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DeVoy, R. S.

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JUNE 1979

**AGENCY
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INTERNATIONAL
DEVELOPMENT**



OFFICE OF HOUSING

BOTSWANA
SHELTER SECTOR ASSESSMENT

JUNE 1979

Office of Housing
Agency for International Development
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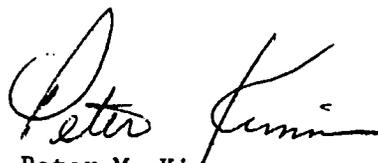
FOREWORD

This report is the product of a study requested by the Government of Botswana and conducted by DeVoy Collaborative in cooperation with representatives of that Government. The study was made under the auspices and with the financing of the Office of Housing, Agency for International Development. The purpose of the study was to provide an updated Botswana Shelter Sector Assessment.

The study was conducted by Robert S. DeVoy. Field work was completed in April, 1979.

The findings and recommendations of the study are for discussion and review and are not to be considered as the official position of the Government of Botswana or the Agency for International Development.

We hope that the Government of Botswana will find the report and its recommendations useful when considering future shelter programs.



Peter M. Kimm
Director
Office of Housing

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CHAPTER I: SUMMARY

A. COUNTRY SITUATION

The availability of scarce water resources in Botswana is a major determining influence on where the population lives. The country can be divided into three ecological zones. The Kalahari Desert, a semi-arid to arid savanna, stretches over the central, southern, and western parts of the country. The Okavango Delta area in northeast Botswana is the one part of the country where large amounts of water are available, but diseases are a problem. More than 80% of Botswana's population lives in the eastern part of the country along the railroad connecting Rhodesia with South Africa.

The population of Botswana was estimated at 658,000 in 1971 and 823,000 in 1978 -- an increase of 165,000 or 25%. Of the 823,000 people, 18,000 were non-citizens and 60,000 were absentees, primarily men working in the mines in South Africa. March 1979 projections by the Central Statistics Office show a total population of 904,000 in 1981 and 995,000 in 1984, thus continuing the 3% rate of increase experienced from 1971 to 1978.

Botswana have strong social and economic ties to their home villages, their land, their cattle, and their extended households. It is common for households to have a house in the village, another at the cattle post and one at the farm fields. Many of the people moving to the urban areas continue to think of the village as "home" and frequently return there. There are many rural villages, some are as large as the four towns.

The percentage of Botswana living in urban settlements rose from 4% in 1964 to 11% in 1971 and 15% in 1978 -- perhaps the highest rate of urban growth in Africa. This urban percentage is projected to increase to 18% in 1981 and 21% in 1984. The approximately 120,000 urban residents in 1978

were concentrated in Gaborone, Selebi-Pikwe, Francistown, and Lobatse, all located in the eastern zone of Botswana. Gaborone is the country's capital built from scratch after independence; its population grew to 17,700 in 1971 and 44,500 in 1978.

The median household income in Gaborone is significantly more than in the other towns: P125 (\$150) compared to P90-105 (\$108-\$126) per month (1978).

B. GOVERNMENT FROM A HOUSING PERSPECTIVE

Housing and urban development functions mostly are concentrated in the Ministry of Local Government and Lands (MLGL). The Ministry of Finance and Development Planning (MFDP) works closely with the MLGL on the financing of housing, schools, health clinics, and other related facilities and services.

Three government corporations have major housing and related functions: Botswana Housing Corporation (middle and upper-income housing); Botswana Power Corporation (electricity); and Water Utilities Corporation (water supply).

The four Town Councils each has a housing department, or Self-Help Housing Agency (SHHA), responsible for the implementation and administration of self-help housing, site and service projects and squatter upgrading projects.

Urban development in Botswana is a largely new community development since Gaborone and Selebi-Pikwe are new towns and Francistown and Lobatse were small towns only a decade ago. Therefore, the National Development Plan focuses on growth prospects and comprehensive town plans. The need for better detailed planning is stressed to avoid costly development mistakes.

Housing and urban development is not to be subsidized, except through cross-subsidy from higher to lower income groups. Urban standards are set

forth which recognize that 70% of the population can only afford site and service self-help housing.

The Ministry of Local government and Lands has prepared its proposed draft for the National Development Plan V covering the years 1979-1985.

A key change from the present NDP is the new concept of integrating urban and rural development. MLGL proposes the following three main policies:

1. To strengthen the implementation capacity of the Ministry of Local Government and Lands, and of all the central and local institutions under its auspices.
2. To balance and integrate physical and economic planning of the projects to be implemented, within and between the rural and urban areas.
3. To decrease financial dependence of local authorities on central government.

There are seven urban strategies proposed to implement these policies.

The direction of these policies and strategies continues to be the same as in the NDP IV. The emphasis is even more on site and service self-help housing. There also is a keen sense of the Government's limitations, thus the need for strengthening its capabilities directly and fostering housing efforts by Town Councils and the private sector. Moreover, the fiscal weakness of the Town Councils is recognized, thus perhaps entailing further Government financial assistance if Government policies are to be implemented.

The Government of Botswana in 1978 approved urban development policies proposed by the Urban Development Committee (comprised of representatives of the GOB departments concerned with housing and urban development as well as Town Councils). These policies are comprehensive, pertinent and largely attainable in Botswana at this time. Some of the policies are more difficult to accept and implement than others; for example, lowering

building standards and recovering full costs from lower-income households. But even in these difficult areas, progress toward the policy is already underway.

C. URBAN DEVELOPMENT AND HOUSING

Rapid urban growth resulted in a very substantial demand for urban residential land. During the last three years approximately 8,220 new residential plots were serviced. This plot provision was inadequate, especially in Gaborone.

Five major projects were implemented between 1976 and 1979: in Gaborone, the Naledi Upgrading and Broadhurst II projects; in Francistown, the Urban I project due to end in 1979; in Labatse, the Woodhall I project completed in 1977; and in Selebi-Pikwe, 1,421 plots were completed.

There will need to be a total of 45,000 residential plots by 1985 in the four towns. Since there were 23,385 in 1978, a total of 21,615 new plots are needed, or 3,600 per year. Of these, at least 70% or 2,500 units per year, need to be sites and services and settlement plots for self-help houses.

Nearly all housing in the four towns is single-family detached. Some multi-family housing exists in Gaborone for Government workers and expatriates. As the towns continue to grow, travel on foot will become more difficult and time-consuming, thus requiring more public transport. Also, this low-density pattern of development is expensive to service with road, water and sewer systems.

While it is the official policy of the Government not to subsidize housing, in fact the level of subsidy is significant and growing substantially. Major areas of subsidy are: (1) the inadequate revenues collected from service charges levied by town councils on households with Certificates

of Rights plots (the level of the charges is too low to cover costs and nearly one-half do not pay) and (2) the below-market rents for the housing units managed by the Botswana Housing Corporation (BHC). As Botswana's official policies recognize, the problems of housing the poor are not solved by public subsidies. More is to be gained by economic programs which increase household incomes, encouraging people to stay in rural areas and providing basic affordable housing.

D. LAND ANALYSIS

There are three land tenure systems in Botswana. Tribal lands comprise approximately one-half of the country's area. State lands, also nearly one-half of the country's area, are owned and administered by the central government. When these lands are surveyed and registered, they can be sold on the private market or leased. Freehold lands, only 3% or so of the total land area, are those areas purchased from state lands or held on colonial grants which continued to be honored after independence. Some large freeholdings have had and will continue to have a substantial impact on urban development since they are located within present urban areas.

The rapid pace of urbanization has necessitated building the towns based on sketch plans rather than carefully prepared development plans. As a consequence, some development projects have been badly located and designed, resulting in excessive development problems and costs, and public facilities frequently are constructed later than desirable.

Housing can be either sold (on a freehold basis) or leased. The land itself is not assigned value, only the improvements are valued. In traditional areas, sometimes in squatter areas, and sites and services areas, plots which have been surveyed and registered can also be transferred.

For the most part, however, these plots are only staked out without surveyed boundaries. For these plots a special kind of tenantry has been established in which the tenant receives a "Certificate of Rights," issued by Town Councils and based on national law.

The "Certificate of Rights" guarantees the tenant the continuous right to occupy a certain plot in return for monthly payments toward specified services. The Right is inheritable and guarantees compensation for improvements to the plot should the Rights be revoked. The squatter upgrading, sites and services subdividing, and self-help housing projects now being developed or planned include tenantry by Certificate of Rights.

One of the primary obligations of a plotholder under the Certificate of Rights is that he (she) build an approved permanent house (usually at least one complete room) within a specified period (one year now in Gaborone). The first sites and services projects did not include building material loans, so for many households this was a difficult and even impossible requirement. All the major sites and services projects now include such loans.

E. INSTITUTIONAL ANALYSIS

The housing delivery process begins with population projections made by the MLGL's Department of Town and Regional Planning. These projections are related to households by income levels. The Urban Affairs Division of the MLGL then compares these projections with existing and scheduled housing units to estimate the need for new houses. The Urban Affairs Division prepares a Project Memorandum for each proposed project, which serves as the basis for official discussions and decisions regarding the project.

The Department of Town and Regional Planning leads in determining the location and general physical layout of the proposed project. Several

ministries and parastatal corporations review the proposal from their own perspectives. Once the project is firmed up and agreed upon by the several participants, the Ministry of Finance arranges financing.

Most housing projects include houses by the Botswana Housing Corporation. When the project includes self-help housing, the Town Council is involved through its departments, especially the Self-Help Housing Agency.

The MLGL Urban Development Coordinator assumes overall responsibility for coordinating and managing the project through the design and construction phases. The MLGL Department of Surveys and Lands is responsible for surveying the project area including roadways and plot boundaries. This Department also maintains official records on plot ownership.

The housing delivery process in Botswana involves many participants, each performing its special functions. The process is reasonably well organized, efficient and effective. With so many participants with widely varying perspectives, there are many points for friction, overlap, conflict, and gaps. Nevertheless, the process works because procedures and responsibilities are quite clearly defined and established. Key to the successful functioning of this process is coordination. The roles of the MLGL's Urban Development Coordinator and the Project Committee he chairs are essential.

For the self-help housing component of housing projects, the Town Council SHHA is responsible for the allocation of plots, the issuance of Certificates of Rights and the provision of community development assistance and construction assistance to plot holders who are building their own houses. In addition, the SHHA operates building material depots and makes building material loans to lower-income households.

