



EXECUTIVE SUMMARY

Slum Upgrading and Affordable Housing Framework

Habitat for Humanity International / Liberia Country Program

Cities Alliance
Cities Without Slums

Executive summary

This Slum Upgrading and Affordable Housing Framework has been developed by Habitat for Humanity International as part of the Liberia Country Program led by Cities Alliance.

The objectives of this Slum Upgrading and Affordable Housing Framework are to:

- **Highlight the constraints that affect low-income households.**
- **Propose practical interventions at the policy, market and community levels.**
- **Create a common platform for collaboration.**

Facilitating the delivery of adequate and affordable housing and the upgrading of slum settlements is a core component of achieving inclusive, safe, resilient and sustainable cities and human settlements, as envisioned in the New Urban Agenda and the Sustainable Development Goals. However, cities face many challenges in trying to achieve this goal. In this framework, we look at the key constraints and offer a set of interventions that can facilitate improvements in the enabling environment for slum upgrading and affordable housing in greater Monrovia from a policy, market and community perspective.

Among our key findings:

- **The challenging urban environment.** Fourteen years of civil war and an Ebola crisis have significantly contributed to the inadequate and hazardous conditions in which the vast majority of urban residents live. The financial system collapsed, and urban infrastructure was virtually destroyed by the civil war. There are huge challenges to meeting the urban population's existing and growing needs for housing, basic services and infrastructure.
- **Seventy percent of the urban population lives in informal settlements around greater Monrovia.** Some residents are affected by locational hazards such as sea erosion, river/estuary flooding and informal land reclamation; climatic hazards related to surface flooding; and nonclimatic hazards related to poor hygiene, disease vectors, blocked stormwater drains and inadequate housing.
- **Climatically, Monrovia is the wettest capital in the world (Economist 2012).** Because of poor citywide drainage systems, most city and slum settlements are affected by seasonal flooding, which harms livelihoods such as informal trading, the construction sector and businesses that require goods and services to be transported by road across the country.
- **Housing is not represented by a single ministry or prioritized at a national level.** The current housing mandate is spread among the National Housing Authority; the Ministry of Internal Affairs; the Ministry of Public Works; the Ministry of Lands, Mines and



Energy; and the Metropolitan City Councils. Current housing policies and programs focus on delivering subsidized mortgage housing through greenfield developments to the small percentage of the population who are employed and can afford a mortgage of around US\$20,000. There are no policy guidelines or housing programs to support the needs of low-income households and slum communities that could improve their shelter incrementally.

- **The land administration system is weak** as a consequence of years of civil war and is fragmented among many government agencies. The Land Rights Bill of 2014 still has not been passed by the Legislature. The bill seeks to clearly define and delineate the different categories of land ownership and land rights and establish clear procedures and processes for land acquisition, use, management and administration. Currently, tenure insecurity is high, as secure tenure depends on a functional land administration system and sound land policies. Because of these systemic inadequacies, residents lack formal titles to their land, live in fear of eviction, and struggle to find property where they could reside legally.
- **Zoning laws and building regulations are outdated**, and there is no comprehensive land-use planning to guide urban development. The majority of urban residents live in unplanned settlements with no secure tenure or basic services on public or private land that is either legally or illegally occupied.
- **The Liberian housing market is highly complex and dysfunctional**, which is reflected in the uneven delivery of housing-related products and services to homeowners and renters and the high level of informality. There is also a huge discrepancy in quality and cost of homes between high-income and low-income households. Both public- and private-sector capacity in Liberia are very low and will require ongoing support in order to improve the value chain for affordable housing.

- **Affordability levels are low.** Sixty-four percent of Liberians live below the national poverty line¹. On average, low-income households use only 15 percent of household expenditures for housing costs². In general, the accepted standard is that housing costs should consume no more than 40 percent of household expenditure. This is much lower in Liberia because low-income households prioritize other pressing needs, such as food, education and health care. Middle-income households base most construction decisions principally on price, not quality, as a consequence of low affordability levels.



- **Public- and private-sector capacity is limited and weak.** Because of limited resources and tough economic and social conditions, public institutions and private-sector firms have limited capacity to perform their functions across the board, particularly in support of slum upgrading and delivery of affordable housing.

These findings indicate that new interventions that support slum upgrading, incremental housing and increases in rental stock are essential for improving the living conditions and quality of life of low-income households in greater Monrovia.

The proposed interventions in this framework are based on the concept that policy-, market- and community-level interventions are required to address constraints and contribute to creating systemic change and an enabling environment that supports and enhances the delivery of affordable and scalable housing solutions.

¹ Data from World Bank Development Indicators (2015) and UNDP's International Human Development Indicators (2014).

² Consumer Price Index data (2013).

