat,2004). Both individuals and families may be significantly affected if their housing needs are inadequate (Karamujic, 2015). A 2013 study revealed that the quality of housing contributed to the emotional and behavioural conduct of children and youth (Coley et al, 2013).

The housing sector provides employment, significantly contributing to economic growth[44] (Kashinga, 2004; Arku, 2006; UNHabitat, 2016). In Sub-Saharan Africa, housing investments provide over 5 jobs for each house built, representing 6 percent of Gross Domestic Product (GDP) (World Bank,2015). Low-income housing therefore, offers the twin rewards of economic growth and poverty alleviation (CAHF,2017). As both a private and public asset, housing has the potential to enhance political and social stability (MDPNG,1972; Stone et al, 2007; Access Housing, 2008; Collier,2014).

Housing therefore, contributes to national economies in three basic ways: First fulfils the basic need for shelter, second forms part of a country's generation of wealth and, thirdly stimulates economic activity through its construction, trading and rent (CAHF, 2017)

In 1948, the right to adequate housing became one of the economic, social and cultural rights. Since then, this right enshrined in article 25(1) of the Universal Declaration of Human Rights, has been promoted by many governments as an important component to an adequate standard of living (Makasa, 2010).

Despite this recognition, many governments have struggled to provide or stimulate the provision of adequate and low-income housing (Gross et al, 1986; Mckinsey, 2014).

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[44] The role of housing in economic growth is significant. Housing sits at the centre of a chain of backward and forward linkages – backwards to raw materials (wood, cement, iron), land, infrastructure, and financial services; forwards to so called 'white goods' (fridges, TVs, ovens), furniture, construction materials for home improvement (Access Housing,2008)

Globally, there are over one billion urban residents living in inadequate housing while another 100 million urban residents are homeless (UNHabitat, 2016). While globally, many cities have an oversupply of middle-income housing, the number of urban residents living in inadequate shelter has actually increased by 28 percent in the last 14 years and is expected to increase by another 600 million by 2030, despite the policy and programme responses by governments, International development partners and non-governmental organisations (UNHabitat, 2015; UNHabitat, 2016). It should be noted from the onset that the relationship between inadequate housing and poverty is usually cyclical: while poverty may be the key cause for inadequate housing, it can also be an effect (Duncan, 2003). Globally, it has been estimated that urban residents will require one billion homes by 2025 (UNHabitat, 2016).

Rapid urbanisation has continued to increase demand for low-income housing in many African Cities, as an estimated 40,000 people move to cities every day (CAHF, 2017). Studies have shown that 90 percent of urban growth is taking place in South Asia and Sub-Saharan Africa[45] where 70 million new residents are added each year (UNHabitat, 2015). In South Asia, the urban housing backlog is now over 38 million units (UNHabitat, 2016). As for Sub-Saharan Africa, even though the actual backlog in urban housing is not very clear[46], there are few governments in this region with sufficient resources to meet even 25 percent of the urban housing demand or catch up on the backlogs (Tipple, 1994). What is clear is that Sub-Saharan Africa has been facing the challenge of rapid urbanisation, economic decline and ever-growing backlogs (Musole,2007; Satterthwaite[47], 2015). It perhaps should not be surprising that many governments have housing backlogs given that the global urban population has increased by 54 percent since 1996 (UNHabitat, 2016). In Africa, studies have actually shown that investments in housing lags urbanisation by 9 years (World Bank 2015a).

Other studies further illustrate that there is a relationship between the growth of informal settlements and the lack of adequate housing and serviced land (Duncan, 2003; UNHabitat, 2015; King et al, 2017). Rental housing is therefore an important option that cannot be

[45] Asia and Africa will lead in urban population growth by the year 2050. Asia's urban population will increase from 1.9 billion to 3.3 billion, and Africa's population will increase from 414 million to over 1.2 billion (UNDESA,2011)
[46] Housing backlogs in range from an estimated 2.1 million in South Africa; 2.0 in Madagascar, Mozambique and Angola respectively; to 1.5 million in Zimbabwe and 110 000 units in Namibia (CAHF,2017)
[47] Online, Available: https://www.urbantransformations.ox.ac.uk/blog/2015/urbanization-in-sub-saharan-africa-trends-and-implications-for-development-and-urban-risk/, 11 October 2018

ignored in finding a solution to housing in Africa[48] (Shelter Afrique,2014). To realise this option, different types of incentives may need to be crafted for developers and consumers (Shelter Afrique,2014).

Although Countries in Sub-Saharan Africa are not homogenous, a pattern of poorly functioning housing markets clearly immerges among all of them (World Bank, 2015a). Attempts to purchase, transfer or develop land for housing construction is often very costly and time consuming (World Bank, 2015a). There is often no basic network infrastructure to service land, making it very expensive to build retroactively where this is lacking (World Bank,2015a). Because of these factors and many others, urban housing costs are driven beyond the capacity of low-income households, leading them to seek other affordable but poor-quality alternatives that are often on insecure tenure (World Bank, 2015a).

As a result, informal delivery of urban housing, through informal financing mechanisms, has been the norm in this sub-region, contributing an average of 75 percent of the urban housing purchase and rental stock: approximately 90 percent in Ghana and 60 percent to 70 percent in Zambia (Rust,2015; World Bank,2015a; King et al, 2017). The formal sector urban housing supply in this sub-region is so ineffective, usually leaving housing supply decisions to individual initiative: the land on which the house is built may have been leased, bought from a family or simply occupied (Tipple, 1994). This has inevitably led to the proliferation of informal settlements (King et al, 2017). In this region, the process of plan-service-build-occupy is often reversed to occupy-build-service-plan (World bank,2015a). Insecure tenure and access to financial services are key stumbling blocks to the delivery of adequate urban housing in this sub-region (Berger,2006; Rust,2015).

In 2001, over 71.9 percent of the Sub-Saharan urban population was living in informal settlements, the highest among all regions (UNHabitat, 2003). The population in informal settlements in sub-Saharan Africa is expected to grow to 200 million by 2020 and double in the next 15 years (World Bank, 2015a). Recent projections show that by 2050, this sub-region will have more than 1.2 billion urban residents (World Bank, 2015a). It has however been observed that compared to other regions, urbanisation in Sub-Saharan Africa has not been

[48] Sustainable homeownership for all is neither financially and fiscally possible, nor desirable for all household groups and life-cycle stages. Thus, for the future, rental housing offers a window for housing affordability and a place in the equation of improving housing conditions for urban Africans (Shelter Afrique,2014).

accompanied by a high level of per capita economic growth or investment in housing[49] this inevitably limits the resources available for households to invest in housing (World Bank, 2015a).

This situation has left many governments with the complex problem of how to provide housing for the poor (Lall et al,2017). It has also been noted that housing in urban Sub-Saharan Africa has often been built to unrealistically high standards, presenting several shortcomings: expensive per unit cost making it unaffordable even with subsidies; few units built benefiting very few residents; subsidies fuelling increased demand from other income groups (Tipple, 1994). It is important to note that even though government responses have changed overtime in this sub-region, interventions in the housing sector have remained central (Tipple,1994).

Globally, the housing affordability gap is now estimated to be around USD$650 billion a year, this is despite the steadily increasing private sector investments in housing over the years, which have unfortunately not been in pro-poor affordable housing[50] (McKinsey, 2014). In Africa, 50 percent of the population live below USD$1.25 per day while only 4 percent of Africans earn more than USD$10 per day (Croese et al, 2016).
In Sub-Saharan Africa, it is estimated that only 3 percent of the population can afford mortgages (Rust 2015), as a result housing lending on this continent as a percentage of GDP has been poor. This is because despite the increased focus on formal housing finance the costs of serviced land, which contributes significantly to the mortgage, is usually borne by the households (World Bank, 2015a). The challenge for Africa is therefore not really just about access to credit but also about innovations in housing finance and shifting priorities to incremental asset building (CAHF,2015; Rust,2015).

[49] SSA reached 40 percent urban in 2013 with a GDP per Capita of USD$1,018; East Asia and the Pacific reached the same level of urbanisation in 1994 with GDP per Capita of USD$3,617; Middle East and North Africa in 1968 with USD$1,806 per Capita; Latin America and Caribbean in 1950 with USD$1,860 (World Bank, 2015a)

[50] Housing affordability and urban population figures bring into sharp focus the relevance of the recent trend of megacities. Across the continent, greenfield city projects are being developed: mixed residential, commercial and retail developments, such as Kenya's Garden City, which opened in September 2015. Others include Tatu City in Nairobi, Kenya; Eko Atlantic in Lagos, Nigeria; La Cite de Fleuve in Kinshasa, DRC; Hope City in Accra, Ghana; Kigamboni New City in Dar es Salaam, Tanzania; and Diamniadio Valley digital city, planned in Senegal. These projects are hugely ambitious involving massive investments by the private sector and substantial regulatory support and administrative engagement by the public sector. But when the entry level unit in La Cite de Fleuve is US$190 000, or when Garden City yields a total of 400 units, their relevance for meeting the breadth of the demand comes into question **(CAHF,2015).**

Globally, it is estimated that over 330 million urban households are living in crowded, inadequate housing or are financially stretched by housing costs and this number is expected to grow to 440 million households by 2025 (Mckinsey, 2014; King et al, 2017). In 2003, SSA had 71.9 percent of its urban residents living in poorly built overcrowded housing, with inadequate infrastructure and services on insecure tenure (UNHabitat, 2003). The developing world is, therefore, facing a double-edged sword: first, adequate housing which is formally built is usually expensive[51]; second, informally built housing is affordable but usually inadequate (World Bank,2015a). In this scenario, affordable housing is then not only out of reach for the urban poor but possibly also beyond the reach of those in the lower- and middle-income categories (Tomlinson,2015). It has often been stated that, as long as attempts to build affordable housing are made with imported materials, the opportunity to achieve this objective will continue to slip away[52]; standard approaches will only yield standard inadequate results, new thinking is required (Tipple, 1994; NHP, 1996; McKinsey,2014).

Experience has shown that it is possible to replace these imported materials with locally available durable and inexpensive materials in urban housing construction and overtime incrementally improve informal housing conditions (Tipple,1994; World Bank,2015a). But the colonial building regulations still in use in most Sub-Saharan countries do not allow this (Tipple, 1994).

Some scholars have argued that many governments have been overtaken by pressures of urbanisation, inadequate capacity and or resources and have been unable to successfully implement programs and undertake reforms aimed at creating conditions for expanding access to housing (Duncan, 2003; UNHabitat, 2005; Satterthwaite[53], 2017; UNHabitat, 2016).

Others have argued that poorly functioning housing markets, poor targeting[54], inadequate data and unavailability of serviced land could be major problems to housing supply in Africa

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[51] Zambia, Seychelles and Madagascar had the most expensive new, formal housing in 2017 (CAHF,2017)
[52] If it takes 35-40 bags of cement for the construction of a 40m2 brick and mortar house, the per bag cost is a critical factor. In 2015, the most expensive country with respect to cement, at US$30,30 for a 50kg bag, was the DRC, followed closely by South Sudan, where the same bag cost US$29,00. Compare this with Nigeria (US$11,00), Kenya (US$7,60), and Senegal (US$5,06), and the cheapest source of cement, Tunisia (US$3,53), and the capacity of a household to build their home with cement becomes somewhat clearer **(CAHF,2015)**
[53] Online, Available: https://www.sciencedirect.com/science/article/pii/S2212420917302601, 11 October 2018
[54] For example, Angola's Kilamba development, that delivered 750 apartment blocks ranging from 5-13 floors for over 80 000 people. Heralded as part of the government's 'Million House Programme' entry level units started at US$125 000. When the development remained largely unoccupied, the government reduced prices by 44 percent to US$70 000, and subsidised the interest rate on mortgages. Similarly, Vision City in Kigali, Rwanda, promises to deliver 22 000 units over 8 years. The first phase completed in July 2017 only had 30 percent initial occupancy. Housing Units ranged from about US$177 000 for a two-bedroom apartment to about US$500 000 for a five-bedroom

(Tipple,1994; Duncan,2003; CAHF,2010; Hammam,2014; Shelter Afrique 2014; Rust,2015; UNHabitat,2016; CAHF,2017). Studies have shown that land costs can contribute anywhere between 40 percent to 80 percent to property values (Mckinsey,2014). Recent evidence suggests that among the key impediments are the cumbersome regulatory requirements[55] and backlog of basic infrastructure (Rust,2015; World Bank, 2015a; CAHF,2015; CAHF,2017). In Sub-Saharan Africa, registering property[56] costs an average of 8.3 percent of its value, takes 162.2 days to obtain a construction permit and takes almost 50 years to reach full infrastructure coverage (World Bank, 2015a).

Other scholars point to poor access to housing finance, high interest rates[57], high taxes, inadequate rental assistance and corruption as some of the key bottlenecks in access to low-income housing (Mckinsey,2014; Shelter Afrique, 2014; African Centre for Cities,2015; Rust,2015; World Bank, 2015; CAHF,2015; UNHabitat,2016; CAHF,2017; Fuchs, 2018; Mutero, 2018). In the SADC Region, 43 percent of adults have no access to any credit products (CAHF,2015).

Still others have argued that the lack of clear understanding on how the housing sector works has in many cases, driven governments to develop inappropriate policies and strategies that have sometimes been counterproductive (Duncan,2003; Tembo,2005; King et al, 2017).

At a global level, there has been some effort to address inadequate housing among low income urban households (Croese et al, 2016). In Sub-Saharan Africa, government efforts have mainly been directed towards providing formal housing (Halimi,2016; Croese et al,2016). These efforts, have evolved overtime along international practices, mainly shifting from direct supply to support strategies (Croese et al,2016). Some countries however, seem to be returning to the mass scaled supply driven approached to housing development (Croese et al, 2016), a trend which has been criticized (Watson, 2013; Buckley et al, 2015).

townhouse. Soon, however, prices were reduced by a third to encourage sales. But still, at US$124 000, the smallest unit was affordable only to 0.1 percent of the urban Rwandan population (CAHF,2017)

[55] The key challenge that investors and developers highlight from their experiences across the continent, is regulatory and policy uncertainty and instability. This factor is critically important because of the long-term nature of housing investments. Unpredictable regulatory changes, complex legal frameworks and volatile local currencies all limit investment timeframes and challenge exit strategies, encouraging investors to look elsewhere while governments get their house in order. Government policy can have a significant impact on investor interest and market participation, simply by being reliable (CAHF,2015)

[56] A key indicator offered by the World Bank as part of its "doing business indicators" is the number of days and cost involved to register property (a commercial property, in this instance, but indicative nonetheless). While improvements have been recorded in many countries in the sub-region, conditions in Zambia and Namibia have deteriorated. In 2015, Zambia was ranked 111th out of 189 countries (CAHF,2015)

[57] In Zambia Mortgage finance interest rates were between 20 percent and 51 percent in 2017 (CAHF,2017)

Literature generally identifies three common strategies: state supply in the 1950s and 1960s[58]; citizen support in the 1970s and 1980s and[59]; the enabling private sector in the 1980s and 1990s [60](Okpala, 1986; Tembo, 2007; African Centre for Cities, 2015).

A review of recent work in housing revealed that the enabling shelter strategy, adopted in 1988, was the most significant policy shift: It encouraged more direct participation of non-government partners in housing while supporting the withdrawal of government from direct participation (Hansen, 2004). This approach was proposed due to the unsuccessful previous attempts by governments to directly provide low-income housing (Angel, 2000, Tembo 2007).

The underlying philosophy of this approach was based on facilitating the supply side of housing, by encouraging governments to provide a supportive legal, financial and regulatory framework, that would develop an urban housing sector driven by initiative and entrepreneurship in markets, communities and in households (Hansen, 2004). This approach implied that getting policies right, was all that was needed in the housing sector (Hammam, 2014).

However, by 2016, the world acknowledged that the enabling shelter strategy had failed to facilitate provision of adequate and low-income housing (UNHabitat, 2016). As the state reduced its involvement, the private sector concentrated on providing housing for the more profitable solvent few offering no solutions for the lower income households (UNHabitat, 2016). Additional complications for the enabling shelter strategy emerged in 1992, when the World Bank shifted its approach from smaller pro poor housing investments, in slum upgrading and site and services, to larger loans in housing finance, mortgage finance and institutional strengthening (UNHabitat, 2016).