Plots are allocated to the Botswana Housing Corporation for construction of low-cost, medium-cost and high-cost houses and plots. The BHC designs its houses and lets contracts for their construction. As of March 13, 1979, the BHC was leasing and maintaining 4,147 housing units, including 1,109 from the original Government assignment and some for other institutions. Some 500-600 houses have been sold.

BHC has had long waiting lists for its housing for several years. The waiting list now contains 7,414 applicants, which is more than double the total number of houses built by BHC in its eight years of existence (nearly 3,500).

The Bank of Botswana is the central bank. There are two commercial banks (Standard and Barclays), a National Development Bank and a Post Office Savings Bank. None of these institutions lends significant amounts of money for housing. The Botswana Building Society is a chartered financial institution which operates various savings plans and makes house mortgage loans. While the Building Society is small, it is growing rapidly.

Mortgage loans are made at 10.5% to 11.0% interest for up to 25 years, usually for a maximum of 70% of house value. However, under the new housing scheme, Government guarantees 25% of the purchase price, this enabling 95% loans. While this new program appears attractive, since it started only in March 1979, it is not possible to determine its effects on house purchasing. Capital is ample in Botswana, but relatively little seems to be available for mortgages and other long-term loans.

F. CONSTRUCTION SECTOR ANALYSIS

Several relatively modern large-scale construction firms, employing 100 or more per firm, undertake the major part of conventional housing construction in Botswana. Most of these firms are managed by South Africans. The

building industry also includes a limited number of small-scale contractors with about 20 workers each and an undetermined number of unorganized individual or small groups of craftsmen.

There does not appear to be sufficient management and supervisory personnel in Botswana for an expanded and sophisticated housing construction program. The lack of skilled construction supervisors is seen as an obstacle to increased construction capacity even more than the lack of skilled labor. These constraints have not affected the growth of self-help construction activity in recent years, since less skilled local craftsmen are more suited to this type of construction. Most housing being produced is self-help. The volume of low-income housing produced in this manner now is more than 1,000 units per year and increasing rapidly. In a few years, the annual production could reach 3,000 units in the four towns.

Squatter housing is built unofficially and sometimes haphazardly on illegal plots, usually with traditional materials. While squatter housing has increased in recent years, Government and Town Council officials project they will soon have enough sites and services and settlement plots available to gain control of this situation. Squatter upgrading and resettlement projects are significant now.

Almost all building materials for permanent construction are imported. About 90% of the imported materials came from South Africa and most of the rest from Zimbabwe-Rhodesia (representing primarily cement for the northern half of Botswana). The local manufacture of building materials in Botswana is limited to concrete blocks and bricks, clay bricks, metal frames and trusses, and paint mixing. Local production of materials is generally on a small scale.

One of the most difficult issues regarding housing for lower-income households in Botswana is sanitation. Waterborne sewerage is too expensive to install and uses too much water to be practical in Botswana for the majority of households. Yet, none of the alternatives has proven to be satisfactory either. More research and demonstration projects on low-cost sanitation are planned over the next few years.

Housing costs are high compared to household incomes. The least expensive model of the Botswana Housing Corporation is 39 square meters and cost P4,100 for the basic house without electricity. Such a house is affordable by only 30% of the urban households. Building materials for a 21 square meter self-help house in Gaborone cost P662 (including toilet building), whereas the limit on a building material loan is P600 -- Government is considering increasing the limit to P800.

The overall cost of living in Botswana has increased an average of 12% per year in the 1970's, while building material costs have increased much more -- from 15% to 50% in recent years, depending upon the material.

G. RECOMMENDATIONS

There are many things which could be done to improve the delivery of housing and urban services in Botswana. However, none of the suggestions made in the last Chapter of this report are likely to be new to those familiar with Botswana housing and urban development. In fact, all these suggestions would be carried out by the full implementation of the land, urban and housing policies adopted by the Government of Botswana in 1978. So that is the fundamental recommendation: be guided by the present policies and aggressively seek their attainment.

CHAPTER II: COUNTRY SITUATION

The Republic of Botswana is a landlocked country located in the center of southern Africa. Surrounded along four-fifths of its borders by South Africa and territories administered by South Africa, Botswana has a land area of 570,000 square kilometers, and is comparable in size to France and Kenya. The mean altitude is about 1,000 meters above sea level.

Botswana became an independent country in 1966, following 70 years as a British Protectorate. As the Bechuanaland Protectorate, Botswana -- together with Swaziland and Basutoland (now Lesotho) -- was administered directly by the British Crown, occupying an anomalous position in the white hegemony of South Africa. A new Constitution adopted in 1965 led to independence the following year, based on universal adult suffrage. Under this Constitution, Botswana is a parliamentary democracy with a President, Vice President, Cabinet, and Parliament consisting of the National Assembly and House of Chiefs.

Even though Botswana has maintained political independence from South Africa, its economy is intimately linked to that of its more powerful neighbor. This is evident in Botswana's dependence upon South African imports, transport, and technical assistance, the customs union between the two countries, and the joint currency and credit system until two years ago. Now Botswana has its own currency, the Pula (P1.00 = U.S. \$1.20).

The climate of Botswana is generally sub-tropical and semi-arid with an average annual rainfall of 450 mm. The distribution of this rainfall

is highly erratic, and more than 90% occurs during the summer months of November through April. The nature of rainfall patterns causes severe drought in some years, leading to unpredictable agricultural yields.

The availability of scarce water resources in Botswana has been, as can be expected, the determining influence on where the population lives. The country can be divided into three ecological zones. The Kalahari Desert, a semi-arid to arid savanna, stretches over the central, southern, and western parts of the country and is inhabited mainly by small nomadic bands of Bushmen. It is sparsely populated and in some part is suitable for limited cattle grazing. The Okavango Delta area in northwest Botswana is the one part of the country where large amounts of water are available. However, the prevalence of sleeping sickness and malaria have prevented access and use of the valuable water supply. The major area of development and human settlement in Botswana is in the eastern part of the country along the railroad connecting Rhodesia with South Africa. More than 80% of Botswana's population lives in this zone, which offers relatively good soil and sufficient rainfall for cattle raising and some farming by cultivation.

Botswana has one of the most ethnically homogeneous populations in Africa. There are eight principal Tswana tribes, of which the Bamangwato is by far the largest. The original inhabitants were Bushmen. Setswana is the language most commonly used, but English is the official language and is understood by one-quarter of the population.

A. THE ECONOMY

Formal sector employment increased from 41,300 in 1972 to 62,700 in 1977 -- an increase of 21,400 or 52%. This rate of growth was somewhat greater than urban population growth, thus implying that unemployment and underemployment rates may be decreasing slightly. Informal employment is conservatively estimated to be more than 10% of total employment per the National Development Plan. Urban unemployment rates fluctuate around 15-18% for males and 35-48% for females (A Social and Economic Survey in Three Peri-Urban Areas in Botswana, Ministry of Finance, 1974).

Mining and quarrying showed the greatest employment gain (both absolutely, 1,675 to 5,500, and relatively, 228%), while agriculture was the only category to experience a loss (4,825 to 4,250) in the 1972-1977 period. This decline is important in terms of the Government of Botswana high priority on rural development.

Government employment increased from 10,200 to 18,750. A growth of 8,550 jobs or 84% compared to 12,850 additional jobs, 41%, in other sectors (including public education and government corporations).

Gross domestic product (GDP) has grown rapidly: from P43.8 million in 1967/68 to P102.6 million in 1971/72 and P299.2 in 1976/77 (in current dollars). Even after adjusting for inflation (averaging 12% per year since 1974), GDP increased nearly 10% per year in the last five years reported. The major contributors to GDP output are agriculture 24%, wholesale and retail trade 19%, general government 16%, and mining and quarrying 15% -- a total of 74%.

In recent years, the value of imports has exceeded exports by roughly 50%. Most types of goods are imported, including food, fuel, textiles, metals, machinery, electrical equipment, and vehicles. Major exports are minerals (diamonds, copper, nickel) and meat/meat products. Approximately 80% of imports come from South Africa, while only 15% of exports go there. Exports are destined mostly to the United Kingdom (40%), North and South America (25%), and other European countries (widely varying percentage).*

* Sources: Statistical Bulletin, December 1978 and Employment Survey, August 1977, Central Statistics Office, Ministry of Finance and Development Planning.

According to the 1971 Census, 67% of the labor force in Botswana was involved in family or subsistence agriculture and an additional 24% was recorded as having no economic activity, but was assumed to have been dependent upon subsistence activities for a living. Rural poverty, uncertain agricultural yields due to climate, and the uneven distribution of land and cattle (the mainstay of the Tswana socio-economy) have led to a high rate of migration from rural to urban areas in recent years.

B. THE POPULATION

The population of Botswana was estimated at 658,000 in 1971 and 823,000 in 1978 -- an increase of 165,000 or 25%. Of the 823,000 people, 18,000 were non-citizens and 60,000 were absentees, primarily men working in the mines in South Africa. March 1979 projections by the Central Statistics Office show a total population of 904,000 in 1981 and 995,000 in 1984, thus continuing the 3% rate of increase experienced from 1971 to 1978.

Females comprised 54.3% of the 1971 population; their dominance was mostly attributable to the large number of males working outside Botswana. In the 20-24 age group there were nearly twice as many females as males. In 1978, including absentees, females comprised 51.6% of the population and dominated every age group over 20 years of age.

The percentage of Botswana living in urban settlements rose from 4% in 1964 to 11% in 1971 and 15% in 1978 -- perhaps the highest rate of urban growth in Africa. This urban percentage is projected to increase to 18% in 1981 and 21% in 1984. The approximately 120,000 urban residents in 1978 were concentrated in Gaborone, Selebi-Pikwe, Francistown, and Lobatse, all located in the eastern zone of Botswana. Gaborone is the country's capital built from scratch after independence; its population grew to 17,700 in 1971 and 44,500 in 1978. It is projected to grow to a 1986 population range of 82,400-103,000 depending on in-migration. Selebi-Pikwe and Francistown are urban areas which grew with development of the mining industry in the northeastern part of Botswana. A new town has been built at Selebi-Pikwe around the mineheads of large copper and nickel installations. Selebi-Pikwe population was 10,900 in 1971 and 25,100 in 1978; in 1986 it is projected at 41,800. Francistown, an older mining town, now serves as a commercial center for the mining industry. Francistown has grown from 18,600 in 1971 to 27,900 in 1978, with a projected population of 46,400 by 1986. Lobatse, one of the oldest urban settlements located in the southern part of the country, grew at a slower rate but nonetheless increased in population by 7,100 from 1971 to 1978 (i.e., 11,900 to 19,000). By 1986, Lobatse's population is projected to be 27,900.

