

#### **Enabling the Housing Sector to Work:**

providing rental housing opportunities as one of the fundamental goals of housing policies.

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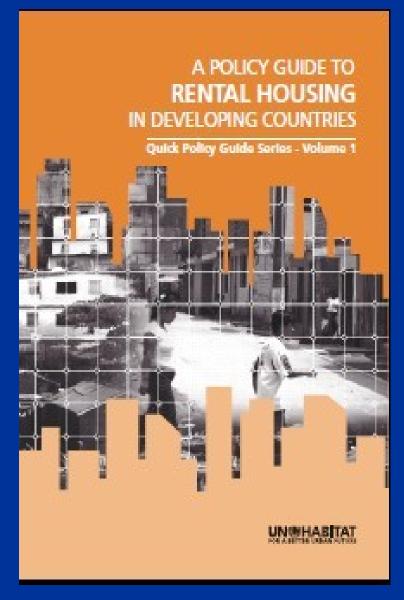
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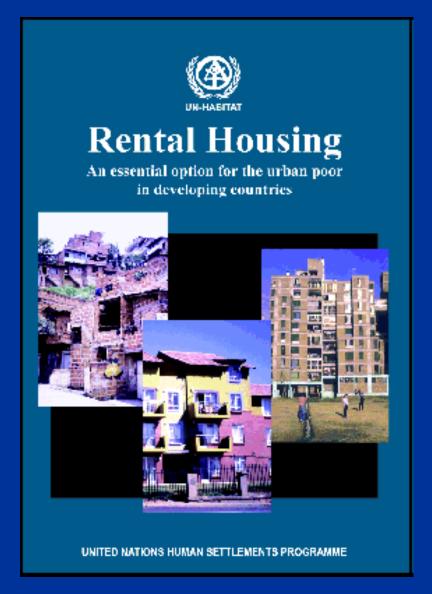


#### **United Nations Human Settlements Programme**

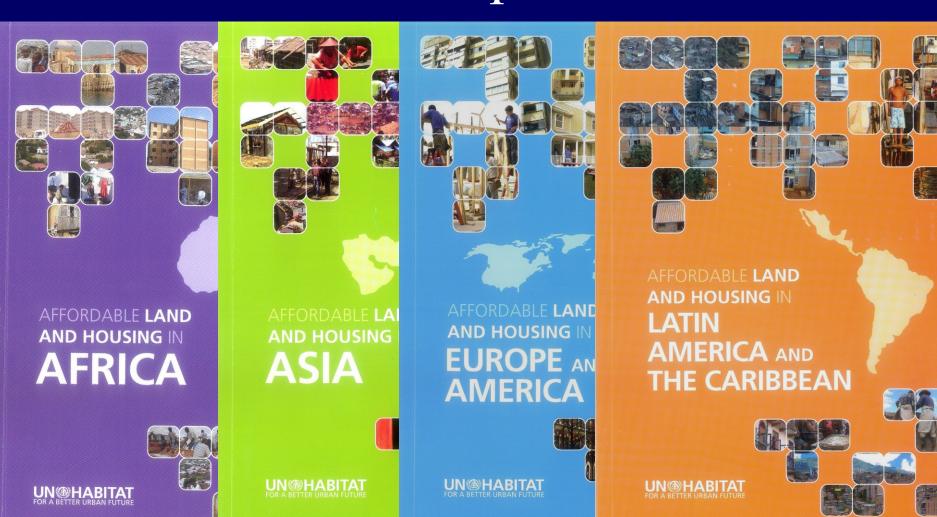
Programme des Nations Unies pour les établissements humains - Programa de las Naciones Unidas para los Asentamientos Humanos