The New Urban Agenda (NUA) and the Sustainable Development Goals (SDGs), launched in 2015 and 2016 respectively, are expected to remedy this situation (UNHabitat, 2015; UN, 2016; King et al,2017). They both place significant expectations on governments but the

[58] Where the state was dominant in all areas of the housing market up to supply of completed housing (Okpala, 1986; Tembo, 2005; DFID, 2015)
[59] Where the state was still dominant but now promoting homeownership through different financing options, providing serviced land, focus on upgrading of informal settlements (Ibid)
[60] In which the state focussed more on policy reform to ensure that private sector provides housing efficiently (Ibid)

challenge is how these governments, especially African governments, will live up to these expectations in light of so many other pressures (Rust, 2016).

The potential for private sector participation in the low-income housing market in Sub-Saharan Africa, for both rental and purchase options, is huge and largely remains unexplored (Lasalle, 2018)[61]. According to Mckinsey (2014), building 106 million low-income homes by 2025 would require USD$2.3 trillion, presenting a great opportunity for housing developers. In addition, USD$300 million to USD$400 million may be needed in mortgages to finance new purchases of low-income housing (Mckinsey,2014). If developers could deliver housing at a cost of USD$7,500 they could reach 52 million low-income households in Africa[62], this could generate USD$400 billion in economic activity just with construction (CAHF,2017).
Perhaps the greatest hinderance to private sector investment in low-income housing apart from supply related matters[63], has been the century old myths about this sub-sector, which include beliefs that there is no economic case for low-income housing, construction costs are too high to make low-income housing affordable, low-income housing is an unattractive investment (Mckinsey,2014). Of course, the challenges in this region are not insignificant and cannot just be wished away but the point is that investors and developers are increasingly realising that the opportunities outweigh the risks (CAHF,2015).

[61] JLL (NYSE: JLL) is a leading professional services firm that specialises in real estate and investment management. It is a Fortune 500 company with nearly 300 corporate offices, operations in over 80 countries and a global workforce of 83,500 as of March 31, 2018.
Ardonceau S, Jones Lang LaSalle, 2018, Affordable Housing Opportunities for the Private Sector, [Online], Available: http://blog.africa.jll.com/affordable-housing-opportunities-for-the-private-sector/, 5 July 2018
[62] The terms on which the mortgage, for this USD$7,500 house is offered, are important (CAHF,2017)
[63] In Africa, with the exception of those in South Africa, there are very few developers who can deliver more than 500 housing units per year for more than 3 years. It's a classic chicken and egg situation: is development capacity limited by lack of capital or are low levels of investment a function of poor development capacity? (CAHF,2017)

Chapter 4 A Critique of Key Housing Laws and Institutional Arrangements

4.1 Introduction

The discussion in this chapter, follows Zambia's three phases of governance, introduced earlier in chapter one of this study. This is because the laws and institutions, were shaped by the governance system that prevailed in each phase

4.2 Key Housing Laws

4.2.1 Phase 1: 1964 to 1990 – The Humanism Era

4.2.1.1 Land Survey Act,1960

The purpose of this Act is to regulate the cadastral survey system and provide for the establishment of the Survey Control Board which is responsible for registration and licencing all surveyors (LS Act,1960). This Act also provides for the establishment of the Surveyor General's Office who is responsible for approving and archiving cadastral survey records[64] submitted by private and government surveyors (LS Act,1960). This law restricts the practice of cadastral surveying to licenced surveyors (Chileshe R et al,2014).

Unfortunately, this law has been a major hinderance to the provision of land for housing in Zambia.

The Act permits the part time 5-member Survey Control Board to meet at their discretion and does not indicate term of office for this Board (LS Act,1960, Chileshe R et al, 2014). As a result, currently there are less than 40 registered surveyors in Zambia, which has contributed to a huge backlog of cadastral survey records (Chileshe R et al, 2014). This has inevitably led to unavailability of formal land[65] (Tembo, et al 2018).

The prescriptive nature of this law limits the operational efficiency of the few available surveyors[66] (LS Act,1960; Chileshe R et al,2014). These requirements do not only add to land

[64] An approved cadastral survey record provides the basis on which a title deed would be issued (Chileshe R eta al, 2014).

[65] Zambia currently has less than 180,000 titles representing roughly 6 percent to 8 percent of registered land: more than 70 percent of land in Zambia remains insecure (Tembo, et al, 2018).

[66] It specifically prescribes the equipment to be used, this is despite improvements in the last five decades; It compels all survey diagrams to be lodged only in Ndola and Lusaka in hard copy format for examination by the surveyor general (LS Act,1960, Chileshe R et al, 2014)

costs but provide an avenue for corruption and become a significant stumbling block to accessing formal land for housing (Chileshe R et al 2014)

4.2.1.2 Town and Country Planning Act, 1962

This Act was enacted shortly before independence, to ensure that the growing African population, which had been ignored in pre-colonial legislation, received attention regarding housing, infrastructure and services (Mwimba, 2002; Phiri, 2016). This Act, which was based on the 1948 British Town Planning Legislation, provided a framework for spatial planning in Zambia[67] (TCP Act 1962; Makasa, 2010; Berrisford, 2011; Phiri, 2016). Through this Act, the independence government was not only empowered to increase housing stocks for the Africans but also had authority to re-design African housing and start a process of integration between the African and non-African populations (Mwimba, 2002).

However, the stringent and rigid requirements of this Act[68], did not provide government with the required flexibility to explore available options to providing low-income housing (MDPNG,1972, Berrisford,2011). In addition, most wages for most African workers were not high enough to meet the housing standards of this Act (Mulenga,2003). As a result, the population living in informal settlements in unauthorised housing kept on increasing (Mwimba, 2002): for example, by 1975 Kitwe had 46 informal settlements (Tipple,1975)

Further, this Act, which was largely based on colonial legislation, considered informal settlement housing illegal and therefore recommended demolition, a practice which the independence government initially followed but abandoned in 1974 (Bamberger,1981; MoFNP, 2006).

This Act which was enacted in the 1960s, in which spatial planning needs were significantly different from those of the 1970s, 1980s and 1990s, failed to adequately address issues such as, the use of local building materials, participatory planning approaches and integrated planning methodologies (OHCHR,2008). This Act was not only inappropriate but was overly controlling and seemed to be at variance with the new government's philosophy

[67] Zoning, subdivision, land use control and regulations, public and private housing development on state land and prevention of incompatible development (TCP Act 1962)
[68] Included providing high quality complete housing plus infrastructure and services (MDPNG,1972)

(Rakodi,1986; Berrisford, 2011). The cosmetic amendments made to this Act throughout this phase remained insufficient.

Therefore, in the first 10 years of Zambia's Independence, this Act was unable to provide government with appropriate contextual legal responses to the rapidly growing urban housing demands, inevitably contributing not only to the growth of informal settlements but to the growth of inadequate urban housing (MoFNP,2006, Bamberger, 1981; Mwimba, 2002)

4.2.1.3 Local Government Act, No 30, of 1965

This Act abolished Native Authorities and created Local Authorities (Urban and Rural Councils), with wide ranging powers and functions to discharge in their jurisdictions, among which was the provision of housing, infrastructure and services (Chikulo, 2009). The Act was seen as a means of delivering efficient and equitable provision of services to the majority, mainly Africans (ONDP, 1965).

However, one of the failures of this Act was its imposition of ill-defined legislative, administrative and functional divisions between councils and provincial government. It failed to clearly indicate who had control of informal housing in informal settlements (Makasa,2010).

Although the Act made housing a Local Authority responsibility, it did not explicitly make low-income housing a priority and did not indicate any measures that should be undertaken to provide this housing (LG Act, 1965).

4.2.1.4 National Housing Authority Act, 1971

This Act, was passed to consolidate all the fragmented efforts of the first seven years after independence, which had failed to provide low-income housing to the rapidly growing urban population[69] (Basila,2005).

Through this Act government was to provide housing through a variety of means including serviced plots (NHA Act, 1971; Basila,2005). Through mechanisms established by this Act, government and Local Authorities would be regularly informed on changing housing needs for policy formulation (NHA Act, 1971; Basila,2005).

[69] By this time, government was no longer under the illusion that providing completed housing to this population was the best solution (MDPNG, 1972).

However, a review of this Act revealed that it created overlaps in the housing, planning and implementation mandates, with the Local Government Act of 1965, which assigned similar functions to Local Authorities (NHA Act, 1971; LG Act,1965; NCDP, 1979; WB,2002a).

There was also a mismatch between: government policy to consolidate its control of the economy, including housing supply; with resource allocation to implement provisions of this Act, due to the poor economic performance of the economy in the years following its enactment (MDPNG,1972; NCDP,1979; NCDP,1989; NHP, 1996).

Finally, the broad nature of this Act[70], made its practical implementation complicated, rendering it ineffective in facilitating improvements in supply of low-income housing (NHA Act 1971; NCDP,1979; MoFNP, 2006; MoFNP2008; MoFNP,2009).

4.2.1.5 Housing (Statutory Improvement Areas) Act, 1974

This Act was enacted to address the growing number of sub-standard housing in the informal settlements of Lusaka and other Zambian urban areas (NCDP,1979; HSIA, 1974). It represented a significant policy shift: from demolition of sub-standard housing in informal settlements, as demanded by the Town and Country Planning Act of 1962; to official recognition of informal settlements as improvement areas (MDPNG, 1972). The Act provided for flexible and incremental housing development and included issuance of a security of tenure document, a 30-year Occupancy Licence (HSIA Act, 1974; Muwowo,2013).

However, a major weakness of this Act was its restrictions to private sector participation in the housing schemes (WB, 2002, UNHabitat, 2011). Local Authorities and NHA who were the key actors, depended entirely on available donor and government funding, because of this, results achieved through this Act were not impressive (NCDP,1979).

Further, despite its name, the Act provided almost entirely for gradual improvements in infrastructure and services in the informal settlements, while leaving improvements to housing almost entirely to the initiative of individuals, majority of whom were living in poverty (Mulenga, 2003).

[70] spanning from regulatory functions to planning, then implementation (providing housing, serviced plots plus related infrastructure), including housing finance, monitoring, research and development (NHA, Act,1971)

Although the issuance of the Occupancy Licence could only take a few weeks, the prescribed process of declaring an informal settlement as an improvement area, the basis on which the licence was to be issued, could take more than 5 years (UNHabitat, 2011). This disjuncture made most Local Authorities unable to complete all requirements, as a result very few informal settlements were regularised.

Even though the Act explicitly precluded other laws from applying in its jurisdiction, initially seen as a key strength, with time, this contributed to the rapid growth in informal housing, as the regularised informal settlements expanded beyond the declared boundaries (Tembo et al, 2018).

4.2.1.6 Lands (Conversion of Titles) Act 1975

This Act introduced the first of the two major land reforms[71] in Zambia (Musole, 2007). Through this Act significant changes in land law and property ownership were effected, these included abolition of sale, transfer and other alienation of land for value, in addition to restrictions on land transactions (Musole,2007). Under this Act all land was vested in the President for the Zambian people for the purpose of equitable allocation of land resources among the different income groups (Land Act 1975; Musole, 2007; Zulu et al, 2017).

However, despite these provisions land speculation continued while property prices also continued to escalate, in many cases, beyond the reach of the very citizens the government was trying to protect (Musole,2007). Coupled with institutional challenges, the procurement of urban land for site and service programmes even became more problematic (Musole,2007). In addition, the many controls and restrictions resulting from this Act invariably discouraged some non-Zambians from investing in property, further restricting urban housing supply (UNHabitat,2011).

Therefore, instead of improving access to urban land for low-income households, this Act contributed to significant centralisation of land administration and management, consequently retarding land delivery for housing development: introducing delays, inefficiency, increased costs and high levels of corruption in land transactions, for both

[71] For the purpose of this study, Land Reforms means fundamental changes in government policy on land matters, including land use, ownership and administration (Musole,2007)

Zambians and non-Zambians in the two decades that followed (Musole,2007; UNHabitat,2011)

4.2 .2 Phase 2: 1991 to 2010 – The Liberalisation Era

4.2.2.1 Land Act, 1995

This Act introduced the second of the two major land reforms in Zambia (Musole, 2007). Consistent with the new government's policy of economic liberalisation, this Act attempted to reverse most of what had been introduced by the 1975 land Act, by restoring private property rights and introducing other major changes in the operation of urban land markets and land development processes (Musole,2007).

But despite the multiple new provisions in this Act, it has still retained the same inappropriately structured centralised land delivery system which, has in the last two decades, worsened low income household's ability to access formal land (Land Act,1995; Musole,2007). This Act has fuelled corruption and rent seeking behaviour among public officials, as land is often allocated to the highest bidder or one who pays "speed money"[72], significantly disadvantaging low income households in land allocation decisions (Musole,2007).

The Act lacks clarity on customary land administration and is weak on guidelines regarding purchase of land by foreigners among others[73](MoL,2018).

The multiple number of public actors, prescribed by the Act, not only contributes to delays in formal land allocation but higher land costs, side-lining many low-income households as both time and money are usually not abundant resources among these households (Land Act,1995; Musole,2007). It is therefore, highly unlikely that this Act will succeed in achieving its objectives (Musole,2007).

[72] A bribe paid to a public official to ensure that an issue is dealt with quickly (Musole,2007)

[73] The Act: (a) does not [provide clarity on the role of chiefs as custodians of customary land; (b) does not provide clear provisions for formal registration of customary land; (c)does not provide clarity on its jurisdiction for dispute resolution involving land rights originating from customary tenure; (d) has weak restrictions or limitations to foreign ownership of land; (e) has weak guidelines on procedures for allocation and sale of land (MoL,2018)

4.2.2.2 National Housing Policy 1996

This policy was Zambia's first comprehensive housing vision (NHP, 1996; UNHabitat,2012). The policy prioritised housing development through provision of finance, committed to providing serviced land including dealing with cumbersome land administration procedures, building standards and highlighted promoting use of local building materials (NHP,1996; Makasa,2010; UNHabitat,2011).

Although this Policy, brought renewed hope, it has never been fully implemented as, two decades after its launch, there is still no implementation strategy to guide achievement of policy pronouncements (MoFNP,2006; Makasa,2010; UNHabitat, 2011)

Further, the policy seemed to have been over ambitious in its quest to urgently attend to the deteriorating housing situation. The commitment to annually allocate 15 percent of national budget to housing, did not materialise (Makasa,2010; UNHabitat,2011).

The commitment to improve private sector participation in housing by establishing housing banks, has never been realised as the policy did not provide a strategy to deal with the many factors affecting the delivery of financial services (Makasa, 2010; UNHabitat, 2011).

The policy did not identify capacity requirements for housing sector actors to adequately respond to the deteriorating housing situation. As a result, the backlog grew even larger in the decades that followed (MoFNP,2006; Makasa, 2010; UNHabitat, 2012).

In addition, the policy did not provide a breakdown of the backlog, along geographical lines or various income categories, thereby leaving it unclear as to which housing sub-sector required urgent attention. It therefore remained difficult for government to develop, let alone implement appropriate policy responses (Makasa,2010).

Therefore, the housing situation, especially for the urban low income, has worsened in the two decades that followed the launch of this policy (MoFNP,2006; Makasa,2010; MoFNP, 2011).

4.2.3 Phase 3: 2011 to date – The Partnership Era

4.2.3.1 Urban and Regional Planning Act No. 3 of 2015

This Act recognises and designates informal settlements as special treatment areas for urban renewal (URP Act, 2015). It was enacted to address some of the challenges related to development planning and implementation at district level: A key objective of this Act is to devolve some of the planning functions to local level (URP Act,2015). It requires all Local Authorities to develop Integrated Development Plans (IDPs) to guide the overall development of districts and introduces the concept of Planning Agreements for customary land (URP Act,2015).

However, three years after its enactment, there are still no relevant planning regulations to operationalise its implementation and provide guidance to the Ministry of Local Government, Local Authorities and planners (MLG,2016).

Though the Act compels all cities to develop Integrated Development Plans (IDPs), it does not provide any central government role to support the capacity and fiscally challenged local authorities in developing these IDPs (URP Act, 2015).

This Act includes all informal settlements within city planning boundaries, but remains silent on financing mechanisms that would support local authorities in light of this additional responsibility (URP Act,2015). The Act is also silent on actions to be taken by a Local Authority if a chief refuses to sign a Planning Agreement (URP, Act,2015)

4.3 Institutional Arrangements

During each phase, institutional arrangements and roles were adjusted in an attempt to respond to government housing policy. The discussion below, therefore, highlights the various actors and the roles they were assigned in each phase.