Batswana have strong social and economic ties to their home villages, their land, their cattle, and their extended households. It is common for households to have a house in the village, another at the cattle post and one at the farm fields. Many of the people moving to the urban areas continue to think of the village as "home" and frequently return there. There are many rural villages, several of which (e.g., Molepolole, Mochudi, Kanye, Serowe) function as urban places and some are as large as the smaller towns. Migrants to the towns are mostly young adults seeking education and job opportunities. Usually they come alone and live with friends or relatives. As they get settled, other family members tend to join them.

The latest Employment Survey (August 1977) reported wages, salaries and payments in kind for workers in both the private sector and government. The mean income in the private sector was P128 (\$154) per month and in the public sector P136 (\$163) per month. The total mean was P130 (\$156), or P1,560 (\$1,872) per year. Medians were not reported, but rough calculations indicate that the median approximated P90 (\$108), or P1,080 (\$1,296) per year.

The Central Statistics Office (CSO) conducted a survey in 1978 to estimate household income distributions in the four towns. These estimates are to be included in the next National Development Plan and are the best available. Table 1 summarizes CSO findings. Note that the median in Gaborone is significantly more than in the other towns: P125 (\$150) compared to P90-105 (\$108-\$126) per month. These medians exclude households reporting no income. It is probable that many of these

households in fact have no income or, at least, low incomes, but since such determinations cannot be made from the information available.

The annual median household income in Gaborone in 1978 was P1,500 (\$1,800) -- exactly the amount used by the Gaborone Town Council in determining eligibility for plots and building material loans in the Broadhurst II self-help housing program which is partly funded by a Housing Guaranty loan.

TABLE I

PERCENTAGE DISTRIBUTION OF 1978 HOUSEHOLD
INCOMES IN BOTSWANA'S FOUR TOWNS

<u>Monthly Income Range</u> (P1.00 = \$1.20)	<u>Gaborone</u>	<u>Francistown</u>	<u>Selebi-Pikwe</u>	<u>Lobatse</u>	<u>Total of Four Towns</u>
No Income Reported	11.2%	16.3%	12.5%	14.9%	13.5%
Less Than P25	7.0	12.9	8.3	6.9	9.1
P26-50	19.4	17.2	9.4	11.5	16.2
P51-75	8.5	11.5	11.5	16.1	10.9
P76-100	7.7	12.4	17.7	18.4	12.1
P101-150	15.1	8.6	13.5	8.0	11.8
P151-200	5.8	7.7	8.3	5.8	6.8
P201-300	11.2	6.2	11.5	9.2	9.4
P301-400	4.7	3.8	4.2	2.3	4.0
P401-500	2.7	1.4	2.1	4.6	2.5
P500+	6.6	1.9	1.0	2.3	3.7
Total	100.0	100.0	100.0	100.0	100.0
MEDIAN (Approximate)*	P125	P90	P105	P95	P105

*Excludes households not reporting income.

SOURCE: Central Statistics Office survey; calculations by DeVoy Collabora-
to exclude non-citizen households.

C. LOWER-INCOME HOUSEHOLDS

Approximately one-half of the lower-income households in Gaborone live in Old Naledi, a squatter area which is being upgraded by the Town Council with assistance by the Canada International Development Agency (CIDA). Most of the other lower-income households live in servants quarters or smaller squatter areas.

In 1978 a Baseline Survey of the Old Naledi Squatter Upgrading Area was undertaken by the GOB Central Statistics Office and Botswana University with funding from CIDA and technical assistance from the CIDA Project Manager. The following selected population and housing characteristics are from the draft report on the survey:

- 2,344 households; 10,019 persons; 4.3 persons per household.
- population growth of 14 per cent per year, 1971-78; household growth of 5 per cent -- most growth because of increases in household size.
- population 57 per cent male, 43 per cent female; 60 per cent in working age group.
- 43 per cent of adult population have never gone to school.
- 60 per cent of the children of school age attend school (below average for Gaborone).
- 48 per cent of adults are in work force, compared to 62 per cent for Gaborone.
- 94 per cent working males and 66 per cent of working females are in wage employment.
- the total work force of 3,303 includes 2,918 males and 385 females (61 per cent of the population 15 years and older is male, 39 per cent female, thus relatively few adult women work).
- 71 per cent of households have workers in wage employment; 12 per cent in self employment and only 1 per cent both in wage and self employment (remainder not specified).

- wage workers are mostly labourers (42 per cent) and artisans (19 per cent), while self-employed mostly sell beer (33 per cent) are traders (21 per cent) or sell fruit and vegetables (12 per cent).
- unemployment rate is not known.
- 83 per cent of plot owners are male; female plot owners are younger.
- 88 per cent of owners built their own houses.
- Of the 1,977 owners, 133 want to move to the new Broadhurst sites and services housing project, while 1,844 want to stay in Old Naledi.
- Of the 295 renters, 49 want to live in Broadhurst and 246 want to stay in Old Naledi.
- 8.5 per cent of plots have more than one household.
- average plot size is 323 m²; 44 per cent less than 200 m²; large variation.
- mean persons per hectare is 102.
- housing quality: 27 per cent low (walls of mud, plywood, cardboard, plastic; roof of thatch, canvas or plastic); 48 per cent middle (walls of mud, brick, tin, block; roof of tin, thatch, asbestos); 25 per cent upper (walls of brick or block; roof of tin, asbestos or tile).
- housing attitude: 61 per cent feel housing is not adequate; 17 per cent quite adequate; 22 moderately adequate.
- perceived inadequacies: too small, 43 per cent; too crowded, 25 per cent; sanitation facilities, 12 per cent; far from water, 4 per cent; no room for garden, 7 per cent, other 9 per cent.
- 36 per cent feel that poor housing is "worst problem living in Gaborone," (food crisis, 20 per cent; inadequate income, 20 per cent; inadequate job opportunities, 13 per cent; crime, 6 per cent; high rent, 3 per cent).

CHAPTER III: GOVERNMENT FROM A HOUSING PERSPECTIVE

A. ORGANIZATION

Housing and urban development functions mostly are concentrated in the Ministry of Local Government and Lands (MLGL). Program planning and coordination are the responsibility of the Under Secretary - Urban and the Urban Affairs and Housing Division. The MLGL Department of Town and Regional Planning prepares comprehensive structure plans for towns and villages as well as specific project areas. Detailed plans are prepared by contractors. The Department of Surveys and Lands of the MLGL is responsible for physical and land ownership surveys and mapping and the maintenance of land ownership records.

The MLGL has a Low Cost Housing Officer responsible for fostering the provision of housing and related services for lower-income households. Implementation of housing and other urban projects is managed by the MLGL Urban Development Coordinators; presently there is one for Gaborone and Lobatse and one for Francistown and Selebi-Pikwe.

The Unified Local Government Service (ULGS), a department of MLGL, is responsible for the recruitment, training and posting of personnel employed by the Town Councils and other local governments.

The Ministry of Finance and Development Planning (MFDP) has planning officers who work closely with the MLGL on the financing of housing, schools, health clinics, and other related facilities and services. In addition, the Ministry of Works and Communication, Ministry of Education, Ministry of Health, and Ministry of Home Affairs are responsible for providing public facilities and services.

Three government corporations have major housing and related functions: Botswana Housing Corporation; Botswana Power Corporation (electricity); and Water Utilities Corporation (water supply). The Botswana Housing Corporation (BHC) manages approximately 3,300 rental housing units and constructs houses for middle and upper-income households. The least expensive house now constructed by the BHC costs over P4,000 (nearly \$5,000). The BHC is described more completely in the subsequent section on Institutional Analysis.

The four Town Councils each has a housing department, or Self-Help Housing Agency (SHHA), responsible for the implementation and administration of site and service projects. Town Council engineering departments maintain roads and sewers, collect rubbish, provide fire protection, and regulate new building construction.

In 1977, a permanent Urban Development Committee was established, comprised of representatives of all central government departments involved in urban affairs and Town Councils. This Committee is chaired by the Deputy Secretary - Urban of the MLGL. It considers policies and makes recommendations to Cabinet.

B. THE NATIONAL DEVELOPMENT PLAN

The 1976-81 Plan is the fourth for Botswana. The fifth plan is being prepared now for 1979-85. Chapter 5 of the present Plan is on Urban Development. The key perspective of the government on urban development is expressed in the Introduction:

"While the Government wishes to promote economic development within the modern sector, it also realizes that such development must be carefully planned to minimize polarization and avoid the development of towns at the expense of rural areas."

"Within this constraint, the present chapter is primarily concerned with policies and plans catering for the expansion of Botswana's towns in a manner that both promotes economic growth and produces harmonious urban communities."

In addition to the relationship with rural development, the interrelationships of electricity, water, communications, industry and commerce, education and social development with urban development are pointed out.

Urban development in Botswana is largely new community development since Gaborone and Selebi-Pikwe are new towns and Francistown and Lobotse were small towns only a decade ago. Therefore, the Plan focuses on growth prospects and comprehensive town plans. The need for better detailed planning is stressed to avoid costly development mistakes.

Reliance is placed on site and service housing development. Housing and urban development is not to be subsidized, except through cross-subsidy from higher to lower income groups. Urban standards are set forth which recognize that 70% of the population can only afford site and service self-help housing.

The Plan projected a need for 15,527 residential plots, including 70% site and service (11,054), and the need to upgrade 6,200 squatter plots. The lack of serviced plots for housing, commerce and industry is mentioned

as a constraint to proper urban development. Also, it is noted that no loans were available for purchasing residential land, thus limiting private residential development. Loans were available for housing construction, however.

The need to find an acceptable design for low cost housing, the shortage of serviced land and uncertainty over rent levels are cited as reasons for the declining housing production of the Botswana Housing Corporation -- however, the Plan saw the resolution of those issues and planned an important future for the BHC.

The increasing fiscal problems of Town Councils indicate a need for finding additional revenue sources, or the Councils ability to create affordable site and service plots will be reduced.