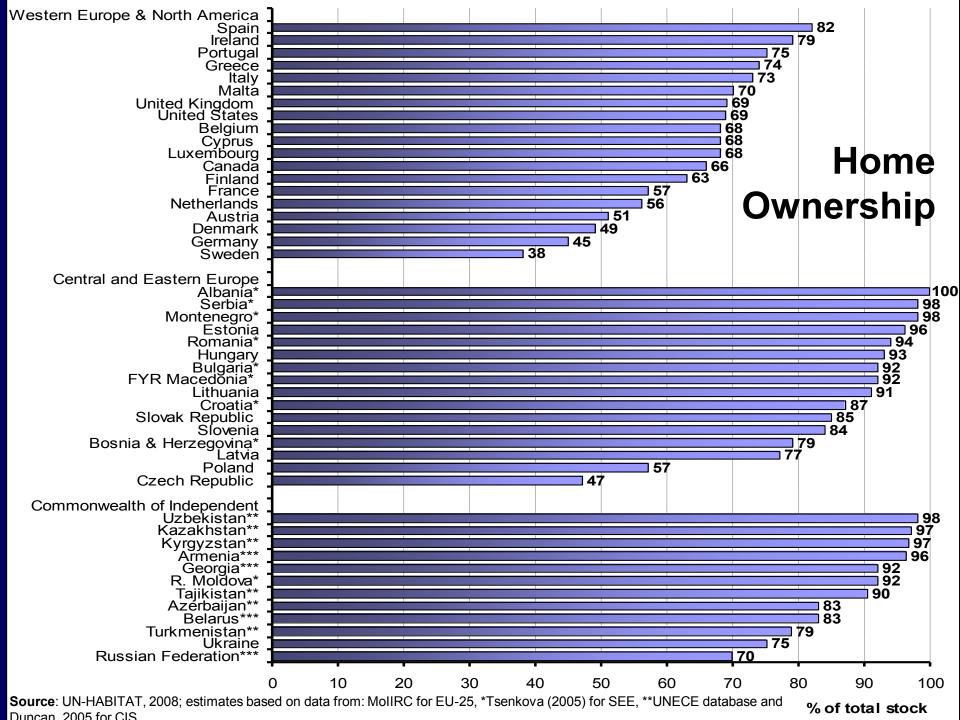
### Rental Housing: a fundamental variable in the affordable housing supply equation