4.3.1 Phase 1: 1964 to 1990 – The Humanism Era

One of the problems that confronted the government at independence was that of transforming the dual (provincial and district) colonial local governance structures into a single tier dynamic local governance institutional framework to improve local participation and service delivery (Chikulo,1981, 1985). Therefore, the government set the Ministry of

Provincial and Local Government and Culture, as at the apex of the housing sector during this phase. They were responsible for setting the national housing vision, goals and delivery mechanisms, providing overall oversight of other housing sector players and mobilising resources (MDPNG,1972). The Ministry of Lands and Natural Resources, was their support Ministry, responsible for providing and facilitating land for housing and infrastructure (NCDP,1979). Local Authorities, were the operational institutions at city level, responsible to both Ministries on housing and land related matters (LG Act, 1965). The National Housing Authority was to provide technical support to the Local Authorities, undertake research and development in low income housing options, and occasionally directly invest in housing (NHA Act, 1971, Mukozomba, 2009). The Zambia National Building Society was to support government's homeownership policy by providing mortgage and property management services (BS Act, 1968).

Perhaps one weakness with this institutional arrangement was the lack of private sector participation, the government institutions seemed to lack the necessary capacity to handle the urgent low-income housing issues[74] (ONDP,1966).

Large urban local authorities had been relatively well developed at independence, but centralization of government functions had reduced their autonomy: imaginative responses to the new urban problems were rare (Rakodi,1991).

City level institutions, NHA and LAs, had overlapping mandates leading to no action being taken by either institution (ONDP,1966).

4.3.2 Phase 2: 1991 to 2010 – The Liberalisation Era

The transition from the one party to the multi-party-political system, demanded a restructuring of local government: firstly, to de-link local government from the ruling party; secondly, measures were quickly introduced to strengthen democratic control and accountability to citizens (Chikulo,2009). Although the name of the apex Ministry was changed to Ministry of Local Government and Housing, its role and that of its counterpart, Ministry of Lands, remained essentially the same (NHP,1996).

[74] LAs Lacked qualified engineers, architects and built environment professionals (Rakodi,1991). Even though NHA was expected to provide technical support to the LAs, it too lacked the necessary capacity. In total, during this period Zambia had less than 100 university graduates (ONDP,1966)

Local Authorities (LAs) were now recognised as focal points for the delivery of development in their jurisdictions: they were given powers to raise and utilise local resources at their discretion (LG Act 1995; Chikulo, 2009). In 2003, the National Construction Council was established to work in collaboration with NHA, ZNBS and LAs in promoting the construction of low and medium-income housing and spearhead research in the use of local and appropriate construction materials (NCC Act, 2003; Zulu,2009).

Private sector developers and financial institutions were encouraged to participate (NHP,1996; Zulu,2009). [75]For the first time, traditional leaders, the community and housing development cooperatives (non-governmental organisations), were included in the institutional framework of the housing sector (NHP, 1996; Zulu,2009).

However, the institutional arrangements in the sector remained fragmented, inconsistent and characterised by a lack of clearly defined roles and lines of accountability; several administrative divisions of government were still responsible for housing (NHP,1996). The apex Ministry suffered from shortage of skilled and professionally qualified manpower to provide coherent policy guidance and planning support to LAs (Mukwena,2002).

Even though citizen participation and political accountability was encouraged, there was no legally constituted forum or mechanism at local level to firmly establish this[76](Chikulo,2009).

Throughout this phase, most LAs were unable to meet their housing functions and obligations because the financial resource base was too small, many were in financial crises and therefore almost none were able to take advantage of their recognition as focal points for the delivery of housing and development[77] (Chikulo,2009). Other commentators have argued that even if funds were made available, it is very unlikely that these funds would have been applied in a

[75] At two levels: one, in construction of housing for all income categories either for rent or sale and; two, exploit opportunities for manufacturing and supplying building materials (NHP,1996; Zulu,2009).

[76] the Ward Development Committees (WDCs) that were created to enlist citizen participation were only recognised for election purposes and not formally linked to the LAs (Chikulo,2009), as a result most citizens had little trust in local government and felt delinked from the LA development agenda (Moomba, 2002, Lolojih, 2003; Erdmann et al, 2003).

[77] The main reason for this state of affairs was basically central government actions and policies which included: Abolition of transfers to LAs of their share of local sales tax; complete withdrawal of LA grants in 1992; removal of motor vehicle licencing functions in 1993; directive to LAs to discontinue all commercial ventures and sell rental housing stock at uneconomical prices in 1996 and; redirection of LA funds to the control of local politicians (Chikulo,2009, Chulu,2014).

cost-effective manner, because LAs during this phase were facing a serious crisis of capacity[78] (Mukwena, 2002; MoFNP,2008; MoFNP, 2009).

4.3.3 Phase 3: 2011 to date – The Partnership Era

During this phase, a new Ministry of Housing and Infrastructure Development was established as the apex in the housing sector, leaving the aspect of physical planning with the Ministry of Local Government. This was to ensure that government focusses on urgently dealing with housing and infrastructure challenges that had plagued the country since independence (MoFNP, 2011). The Ministry of Lands, LAs, NHA, ZNBS and NCC continued to play their roles.

This multi-agency approach has been criticized for creating inefficiency, and resulting in disjointed strategies and misaligned policies (Drummond et al, 2013). There are now more overlaps in mandates among agencies in addition to rigidity, complexity and increased costs to individuals and institutions that want to provide housing (Drummond et al, 2013).

[78] Even as late as 2008, LAs which were responsible for delivering the much-needed low-income housing still lacked qualified personnel such as engineers, surveyors and planners (MoFNP,2006)

Chapter 5 Research Findings

This section presents the findings arising from the analysis and review of primary and secondary data, in line with the overall and specific objectives of this study.

5.1 Government Inability to Reduce the Backlog of Urban Housing Since Independence

Throughout the three phases of governance, various government designed urban housing programmes and strategies failed to achieve desired results mainly because of: Rapid Urban growth; poor economic performance; contradictions between objectives and actual implementation; inconsistent approach to housing finance; recycling and rephrasing the same objectives; setting unrealistic objectives and poor priorities; failure to match needs with capacity; inappropriate laws relating to land and land tenure systems; unresolved legislative constraints and; inappropriate institutional framework (NHP,1996; MoFNP,2006; Makasa,2010). These factors are discussed in detail below.

A review of national development plans from 1966 to 1989 and the NHP (1996), revealed that rapid urban population growth has contributed to government's inability to meet the urban housing demand. Between 1963 and 1969, the urban population grew by over 60 percent (MDPNG,1972). Lusaka was growing at 12 percent per year, government could not keep up with the increasing demand for housing, as a result there was an acute problem of overcrowding[79] and uncontrolled growth of informal urban settlements (MDPNG,1972). By 1977, informal housing had grown from 28 percent to just under 48 percent of total housing stock in urban areas (NCDP,1979). By 1989, more than 30 percent of Zambia's population was living in urban areas, with 32 percent[80] of this population, living in informal settlements; government was increasingly failing to deal with the urban housing demand (NCDP,1989).

A review of the Third National Development Plan (NCDP,1979), revealed that barely 7 years after independence, Zambia was marred by various crises and economic difficulties. In 1973, the imposition of international sanctions on Southern Rhodesia, a main trade route for Zambia, led to diversion of resources earmarked for development programmes into establishing other trade routes (NCDP,1979). The Oil crisis in the same year, increase in world

[79] Over 51 percent of dwellings only had one room, 77 percent of these dwellings had more than two people living in this one room, 50 percent of these dwellings had more than four people living in this one room (MDPNG,1972)
[80] By 2007, more than 70 percent of Lusaka's population was living in informal settlements (UNHabitat,2007).

inflation, then recession and finally the consequent collapse of copper prices[81] on the international market in 1975, sent Zambia into a spiral of economic decline (NCDP,1979). Between 1980 and 1986, Zambia sunk into deeper crisis, inflation was rapidly rising and so was external debt (NCDP,1989). As a result, all sectors of the economy, including housing were affected with inadequate budgetary allocations (NHP,1996)[82].

Since 1964, Zambia has suffered from significant contradictions between its urban housing objectives and their actual implementation. While government's objective, in the initial years, was to promote an integrated housing policy, to reverse the colonial race-based allocation of urban housing, but by continuing the policy of constructing only a small number of high standard housing, which the majority of the unemployed urban population could not afford, government was actually reinforcing the colonial legacy (ONDP,1966; Makasa,2010). While government objective was to provide a radical improvement in the living standards of the whole population, granting loans to urban councils, for construction of low-income rental housing provided urban housing that was too expensive for most Zambians[83], difficult to get[84] and excluded the majority of the population who were not in regular employment (NCDP,1979). All respondents were convinced that, since 1964, the government has not made urban housing provision a priority.

Government established ZNBS and NHA in 1968 and 1971 respectively, to focus on serving low-income housing needs (BS Act 1968; NHA Act,1971). However, to date, both institutions have not achieved these objectives because of erratic central government financial support[85] and stringent requirements to borrow, which majority of low-income households and other unemployed urban residents have not been able to meet (Makasa,2010). All respondents were concerned with the lack of clarity regarding the definition of "low-income housing"[86]. Majority of them attributed this to the lack of impact in serving this target group.

[81] Copper is Zambia's main export. It contributes over 80 percent of Zambia's foreign exchange, 60 percent of the country's total exports and 70 percent of Africa's total copper production [Trading Economics, 2018, (online), Available: https://tradingeconomics.com/zambia/exports, 08 September 2018 ; Chelwa G,2015, The Charts Behind Zambia's Struggling Economy and a Controversial IMF Loan, (Online), Available: https://qz.com/africa/557335/the-charts-behind-zambias-flailing-economy-and-a-controversial-imf-loan/, 08 September 2018]

[82] Gross Domestic Product (GDP) per Capita had fallen from USD$500 in 1975 to USD$300 in 1997 (Mulenga,2003)

[83] Most urban low-income households were earning an average 20 Pounds a month, an urban low-income house constructed by the council was rented out for around 5 pounds a month, rent would take over 25percent of their monthly income. This housing was targeted at those with regular employment (ONDP,1966)

[84] By 1966 there was a total of 24,000 people on the waiting lists for urban housing (NCDP,1979)

[85] In 2017, government only allocated 1.7 percent of National Budget to Housing (CAHF,2017)

[86] While Local Authorities are looking at the size of the plot, we are looking at affordability. The definition of low-income housing is also different from city to city **(source: Financial Institution, interview notes, August 2018**)

In addition, although all seven national development plans encouraged exploring use of local building materials to reduce the cost for urban housing, the building standards (PH Act,1930), have never provided a conducive enabling legal environment to use these materials (NHP,1996), perhaps due to vested interests of importers. All respondents from government institutions, which by law, are mandated to conduct research into use of local building materials, indicated that they had not received any funds from central government for this purpose in over 25 years. *"There is no government support at all, we have to source funds ourselves to conduct research" (***Source: Government Institutions, Interview notes, September 2018)**

From 1964 to 1995, Zambia did not have a comprehensive National Housing Policy, as a result there was no framework to support a consistent approach to housing finance (NHP,1996). Therefore, a large majority of urban residents can no longer afford to buy or rent decent housing (NHP,1996; MoFNP,2006).

A number of objectives in all the National Development Plans (NDPs), were either repeated or just rephrased, with no apparent connection to the changing environment (Makasa,2010). An examination of the third, fourth, sixth and seventh national development plans (NCDP,1979; NCDP,1989; MoFNP, 2011; MNDP,2017) revealed this problem. The Integrated housing policy, which had proved difficult since 1964 was until 1991, being pursued (NCDP,1989; Makasa,2010). The homeownership programme, which has failed to meet low-income housing needs since 1964, is still being promoted today (ONDP,1966; MDPNG,1972; NCDP,1979; NCDP,1989, MoFNP,2006, MoFNP, 2011, MNDP,2017).
Despite the various crises and economic challenges the country has faced since 1970 (ONDP,1966; MoFNP,2006; AfDB,2018), it seems the weak economy is not considered when setting housing objectives and priorities (Makasa,2010). The objective to allocate a minimum of 15 percent of national budget to housing, from 1996 onwards, when allocations to the sector had dropped to 0.5 percent in 1992, was unrealistic and contributed to the failure of implementing Zambia's first National Housing Policy (NHP,1996; MoFNP,2006). The priority of establishing a housing bank as a means of reducing urban housing needs, especially for those in low-income (NHP,1996), was unrealistic, as this approach had proved difficult even in more prosperous economies (Makasa,2010).

Since 1964, there has been a problem of matching low-income housing needs with the institutional capacity to deliver: First contributing factor to this problem, is that future users of this housing are not involved in the planning processes[87], as a result unrealistic goals are set; second, the inability to correctly quantify the size of the housing problem has led government into crafting wrong solutions (Makasa,2010). A review of the third and fourth national development plans (NCDP,1979; NCDP,1989), revealed that even though 250,300 very low-income housing units were planned during these two periods, none were actually delivered. A further review of all the six national development plans, from 1966 to 2015, revealed that none of the urban housing targets, including those set in NHP 1996, have ever been met[88] (ONDP,1966; MDPNG,1972; NCDP,1979; NCDP,1989; MoFNP,2006; MoFNP,2011; NHP,1996).

Zambia has for more than 5 decades suffered from inappropriate laws relating to land and land tenure systems[89] (NHP,1996). For more than 20 years, the provisions of the 1975 land Act, retarded land delivery for housing development[90](NHP,1996; Loenen,1999). The successor 1995 land Act, still retained the cumbersome and centralised land alienation and deed registry procedures, leading to inadequacy of serviced land[91] (NHP,1996). The rating system still remains inequitable and has contributed to discouraging investment in housing (NHP,1996). The housing sector is further hindered by: unrealistic building and zoning standards; the bureaucracy in obtaining construction permits[92] and; the high costs of surveys. Obtaining permits can actually take several years (Arnott, 2008).

A review of the national development plans revealed that, although, as early as 1979, government had identified a number of key laws and regulations that were constraining housing delivery (NCDP,1979), by 2018, many of these laws have still not been amended or

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[87] The Afrobarometer survey 2016/2017 reported: 38 percent of citizens indicated that local councillors never listen and 49 percent indicated that they are not likely to access local government development plans and budgets.

[88]Due to: the high costs of providing urban housing, focusing on those in formal employment, high service costs to site service areas, maintaining colonial building regulations (ONDP,1966); focusing on civil service housing, excluding private sector participation, high rate of urbanisation, inadequate financing (MDPNG,1972); inadequate institutional and human capacity, ineffective coordination of housing sector actors, inadequate data, poor regulatory framework, poorly targeted housing subsidies, difficulties in accessing credit (NCDP,1979; NCDP,1989; MoFNP,2011); no comprehensive housing policy (NCDP,1989; NHP,1996)

[89] The complex process of land acquisition in urban areas has led to scarcity of housing of acceptable quality, this has contributed to the growth of informal settlements where housing is often built haphazardly. Households without security of tenure will not maximise their investments in a housing for fear of being evicted (Arnott 2008).

[90] **See Appendix 11** for Ministry of Local government led problem tree analysis of land management and administration, during the National Urbanisation Policy Technical Committee data gathering workshop, at Gonde Lodge in the city of Kabwe from Thursday 19th – Friday 20th April, 2018. Over 40 government staff representing different government Ministries and Agencies were in attendance.

[91] Land distribution in urban areas is highly inequitable, only minimal provision is made for land for low-income housing (UN-Habitat 2012)

[92] According to the World Bank, It can take over 189 days to obtain a construction permit in Zambia, while the sub-Saharan average is 147 days (Source: http://www.doingbusiness.org/en/data/exploretopics/dealing-with-construction-permits, 9 October 2018)

repealed. The Building Societies Act (1968) which had been faulted for gearing lending practices of the government owned ZNBS towards middle- and high-income households, is still in use today (NCDP,1979; NHP,1996). The Building Regulations (PH Act,1930) which were hampering adoption of simplified designs and use of local building materials, are still in use today (NCDP,1979; NHP,1996). Strata legislation to enable sale and purchase of individual units within a dwelling block which was recommended in 1979 and again in 1989 was only implemented in 1994 (NCDP,1979; NCDP, 1989; NHP,1996). Other laws such as the National Housing Authority Act (1971), Land Acquisition Act (1970), Rent Control Act (1972) have still not been amended or repealed[93] (NHP,1996).