The Plan includes descriptions and cost estimates for the following housing and urban development projects:

- . Francistown Physical Development
(Phases I, II, III)
- . Lobatse Physical Development
- . Selebi-Pikwe Physical Development
(Phase III)
- . Broadhurst Stages I and II (Gaborone)
- . Orapa Physical Development (mining town)
- . Naledi Upgrading (Gaborone squatter area)
- . Gaborone Expansion 1978-1981
- . Gaborone Growth Study

The Ministry of Local government and Lands has prepared its proposed draft for the National Development Plan V covering the years 1979-1985. A key change from the present NDP is the new concept of integrating urban and rural development. The draft of "Chapter V: Local Government and Land

Development" includes an analysis of past progress and present conditions. Also, Government policies are stated and explained. Then, strategies and projects to implement these policies are set forth.

The three main policies are:

1. To strengthen the implementation capacity of the Ministry of Local Government and Lands, and of all the central and local institutions under its auspices.
2. To balance and integrate physical and economic planning of the projects to be implemented, within and between the rural and urban areas.
3. To decrease financial dependence of local authorities on central government.

There are seven urban strategies proposed to implement these policies.

These are analyzed in the following sections of the Shelter Sector Analysis report. In brief, they are:

1. Provide adequate numbers of plots for residential, commercial and industrial use.
2. Revise the urban standards set in NDP IV in order to permit greater flexibility and variety and lead to more economical housing.
3. Increase the number and range of self-help schemes in order to meet the growing demand from both the poorest urban residents and the better-off who are not sufficiently well off to afford higher standard housing.
4. Upgrade existing squatter settlements to self-help standards. In the long run all site and service developments will be upgraded to full servicing.
5. Ensure that the cost effectiveness of new development is maximized in terms of service and employment provided.
6. Try to fulfill government's cost recovery policy through effective collection of economic service levies and property rates.
7. Match supply of serviced plots (with and without houses) to demand. Raise the rents for Botswana Housing Corporation houses to economic levels. Facilitate house construction by owners and local contractors.

The direction of these policies and strategies continues to be the same as in the NDP IV. The emphasis is even more on site and service self-help housing. There also is a keen sense of the Government's limitations, thus the need for strengthening its capabilities directly and fostering housing efforts by Town Councils and the private sector. Moreover, the fiscal weakness of the Town Councils is recognized, thus perhaps entailing further Government financial assistance if Government policies are to be implemented. However, this would be contrary to main policy number 3: "To decrease financial dependence of local authorities on central government."

Projects proposed in the NDP V draft continue and extend the projects in NDP IV. Since the time periods overlap for 1979-81, this duplication is inherent. The extension of similar types of projects derives from the continuity of policies and strategies.

C. LAND, URBAN DEVELOPMENT AND HOUSING POLICIES

The Government of Botswana in 1978 approved urban development policies proposed by the Urban Development Committee (comprised of representatives of the GOB departments concerned with housing and urban development as well as Town Councils) and separate land policies as proposed by the Urban Land Policy Advisory Committee. These two sets of accepted policies are included in the MLGL publication Urban Development and Land Policy, April 1978.

Highlights of these policies are:

Urban Land Allocation and Ownership

- ownership should not be converted to freehold; all residential land should be under fixed period grant
- once a house is built on a plot, there should be no restriction on its sale
- citizen civil servants treated same as other citizens
- only one residential plot in each town to a citizen; no limit on free market houses
- owner occupancy of multi-unit buildings should be encouraged by law changes
- mortgage guarantee scheme should be introduced (it just has been)
- commercial banks encouraged to give longer term loans, with property as security

Land Development

- Consider "programme" financing by donors rather than "project" financing to permit better scheduling of housing delivery
- Avoid financing involving more than two donors
- Arrange financing for major infrastructure well in advance
- Government should continue to plan and finance primary infrastructure to keep project control
- Development standards should be lowered to level necessary to recapture costs from lower-income households
- Develop settlement areas with only pegged plots, standpipes and scraped roads as alternative to squatter areas (will do in Francistown and Selebi-Pikwe in Urban II Project)
- Minimum area for partially serviced plots should be 400m² (some attempt now to reduce this size)
- Towns should deal with growth but not encourage it; squatting should be prevented
- Town maintenance services must improve and keep pace with urban growth

Housing Policy

- Household income limit for self-help plot should be raised to P 3,500 (\$4,200), with allocations based on point system which gives priority to low income
- Private sector should be encouraged to develop about one-third of houses on serviced plots
- Small building contractors should be assisted with financing, mobilization, skill training, and registration.
- Botswana Housing Corporation rents should increase annually at least 12 1/2% until they reach economic rent levels (since this rate is close to recent rate of inflation, it could be many years before economic rents would be reached).
- Rent control was considered but rejected in favor of increasing supply as way of holding the line on rents
- Service charge collections should be strongly enforced, including early eviction
- Services charges should be increased to economic levels by Town Councils
- Fundamental principle of planning should be primacy of access to services for the poor.
- Building regulations should not be overly restrictive; SHHA standard plans should get automatic approval; individual initiative encouraged

- Government should guarantee mortgage up to 25% of property value (maximum P 3000, or \$3,600, guarantee), thus enabling 5% downpayment on loans up to P 12,000, \$14,400 (Program just started)
- Building Material Loans should be made at replicable rate (presently to Councils at 8% on to borrowers at 9% for 15 years) rather than lower rates which are only possible with grant finance
- Present approach to squatter upgrading should be continued (i.e., rationalization of plot boundaries, Certificates of Rights issued, basic services, minimum relocation)
- Give more priority to planning and providing public transportation
- Finance and plan local centers, schools, clinics and other community facilities concurrent with main infrastructure to ensure availability when needed

Cost Recovery Policy

- Site and service plot holders should pay service charges which cover debt service for secondary infrastructure, day-to-day costs of administering the areas, and recurrent costs of road maintenance, water, refuse collection and a portion of street lighting costs.
- Site and service project implementation costs should be paid by Government and donors.

- Where plots are sold, these costs should be recovered in price, along with a cross-subsidy element for high and medium cost residential and commercial/industrial sites
- Primary water, sewerage and electric costs should be recoverable through tariffs
- Schools, health clinics and health posts should be funded by grants when possible, since these costs are unrecoverable

Urban Finance

- Town Council service charges and tax rates should be rational, equitable, economic, and adequately collected
- Local government tax structure should be reviewed more frequently and revised as appropriate
- Government grants should replace school fees which are being eliminated

Town Council Staffing

- High priority should be given to allocating staff to Town Councils, especially their housing and treasury departments (alternative of centralizing housing departments conflicts with the Government aim of decentralization)

The Government of Botswana accepted the land, urban development and housing policies -- as highlighted above -- based on several years of experience with various types of programs and realistic assessments of their options. Accordingly, these policies are pertinent and largely

attainable in Botswana at this time. Some of the policies are more difficult to accept and implement than others; for example, lowering building standards and recovering full costs from lower-income households. But even in these difficult areas, progress toward the policy is already underway.

D. URBAN PLANNING

The Department of Town and Regional Planning of the MLGL, operating with new legislation (1977) entitled the "Town and Country Planning Act," is responsible for urban planning in Botswana. The Department has its principal staff in Gaborone and a small staff in Francistown.

During the period 1976 to 1979, the Department has completed growth studies for Francistown, Selebi-Pikwe, Gaborone, and Lobotse. Also, a draft proposal was prepared for an open town at Orapa (now a fenced mining town) and a development plan was prepared for the new mining town of Jwaneng. Another ten plans were prepared for major villages and smaller settlements, including the refugee settlement of Dukwe.

The Department staff engages in planning research and prepares general structure plans for urban and regional development which take account of physical, social and economic considerations. Engineering plans are prepared by consultants under contract.

The Department will be preparing development plans for each town as required under the Town and Country Planning Act. Also, more detailed plans are being formulated for expansion areas such as Gaborone West. All development plans are subject to approval by the Town and Regional Planning Board.

The planners in the Department are nearly all expatriates. The Department has a program of on-the-job training, including planning education outside Botswana, which is geared to enabling Botswana to assume technical and professional positions.

Each Town Council has the responsibility to approve development plans and issue construction permits. Technical work in this regard is

handled by the Town Engineer. As the towns grow and the Government shifts more authority and responsibility to the Town Councils, more consideration is being given to posting town planners on the staff of Town Council. The Department of Town and Regional Planning is attempting to meet the needs of individual towns by assigning staff to regional offices, as has been done in Francistown.

The Government has a general policy of favoring rural development over urban and not encouraging the rapid growth of Gaborone. There has been a decision to formulate a National Settlement Policy in an attempt to better control rural-urban migration and economic development.

CHAPTER IV: URBAN DEVELOPMENT AND
HOUSING -- PATTERNS AND GROWTH

A. URBAN DEVELOPMENT PATTERNS

There are four major towns in Botswana as well as two rapidly growing mining towns, a large refugee settlement (Dukwe), several large villages, and many smaller villages. Urban development in Botswana is essentially new town development. Nearly all these communities are located in the southern and eastern parts of the country. (See map in Appendix.)

The present development of Gaborone, the capital, is east of the railway in an elongated semi-circle pattern. Major roads are radial and semi-circular. At the center are Government buildings and the commercial center mall (see map in the Appendix). Higher-density, less-expensive housing is concentrated south of the center, while lower-density, high-cost housing is to the north.

This economic segregation pattern is being counter-balanced somewhat by the Broadhurst project for middle-cost, low-cost and self-help housing to the north. Also, the plan for Gaborone West, large enough to double the population of Gaborone from roughly 50,000 to 100,000 persons, is to be much more integrated in terms of densities and housing types. The Naledi squatter area, housing 10,000 persons, is to the south of town near the industrial area.

Although the development plan for Gaborone is fostering economic segregation of households which is contrary to Government official policy, the adopted plan for the new town of Selebi-Pikwe is similar. Lobatse and Francistown have older urban centers with major traditional and squatter areas at their edges.

Nearly all housing in the four towns is single-family detached. Some multi-family housing exists in Gaborone for Government workers and expatriates. As the towns continue to grow, travel on foot will become more difficult and time-consuming, thus requiring more public transport. Also, this low-density pattern of development is expensive to service with road, water and sewer systems.

B. HOUSING PATTERNS

Urban housing in Botswana is substantially influenced by rural traditions and practices. This includes both the structural and social aspects of rural housing. The fact is that some 60% of the urban population live in areas in which the houses and neighborhoods are patterned on rural housing. This means that there is a continuing demand for detached housing on plots which will support a number of outside activities such as cooking and gardening. Of course, the area available for each house in town is far less than in the country, so that while the form remains similar, some activities are impossible. In squatter areas some unofficial plots are less than 200 square meters, hardly enough to support a house (often made up of two or more buildings), let alone garden, pit latrine and outdoor cooking.