Potential community-level interventions

Metropolitan level	
Relocate households in high-risk areas while preventing major impacts on livelihoods.	<ul style="list-style-type: none"> Conduct urban relocation and densification studies to determine high-risk areas for relocation and areas for urban densification and expansion.
Reduce further impacts of prevalent hazards in medium-risk areas (viable settlements).	<ul style="list-style-type: none"> Conduct urban hydrological, drainage, typological and sea-level erosion studies and mapping to determine citywide patterns of storm runoff and flood levels to support appropriate development.
Build institutional capacity	<ul style="list-style-type: none"> Increase institutional capacity to implement citywide interventions
Settlement level	
Increase awareness of hazards, risks and safe shelter practices	<ul style="list-style-type: none"> Implement community awareness and empowerment around risk reduction and preparedness utilizing tools such as Community-Based Disaster Risk Management, or CBDRM, and/or Participatory Approach for Safe Shelter Awareness, or PASSA.
Improve the settlement environment.	<ul style="list-style-type: none"> Implement settlement-level maintenance and sanitation initiatives (drainage, sanitation, solid waste management, etc.) with links to livelihood development.
Adopt a diversified approach to safe shelter solutions.	<ul style="list-style-type: none"> Introduce and support a diversified, incremental housing solution approach that includes repairs, transitional shelter units, building of extra/additional rooms, building of core houses, the addition of latrines, and construction skills training.
Support secure tenure and land regularization in informal settlements.	<ul style="list-style-type: none"> Work with the relevant authorities to conduct field surveys, determine enumeration of occupying households, determine property lines, establish technical description of plots, determine settlement layout with defined public/private boundaries, and address the issue of government-validated certificates of tenure.
Build institutional capacity	<ul style="list-style-type: none"> Establish “training of trainers” initiatives to facilitate knowledge transfer on CBDRM and/or PASSA and knowledge transfer on an incremental housing solutions approach.

Potential market development-level interventions

A range of potential interventions focusing on the private housing sector arose from Habitat for Humanity assessments. The interventions are divided between those that focus on the housing supply and those that focus on access to housing finance, the two areas where the private sector has the biggest role to play.

Housing supply	
Support research and development of materials.	<ul style="list-style-type: none"> • Possibilities include comparative cost benefit analyses of different types of materials, material testing of alternative materials and evaluation in terms of durability and proper use, and the use of these materials in the construction of public buildings to demonstrate its potential.
Develop appropriate housing designs.	<ul style="list-style-type: none"> • Possibilities include development of designs that provide guidelines on typical building materials to minimize costs while maintaining quality, development of designs for different population densities, and development of core house designs using existing materials.
Update building codes and standards.	<ul style="list-style-type: none"> • Review and revise building codes to ensure they incorporate a variety of materials and support both formal and informal (progressively built) housing, as well as prevalent hazards.
Address deficiencies in employee work readiness and management.	<ul style="list-style-type: none"> • Develop and/or adapt existing project management curriculums, and establish work readiness training for construction-related professionals and artisans.
Share housing knowledge.	<ul style="list-style-type: none"> • Possibilities include a website that shares this information and a centrally located National Housing Authority demonstration site and resource center in Monrovia, open to the public
Build institutional capacity	<ul style="list-style-type: none"> • Build incremental housing capacity at the National Housing Authority.
Increase real estate and rental transparency in the market.	<ul style="list-style-type: none"> • Establish neighborhood or community bulletins and online platforms for publishing real estate and rental advertisements, pricing, and transaction history.
Upgrade skills of construction artisans and professionals.	<ul style="list-style-type: none"> • Research key deficiencies in the construction labor market, government-led expansion and certification of construction-related vocational courses, and firm-led training initiatives targeting low-skill areas that have a significant adverse impact on housing outcomes in Monrovia.
Solicit firm-led innovations.	<ul style="list-style-type: none"> • Draw on the experience of the private housing sector to source ideas that will lower housing construction costs and increase access to quality housing and housing inputs,