These findings are consistent with those identified by the Ministry of Local Government, in their problem tree mapping exercise conducted in April 2018[94], (**See Appendix 12).**

5.2 Government Support to Low Income Households in Lusaka

Since 1964, government attempts to support low-income households in Lusaka, have been dismally inadequate and have often ended up supporting middle- and high-income households instead (Mashamba, 1997). This is despite government's commitment to assist those in low-income to acquire decent affordable shelter (NHP,1996). Apart from support received from a few non-governmental organisations, like Habitat for Humanity Zambia (HfHZ), Zambia Homeless and Poor Peoples Federation (ZHPPF) and Peoples Process on Poverty and Housing in Zambia (PPHPZ), there has been no government led programme in Lusaka, in over 20 years, targeting low-income households. Only one of the 96 low-income respondents received a housing loan from government, 21 years ago. Over 80 percent of the respondents live in poor quality[95] housing, 90 percent of which does not have water and sanitation. More than 90 percent of this housing has more than 3 people, of both genders sharing the same room[96]. Over 40 percent of the housing actually has more than 5 people of the both genders sharing the same room, **See Figure 5 below.**

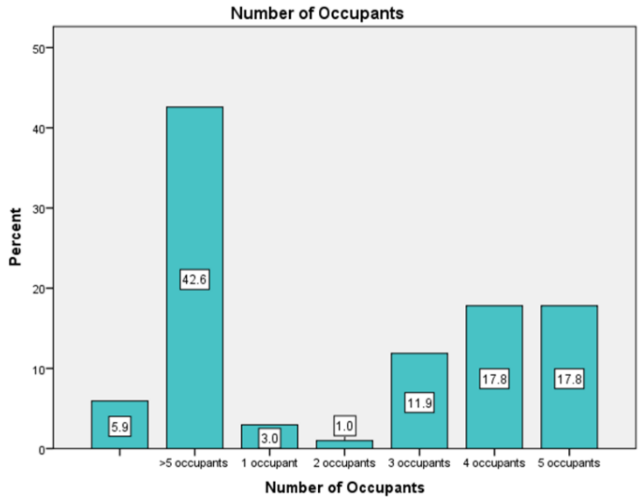
[93] NHA Act (1971, gives sole responsibility to this institution to provide housing and housing advice to government; Land Acquisition Act (1970), allows for compulsory acquisition of land with compensation or in the public interest; Rent Control Act (1972) protects tenants from eviction for any breach of convents (NHP,1996)

[94] This exercise was led by the Ministry of Local government to identify causes of inadequate supply of quality housing, during the National Urbanisation Policy Technical Committee data gathering workshop, at Gonde Lodge in the city of Kabwe from Thursday 19th – Friday 20th April, 2018. Over 40 government staff representing different government Ministries and Agencies were in attendance.

[95] Over 90 percent of respondents were not happy with their current housing because of its poor quality or inadequate space **(Source: Interview notes, September 2018)**

[96] Most low-income residents live in one or two rooms, with 3 to 5 people sharing one room (Mulenga,2003)

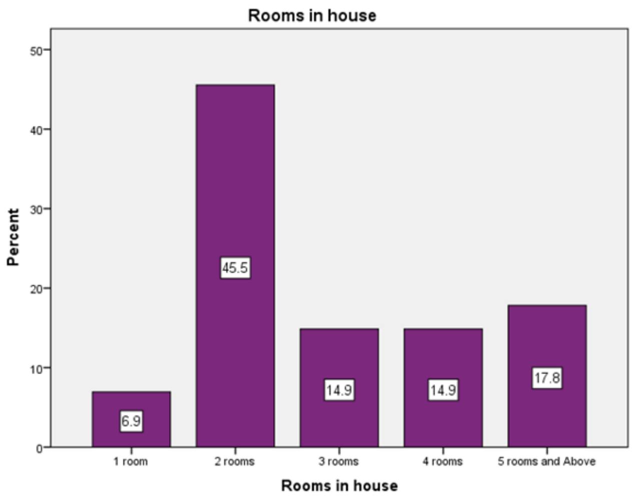
Figure 5: Number of Occupants Per Room



Even though the current spatial planning law[97] now recognises informality and provides an opportunity to upgrade informal low-income housing to decent and acceptable standards (CAHF,2017), government investments in housing and infrastructure in Lusaka has remained minimal (MoF,2018). All respondents, in the three informal settlements, expressed need for government assistance to improve their housing, water supply and sanitation.

Since 1964, government has designed programmes that have provided the full house, for purchase or rent plus loans and subsidies, through its agencies as a means of meeting low-income housing needs. However, 66.3 percent of the respondents in Lusaka, can only afford to rent 3 rooms or less and have failed to access housing loans because 64.3 percent are in informal employment, **See figure 6.**

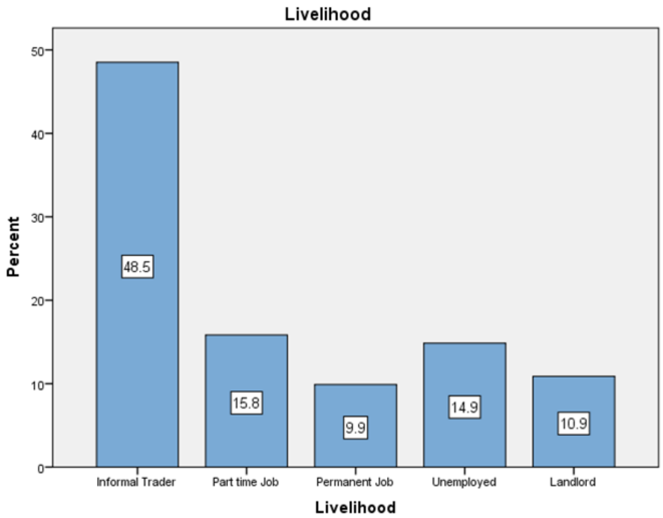
Figure 6: Number of Rooms Rented



Although the demand for mortgages in Lusaka has been increasing, this increase has mainly been led by the few in formal employment who are able to meet the demands of the financial institutions. Almost 80 percent of the respondents who are either unemployed, in informal or part time employment and therefore do not qualify for any of the available mortgages at the government managed ZNBS[98], **See figure 7 below.**

[97] Urban and Regional Planning Act (2015)
[98] ZNBS requests for pay slips or evidence of regular income **(Source: Interview notes, August,2018)**

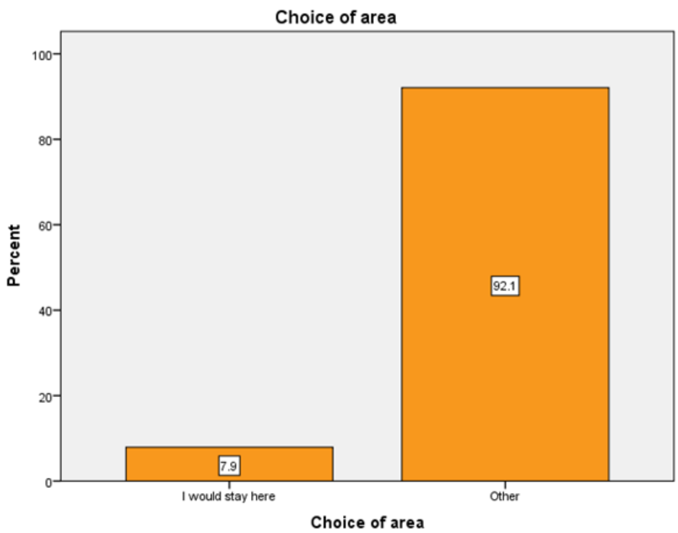
Figure 7: Source of Livelihood



The site and service programmes initiated by government in the 1970s (NCDP,1979) had little impact on improving housing conditions for the low-income in Lusaka, as a result, informal settlements have kept on growing (Hansen, 1982; Mashamba,1997). None of the respondents, 63.3 percent of whom were between 44 years and 65 years had ever benefitted from this programme.

92 percent of the respondents were not happy with their current housing conditions (**See figure 8**), they also bemoaned the lack of access to formal land in Lusaka. This is despite government's commitment to make serviced land available for housing development and to streamline the land allocation system (NHP,1996; MoF, 2018).

Figure 8: Choice of Area to Live



Government has to date not developed any mechanisms to assist vulnerable groups, in Lusaka, improve their housing (NHP,1996). Instead, Lusaka City Council has been in the forefront demolishing these vulnerable people's housing because it is not constructed on formally allocated land[99] (Lusaka Times,2016)

Government has not provided any incentives to housing finance institutions in Lusaka, to lend to lower income categories as committed in 1996 (NHP,1996). Therefore, today most private

[99] Lusaka, Times,2016, (Online), Available: https://www.lusakatimes.com/2016/08/04/lusaka-city-council-justifies-decision-demolish-illegal-structures/, 4 October 2018

sector actors regard low income housing as high risk (MoFNP,2006). All developers and financial institutions indicated that they would not consider serving this category without government guarantee or incentives.

5.3 Private Sector Involvement in Low Income Housing

A review of Zambia's national development plans, from 1966 to 2016, and the NHP (1996), revealed that throughout this period, private sector has received mixed and sometimes conflicting signals regarding their participation in low-income housing: first, the socialist policies followed by government from 1964 to 1990 largely precluded private sector from participating (MDPNG,1972; Loenen,1999). Second, although government has, since 1991, encouraged private sector participation (MMD,1996; MMD,2006; NHP,1996; MoFNP,2006; MoFNP,2011; PF,2011; PF,2016) it has largely not implemented its commitments, to create an enabling environment for their effective participation (NHP,1996; Tembo,2007). According to private sector respondents, this is because low-income housing is simply not a government priority, *"When you look at how much the government spends on private sector participation in road rehabilitation, you will agree that government priorities lie elsewhere certainly not in enhancing our involvement in low-income housing"* **(Source: Interview notes, September 2018).**

By 2010, a number of commitments made by government in the NHP (1996) had not been fulfilled. For example, the mechanism to mobilise cheap finance to support housing finance institutions had not been established; incentives to encourage pension funds[100], commercial banks and insurance firms to invest a percentage of their funds into housing development had not been launched; appropriate bonds and guarantees as incentives for housing finance institutions to lend to low income households were not being provided (Makasa,2010). As a result, even with the increasing number of financial institutions, housing finance remains an insignificant portion of their total lending portfolio and almost none of them seem to cater for the rapidly growing low-income market (Tembo,2007; CAHF,2017; Nqini, 2018).

[100] The National Pension Scheme Act, Number 40 of 1996; The Pension Scheme Regulation Act Number 28 of 1996; The Public Service Pension Act Chapter 260 of the Laws of Zambia and; The Insurance Act Number 27 of 1997, have been the major stumbling blocks to significant investments in housing.

For instance, although Zambia has had a rapidly growing banking sector, for over two decades, from 13 registered commercial banks in 2007 to 19 in 2017[101] (Tembo,2007; CAHF,2017), housing finance has mainly been dominated by 3 banks: Zambia National Commercial Bank (ZANACO) which by 2017 only had 7 percent of its total lending dedicated to housing finance, while Barclays Bank Zambia (BBZ) and Standard Chartered Bank Zambia (SCBZ)[102] had 5.3 percent and 3.7 percent respectively, clearly showing that these three large banks had directed minimal attention to financing this sector (Nqini,2018). This meagre support to the housing sector has also been expensive and mainly directed at those in formal employment: average lending rates in 2017 were anywhere between 25 percent and 38 percent (CAHF,2017) and have been rising (BOZ,2017). In 2016, bank loans for real estate and construction only accounted for 3.9 percent of total loans to the private sector (BOZ,2016), recording a 0.9 percent increase since 2005 (Tembo,2007).

Mortgage financing which still remains the main source of formal housing finance[103], has been dominated by the state owned ZNBS[104], although other private sector actors have in the last decade entered this market, these include: Finance Building Society (FBS), Pan African Building Society (PABS), First National Bank (FNB), Stanbic Bank, Madison and Meanwood Finance Corporations (CAHF,2017). However, despite a sustained increase in long-term demand for mortgages in 2017, especially in Lusaka, the high interest rates, between 36 percent and 51 percent and the short repayment periods, from 2 years to 15 years, have prevented low-income households from seeking housing solutions from these institutions (CAHF,2017).

The microfinance sector, which was still in its infancy in 2004 (Muchima,2004), has rapidly expanded to over 36 institutions in 2017 (CAHF,2017). The lending conditions from these institutions, some of which offer housing products, have not been any better, their interest rates in 2017 were between 42 percent and 118 percent for a maximum loan term of 60 months (CAHF,2017). All private sector respondents were aware of the huge shortage of long-term financing for housing in Zambia. They were particularly concerned with the high cost of current financing and the fact that they sometimes had to compete with government. It was clear to them that government had a poor understanding of Zambia's housing problem. They

[101] 15 are subsidiaries of foreign banks, 2 are locally owned and 2 are partly owned by the government
[102] ZANACO is partly owned by the government, while BBZ and SCBZ are subsidiaries of foreign banks (Nqini,2018)
[103] There are currently 1300 mortgages in the country, with the average mortgage size being US$ 4 000 (Source: CAHF, 2017)
[104] ZNBS has around 66 percent of the mortgage market in Zambia (CAHF,2017)

stressed the need for creative home-grown solutions, for the country to effectively deal with its housing backlog. All respondents were also in agreement that the informal housing contractors had a role to play and could no longer be ignored.

The promise of a liberalised economy (MMD, 1991), ignited the growth of private sector led commercial housing developers which had potential to provide formal housing to the under-served low-income category (Muchima,2004). Some of these developers include; Meanwood Property Development Corporation, Lilayi Housing Estates and Nkwashi[105]. However, unresolved government commitments regarding developers' taxing system has kept housing costs high and low-income households out[106]. In 2013, the cheapest house provided by a developer in Lusaka, was over twice the cost compared to a similar house provided by developers in other countries[107]. Private sector actors put the blame squarely on government (Zambiainvest,2018). The developers interviewed wondered how government would expect low income housing from them if it does not provide cheap financing, land or other incentives to induce supply.

Unpredictable inflation rates, high interest rates[108], volatile exchange rates[109], lack of data has made investors reluctant to invest in long-term real estate projects[110] in Zambia (Zambiainvest,2018). All Private sector respondents indicated that these factors have been major stumbling blocks to investments in housing, especially low-income housing. All private sector respondents stated that they have had to collect data on their own to understand the housing landscape in Zambia. They expressed concern that even when some of this data was available with government, it has been difficult to obtain it. All private sector respondents were concerned with the lack of information on rental housing in the NHP (1996).

[105] This developer has 2,700 acres of land for 17,000 housing units: 10,000 plots will be sold for USD$12,000 to USD$70,000, while they will build 7,000 apartments for rent for USD$150 to USD$500 **(Source: Nkwashi, Interview notes, August 2018)**

[106] the cost of a house in Lusaka is the highest in Africa, this is directly impacting the affordability: and to add to this already complex situation, the income of the Zambian urban population is much lower than other African states (Zambiainvest,2018).

[107] In 2013, a house price that stood at US$68,363 in Lusaka, was usually around US$30,000 in other countries, [Zambia Invest, 2018, (Online), Available: http://www.zambiainvest.com/construction/realestate, 11 September 2018]

[108] The high interest rate environment makes home loans expensive, adding to the already high cost of construction (Source: Nkwashi,2016, The Housing Situation in Zambia, Paper Presented to the National Assembly of Zambia, Committee on Local Government Housing and Chiefs Affairs)

[109] In the month of September 2018, the Zambian Kwacha depreciated by 19.9 percent (Source: Lusaka Times,2018, (Online), Available: https://www.lusakatimes.com/2018/10/02/zambian-kwacha-has-depreciated-about-19-9-percent-mwanakatwe-tells-parliament/, 5 October 2018)

[110] "The Economy has been the biggest hinderance to our performance. Although we have a portfolio of ZMW50 million covering 145 customers most of this was achieved in 2015. The last three years (2016 -2018), have not been good for us" **(Source: Financial Institution, Interview notes, September 2018)**

"We are overtaxed: we are charged 16.5 percent value added tax (VAT) plus 5 percent Property Transfer Tax (PTT), on a house sale, in addition to other taxes that we pay along the supply chain, by the way this is apart from the 35 percent Corporate Tax (CT)……this is too much". We need to have dialogue with government to discuss relevant incentives so that we can have a win-win situation[111] **(Source: Developer, Interview notes, September 2018)**

Non-governmental Organisations (NGOs) like Habitat for Humanity (HfHZ) and People's Process on Housing and Poverty in Zambia (PPHPZ), have tried to fill the low-income housing supply gap through, a form of organised collective action[112] (CAHF,2017)

It was clear to all respondents, that inadequate private sector involvement in the housing sector emanates from poor representation and coordination among private sector institutions. For example, Private sector in manufacturing have the Zambia Association of Manufacturers (ZAM), those in farming have the Zambia National Farmers Union, while those in trading have the Zambia Chamber of Commerce and Industry (ZACCI). No such institution exists for housing.