The transfer of rural forms to compacted urban areas results in problems of public health, social stability and structural soundness. On the other hand, rural housing practices were developed over long periods of time in response to demands of society and the climate. These houses accommodate these conditions quite successfully, whereas low-cost urban housing in permanent materials and European form has not been

as satisfactory. Recent designs have not always taken into account the lessons which can be learned from traditional housing.

Rural housing is usually built by the owner, who uses natural materials drawn free from the vicinity of the village. Thus, the tradition of self-help housing with no cash investment in materials is strong, and latent energy for self-help housing exists throughout Botswana. Preference for living patterns exert another important influence. There is a reluctance by many who come to the towns for jobs to establish urban roots because of their continuing commitments to the rural family and to cattle herding and farming. This factor is at once a strength and weakness, and its implications are not yet fully understood. Building a strong urban fabric depends on a long-term commitment to the needs of a town by its inhabitants. If a person is only living in a town to earn cash to expand his herd and increase his farming, he is taking resources out of the city which are needed there to increase the quality of urban life. On the other hand, this system of multi-based living seems to foster independence and self-reliance.

Existing urban housing is classified as high, medium, and low-cost housing; these categories are usually thought to correspond to the same respective income levels, although recent studies show significant exceptions. There is a major housing shortage at all levels.

High-cost housing -- designed from European and American influences and built of permanent materials -- is usually of higher quality than similar housing in the United States though with simpler kitchen and mechanical systems. This housing on large fully serviced plots is built

either for sale or rental. Most of these houses are built by the Botswana Housing Corporation (BHC), either from its own designs or those of consulting architects. There is also a small private supply of privately-built high-cost houses, usually custom designed. Most of the high-cost housing has been built in Gaborone because of the special need there for high level Government staff and expatriate housing.

Like high-cost units, medium-cost houses are either for sale or rent. Some fully-improved medium-cost plots are also for sale to owners who will build houses on them. Flats can also be considered part of medium-cost housing with the sizes of individual units ranging from 35 square meters for a sleeping alcove to 90 square meters for two bedrooms. BHC is the builder of most housing in this category, primarily located in Gaborone.

Since an annual household income of P2,400 (\$2,880) and more is required to afford BHC low-cost housing, BHC low, medium and high-cost housing together can meet housing needs of less than 30% of the population.

Low-cost housing includes several distinct categories. The range of low-cost housing types is large and their distinctions complex. Within the so-called low-income group there are important income differences. The Government seems to recognize four: 0 to P600; P600 to 1,500; P1,500 to 2,400; and P2,400 to 3,500. When related to housing in a rough way, the first group is assigned to traditional areas and settlement areas (plots with only nominal services); the second group (up to the medium income) to sites and services/self-help housing areas; the third group also to sites and services areas with higher standards;

and the fourth group to low-cost plots with domestic water connections and water-borne sewerage..

Traditional housing areas occur in sections of the older towns, Lobatse and Francistown, with street patterns and a long history of community development. These sections have been regarded as bona fide parts of their towns, and residents have rights of occupancy predating independence. Some residents hold important Government positions. While much of the housing is in traditional materials, there is a great deal of permanent construction and more houses are being converted to permanent materials all the time. Many residents are anxious to "modernize" their properties; that is, to adopt certain features of European or American houses. As a result, the areas demonstrate a mix of styles just as they house a mix in levels of income and education. Traditional areas include not only housing with varying plot sizes, but in some cases schools, churches, shops, clinics, and other community facilities. Some areas have small monthly service charges. Squatter housing has made inroads on traditional areas both within the areas and on the edges.

Squatter areas occur in all towns, occupying unused land. These areas are characterized by random growth, mostly high density, some families of five living on plots of less than 200 square meters. Also, it is not unusual for several structures to be built on a small plot with occupancy by two or more households. House construction is traditional, pick-up, or permanent, the wide range again reflecting the mixed character of most low-cost neighborhoods. Pick-up construction is built of whatever materials the owner can scavenge and in whatever shape the materials seem to fit together. There are no streets, and

paths and cart ways often are winding and narrow. Fire and rubbish trucks cannot be driven into most squatter areas. However, there is often a strong sense of community, and people are reluctant to go elsewhere to live. There are no service charges because there is no legal occupancy. Squatter upgrading projects are underway or planned in each of the towns, as described below.

Self-help housing on sites and services plots attempts to use the skills and energies of plot holders to produce low-cost housing at much lower cost than fully-built housing on fully-serviced sites. All four towns have sites-and services projects and self-help housing programs. The plot holder must agree to build his own toilet facilities (pit latrine or aqua privy) and to finish at least one room within 12 months. He must also agree to pay a monthly service charge for water supply, road maintenance and debt service. In return the household receives a Certificate of Rights, which conveys a strong right of tenantry to the plot.

The minimum size for low-cost plots is 300 square meters. Authorized plot sizes now range from 300 square meters to 2,000 square meters, while the minimum area for partially serviced plots is 400 square meters. Infrastructure costs become unaffordable for lower-income households when plot sizes exceed 500 square meter or so. Infrastructure for sites-and-services areas usually includes unpaved streets, water standpipes at the rate of one for every 12 to 20 families, rubbish collection, fire hydrants, road and drainage maintenance, and, occasionally, street lighting.

Fully-built housing has been too costly and, in some cases, socially unacceptable to fill low-cost market needs. In the past, traditional housing was built on large plots with well-defined boundaries and privacy for each family. Within the plot, functions were decentralized by use of several small but separated buildings. This placement accommodated not only different functions, but also the intricate social structure of the family. Heavy mud walls and thick thatch tempered the climate. Villagers moving to urban areas have tried to duplicate these arrangements as best they can given urban limitations. As a result, there are many ingenious accommodations in traditional and squatter areas.

The first efforts to produce European-style low-cost housing resulted in inadequate, even demeaning housing. The rows of railroad rondvals, one room "servants' quarters," "box cars," and row houses all crowded people into tight spaces. A family's privacy and dignity was threatened, if not destroyed. Much of this housing is still in use, some of it now managed by the BHC.

There has been a more enlightened approach to housing design in the last few years. However, the continued use of elements thought to be acceptable by European designers has led to production of more unacceptable housing. Among these are BHC models which have party walls, tiny work yards, inappropriate kitchens, and visible toilet room entrances -- all upsetting to family life in Botswana. Of course, the party wall house was introduced to allow for reduced plot sizes and construction costs and to lower the cost of infrastructure, thus increasing the level of services such as direct water and sewer hook-ups to each house. This

trade-off does not seem to be acceptable. A further drawback to this type of house is that rooms cannot be added easily as needs arise, thwarting a traditional expectation. BHC no longer builds low-cost houses with party walls.

Botswana towns are new and their residents are mostly young immigrants seeking jobs and education. Based on the Old Naledi survey, there are nearly as many females as males. However, 83% of plot owners are male. It is common for urban households to rent part of their house or plot to others, thus enabling both owners and renters to better afford the scarce and expensive housing.

It is considered reasonable for lower-income households to pay 15-20% of their monthly incomes for housing including service fees. Middle and upper-income households are considered able to pay 20-25% of their incomes for housing. In fact, the one-fourth or so of urban households living on squatter areas pay little or nothing for housing while a large share of households living in standard houses pay more than they can afford.

C. GROWTH EXPERIENCE

The rapid urbanization of the population has led to crowded conditions in the four principal urban areas, spiralling price increases for existing houses (both rental and for sale), and expansion of squatter communities on the periphery of all four urban areas.

In recent years, the urban development of Botswana has been remarkable. Gaborone and Selebi-Pikwe have been planned entirely and constructed since independence in 1966, while major land development and

housing programs for low-income households have been initiated in Francistown. Less urban development has occurred in Lobatse, but this town has not experienced the high growth rates of the other three urban areas. All four urban areas are nevertheless faced with serious housing shortages resulting in crowding and attendant social and health problems.

Rapid urban growth resulted in a very substantial demand for urban residential land. During the last three years approximately 8,220 new residential plots were serviced (see Table 2). This plot provision was inadequate, especially in Gaborone. Reasons for the insufficient number of plots developed are summarized below:

- Donor finance for urban projects was difficult to obtain and delays in the provision of finance slowed progress.
- Physical conditions in urban areas caused delays as planning required intensive engineering investigations.
- The Broadhurst I project in Gaborone was winding down, while the Broadhurst II and Naledi Upgrading projects in Gaborone, which began in 1978, were scheduled for completion in 1980.

Five major projects were implemented between 1976 and 1979. In Gaborone, implementation of the Naledi Upgrading and Broadhurst II projects began in 1978. The Naledi Upgrading project was drawn up to upgrade a squatter settlement of about 10,000 people, and Broadhurst II was designed to provide about 2,350 residential plots, three local centers and related community facilities. In Francistown, the Urban I project, due to end in 1979, provided over 2,000 self-help plots and related community facilities. In Lobatse, the Woodhall I project, completed in 1977, provided 586 plots, and in Selebi-Pikwe, 1,421 plots were completed.

TABLE 2

PROVISION OF URBAN RESIDENTIAL PLOTS
1976-77 to 1978-79

	<u>Self Help</u>	<u>Other</u>
GABORONE	2,157	1,250
FRANCISTOWN	1,800	483
SELEBI-PIKWE	1,421	247
LOBATSE	<u>674</u>	<u>188</u>
TOTAL	6,052	2,168

Source: Draft of Chapter 4: Local Government and Land Development, NDP V, Ministry of Local Government and Lands, April 1979.

The Gaborone Growth Study was approved by Cabinet in 1978, and the future growth directions of the town, to the north of Broadhurst II and to the west of the rail line, were determined. Design of the Tsholofelo project (north of Broadhurst II) began in 1978, and planning for the Gaborone West project began in 1979.

Growth studies for Selebi-Pikwe and Francistown were completed in 1977 and preliminary design for the Urban II project, which includes both towns, was carried out. Detailed design began in 1978.

A planning study for Lobatse was completed in 1978, and design for Woodhall Phase II, a residential development with related community facilities, began in 1979. A sewerage study for Lobatse was completed in 1979 as well. The town plan for the new mining town being developed to serve the Jwaneng mine was completed in 1978. Construction of

infrastructure and housing has already begun, in preparation for opening the mine for production in 1982.

The Ministry of Local Government and Lands, through its Urban Division, is responsible for developing primary services, including water, power, roads, sanitation, and communication systems -- Town Councils usually are responsible for maintenance.