## Assessing how the Housing Sector Works in different parts of the world



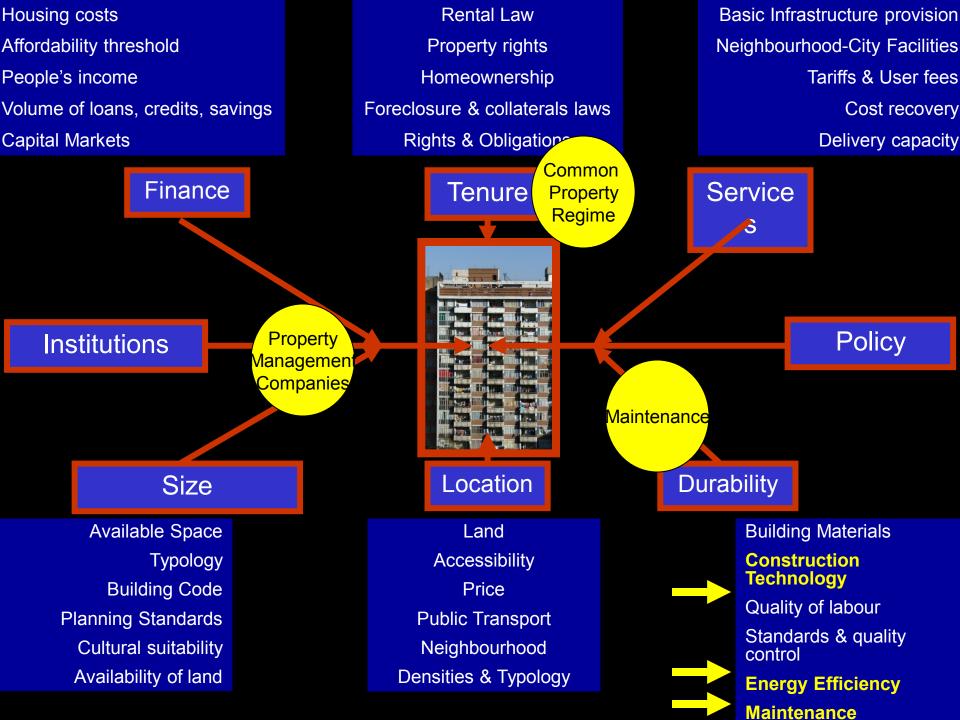


# Building a common understanding

### How the Housing Sector Works:

structure, functioning and sub-sectors

**Rental Law** Housing costs Basic Infrastructure provision Affordability threshold Neighbourhood-City Facilities Property rights People's income Tariffs & User fees Homeownership Volume of loans, credits, Foreclosure & collaterals Cost recovery laws savings Delivery capacity **Capital Markets** Rights & Obligations Services Finance Tenure **Policy Institutions** Durability Location Size **Available Space** Land **Building Materials Typology** Accessibility Construction Technology **Building Code** Price Year of construction Planning Standards **Public Transport** Quality of labour Neighbourhood **Cultural suitability** Standards & quality control Availability of land Densities and Typology Maintenance



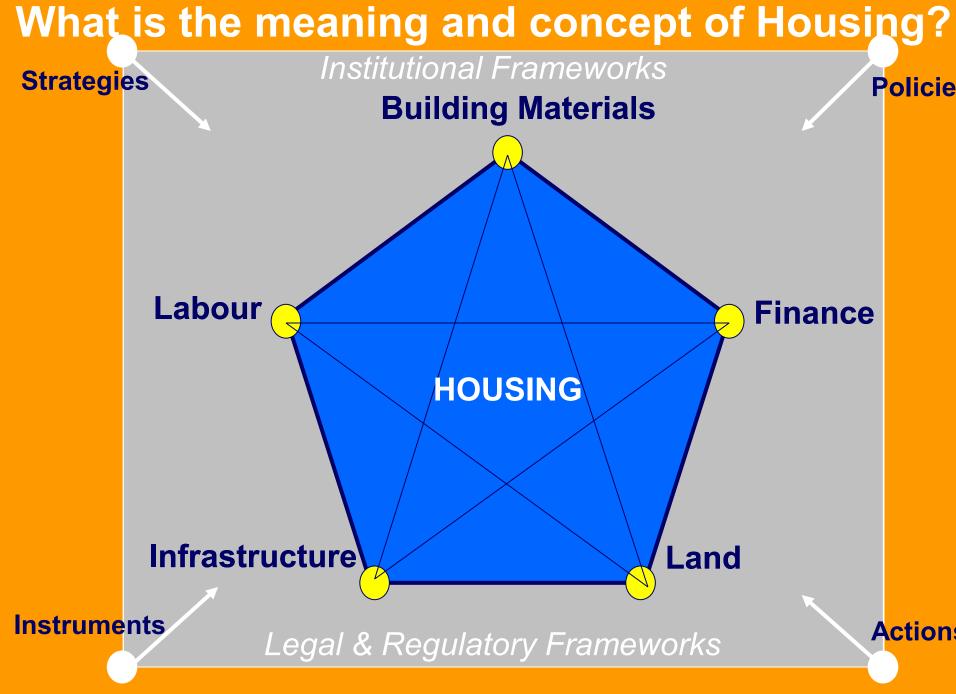
### For UN-HABITAT, it is imperative:

- 1. Governments should promote the full and progressive realisation of the right to adequate housing as defined in the Habitat Agenda and international instruments;
- 2. Adequate housing for all and cities free of slums can only be achieved if housing reforms are carried out and housing policies manage to bring solutions to scale, delivering a wide range of affordable housing opportunities in size, standard, typology, price and location.
- 3. Governments should address critical bottlenecks hindering the housing sector to perform its role in economic development & poverty reduction with well-informed and evidence-based housing policies.
- 4. Governments should establish mechanisms and apply instruments to monitor housing sector performance and housing policy outcomes