Although government has encouraged private sector participation in housing (NHP,1996), private respondents acknowledged that the laws and regulations in this sector, such as the building regulations in the PH Act (1930), Rent Control Act (1972), have not moved with changes in the environment, they are still pre-colonial and prohibitive[113]. The respondents were concerned that to date, there are no housing standards at the Zambia Bureau of Standards (ZBS), the country relies on inappropriate British standards[114].

Zambia does not have a building code to stipulate conduct in housing construction. Instead, housing laws and regulations are scattered in different pieces of legislation, this, according to private sector respondents, makes participation in the sector extremely difficult.

The lack of titles, for both land and housing, has been a huge setback for private sector participation in the supply of urban housing. *"More than 80 percent of land and housing in*

[111] *"Incentivising the private sector is essential, with, for example clear tax incentives"* **(Source: Government Official, Interview notes, September 2018)**

[112] HfHZ secures land from Local Authorities and then provides micro loans of between ZMK40 000 – 45 000 (US$4 424 – 4 978). PPHPZ through its "Swalisano Fund", a form of ROSCA, with savings currently at US$172 248, has continued to support the poor to build core houses and complete units in various towns of Zambia. It has mobilised more than 50 000 urban poor families to secure land in 42 municipalities and signed a MOU with the NHA, to commit land to members. It has also PPHPZ has profiled more than 57 informal settlements nationally for upgrading with 24 (or 42.1%) of these in Lusaka (CAHF,2017)

[113] For example, under current building regulations, minimum setback for a house from the front perimeter must be 6 meters and then 3 meters on the sides, but with the small plots being given now, what does the developer do? **(Source: Interview notes, August 2018)**

[114] *"Zambia does not have standards of its own: the strength of concrete and blocks, size and quality of door and window frames, thickness of a wall are all British standards"* **(Source: Government Institution, Interview notes, August 2018)**

Lusaka is not on title, this is a big problem…., it's a scandal. Even if people have housing or land, they can't use it to borrow" **(Source: Financial Institution, Interview notes, Sept 2018).**

5.4 Testing the Hypothesis

5.4.1 Rapid urban growth has contributed to the backlog of urban housing

In 1964, only 13 percent of Zambia's population was living in urban areas (ONDP,1966; Banda,2005). But by 1969, it had swelled to 28 percent and had reached 35 percent by 1974 (NCDP,1979; Makasa,2010; Zulu, 2017). Between 1963 and 1969, the urban population increased by 60 percent (MDPNG,1972). Today over 39 percent of Zambia's population live in urban areas concentrated mainly in Lusaka and the Copperbelt (NHP,1996).

Lusaka, Zambia's capital city was growing fastest, at 1.1 times above the national average (Census,1990), absorbing majority of these new urban residents. Because of this rapid growth, the city's population doubled twice; between 1965 and 1972 and again between 1969 and 1980 (Mulenga,2003). By 2007, the city was hosting 32 percent of the urban population and was experiencing huge deficits in housing, especially low-income housing (Tembo,2007)

Throughout this period of rapid urban growth, government increased budgetary allocations to urban housing, established new institutional arrangements, made changes to relevant laws and regulations and set up various programmes to meet the demand for urban housing (NCDP,1979; NHP,1996). But the national urban housing backlog kept on growing, from 24,000 housing units in 1964 (ONDP,1966) to an estimated 1.4 million housing units in 2012 (UNHabitat,2012).

By 1979 it was clear that government was no longer able to meet the demand for low-income urban housing and was now heavily dependent on informal housing providers (Zulu et al, 2017). Today, 90 percent of Lusaka's housing stock is informal (Banda,2005; Tembo,2007).

This hypothesis is therefore supported.

5.4.2 Government has not provided an enabling environment for urban housing

In the period immediately following independence, government's objective was to dismantle colonial organisational structures in the urban housing sector and replace them with those that would be more responsive to meeting the housing needs of the majority Zambians (FsNDP,1966).

Unfortunately, there was a serious dislocation between policy pronouncements and actual implementation. Instead of promoting racial integration in accordance with stated policy, government action of providing fewer but high-quality urban housing as a means of rapidly improving living standards of the majority Zambians, instead restricted access, increased costs and reduced affordability among the intended beneficiaries (ONDP,1966). As a result, most urban residents found refuge in informal housing in the outskirts of urban centres (ONDP,1966; MDPNG,1972). Government programmes such as the site and service schemes, housing subsidies and loans for self-help housing schemes, which were targeted at low-income households ended up with high- and middle-income households (ONDP,1966). The result was therefore reinforced segregation, based on income.

Economic reforms, pursued by government between 1968 and 1975, which culminated in the preclusion of private sector participation in providing urban housing, led to a serious loss of capacity in the sector and largely contributed to the current backlog of urban housing in later years (MDPNG,1972; Makasa,2010).

Even though government policy places significant importance on the urban housing sector, and has since 1966 highlighted specific urgent changes to improve its performance, few of these policy changes have actually been implemented (ONDP,1966; NCDP,1979; NHP,1996; Makasa,2010)

This hypothesis, is therefore supported.

Chapter 6 Key Conclusions and Recommendations

6.1 Government Reducing the backlog of Urban Housing

It is clear that, for over five decades, despite developing several interventions aimed at improving urban housing supply, government has not had much success. The backlog has kept on growing, mostly affecting low income households. Even though it must be acknowledged that the housing backlog has colonial roots, the ineffective interventions by the post-independence government made it worse. In fact, as the urban population continues to grow, the future backlog may be larger, if no remedial action is taken.

6.1.2 Develop Locally Appropriate Building Standards

Zambia has for the last five decades, been using either international or British spatial planning and building standards that are outdated, out of step with current local requirements and whose cumbersome demands have negatively impacted housing supply. With the rapidly increasing urban population and the need to appropriately begin densifying, The Ministry of Housing and Infrastructure Development (MHID) needs to urgently lead in developing local standards that promote green building principles to mitigate the impact of climate change[115]. Clarity on appropriate standards among state and non-state actors will not only assist in improving the accuracy of budget projections for urban housing provision but may, by removing ambiguity, also reduce costs[116], attract additional community and private sector participation which is likely to quicken urban housing supply. Green building requirements can also stimulate new local industries and create jobs.

6.1.3 Provide Disaggregated Data

A key barrier to reducing the backlog of urban housing, especially low-income housing (**See Appendix 13**), in Zambia has been the lack of rigorous differentiated data, both from the supply and demand side. The country has struggled with this problem since the 1960s: targeted interventions have been challenging, responsive housing finance packages have been illusive, new residential developments have been unaffordable. Perhaps this problem

[115] Increasing resource constraints, escalating utility prices, increase in droughts, are incentives for African Cities to begin planning and building in more carbon efficient and green ways (Source: Modise D, 2017, Online, Available: https://propertywheel.co.za/2017/06/why-green-building-makes-sense/, 23 October 2018)

[116] Restrictive zoning limits on allowable densities, urban growth boundaries, and long permit-processing delays have all been associated with increased housing prices (Schill,2005)

emanates from the unclear definition of what a "low-income house" actually is. Local Authorities define a low-income house according to Plot size in accordance with the TCP Act (1962) and the current URP Act (2015)[117], while the National Housing Authority defines it in terms of materials used guided by the NHA Act (1971). Low-income should also refer to the financial capacity of those in need of the housing. It will be critical for the MHID to lead in establishing clarity.

Stimulating targeted urban housing investments, or even developing appropriate policy responses, requires highly differentiated data that illustrates market segmentation. This market information would then make the case for investments or special policy attention in underserved segments, can lead to increased private sector attention in these underserved segments and possibly also catalyse urban housing interventions. Therefore, capacity development and financial support to key quasi government institutions, such as the CSO, NHA and National Council for Construction (NCC), to prepare this data becomes paramount[118].

6.1.4 Improve Land Management and Access

It is clear from this study that land contributes a large percentage to the cost of urban housing. Its availability, especially when it is also serviced, can contribute directly not only to reducing the urban housing backlog but also to affordability. Despite repealing the 1975 Land Act, Zambia still retains the centralised land management system even though it has failed to support access to land by all, especially low-income households. With government's renewed Decentralisation momentum[119], it will be ideal for the Ministry of Lands (MoL) to prioritise decentralisation of land management to Provincial level, starting with the provinces that have the largest urban population. This has been government priority since 1989 (NCDP,1989).

It will also be critical for the Ministry of Local Government (MoLG), with support from provisions in the URP Act (2015), to urgently provide access to customary land for urban

[117] Plot sizes range between 30x45m (or 1 350m2 for high income areas); 18x30m (or 540m2 for medium income areas) and 12x24 (or 288m2 for low income areas (CAHF,2015). These standards were set in 1972 in the Second National Development Plan (NCDP,1979)

[118] According to Minister of Housing and Infrastructure Development, government will next year, 2019 undertake a national housing Census. This will be conducted in collaboration with the Central Statistics Office (CSO). The purpose will be to establish current housing needs in Zambia. The census will also enable both the public and private sector to adequately participate in provision of housing in the country. (Source: https://www.zambianobserver.com/kanyama-misisi-kuku-chibolya-and-bauleni-finally-to-be-destroyed-and-upgraded/, 4 October 2018)

[119] 1) Cabinet Office, 2014, Decentralisation Implementation Plan 2014 to 2017, Government of the Republic of Zambia, Lusaka, Zambia; 2) Cabinet Office,2014, Implementation of the Revised National Decentralisation Policy, Circular Number 10, Government of the Republic of Zambia, Lusaka, Zambia

housing. Lusaka has quadrupled in land size in the last five decades, it will not be long before conflicts with customary authorities begin, as the city grows further.

As new Integrated Development Plans (IDPs) are developed, as required by the URP Act (2015), Lusaka City Council must use this opportunity to identify idle land, increase densities and deal with cultural issues relating to vertical construction. All this should of course be done with regard to environmental considerations and a focus on improving access to land for low-income households.

It is expected that once the MoL completes the current land titling programme[120], there will be improvements in land registration and issuance of titles, enhancing access to housing finance (CAHF,2017).

6.1.5 Upgrade Informal Settlements

It is clear, that access to basic services and infrastructure remains inadequate for majority of the people living in Lusaka. The MHID must give priority to In-situ upgrading of informal settlements, as improving existing housing and infrastructure would almost immediately add to the stock of good quality formal urban housing, without disrupting existing social and economic relationships.

6.1.6 Focus on Research and Development in Local Building Materials

Although the NHA Act (1971), NCC Act (2003) and objectives of the TDAU clearly provide for Investment in research and development to improve the quality of local building materials, government has largely starved this component of adequate funding. Because of this, research in this area has been limited to a few non-state actors.

In line with key housing priorities identified by government in 1989 (NCDP,1989), the MHID should take the lead, to support improvements in quality and encourage use of these building materials, especially in government funded urban housing programmes. This will be necessary if Zambia is to move from rhetoric to scale in the use of these materials.

6.1.7 Reduce Tax on Selected Building Materials

Building materials constitute the largest single input in housing construction and therefore their cost would either encourage or restrict urban housing supply. Government concerns

[120] In 2018 the Zambia Land Titling Programme was rolled out with the aim of issuing 300,000 titles (Source: PWC,2017, (Online), Available: https://www.pwc.com/zm/en/assets/pdf/zambia-budget-2018.pdf, 8 October 2018)

regarding escalating costs of building materials goes back to the 1980s (NCDP,1989). A downward adjustment of the current 16.5 percent Value Added Tax (VAT) on roofing sheets, cement and bricks may trigger renewed private sector interest in urban housing construction and contribute to providing affordable low-income housing[121]. This is in line with government commitments in the NHP (1996), for which the MHID must advocate.

6.1.8 Encourage Manufacture of Building Materials Locally Instead of Importing

Government has since the 1970s indicated its commitment to supporting manufacturing of building materials locally. The Second National Development Plan (MDPNG,1972), the Third National Development Plan (NCDP,1979), The Fourth National Development Plan (NCDP,1989) and the National Housing Policy (NHP,1996) all reflect this commitment. In order to make this commitment a reality, the Zambia Development Agency (ZDA) should provide serviced land in the current Multi Facility Economic Zones and provide relevant tax and non-tax incentives, to manufacturers of building materials, as the case has been with other sectors[122]. Encouraging the local manufacture of building materials would increase competition, spur innovations in pricing and create a good opportunity for government to promote green materials.

6.2 Government Support to Low Income Households in Lusaka

Government, in the National Housing Policy (NHP,1996), committed to develop a mechanism to assist vulnerable groups. Although it is clear not much has been done, opportunities are still available to support low-income households as discussed below.

6.2.1 Increase Supply of Low-Income Housing

It is clear that in Lusaka, majority of the low-income households rent rooms. Therefore, by encouraging more households to rent out rooms in their houses, Lusaka City Council (LCC) will not only be Increasing availability of low-income housing but will also be increasing household income, which will lead to improvements in the quality of housing, as a percentage of that

[121] In the 2018 budget, government reduced customs duty from 15 percent to 5 percent on bricks to be used for constructing furnaces for steel manufacturing plants. Government also removed customs duty on all inputs used in the manufacture of stock feeds (Source: PWC, 2017, (Online), Available: https://www.pwc.com/zm/en/assets/pdf/zambia-budget-2018.pdf, 8 October 2018)
[122] Zambia Development Agency, (Online), Available: http://www.zda.org.zm/?q=content/mfez-aimed-unlocking-development, 8 October 2018

income is invested in improving the quality of the rooms when competition stiffens. Collaboration with the District Health Management Team (DHMT) will be necessary.

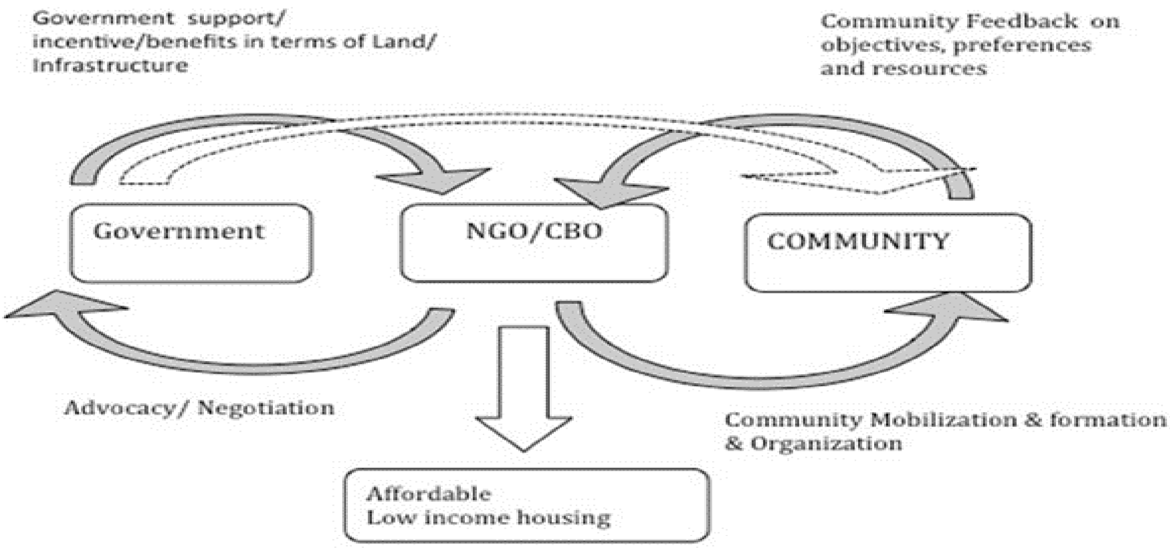
For purposes of scaling up, LCC, must engage Habitat for Humanity Zambia (HFHZ) and Peoples Process for Housing and Poverty in Zambia (PPHPZ) regarding the two roomed low-income housing being provided by these organisations, in Lusaka, using locally available building materials.