Social infrastructure provision is an important component of urban development in Botswana. While there have been some problems in keeping up with rapidly growing needs (e.g., financing sometimes is hard to find and planning for social facilities often lags physical infrastructure), for the most part Government ministries and Town Councils have been able to get the projects built (frequently with donor grants). Facilities built in the past three years in the four towns are tabulated on Table 3.

TABLE 3

SOCIAL INFRASTRUCTURE
PROVIDED FROM 1976-77 TO 1978-79

	<u>Schools</u>	<u>Clinic</u>	<u>Health Posts</u>
GABORONE	4 Primary	2	
FRANCISTOWN	3 Primary 1 Secondary 1 Nursey	2	
SELEBI-PIKWE	2 Primary 1 Secondary	1	1 Nutrition Center
LOBATSE	1 Primary	1	

D. URBAN GROWTH AND HOUSING DEMAND

The Central Statistic's Office is responsible for making current estimates of population and housing, while the Department of Town and Regional Planning makes projections as part of its research and planning program. The following data are from these two agencies.

The rapid urbanization of Botswana is summarized on Table 4 for each of the major towns and two newer mining towns. Note that future urban growth is expected to continue to be very rapid in Gaborone, with a potential reduced rate of growth should immigration drop substantially, Francistown and Lobatse are expected to continue their growth rates experienced from 1971, while growth in Selebi-Pikwe probably will slow some as mining employment stabilizes.

In Gaborone, the 1978 estimated composition of housing units and households was as follows:

<u>Housing strata</u>	<u>No. of Dwellings</u>	<u>Percent</u>	<u>Household Size</u>	<u>Population</u>
High Cost, expatriate	1,398	13.0%	2.5	3,400
High Cost, other	930	8.6	6.0	5,400
Domestic Servants Quarters	1,938	18.0	1.2	2,200
Medium Cost	1,391	12.9	5	6,800
Low Cost	1,690	15.7	5	8,200
Site & Service	500	4.6	4	2,000
Bontleng	800	7.4	5	4,000
Naledi	2,128	19.7		10,500
Total	10,775	100.0	4.9	42,500
Institutional	-		-	2,000
Grand Total	10,775		-	44,500

On the basis of incomes, less than 30% of Gaborone households can afford even the "low-cost" housing built by the Botswana Housing Corporation, yet 50% of the existing housing in Gaborone is either "low-cost" or more expensive. Apparently, at least 20% of Gaborone households are paying more for housing than they reasonably can afford. Another consideration is that the below economic rents charged for Botswana Housing Corporation houses and flats enables more than 3,000 households to afford housing because of the indirect subsidy.

Based on the average urban household size of 4.5 persons, there will need to be a total of 45,000 residential plots by 1985 in the four towns (see Table 5). Since there were 23,385 in 1978, a total of 21,615 new plots are needed, or 3,600 per year. Of these, at least 70% or 2,500 units per year, need to be sites and services and settlement plots for self-help houses.

The housing and urban standards of the Government for each household income level are shown on Table 6. Note that plot sizes for self-help plots with basic services are 400-500 square meters. Although not explicit on the table, a standpipe is provided for 12 to 20 plots in standard sites and services areas, depending on household incomes and available finances. Thus far, only non-water borne sanitation is being provided or programmed for sites and services projects because of the high cost of water borne systems and the potential shortage of water. Electricity is provided to public facilities and, in some cases, for street lighting major roadways and pathways.

Increasing numbers of urban household cannot even afford sites and services plots and building material loans. Therefore, more

emphasis is being placed on the provision of settlement plots. Such projects include basic dirt roads, pegged plot markers and one water standpipe for every 75 plots. While very basic, the formal layout of plots permits more orderly and healthy development and facilitates eventual upgrading of both the houses and infrastructure.

In the four towns, 25% of households had incomes of less than P600 per year -- too poor to afford a sites and services plot and a building materials loan for a small standard house, thus "eligible" for a settlement plot. Since some of the 13% of households not reporting income undoubtedly were poor also, perhaps one-third of urban households cannot afford a basic self-help standard housing. As Table 1 indicates, another 42% of urban households had annual incomes between P600 and P2,400 -- still too poor to afford a contractor-built house, but adequate for a standard self-help house on a sites and services plot.

Table 1 indicates that only 20% of households reported incomes above P2,400 per year. Considering that some of the 13% not reporting incomes probably had high incomes, at most 30% of Botswana urban households can afford contractor-built houses. It seems likely that the percentage is closer to 20% than 30%.

TABLE 4

URBAN POPULATION OF BOTSWANA 1971-86

<u>Urban Areas</u>	<u>Popula- tion 1971</u>	<u>Popula- tion 1976</u>	<u>Annual Growth 1971-76</u>	<u>Popula- tion 1978</u>	<u>Annual Growth 1976-78</u>	<u>Popula- tion 1982</u>	<u>Annual Growth 1978-82</u>	<u>Popula- tion 1986</u>	<u>Annual Growth 1982-86</u>
Gaborone	17,718	31,225	12,0	44,500 ^{5/}	19,0	66,000- 69,000	10,4- 11,6	82,400- 103,000	4,6- 11,8
Tlokweng ^{1/}	3,908	4,465	2,7	4,700	2,7	5,200	2,7	5,800	2,7
Mogoditshane ^{1/}	1,345	1,860	6,7	2,090	6,0	2,650	6,0	3,350	6,0
Lobatse	11,936 ^{3/}	15,530 ^{3/}	5,3	19,000	11,1	23,000	4,9	27,850	4,9
Jwaneng	-	-	-	-	-	6,050	-	8,400 ^{6/}	8,6
Francistown	18,613	24,800	5,8	27,900	6,0	35,400	6,1	46,400 ^{6/}	7,0
Selebi-Pikwe	10,900	21,110	14,1	25,100	9,0	34,100	7,9	41,800 ^{6/}	5,2
Orapa	1,510	3,350	22,6	4,000	9,3	5,200	6,8	7,650	10,1
Total	68,030	102,190	8,5	127,290	11,6	177,600- 180,600	8,7- 9,1	223,650- 244,250	5,5- 8,3

- 1) Tlokweng and Mogoditshane are not officially urban areas but are included here as they are to a great extent functional parts of Gaborone.
- 2) The 1971 Census Report notes an underestimation of 5,400 people in urban areas. These have not been distributed among the towns.
- 3) The figures for 1971 and 1976 are probably underestimated, therefore the high growth rate for 1976-78. The underestimate for 1976 is probably 1,000-1,500.
- 4) Refers to August 1978.
- 5) BDF (Botswana Defense Force) is excluded.
- 6) Average of low and high alternatives as presented in the growth studies of September 1977.

Source: Central Statistics' Office, 20 February 1979; projections prepared by Department of Town and Regional Planning.

TABLE 5

RESIDENTIAL PLOTS REQUIRED
BY 1985 IN FOUR TOWNS

	<u>Population 1985</u>	<u>Plots Required at 4.5 People/Household</u>	<u>Available Plots 1978</u>	<u>New Plots Required by 1985</u>	<u>Annual Average (6 years)</u>
Gaborone	94,000	20,800	9,104	11,696	1,949
Francistown	43,300	9,600	5,501	4,099	683
Selebi-Pikwe	39,700	8,800	5,180	3,620	603
Lobatse	26,500	5,800	3,600	2,200	367
Total	<u>203,500</u>	<u>45,000</u>	<u>23,385</u>	<u>21,615</u>	<u>3,602</u>

Source: Draft of Chapter 4: Local Government and Land Development for NDP V, Ministry of Local Government and Lands, April 1979. Totals and annual averages calculated by DeVoy Collaborative.

TABLE 6

URBAN STANDARDS - HOUSING

<u>Specification</u>	<u>Approximate Annual Household Income Served By House Type</u>	<u>Plot Size (M²) For Detached Housing</u>	<u>Plot Density Hectare</u>	<u>People Density Hectare</u>	<u>Water Service</u>	<u>Roads/ Drainage</u>	<u>Sani- tation</u>	<u>Power</u>
Average existing condition in major villages	All income ranges	1600-2500	1,7	9,8	One Stand- pipe 85 plots	Scraped Earth	Non- Water-	To public facilities
Settlement plots- Self Help	P100-600	400-500	15-20	97-120	1 stand- pipe 75 plots	Survey- ed road access	Supplied by Plot- holder	To public facilities
Standard 2 Self Help Plots	P600-1500	400-500	15-20	97-120	To be determined at time of design of project based on income of potential residents and available finance			
Standard 1 Self Help Plots	P1500-3500	400-500	15-20	97-120	To be determined at time of design of project based on incomes of potential residents and available finance			
Low cost Plots	P2400-5000	400-600	12-20	60-100	Domes- tic Connec- tion	Earth or tarred	Water- borne	To public facilities
Fully-Serviced Plots	P5000 and above	600 & above	12 or less	60 or less	Domes- tic Connec- tion	Earth or tarred	Water- borne	Domestic

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Source: Draft of Chapter 4: Local Government and Land Development for NDP V, Ministry of Local Government and Lands, April 1979.

E. HOUSING EXPENDITURES AND SUBSIDIES

Development expenditures of the Ministry of Local Government and Lands amounted to P10 million (\$12 million) for the fiscal year 1977-78, 20% of total ministerial development expenditures (excluding Botswana Defense Fund). The target share in NDP IV (1976-81) is 21.9%, while for NDP V (as of 6 January 1979) the target is 17.4%. The total of MLGL development expenditures for NDP V (1979-85) is projected to be P 57.5 million. These expenditures are for housing and related projects, including some in rural areas. About one-half of the total is for housing projects and one-half for urban infrastructure. A large share of these expenditures is funded by donor grants and loans.

The relative allocation of development funds among the ministries in NDP IV and NDP V is shown on the following table. Note that the allocation to Works and Communications, which is mostly inter-urban roads, is twice as much as Local Government and Lands. Highways in Botswana are few and of poor quality.

TABLE 7

ALLOCATION OF DEVELOPMENT EXPENDITURES			
	Proposed for NDP V (millions of pula in 1979/80 prices)	Target Share of Total Development Expenditures (1)	
		NDP IV	NDP V
State President	8.6	3.6%	2.6%
Finance	5.7	1.5	1.7
Home Affairs	9.5	0.8	2.8
Agriculture	42.0	10.1	12.6
Education	39.5	16.7	11.8
Commerce & Industry	11.5	1.9	3.4
Local Govt. & Lands	57.5	21.9	17.2
Works & Communications	115.0	31.0	34.4
Mineral Resources & Water Affairs	28.7	6.7	8.6
Health	16.0	5.9	4.8
TOTAL	334.0	100.0%	100.0%

1) Excluding BDF (Botswana Defense Fund) P & T, and the railway

Source: Savingram from Permanent Secretary, Ministry of Finance and Development Planning, to all ministries regarding preparation of NDP V, January 12, 1979.