#### What is the Right to Adequate Housing?

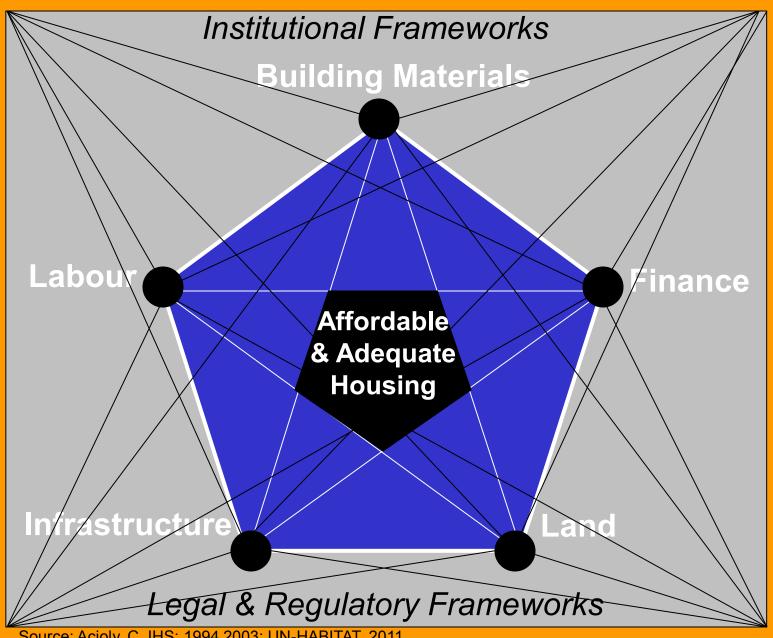
7 adequacy criteria according to International Covenant on Economic, Social and Cultural Rights:

- 1. Security of tenure (and protection from forced eviction!)
- 2. Availability of services, materials, facilities and infrastructure
- 3. Location
- 4. Habitability
- 5. Affordability
- 6 Accessibility
- 7. Cultural adequacy