The 1976 United Nations Conference on Human Settlements, identified community participation, [123] in construction of low-income housing, as an indispensable element not only in reducing costs but in determining the appropriate solutions[124]. It is clear that, the 1974 Lusaka Squatter Upgrading Project did not achieve broad community participation. As a result, housing costs did not go down and the resulting housing solutions benefited middle- and high-income households more than the intended low-income households. HfHZ, has been using a form of community participation called “sweat equity”, in which low-income households contribute their labour throughout the house construction process as a means of reducing housing costs. LCC and the NHA must engage this institution. Providing affordable housing must be a collaborative effort between government, non-government partners and low-income households, as illustrated in **figure 9 below.**

[123] Community participation in this case implies direct involvement of community members in the overall planning process, development of housing solutions and governance at the local level (Begum,2015)

[124] Ibrahim M A, 1987, Community Participation in Low-Income Housing, Faculty of Engineering, Ain Shams University

Figure 9: Collaboration in Providing Low-income Housing



Source: Begum,2015

6.2.2 Increase Supply of Low-Income Housing Options

The failure of low-income housing supply in Lusaka can be seen from the rapid growth of informal settlements. It is clear that Lusaka largely depends on informal housing supply to meet low-income housing needs[125]. Housing in the city, is largely delivered by individuals or ruling party local level politicians with no legal approval or permission from relevant authorities.

As already highlighted, the city boundaries for Lusaka have been adjusted thrice in the last fifty years. The city is slowly engulfing customary land and conflict between low-income households in informal settlements and customary land holders will be inevitable (Tembo et al,2018). LCC using provisions from the URP Act (2015), must take the lead in supporting liaison between these parties. In fact, using the URP Act provisions, LCC must also increasingly begin signing Planning Agreements with the various customary land holders, through which it will be able to provide customary land Local Area Plans. These plans should identify possible land for low-income housing and therefore reduce tension and conflict.

[125] In Zambia, the most common form of housing supply is self-built, which can take up to seven years to complete (CAHF,2015)

As stated earlier, low-income housing in Lusaka, is mainly supplied through an informal system, usually built cheaply by individuals with no formal technical skills in housing construction. The result, has been poor quality housing most of which has to be repaired or replaced annually after the rainy season. Working with the Ministry of Commerce Trade and Industry (MoCTI), Technical Education Vocational and Entrepreneurship Training Authority (TEVETA), Citizens Economic Empowerment Commission (CEEC) and The National Council for Construction, Lusaka City Council should advocate for identification, training and equipping of these individuals as a means to improving housing quality and increasing available low-income housing options. This action will be in line with measures proposed in the NHP (1996). Despite government efforts, the top down government led conventional housing delivery system has failed low-income households in Lusaka. As far back as the 1970s, low-income households have been left to fend for themselves (Mulenga,2003). The Zambia Homeless and Poor Peoples Federation (ZHPPF), has since 2001 been mobilising low-income households to voluntarily make daily savings into community managed housing savings schemes. To date countrywide, over 395 of these schemes[126] with over 48,000 families, in 42 Local Authority Areas have been established[127]. In Lusaka, the 375 savings schemes are providing financial resources to over 8,000 low-income families for house construction, home improvements and purchase land for housing[128]. The Ministry of Housing and Infrastructure Development, Ministry of Local Government and Housing (MLGH), National Housing Authority and Zambia National Building Society, under the leadership of Lusaka City Council must not only engage this federation to understand its operations for scale up but also provide it available land for housing.

In the NHP 1996, government committed to reviewing the system of fees, levies and duties for first time homeowners to increase homeownership. Although the system to support first time homeowners has, to date not been reviewed, it will be necessary for the MHID, with the support of the Ministry of Finance (MoF) and Lusaka City Council, to urgently lead this review and implement its recommendations. The MHID should also seek support from the Ministry

[126] Olena V, 2013, Emerging Planning Practices Among Urban Grassroots in Zambia: Insurgent planning or Co-production?, Department of Human Geography, Stockholm University

[127] Urban Poor Fund International, 2018, (Online), Available: http://upfi.info/partners/implementing/zambian-homeless-peoples-federation/ , 23 September 2018

[128] Source: PPHPZ, Interview notes, September 2018

of Community Development (MoCD) who, in the last decade, have been successfully implementing programmes targeted at vulnerable households.

6.3 Addressing Weaknesses in Laws and Institutions

6.3.1 Review, Amend, Repeal Archaic Laws

It is clear that the current laws are not poised to support the required increase in urban housing supply. The laws have, in many cases, actually contributed to a reduction in urban housing supply and often led to the formulation of blunt policy responses[129].

The MoF with the support of the Bank of Zambia (BOZ) needs to urgently review the Building Societies Act (1968) to: Firstly, make it relevant to today's urban housing requirements and, secondly to identify means of compelling building societies to provide innovative low-income housing products.

It will be necessary for the Ministries of Housing and Local Government to address the overlaps in the National Housing Authority Act (1971) and the Urban and Regional Planning Act (2015), regarding responsibility for planning and upgrading of informal settlements. It must be made clear whether NHA is a regulator or implementer for it to operate efficiently in the housing sector.

Since 1964, Zambia has never had a comprehensive land policy, it will be critical for the Ministry of Lands to revive the currently stalled land policy dialogue[130]. The absence of this overarching policy has contributed to delays in amending or enacting other subsidiary legislation which should normally emanate from it, such as, the proposed Land Commission as proposed in the Constitutional Amendment of 2016. With an agreed Land Policy, it will become easier to amend the Land Act (1995) to reduce the number of actors and processes in land allocation, to improve its efficiency and reduce costs.

The MHID must urgently launch a new National Housing Policy with a related implementation strategy, that must consider the economic situation of the country, current backlog and capacity of housing sector actors.

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[129] However, changes to the current laws must be effected through an integrated urban housing approach as discussed in section 6.3.2

[130] Zambian Observer, 2018, Chiefs reject land policy, walk out on meeting called by govt, (Online), Available: https://www.zambianobserver.com/chiefs-reject-land-policy-walk-out-on-meeting-called-by-govt/, 5 October 2018

Planning regulations for the URP Act (2015), and an appropriate financing mechanism to support Local Authorities (LAs) in preparing the mandatory Integrated Development Plans (IDPs), will be urgently required from the Ministry of Local Government.

The Ministry of Health will require support from the Ministry of Local Government, to revise and contextualise the current building regulations to increase opportunities of providing more formal low-income housing. It will be necessary for the Ministry of Local Government, to also consider moving these regulations from the current Public Health Act (1930) to a more appropriate law, such as the National Council for Construction Act (2003).

Zambia has a very prescriptive Land Survey Act (LS Act,1960). It has contributed to delays, increased costs and has side-lined many low-income households from accessing and owning formal urban land. The Ministry of Lands needs to urgently review this Act to introduce flexibility. For example, instead of relying only on registered surveyors, it is possible to introduce and train a lower layer of functionaries to support land registration, such as para-surveyors. To provide security of tenure cheaply and quickly, the Ministry will also need to explore introducing the simpler survey requirements of site and service areas to formal urban areas or pilot the fit-for-purpose land administration system currently being supported by UNHabitat.

6.3.2 Overhaul Institutional Support to Housing

Government must provide clarity in roles and responsibilities relating to housing, among the Ministry of Housing and Infrastructure Development, Ministry of Lands and Ministry of Local Government. This clarity will especially be important to support improvements in coordination between the National Housing Authority and Local Authorities (LAs) who are responsible to different ministries[131]. Government must seek support from the African Development Bank and the United Nations Human Settlements Programme[132] for relevant additional capacity to establish an integrated urban housing approach, that would combine urban planning, infrastructure delivery, housing construction and sourcing of financial

[131] NHA is responsible to MHID, while LAs are responsible to MLG

[132] In 2015 both institutions held consultation workshops across Africa on Housing Market Dynamics in Africa at which several innovative ideas were presented (https://www.afdb.org/en/news-and-events/afdb-chief-economist-complex-examines-housing-market-dynamics-in-africa-14195/, 18 September, 2018). The AfDB is currently provided USD$33 million to the Pan African Housing Fund (https://www.afdb.org/en/projects-and-operations/project-portfolio/#c10693, 18 September 2018)

resources. Through this approach, sustainable multi-year affordable housing programmes, to encourage private sector participation, could then be developed.

If LAs are to truly become focal points for the delivery of housing and development, government will need to amend the current Local Government Act (1995), to allow for establishing mechanisms, under the control of LAs, that will encourage community and private sector participation.

Further, government must urgently proceed to implement the recently re-launched decentralisation policy[133], to empower LAs in resource mobilisation within their city boundaries. Through this, LAs will not only have resources for investments in underserved housing segments but will in the long run invest in their own human capacity improvements.

6.4 Encouraging Private Sector Involvement in Low Income Housing

6.4.1 Introduce Innovations in Housing Finance

Government must honour the commitment it made in the NHP 1996 to develop a secondary mortgage market for the purpose of encouraging private sector involvement in housing. Of course, if low-income households are to benefit, this initiative must be accompanied by: establishing a mechanism of mobilising cheap housing finance; gradually increasing access to formal urban housing land and improving the methods and efficiency of providing security of tenure documents, especially in informal settlements.

Once sourced, a percentage of this cheap housing finance should be channelled to legitimate micro-finance institutions to support provision of small loans with short maturities which could be linked with either incremental building or housing improvement. Government must also reserve funding, from which these institutions can draw, to design innovative products that may, for example, benefit low-income households with irregular income.

Developers must form a national institution that will advocate for and discuss with government, matters relating to increasing their participation, such as incentives, in the low-income housing market.

[133] Lusaka Times, 2013, (Online), Available: https://www.lusakatimes.com/2013/04/10/government-approves-the-decentralisation-policy-to-empower-provinces-and-districts-manage-their-own-affairs/, 8 October 2018

In Lusaka, it is clear that renting, especially among low-income households, is likely to remain the main solution to housing for a long time. Therefore, government should support and encourage, especially micro-finance institutions, to finance rental housing or even rental rooms, to meet the diverse demands of low-income households.

In the past, co-operatives were registered through the Ministry of Agriculture and therefore mostly linked to farming activities. Now that government has moved registration to the Ministry of Commerce, they must begin advocating for the establishment of housing cooperatives for low-income households.

The Ministry of Housing and Infrastructure Development, National Housing Authority, National Council for Construction, Zambia Bureau of Standards (ZBS) and Technology Development and Advisory Unit, must provide technical and financial support to, Habitat for Humanity Zambia and Peoples Process for Poverty and Housing in Zambia, the two main non-governmental organisations that are currently providing housing to low-income households through innovative techniques using locally available materials. This support can be directed towards improving the quality of local materials used for housing construction and efficiency of construction processes to achieve scale.

The Ministry of Housing and Infrastructure Development in collaboration with the Ministry of Lands and the Ministry of Finance should establish a financing programme to support building societies, commercial banks and developers that promote affirmative financing.

By 2012, the Zambian Pension Fund was worth over USD$600 million (UNHabitat,2012). The Ministry of Labour and Social Security (MoLSS) must propose amendments to the various pension fund legislation, which will provide guidance for pension fund investments in low-income housing. Appropriate support can be sought from countries within the SADC Region, such as Botswana, on how this initiative can be implemented. The Ministry must also explore how it can decentralise NAPSA[134] fund management, to the private sector to increase availability of long term-funding.

[134] In 2018, this government pension scheme, was worth over USD$3 billion dollars and has over USD$250 million in cash with different Commercial Banks. Only USD$400 million is invested in housing, mostly medium and high income (Source: Financial Institution, Interview notes, September 2018)

6.4.2 Provide Incentives to Developers and Financial Institutions

All developers and financial institutions that have sought to provide low-income housing in Zambia have faced similar challenges: high land and construction costs; high and unstable inflation rates and a maze of complex bureaucracies.

It is clear that the cost of land contributes a large percentage of costs to housing. Government leadership in identifying, preparing and allocating formal land on secure tenure, becomes inevitable if developers are to participate in providing low-income housing. This is the commitment government made in both the National Housing Policy (1996) and Sixth National Development Plan (MoFNP,2011). To achieve this, the Ministry of Lands, Ministry of Housing and Infrastructure Development, Ministry of Local Government in collaboration with the National Housing Authority and Local Authorities, need to conduct an inventory of government land in Lusaka and other urban areas that is reserved for housing or whose use can be converted to housing.

In 1992, government removed tax for all importers of public transport vehicles for 24 months to improve availability of public transport in the country[135]. In 2018, government increased tax on electric geysers and stoves to encourage use of alternative sources of energy[136]. Therefore, to encourage private sector involvement in housing, especially low-income housing, government should consider removing the 16.5 percent value added tax (VAT) on the sale of low-income housing; remove the 5 percent withholding tax on the registration of sale for low-income housing; reduce company tax from 35 percent for all developers and financial institutions reaching agreed thresholds in providing low-income housing for sale or rent. These incentives would increase activity in the housing value chain, compensate for the revenue lost and support governments commitment in the Sixth National Development Plan (MFNP,2011), to encourage home ownership and rental housing schemes.

The Ministry of Finance should consider removing VAT on the final cost of finished homes available for sale. This could immediately result in the cost of completed homes for sale declining by nominal value of the VAT applied to the offered value of the property. This would

[135] African Development Bank, (Online), Available: https://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/00157604-FR-ERP-35.PDF, 8 October 2018

[136] Government increased customs duty from 25 percent to 40 percent (Source: PWC,2017, (Online), Available: https://www.pwc.com/zm/en/assets/pdf/zambia-budget-2018.pdf, 8 October 2018)

help to make properties marginally more affordable and therefore assist to widen the depth of the addressable market (Nkwashi,2016)

To encourage low-income housing construction, the Ministry of Finance should consider providing tax rebates as incentives to developers and financial institutions involved in this segment (Nkwashi,2016).

The Ministry of Housing and Infrastructure Development should consider passing a Statutory Instrument to reduce and standardise the fees currently paid to regulators involved in the housing sector. According to respondents, fees must reflect the urgency of the housing shortage and as such should encourage greater participation as opposed to creating statutory barriers to entry (Nkwashi,2016).

In the NHP (1996), government made a commitment to provide appropriate guarantees to encourage financial institutions to lend to low-income households. Modalities of how this can be implemented must urgently be studied by the Bank of Zambia (BoZ) and the Ministry of Finance (MoF). Once implemented financial institutions would not only be protected from the effects of the volatile macro-economic environment but may also seize this opportunity to pilot innovative ideas to finance low-income housing. The MoF should also consider establishing a monitoring mechanism to ensure that incentives granted to private sector produce expected low-income housing.

In order to reduce the complex bureaucracy in the housing sector which has not only been discouraging but costly to private sector, government should introduce a "one-stop-shop facility" for housing, in which: data on housing; land registration and payment of various fees and; approval of housing plans and drawings are located in the same physical space. This has been achieved for company registration through Patents and Company Registration Authority (PACRA)[137]. This will however, require the cooperation of the Central Statistical Office, Ministry of Lands, Ministry of Housing and Infrastructure Development, Ministry of Local Government and Ministry of Health including the quasi-government agencies under their authority.

[137] MOCTI, (Online), Available: http://ab-network.jp/wp-content/uploads/2014/07/OSS-Business-Registrations-Licenses-and-Premits.pdf, 8 October 2018

Chapter 7 Main Conclusion

This study has identified the challenges faced by Zambia, in the last five decades, in providing urban housing, especially to low-income households. It has provided an analysis of the national development plans, in the context of Zambia's three phases of governance, highlighting their impact and implications on housing. It has also provided an analysis of private sector participation during each phase of governance, focusing on the resulting impact on urban housing supply. The study offers a critique of Zambia's key housing laws and institutions, zeroing in on the contrast between the purpose and actual results. It then concludes with a wide range of practical, context specific recommendations that have the potential to move the nation towards closing the urban housing backlog.

This study has provided a way out of this seemingly insurmountable urban housing crisis. It is however clear that if Zambia is to defeat this crisis, it cannot be business as usual.