Town Council budgets are growing rapidly -- largely attributable to increases in self-help housing and social service expenditures. While part of this increase is because of population growth, inflation and expanding services also contribute substantially. Expenditures per resident in 1978-79 were: P48 in Gaborone; P60 in Francistown; P46 in Selebi-Pikwe; and P33 in Lobatse. Gaborone and Francistown expenditures increased 28% from the previous year, while Selebi-Pikwe expenditures increased 40% and Lobatse decreased 17%. All the towns are expected to experience rapid expenditure increases in the next several years.

Town Council property rate bases are eroding, services charge collections are poor and other revenues are inadequate. Recognizing the financial plight of the Councils, the Government is financing part of the social service costs by grants and is making development loans to the Councils. A major review of Council revenues and expenditures is planned, with the prospect of specific grants for social services being instituted. However, Government expects Councils to improve revenue collections and trim budgets to essentials.

While it is the official policy of the GOB not to subsidize housing, in fact the level of subsidy is significant and growing substantially. Major areas of subsidy are: (1) the inadequate revenues collected from service charges levied by town councils on households with Certificates of Rights plots (other households pay property tax rates or, in the case of squatters, no payments at all) and (2) the below-market rents for the 3,300 housing units managed by the Botswana Housing Corporation (BHC). Plot holders with Certificates of Rights are nearly all lower-income

households in site and service and squatter-upgrading areas, while the BHC tenants are mainly civil servants. Subsidies to each of these groups are described below.

Service charges paid by holders of Certificates of Rights (to cover the costs water, road maintenance, refuse collection, capital debt service, and SHHA operations) range from P2.00 to P4.50 (\$2.40 to \$5.40) per month, while the costs of servicing these plots probably is at least P3.00 (\$3.60) more. Since up to one-half the households are not paying these service charges, the effective subsidy level is much greater. Despite its "no-subsidy" policy, the GOB now provides P90 (\$108) to the Town Councils for each Certificate of Rights issued. In addition, the Town Councils are using other revenues to fund housing services.

In each of the next several years, it seems reasonable to project an annual average of 3,000 plots to be allocated in the four towns. At P90 (\$108) per plot, the GOB subsidy would average P270,000 (\$324,000). Within a few years, there will be at least 10,000 Certificate of Rights plotheolders. If monthly service charges to these plotheolders average P3.00 (\$3.60) less than cost of, say, P7.00, the annual subsidy would total P360,000 (\$432,000). If 40% of these plotheolders did not pay their average P7.00 (\$8.40) service charge at all, the additional annual loss would be P192,000 (\$230,000). Thus based on present practice, total GOB and Town Council annual subsidy for lower-income housing in the four towns would be P822,000 (\$986,000) by 1982.

The rents charged by the Botswana Housing Corporation (BHC) on the 3,300 housing units it manages are significantly below economic (i.e.,

market) rent levels (i.e., approximately two-thirds of economic rents according to the 1978 Annual Report of the BHC. Housing rents for 1978-79 are estimated by the BHC to total P3,278,150 (\$3,934,000). If this total is only two-thirds what it would be were economic rents charged, then the total economic rents would be nearly P5,000,000 (\$6,000,000) -- thus implying a total subsidy of P1,700,000 (\$2,000,000) per year, or roughly P500 (\$600) per housing unit. However, the actual cash operating loss of the BHC related to these housing units in 1978-79 was about P400,000 (\$480,000), or P120 (\$144) per housing unit.

Thus, it is estimated that, based on present practices, housing subsidies in Botswana towns are approaching P822,000 (\$986,000) for Certificate of Rights plottolders and roughly P1,700,000 (\$2,000,000) for BHC tenants -- a total of P2,500,000 (\$3,000,000) per year by 1982. This is a large subsidy for a projected urban population of 170,000 (i.e., maximum of 40,000 housing units) in 1982; with a total Botswana population of less than 900,000 then. The Government concedes that these subsidies will not be fully eliminated in the next few years, although economic levels for service charges and rental housing continue as objectives -- and substantial improvements in Town Council revenue collections has high priority. Further Government subsidies to Councils to meet both development and recurring costs seem likely.

The implications of these subsidies on future housing delivery are complex. First, housing costs to most households will rise as rents, service charges and property rates are increased. Second, even with these increases, Town Councils probably will not generate enough revenues to

cover rapidly increasing recurring expenditures. Thus, new housing projects will either be much more expensive to the beneficiaries, because the Councils cannot absorb any of the costs, or the Government (with donors) will need to increase subsidies. Should more subsidies not be forthcoming, the number of new standard housing units would need to be much less than the need projected now, thereby forcing households to build temporary urban houses or stay in rural areas.

It is against Government policy to subsidize housing social services and urban development. Should more subsidies be instituted, the implications could be a serious strain on Government financial resources and/or more benefits for fewer people, because the subsidies could not be broadly distributed. As Botswana's revenues from mineral sales increase, it is possible that the Government could afford more housing subsidy. However, not even European and North American countries can afford continuing major housing subsidies for their lower-income households.

As Botswana's official policies recognize, the problems of housing the poor are not solved by public subsidies. More is to be gained by economic programs which increase household incomes, encouraging people to stay in rural areas and providing basic affordable housing,

CHAPTER V: LAND ANALYSIS

A. LAND OWNERSHIP AND TRANSFER

There are three land tenure systems in Botswana, namely tribal lands, state lands, and freeholds. There are also leaseholdings under the latter two categories. Tribal lands, which make up approximately one-half of the country's area, are nominally held by tribal groups which distribute plots or areas for farming, grazing, or home sites upon request and demonstration of need. This function once was performed by the chiefs; now it is done by land boards. Tribal lands cannot be freeheld, and they come under the jurisdiction of customary laws and courts. The Government is developing a new policy for tribal lands aimed at dividing them into commercial farming areas. The land boards would allocate these areas together with the Director of the Department of Land and Surveys.

State lands -- nearly one-half of the country's area -- are owned and administered by the central government. When these lands are surveyed and registered, they can be sold on the private market or leased.

Freehold lands -- only 3% or so of the total land area -- are those areas purchased from state lands or held on colonial grants which continued to be honored after independence. Some large freeholdings have had and will continue to have a substantial impact on urban development since they are located within present urban areas. Francistown was once completely owned by the Tati Company, which sold or ceded most of its urban and regional holdings to the Government in 1969 and 1972. Selebi-Pikwe, Orapa, and parts of Lobatse are located on essentially freeheld lands.

The availability of open space in Botswana has led to informal tribal attitudes toward land and rather generous assumptions on the amount of land which a family might expect to use for its house. These attitudes are often not transferrable to urban areas where cost considerations require higher densities. Moreover, most urban areas (towns and larger villages) in Botswana have grown without overall planning from small commercial trading settlements (Lobatse and Francistown) or were developed in areas closely surrounded by tribal lands. Consequently, these areas are currently often unsuited for urban growth or are unable to expand in any convenient direction. These conditions pose problems for the orderly expansion of urban areas. Moreover, surface and subsurface limitations occur in all of Botswana's present urban areas, which greatly increase the cost of servicing land. Rock outcroppings are limiting the growth of certain residential areas, particularly in Lobatse and Selebi-Pikwe. Subsurface rock in most places makes excavation for utility lines, roads, and foundations expensive. Subsurface rock and clay soils prevent the installation of septic systems or pit latrines in many areas (e.g., Kasane). Aside from these considerations, the amount of available land seems more than adequate to meet projected demands for all classes of urban housing in the next 10 years during which urban patterns seem reasonably predictable.

Surveying and registering is reported to be a slow and expensive process. It is for all practical purposes not available to plots for low-cost housing, especially in traditional or squatter areas. In new developments such as Broadhurst II, where there are funds for extensive planning and infrastructure, low cost plots (but not sites and services

plots) are surveyed and registered. It is assumed that this will continue to be the practice in developments of this kind. Surveying and registering is carried out by the Department of Surveys and Lands of the Ministry of Local Government and Lands.

Legislation known as the 1975 Land Control Act requires that all land transferred to non-Botswana citizens must be approved by the Ministry of Local Government and Lands. This applies to all freehold land outside of gazetted areas (townships).

Housing can be either sold (on a freehold basis) or leased. The land itself is not assigned value, only the improvements are valued. In traditional (sometimes in squatter areas) and sites and services areas, plots which have been surveyed and registered can also be transferred. For the most part, however, these plots are only staked out without surveyed boundaries. For these plots a special kind of tenantry has been established in which the tenant receives a "Certificate of Rights," issued by Town Councils and based on national law and using a form prepared by the government.

The "Certificate of Rights" guarantees the tenant the continuous right to occupy a certain plot for residential or light commercial purposes in return for monthly payments toward specified services. The Right is inheritable and guarantees compensation for improvements to the plot should the Right be revoked. The squatter upgrading, sites and services subdividing, and self-help housing projects now being developed or planned are based on tenantry by Certificate of Rights.

Women have the same legal rights to property as men. It is estimated that as much as 80% of all households are headed by women. Women are

playing increasingly active roles in the economic life of Botswana, including the ownership of land and the construction of houses.

One of the primary obligations of a plotholder under the Certificate of Rights is that he (she) build an approved permanent house (usually at least one complete room) within a specified period (one year now in Gaborone). The first sites and services projects did not include building material loans, so for many households this was a difficult and even impossible requirement. All the major sites and services projects now include such loans.

Another crucial obligation is the payment of monthly service fees for water, road maintenance, trash collection, debt service, and housing staff operations. While these payments are relatively small -- ranging from P2.00 to P4.50 per month -- the default rate has been over fifty percent in each town. It is now 30% in Gaborone because of a systematic effort to educate plotholders and improve collection procedures.

The Certificate of Rights had provided for repossession and sale of the plot in order to collect the service charges due, but this remedy was too strict to ever be used. The Certificate has now been revised to eliminate the special remedy provisions, thereby making the parties to Certificate of Rights agreements subject to the usual laws of Botswana pertaining to debt obligations. Now it is apparently possible to legally force the sale of some tangible possession of the plotholder (such as a radio or appliance) and use the proceeds to pay the outstanding service fees. It is too early to ascertain what the consequences of this new procedure will be. There is no question, however, that

these services charges need to be collected in order to have housing costs equitable and without subsidy so that future housing needs can be financed.