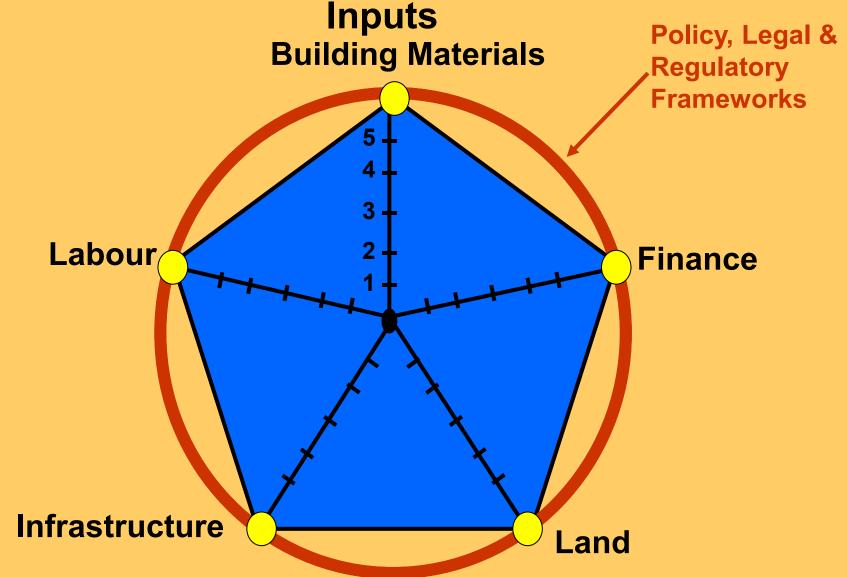


#### What is the ultimate goal?



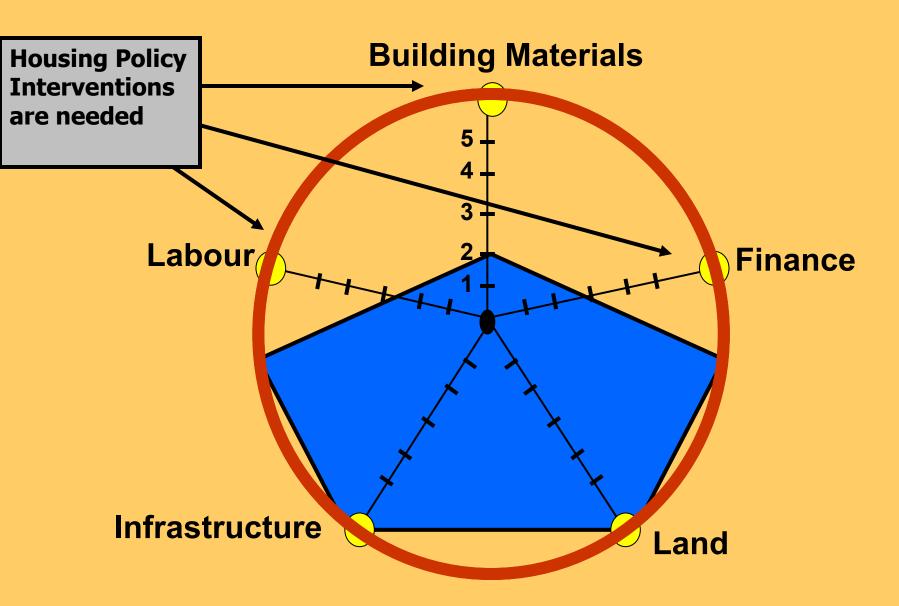
Source: Acioly, C. IHS: 1994 2003; UN-HABITAT, 2011.

#### The Housing Diamond of Perfect Equilibrium of

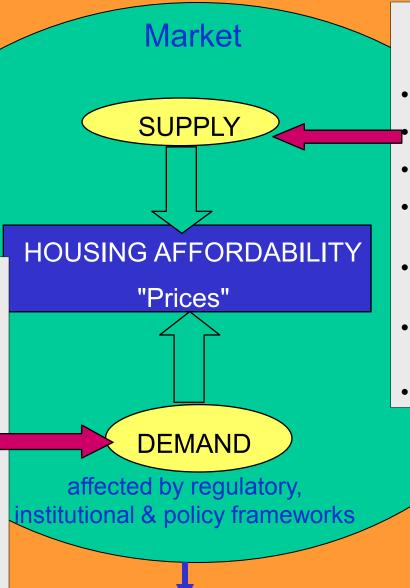


Source: Acioly, C. 1994; 2003; UN-HABITAT, 2011.

#### Scarcity of one Component brings Disequilibrium



#### The Context of Housing Policy



**OUTCOMES** 

Affected by:

Demographic

Rate of urbanization

household formation

Property rights regime

Housing Finance

Macro-economic

Fiscal Policies

Subsidies

conditions

conditions

Rate of New

Source: Acioly, C. IHS: 1994 2003.;

Affected by

land

availability of:

Infrastructure

Industry

Labour

production

**Building Materials - BM** 

**Organisation Building** 

Skilled & Productive

Self-reliance BM

**Urban Planning** 

World Bank, 1993; UN-HABITAT, 2011

#### OUTCOMES OF HOUSING POLICIES



Scaled-up

**Variety of Options** 

Diversity in Size, Location, Quality, Standard, Price

Freedom of choice

A Healthy Rental Sector is an integral part of a well-functioning housing system.

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# Enabling the Housing Sector to Work

The institutional structure of the Housing Sector & the Policy Framework