Government must consciously target stability and improvements in the economy. Once done, the benefits will be at two levels: firstly, it will create stability in inflation, interest and exchange rates, making the cost of long term borrowing predictable and therefore making provision of urban housing, especially low-income housing, attractive to the private sector; secondly, an increase in employment and reduction in poverty levels in Lusaka and other urban areas will increase incomes, improve affordability and support innovations in housing options.

Dealing with the urban housing crisis will also require swiftly making changes to institutions and introducing new laws that consider Zambia's current context. With an urbanisation rate of 4.13 percent per annum, demand for low-income housing is likely to remain high, both for rental and purchase (CAHF,2017). Therefore, government must support innovative urban housing solutions and engage non-traditional partners, such as local chiefs, microfinance institutions and low-income households.

7.1 Recommendations for Future Research

It is clear that Zambia's urban housing supply has been influenced by the political environment. This environment has been the background to the many changes in key housing laws and institutions. It is therefore highly likely that, the recommendations provided in this study will also be affected by changes in the future political environment.

Therefore, further study on the consequences of contradictions and partial policy reforms in urban land and housing supply will be useful in supporting future policy formulation.

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Appendices

Appendix 1: List of Respondents

1. Respondents from Government

	Name	Position and Organisation	Contact Details
1	Mr. Numeral Banda	Director Physical Planning, Ministry of Local Government	numeral.banda@yahoo.com
2	Mr. Mbumwae Silumesi	Deputy Director for Housing, Ministry of Housing and Infrastructure Development	mbumwae_silumesi@yahoo.com
3	Ms. Meembo Changula	Principal Planner, Ministry of Local Government	meemboc@yahoo.com
4	Mr. Mulimba Yasini	Director of Housing and Social Services, Lusaka City Council	mulimbay@yahoo.com
5	Mr. Emmanuel Tembo	Surveyor, Ministry of Lands	maxwellconsult@gmail.com

2. Respondents from Government Funded Housing and Research Institutions

	Name	Position and Organisation	Contact Details
1	Mr. Ernest Zulu	Regional Director Lusaka Province, National Council for Construction	Ernest.zulu@ncc.org.zm
2	Mr. Brian Mutale	Business Development Manager, National Council for Construction	Brian.mutale@ncc.org.zm
3	Mr. Anderson Zulu	Director Projects, National Housing Authority	askayzulu@gmail.com
4	Mr. Oliver Samungole	Senior Engineer, Technology Development Advisory Unit, University of Zambia	O.samungole@unza.zm

3. Respondents from Housing Developers

	Name	Position and Organisation	Contact Details
1	Mr. Mwiya Musokotwane	Chief Executive Officer, Thebe Investments (Nkwashi)	Mwiya.m@thebe-im.com
2	Mrs. Cathy Miller	Director, Lilayi Real Estates	Cathy.miller@lilayi.com

4. **Respondents from Housing Non-Governmental Organisation**

	Name	Positions and Organisation	Contact Details
1	Mrs. Grace Mtonga	Country Director, Civic Forum on Housing and Habitat	grace@civicforum.org.zm
2	Mr. Gabriel Mailo	Projects Officer, Civic Forum on Housing and Habitat	Mailo2060@gmail.com

5. **Respondents from Financial Institutions**

	Name	Position and Organisation	Contact Details
1	Mr. Charles Shanengeta	Manager Projects and Investments, Zambia National Building Society	Charles.shanengeta@znbs.co.zm
2	Mr. Luundu Mwaanga	Loans Officer, Zambia National Commercial Bank	Luundu.mwaanga@zanaco.co.zm
3	Mr. Brian Musonda	Investments Manager, National Pension Scheme Authority	Musondab@napsa.co.zm
4	Mr. Desmond Musonda	Investments Officer, National Pension Scheme Authority	Musondad@napsa.co.zm
5	Mr. Collins Siame	Loans Manager, Meanwood Micro-Finance Corporation	siamec@meanwoodfinance.co.zm
6	Mr. Twaambo Hamusute	Chief Executive Officer, Zambia Home Loans	twaamboh@zambianhomeloans.com

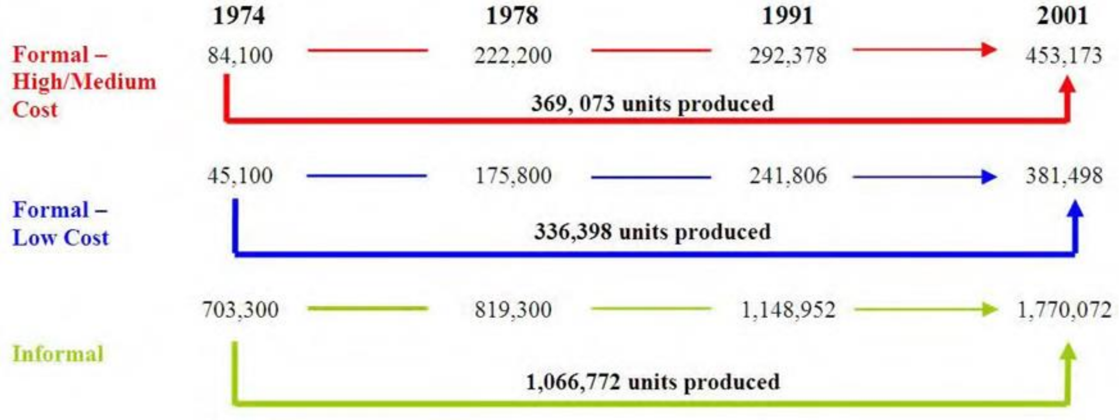
6. **Respondent from Suppliers of Building Materials**

	Name	Position and Organisation	Contact Details
1	Mrs. Rabecca K Bowa	Internal Sales Officer, Global Roofing Solutions	rabeccak@globalroofs.co.zm

7. **Respondents from Professional Institutions**

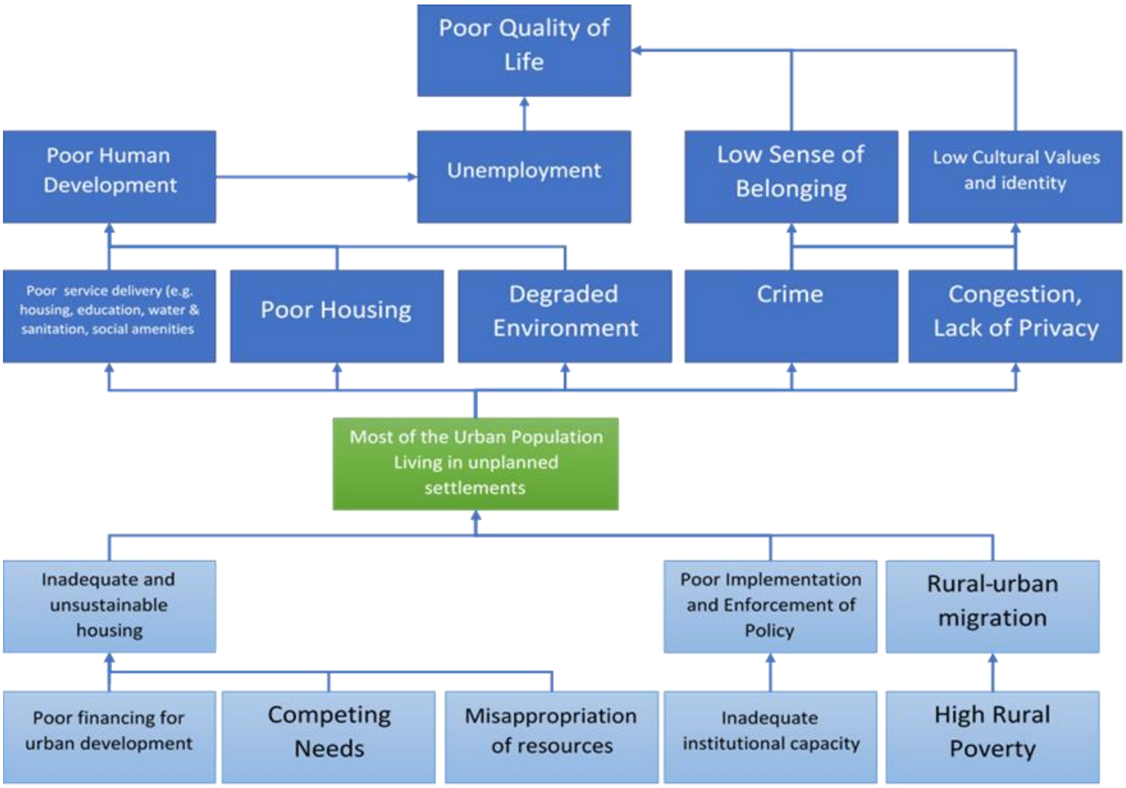
	Name	Position and Organisation	Contact Details
1	Ms. Mphangela Nkonge	Member, Zambia Institute of Architects	mphangela@gmail.com
2	Mr. Cooper Chibomba	President, Zambia Institute of Planners	cooperchibomba@gmail.com

Appendix 2: Housing Stock Timeline, 1974 to 2001



Source: Tembo M, 2007, Based on figures from Muchima (2004); Fifth National Development Plan (GRZ, 2006)

Appendix 3: Problem Tree Illustrating Social Issues Arising from Zambia's Pattern of Urbanisation



Source: Ministry of Local government, 2018, Draft Situation Analysis, National Urbanisation Policy Technical Committee Data Gathering Workshop, Gonde Lodge, Kabwe from Thursday 19th – Friday 20th April, 2018.

Appendix 4: Government Investments in Housing (1966 to 1970)

ANNEXURE XIV

HOUSING AND TOWN PLANNING

Project or Programme	Estimated Capital Cost (£'000)					Estimated Additional Recurrent Cost (£'000)			
	1966–67	1967–68	1968–69	1969–70	Total 1966–70	1966–67	1967–68	1968–69	1969–70
High Density Housing	4,120	4,120	4,300	4,300	16,840	—	42	84	126
Civil Service Housing	2,600	1,758	1,300	1,442	7,100	—	27	49	67
National Housing Authority	10	40	50	—	100	—	15	32	50
Control of Unauthorised Settlement	32	40	5	5	82	34	34	34	34
Village Planning and Regrouping	80	80	120	120	400	12	24	36	48
Kafue Linear Park	3	5	4	4	16	8	8	8	8
Total	6,845	6,043	5,779	5,871	24,538	54	150	243	333

Source: Office of National Development and Planning (ONDP), 1966, First National Development Plan (1966 to 1970), pp253, Government of the Republic of Zambia, Lusaka, Zambia

Appendix 5: Home Ownership Thrust of the Second National Development Plan (SNDP, 1972 to 1976)

million.

(iv) *Home Ownership*

14. The cornerstone of the SNDP housing policy was the promotion of home ownership as a measure for mobilising private resources and encouraging self-reliance in housing. All new houses constructed by the public sector were to be for sale and the National Housing Authority was to introduce a comprehensive home ownership scheme involving the transfer of most publicly owned houses to private ownership. The plan proposed that the National Housing Authority should be the agency responsible both for implementing the home ownership scheme and for the management and maintenance of houses remaining in public ownership.

Though not explicitly stated in the plan, it was understood that Government and

Source: National Commission for Development Planning (NCDP), 1979, Third National Development Plan (1979 to 1983), pp317, Government of the Republic of Zambia, Lusaka, Zambia

Appendix 6: Government Actual Expenditure on Housing and Infrastructure (1972 to 1977)

Table XVI.2—Government Capital Expenditure on Housing and Infrastructure (1972–1977)
(K thousand)

Category of housing	Estimated expenditure 1972–76	Estimated expenditure 1977
I. *Total: General housing investment (i + ii)* ...	56,900	12,710
(i) *General housing* ...	32,200	10,570
(a) Low cost housing loans ...	8,100	400
(b) Site-and-service schemes, loans and grants ...	11,900	4,060
(c) Self-help housing, material loans ...	1,600	2,900
(d) Squatter upgrading loans and grants ...	1,600	900
(e) Consultants fees and administration (planning, infrastructure, site-and-service schemes project unit cost) ...	9,000	2,310
(ii) *General Loans for infrastructure (loans to local authorities)* ...	24,700	2,140
II. *Institutional Housing* ...	83,800	14,730
(a) Specified housing votes ...	16,100	2,630
(b) As part of projects (estimate) ...	62,200	10,300
(c) Civil service housing ...	5,600	1,800
III. *Total: Government housing investment (I + II)* ...	140,700	27,440

Source: Source: National Commission for Development Planning (NCDP), 1979, Third National Development Plan (1979 to 1983), pp318, Government of the Republic of Zambia, Lusaka, Zambia

Appendix 7: Third National Development Plan Low-Income Housing Initiatives (TNDP,1979 to 1983)

(iv) To give the highest priority to housing for the low-income groups. There is no way to achieve this aim meaningfully unless positive measures are taken to alter the present investment pattern in favour of the lower income groups. The TNDP strategy, therefore, calls for:

(*a*) High priority to be given to low-income group housing, by both Government and non-Government sectors.

(*b*) Reorientation of the lending policies of parastatals and private financial institutions with a view to affording access to credit to low-income households.

(*c*) Establishing a housing bank specifically for the purpose of low-income housing, both in the rural and urban areas.

Source: Source: National Commission for Development Planning (NCDP), 1979, Third National Development Plan (1979 to 1983), pp322, Government of the Republic of Zambia, Lusaka, Zambia

Appendix 8: Government Actual Expenditure on Housing (1979 to 1986)

2.0 SECTOR PERFOMANCE (TNDP, 1985–86, INDP)

12. Both the TNDP and the INDP aimed at allocating resources to programmes and projects on a highly selective basis. Priority was given to the meeting of basic needs of the majority of households. Thus, the TNDP envisaged that 90.3 per cent of national investment in housing was to be directed towards low-income housing development.

13. The investment pattern in the Tables XVIII.2 demonstrates the bias in favour of medium and high cost housing. This was largely due to the fact that the investment in housing which was directed into low and very low housing, fell far short of the planned targets. In all as much as 74.7 per cent of Government's and institutional finance went into medium and high cost housing. Furthermore there was a lack of an effective policy to mobilise private sector investment planned at K122.9 million during the TNDP.

TABLE XVIII.2—INVESTMENT ON GOVERNMENT AND INSTITUTIONAL HOUSING DURING THE TNDP AT CURRENT PRICES

Scheme	*Investment* K'000 *Planned*	*Actual*	*Percentage Share*
Conventional housing	20.3	10.6	4.3
Sites and Services and Squatter Upgrading Schemes ..	40.5	19.5	8.0
Institutional Finance			
Low-Cost Housing	5.1	42.4	17.3
Medium and High Cost Housing	24.6	172.5	70.4
TOTAL	90.5	245.0	100.00

Source: NCDP.

14. The stock has been assessed at the end of the INDP period as per details set out in Table XVIII.3.

287

Source: National Commission for Development Planning (NCDP), 1989, Fourth National Development Plan, pp287, Government of the Republic of Zambia, Lusaka, Zambia

Appendix 9: Implementation of Low-Income Housing Programmes (1979 to 1987)

23. Table XVIII.4 below gives a summary of low-income housing development up to the year 1987.

TABLE XVIII.4 IMPLEMENTTATION OF THE (LOW-INCOME) HOUSING PROGRAMMES

Housing Type	*Targets*	*Achievements*	*Shortfall*	*Achieved percentage*
Serviced Plots	14 600	4 963	9 637	34.0
Squatter Upgrading Units	110 900	13 162	97 739	11.9
Low-Income Units	26 700	3 500	23 200	13.1
Other Lower, Middle Income Units ..	7 000	700	6 300	10.0
Very Low-Income Units	250 300	*	250 300	0.0
TOTAL	409 500	22 325	387 175	5.5

Source—Ministry of Decentralisation and the National Housing Authority.