	especially for homebuilders who are constructing their homes incrementally.
Housing finance	
Build capacity for the microfinance sector.	<ul style="list-style-type: none"> Involve the Central Bank of Liberia and the microfinance institution association to develop “training of trainers” workshops for the microfinance sector, conduct a rapid capacity building assessment for microfinance institution sector, provide an orientation to microfinance institutions on microfinance best practices, and facilitate peer exchange knowledge transfers with other African microfinance institutions.
Strengthen the microfinance institution association	<ul style="list-style-type: none"> Support the functioning of an autonomous microfinance institution association/forum of practitioners, giving the microfinance institution association the capacity to participate in policy formulation and ensure adherence by its members, and assist the association in engaging in “training of trainers.”
Establish a credit reference bureau.	<ul style="list-style-type: none"> Establish a credit reference bureau.
Identify sources of long-term funding.	<ul style="list-style-type: none"> In the short term, explore the establishment of a guarantee fund that can back up loans and diminish the risk of financial institutions in entering housing finance, and identify sources of long-term funding suitable for the purpose of housing microfinance and micro-mortgages.
Develop a regulatory framework for the microfinance institution sector.	<ul style="list-style-type: none"> Encourage the Central Bank of Liberia to play a role in developing these policies and regulations. This is a longer-term intervention that would need to take place as the sector develops, and may not be strictly necessary at this early stage.
Increase reach into the informal sector.	<ul style="list-style-type: none"> Work with savings group apex organizations or associations to identify potential collaborations and aggregate demand for housing microfinance.
Develop and pilot housing finance products.	<ul style="list-style-type: none"> Solicit financial institutions interested in testing products targeted at lower-income segments and offering them technical assistance with governance and management, operations staff, operational systems, and ongoing institutional mentoring and accompaniment based on identified gaps.

Potential policy-level interventions

Policy interventions	
Create voluntary relocation guidelines	<ul style="list-style-type: none"> Support the NHA in developing relocation guidelines that include best practices to support required relocations and identification of land for relocation and densification.
Create slum upgrading guidelines	<ul style="list-style-type: none"> Support NHA in the development of slum upgrading guidelines that include best practices and lessons from pilots of upgraded community-level interventions.
Build incremental housing capacity at the National Housing Authority	<ul style="list-style-type: none"> Possibilities include developing guidelines related to incremental construction and incremental housing programs and working closely with other partners, including the government of South Africa, to support this intervention.
Hold a housing forum to coordinate activities among public, private and community actors	<ul style="list-style-type: none"> Establish a housing forum under the City Forum as a community of practitioners in order to share opportunities, challenges, experiences and synergies among stakeholders, including financial service providers.
Form a clear housing mandate	<ul style="list-style-type: none"> Establish a Ministry of Housing or annex the NHA expansion to an existing ministerial portfolio.
Develop national housing policy guidelines	<ul style="list-style-type: none"> Work with the NHA to expand the draft national housing policy to support low-income households and the current housing context.
Support a government subsidy policy targeted at low-income and vulnerable households	<ul style="list-style-type: none"> Support the NHA in developing a subsidy policy and establishing a housing trust fund.
Update building codes and regulations to make them contextually relevant.	<ul style="list-style-type: none"> Contribute to the enhancement of the building codes and ensure they incorporate a variety of materials, and support both formal and informal (incrementally built) housing, and prevalent hazards.
Amend the National Housing Authority Act.	<ul style="list-style-type: none"> Support the NHA in amending the National Housing Authority Act to address current housing issues.
Enabling environment interventions	
Promote citywide planning to support affordable housing delivery.	<ul style="list-style-type: none"> Adopt a citywide plan for greater Monrovia that supports a comprehensive approach to affordable housing development, identifies land for affordable housing and develops clear zoning and land-use management regulations that are contextually relevant.
Coordinate targeted interventions and programs.	<ul style="list-style-type: none"> Form a coordinating committee around technical advice from different government service providers for housing.
Manage and share housing knowledge	<ul style="list-style-type: none"> Develop a knowledge management platform linked to the NHA's website to share information and build knowledge

	around affordable housing, alternative building materials, technologies and typologies.
Increase access to long-term financing	<ul style="list-style-type: none"> • Intervention by the government to provide bonds and guarantees to attract long-term financing investors.
Support a functional land market with strategic management of land for affordable housing	<ul style="list-style-type: none"> • Identify land for de-densification or densification for affordable housing and develop various types of land development models for affordable housing.
Improve the quantity and quality of urban infrastructure to support housing.	<ul style="list-style-type: none"> • Adopt a master plan for Greater Monrovia to support the coordinated development of citywide bulk infrastructure.
Build awareness around hazards and vulnerabilities.	<ul style="list-style-type: none"> • Adopt a climate change policy, providing awareness campaigns around hazards and vulnerabilities and of the links between climate change policy and impacts on affected households.
Develop livelihood strategies.	<ul style="list-style-type: none"> • Implement livelihood strategies across interventions, especially related to the construction sector.
Provide housing inputs into the new urban policy.	<ul style="list-style-type: none"> • Utilize the Slum Upgrading and Affordable Housing Framework as part of the housing sector input into the development of the national urban policy.

In conclusion, accelerating self-managed and incremental construction leading to adequate housing at scale requires adequate land; housing, infrastructure and regulatory policies, laws and regulations; markets that work for the poor; and capacity building support for the economically poor and relevant public- and private-sector institutions.

every hand

makes a difference



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