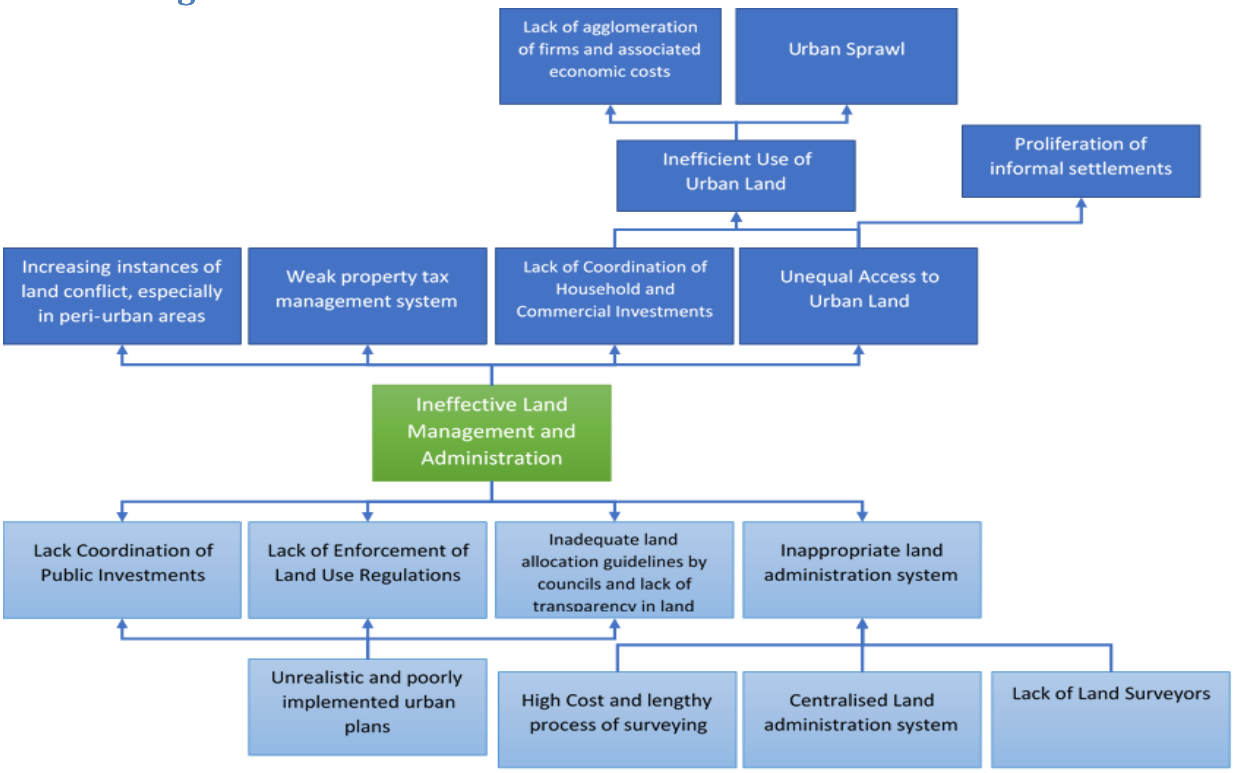
Source: National Commission for Development Planning (NCDP), 1989, Fourth National Development Plan, pp289, Government of the Republic of Zambia, Lusaka, Zambia

Appendix 10: Percentage Deducted For Sitting Tenants During Sale of Government Houses - Based on Year of Construction

Low income Houses	**High- and Medium-Income Houses**
Low income houses built before 1959 - 100% Low income houses built in 1960-1970 - 40% Low income houses built in 1971-1980 - 30% Low income houses built in 1981-1990 - 20% Low income house built in 1991- to date - 0%	High / Medium income houses built before 1959 - 50% High / medium income houses built in 1960-1970 -30% High / medium income houses built in 1971-1980 -15% High / medium income houses built in 1981-1990 - 5% High / medium income houses built in 1991-to date - 0%

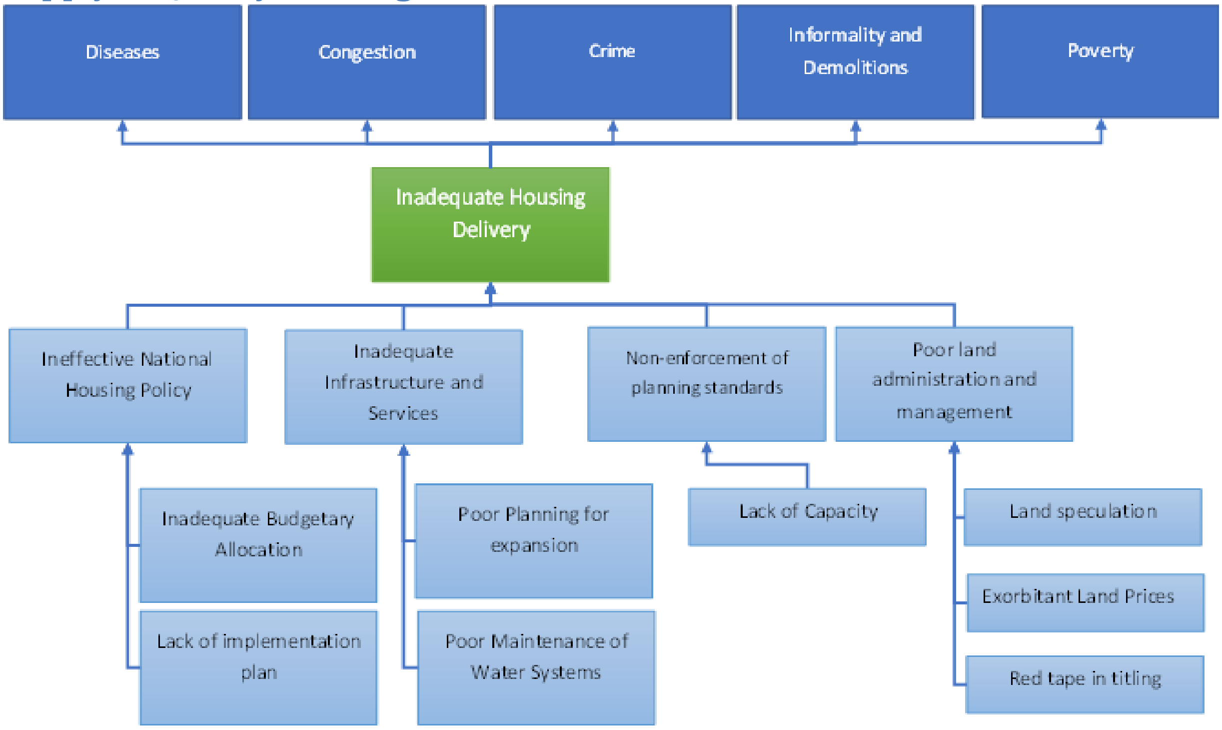
Source: (MLGH, 1996b, Circular N0.2: 3)

Appendix 11: Problem Tree Illustrating Causes and Results of Ineffective Land Management and Administration in Zambia



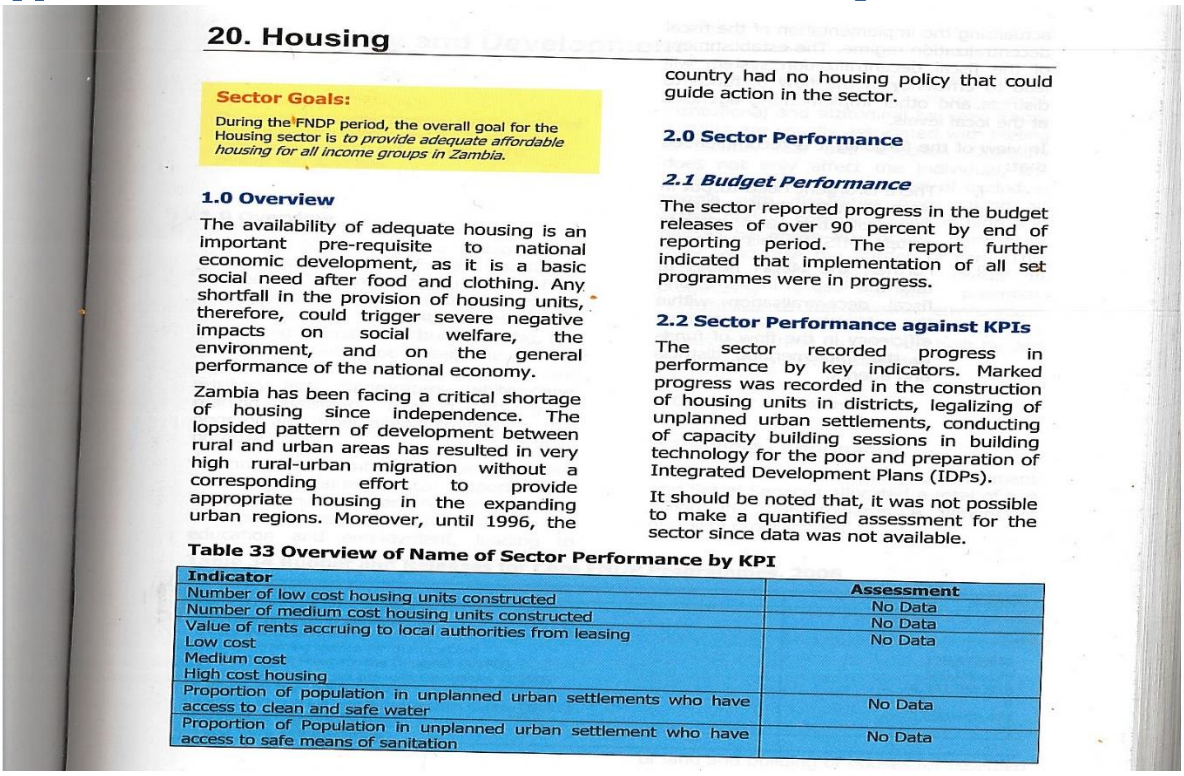
Source: Ministry of Local government, 2018, Draft Situation Analysis, National Urbanisation Policy Technical Committee Data Gathering Workshop, Gonde Lodge, Kabwe from Thursday 19th – Friday 20th April, 2018.

Appendix 12: Problem Tree Illustrating Causes and Results of Inadequate Supply of Quality Housing in Zambia



Source: Ministry of Local government, 2018, Draft Situation Analysis, National Urbanisation Policy Technical Committee Data Gathering Workshop, Gonde Lodge, Kabwe from Thursday 19th – Friday 20th April, 2018.

Appendix 13: Illustration of Lack of Data in Housing Sector



20. Housing

Sector Goals:

During the FNDP period, the overall goal for the Housing sector is *to provide adequate affordable housing for all income groups in Zambia.*

1.0 Overview

The availability of adequate housing is an important pre-requisite to national economic development, as it is a basic social need after food and clothing. Any shortfall in the provision of housing units, therefore, could trigger severe negative impacts on social welfare, the environment, and on the general performance of the national economy.

Zambia has been facing a critical shortage of housing since independence. The lopsided pattern of development between rural and urban areas has resulted in very high rural-urban migration without a corresponding effort to provide appropriate housing in the expanding urban regions. Moreover, until 1996, the country had no housing policy that could guide action in the sector.

2.0 Sector Performance

2.1 Budget Performance

The sector reported progress in the budget releases of over 90 percent by end of reporting period. The report further indicated that implementation of all set programmes were in progress.

2.2 Sector Performance against KPIs

The sector recorded progress in performance by key indicators. Marked progress was recorded in the construction of housing units in districts, legalizing of unplanned urban settlements, conducting of capacity building sessions in building technology for the poor and preparation of Integrated Development Plans (IDPs).

It should be noted that, it was not possible to make a quantified assessment for the sector since data was not available.

Table 33 Overview of Name of Sector Performance by KPI

Indicator	Assessment
Number of low cost housing units constructed	No Data
Number of medium cost housing units constructed	No Data
Value of rents accruing to local authorities from leasing Low cost Medium cost High cost housing	No Data
Proportion of population in unplanned urban settlements who have access to clean and safe water	No Data
Proportion of Population in unplanned urban settlement who have access to safe means of sanitation	No Data

Source: Ministry of Finance and National Planning, 2008, 2006 Annual Report, Fifth National Development Plan: Progress Report, pp85, Government of the Republic of Zambia, Lusaka, Zambia

Appendix 14: Questionnaire for Low-Income Households

SEMI-STRUCTURED QUESTIONNAIRE FOR LOW INCOME HOUSEHOLDS

Rapid Urbanisation in Zambia - The Challenge of Providing Adequate Low-Income Housing in Urban Areas from 1964 to 2018 - The Case of the City of Lusaka

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SECTION A: PERSONAL INFORMATION

1. SEX: MALE [ ] FEMALE [ ]

2. AGE: 15yrs-24yrs [ ] 25yrs-34yrs [ ] 35yrs-44yrs [ ]

   45yrs-54yrs [ ] 55yrs-64yrs [ ] 65yrs+ [ ]

3. WHAT IS YOUR SOURCE OF LIVELIHOOD? PERMANENT JOB [ ] PART TIME JOB [ ] SMALL BUSINESS [ ] OTHER……………………………………………………………..

4. HOW LONG HAVE YOU LIVED IN THIS HOUSE?

   LESS THAN 5yrs [ ] 6-10YRS [ ]

   11-15YRS [ ] 15yrs+ [ ]

SECTION B: ESTABLISHING HOUSING ADEQUACY

5. HOW MANY ROOMS DOES THE HOUSE HAVE? ONE [ ] TWO [ ] THREE [ ] FOUR [ ] FIVE [ ] MORE THAN FIVE [ ]

6. HOW MANY PEOPLE SLEEP IN THIS HOUSE? ONE [ ] TWO [ ] THREE [ ] FOUR [ ] FIVE [ ] MORE THAN FIVE [ ]………………………………..

7. ARE THE PEOPLE WHO SLEEP IN THIS HOUSE…..ALL MALE [ ] ALL FEMALE [ ] BOTH GENDERS [ ]

8. DOES YOUR HOUSE HAVE WATER? YES [ ] NO [ ]

9. DOES YOUR HOUSE HAVE A TOILET? YES [ ] NO [ ]………………………………………

10. IF YES WHAT KIND OF TOILET? PIT LATRINE [ ] WATER BOURNE [ ] VIP [ ] OTHER……………………..

11. IS YOUR HOUSE CONNECTED TO ELECTRICITY? YES [ ] NO [ ]

12. DOES THE HOUSE HAVE ACCESS TO? A TARRED ROAD [ ] A GRAVEL ROAD [ ] NO ACCESS [ ]

SECTION C: ESTABLISHING HOUSING AFFORDABILITY

13. DO YOU OWN THIS HOUSE?   YES [ ] NO [ ]

14. IF YES WHEN DID YOU BUILD IT?................................

15. HOW LONG DID IT TAKE YOU TO BUILD?.......................

16. IF RENT, HOW MUCH DO YOU PAY PER MONTH?...................

17. ARE YOU UP TO DATE WITH RENT PAYMENTS? YES [ ] NO [ ]

SECTION D: ESTABLISHING THE HOUSING SUPPORT REQUIRED

18. ARE YOU HAPPY TO LIVE IN THIS HOUSE?   YES [ ]   NO[ ]

19. IF NO, WHAT IS MAKING YOU UNHAPPY
………
………
………

20. IF YOU WERE GIVEN A CHOICE TO LIVE IN ANY HOUSE IN LUSAKA, WHERE WOULD YOU LIVE?

………
………
....

21. WHY DON'T YOU LIVE THERE NOW?
………
………
………
....

22. HAVE YOU IN THE PAST RECEIVED ANY ASSISTANCE FROM GOVERNMENT TO IMPROVE YOUR HOUSING CONDITIONS? YES [ ] NO [ ]

23. IF YES HOW MANY YEARS AGO? ……………………….. AND WHAT ASSISTANCE DID YOU RECEIVE?
………
………
....

24. IF NO, WHAT KIND OF ASSISTANCE SHOULD GOVERNMMENT GIVE YOU TO IMPROVE YOUR HOUSING CONDITIONS?
………
………
………
………
……………………

25. IS THERE ANYTHING ELSE YOU WOULD LIKE TO SAY
………
………
………
……………..

Appendix 15: Interview Guide for Government and Private Sector

A] Government Officials

1] What initiatives has government undertaken since independence to support provision of low-income housing in the urban areas of Zambia? Can you share any success stories?

2] What challenges has government faced in supporting provision of low-income housing in the urban areas of Zambia?

3] Do you think government has a role in supporting low-income households meeting their housing needs? If so, what role can government play?

4] Do you think private sector has a role to play in the low-income housing sector? If yes, what role can they play? Do you think government should incentive them? If yes, how can government do this?

B] Private Sector

1] Has government undertaken any initiatives since independence to support provision of low-income housing in urban areas of Zambia? Can you share any success stories?

2] Do you think private sector has a role to play in the low-income housing sector? If yes, what role can they play? Do you think government should incentivise them? If yes, how can government do this?

3] Do the current laws, polices and regulations support or hinder private sector contribution to the housing sector? What changes or adjustments would you like to see?