In addition to the service fee provisions, the Certificate of Rights includes the following key provisions:

1. (a) This Certificate of Rights is the sole property of the Occupier who is not entitled or empowered nor has he any right to mortgage, hypothecate, pledge or give as security, whether directly or indirectly, in any manner whatsoever, any of the rights granted to him by virtue of this Certificate.

(b) This Certificate can be ceded, assigned, transferred or made over with the written consent of the Council.
2. On the death of the Occupier the rights granted to him under this Certificate shall be inheritable.
3. The Occupier shall not give up occupation or possession of the plot or any portion thereof without notifying the Council in advance.
4. The plot shall only be used for residential purposes, provided however, that the Occupier shall be entitled to use the aforesaid plot for any other purposes which are authorised in writing by the Council.
5. (a) The Occupier shall be entitled to reside on the plot himself and with members of his family and with his friends and with any of his lodgers.

(b) Notwithstanding the provisions of sub-clause (a) above, lodgers of the Occupier shall only be entitled to reside on the plot if the Occupier is himself residing thereon, unless the Occupier obtains the Council's prior written consent.

(c) Notwithstanding the provisions of sub-clause (a) above, the Occupier shall not sub-let the plot without the written permission of the Council.
6. The Occupier shall develop the plot here set out specifically what type of development must take place.

. . . .

B. LAND PLANNING

Urban land planning in Botswana is the primary responsibility of the Department of Town and Regional Planning of the Ministry of Local Government and Lands (as described in Chapter VI, Institutional Analysis). Planning authority is based on the Town and Country Planning Act of 1977. To date most planning has been in terms of growth studies for the towns. Development plans for the towns are to be prepared over the next few years. The Department intends to prepare regional development plans also. Detailed plans and engineering plans are prepared by consultants, some based in Botswana but mostly from South Africa (e.g., the sewerage plan for Lobatse).

Town Councils have engineering departments which participate only nominally in land use planning. They primarily operate and maintain the public facilities. The Councils have the power to approve plans.

Land planning in Botswana is more project planning than comprehensive development planning to date. The rapid pace of urbanization has necessitated building the towns based on sketch plans rather than carefully prepared development plans. The linkage between urban planning and urban development is not strong. As a consequence, some development projects have been badly located and designed, resulting in excessive development problems and costs (e.g., not giving adequate attention to topography and soil conditions). Another deficiency is in programming public facilities; for example, schools and commercial centers often are planned and built after the population has been living in the area for some time rather than preparing these facilities along with roads and utilities.

Botswana has the laws and the institutions needed for effective land use planning, but these capabilities have been created only recently. The project planning process is effective, but sound land use planning requires well-considered development plans to guide and direct project planning and programming. The preparation of these development plans -- as mandated by the Town and Country Planning Act -- warrants high priority.

CHAPTER VI. INSTITUTIONAL ANALYSIS

A. ORGANIZATION OF THE HOUSING DELIVERY SYSTEM

The Government is represented in planning and construction of housing by the Ministries of Local Government and Lands, Works and Communication, and Finance and Development Planning. Under the Ministry of Local Government and Lands, The Urban Affairs Division, the Department of Town and Regional Planning and the Department of Surveys and Lands, plan and regulate the development of land, plot development (sites-and-services), house design and construction processes for the four Town Councils. The Ministries of Health, Education, and Home Affairs are involved in housing through their responsibilities for community services and health standards. Major infrastructure development is the responsibility of the Ministry of Works and Communication. All large-scale infrastructure design and engineering is done by private firms under contract. The engineering capability of the Ministry of Works is limited to smaller projects and overall supervision of larger projects.

Three parastatal corporations have major roles in housing and urban development: Botswana Housing Corporation, (BHC) Botswana Power Corporation (BPC) and the water Utilities Corporation (WUC). The BHC is the principal organization of Government concerned with the production and management of housing. It is discussed below.

The BPC and WUC provide electricity and potable water facilities and maintain these systems in urban areas. User charges are structured to finance debt service and operating/maintenance costs. Water is

scarce in Botswana, so its availability (or lack thereof) is a determinant of settlement patterns and growth. The use of imported petroleum fuels for producing electricity makes it too expensive for lighting and heating houses of lower-income households. Thus, the majority of Botswana urban-households do not enjoy the benefits of their own water taps, water-borne sanitation and electricity.

Town Councils have housing departments, known as Self-Help Housing Agencies (SHHA's), which cooperate with the Ministry of Local Government and Lands in the planning and implementation of lower-income housing programs. The SHHA's allocate plots, issue Certificates of Rights, provide community development assistance, and administer building material loan programs.

The following sections of this Chapter describe the housing delivery process and then analyze several of the key agencies involved in housing. Particular attention is paid to the Botswana Housing Corporation and the Town Council Self-Help Housing Agencies.

B. THE HOUSING DELIVERY PROCESS

The Broadhurst area of Gaborone has been in planning and implementation since 1975. It is illustrative of the process which Government and Town Councils engage in to undertake housing programs. This process is summarized here to identify the principal participants, decisions and actions entailed in housing delivery in Botswana.

The housing delivery process begins with population projections made by the Department of Town and Regional Planning. These projections are related to households by income levels. The Urban Affairs Division

then compares these projections with existing and scheduled housing units to estimate the need for new houses. The Division takes account of Government's urban standards and housing policies in determining the general characteristics of new housing to plan in each urban area. These findings and conclusions are summarized in the National Development Plan.

The Urban Affairs Division prepares a Project Memorandum for each proposed project which further defines planning considerations, the physical project, its financing and scheduling, the roles of major participants, and the project's probable effects. This Project Memorandum serves as the basis for official discussions and decisions regarding the project.

The Department of Town and Regional Planning leads in determining the location and general physical layout of the proposed project. Several ministries and parastatal corporations review the proposal from their own perspectives. Once the project is firmed up and agreed upon by the several participants, the Ministry of Finance arranges financing.

The first major project expenditure is for consulting planners and engineers to prepare detailed designs. This design stage involves all the participants -- at least in terms of reviewing and approving designs for each agency's element of the total project. New housing projects involve the Ministry of Works and Communications and the parastatals (the Water Utilities Corporation, Botswana Power Corporation and Posts and Telecommunications).

Most housing projects include houses by the Botswana Housing Corporation (effectively serving the top 30% of household income groups). When the project includes self-help housing, the Town Council is involved through its departments, especially the Self-Help Housing Agency.

Low-cost housing projects also involve technical assistance from the Low-Cost Housing Officer in the Ministry of Local Government and Lands. This Ministry's Urban Development Coordinator assumes overall responsibility for coordinating and managing the project through the design and construction phases. The Coordinator for Gaborone and Lobatse established a Project Committee comprised of all key participants including ministries, parastatal corporations, town council departments, and consultants. This Committee meets monthly.

The Department of Surveys and Lands is responsible for surveying the project area including roadways and plot boundaries. This Department also maintains official records on plot ownership.

The first construction usually is primary work on roads, sewers and water systems. The Water Utility Corporation and Power Corporation are responsible for the detailed design of their systems, contracting the construction work and supervision of contractors. As work progresses, the coordination function of the Urban Development Coordinator and Committee chaired by the Coordinator increases in importance. Site visits supplement monthly meetings at crucial times.

The Ministry of Works and Communications designed the sewerage system in Broadhurst II, while the roads were designed by consultants. A combined contract for roads, drainage and sewers was let by the Government's Central Tender Board. This contract is being supervised by the Urban Development Coordinator.

The Gaborone Town Council let the contract for the construction of low-cost sanitation units. Also, the Gaborone SHHA is responsible for the allocation of plots and the issuance of Certificates of Rights. The Town Engineering department maintains the roads, drainage, sewers, and water standpipes, as well as collecting trash and providing fire protection.

The SHHA provides community development assistance and construction assistance to plot holders who are building their own houses. In addition, the SHHA operates building material depots and makes building material loans to lower-income households.

The Town Council establishes monthly service charges for sites and services/self-help plots and tax rates for other residential, commercial and industrial property. The Town Treasurer is responsible for collecting these services charges and taxes as well as the payments for the building material loans. The SHHA community development staff works closely with the Treasurer's staff in Broadhurst and other self-help housing areas.

Plots are allocated to the Botswana Housing Corporation for construction of low-cost, medium-cost and high-cost houses and plots. The BHC designs its houses and lets contracts for their construction in most cases. Its maintenance staff has done some construction. Most BHC houses are rented but some are sold.

It is evident that the housing delivery process in Botswana involves many participants, each performing its special functions. The process is reasonably well organized, efficient and effective. With so many participants with widely varying perspectives, there are many points for friction, overlap, conflict, and gaps. Nevertheless, the process works because procedures and responsibilities are quite clearly defined and established. Key to the successful functioning of this process is coordination. The roles of the Urban Development Coordinator and the Project Committee he chairs are indispensable. Yet, these are not permanent established positions in the Ministry of Local Government and Lands.

C. MINISTRY OF LOCAL GOVERNMENT AND LANDS

The Urban Affairs Division is directed by a Deputy Secretary of the Ministry. This Division has central responsibility for initiation, promotion and implementation of housing and urban development projects. The staff makes proposals on national policies and drafts materials for the National Development Plan. It prepares the Project Memorandum for each proposed project and then guides the consideration of each project through Government.

The Low-Cost Housing Officer reports to the Deputy Secretary. This Officer participates in planning housing for lower-income households, undertakes demonstration programs and provides technical assistance to Town Councils. This is an important position that deserves to be strengthened.

Also reporting to the Deputy Secretary are two Urban Development Coordinators -- one for Francistown and Selebi-Pikwe and one for

Gaborone and Lobatse. These coordinators have crucial responsibilities for general supervision of major housing projects in all four towns. The coordinator for Gaborone and Lobatse also is responsible for a site and services project in Kasane near the border with Zambia. Both Coordinators are expatriates. While there is a Motswana Assistant Coordinator for Francistown and Selebi-Pikew, there is not one for Gaborone and Lobats. This lack is a serious weakness in Botswana housing efforts which deserves high priority attention by Government.

There are three central committees directly involved with rural and urban development and chaired by the Ministry of Local Government and Lands. The oldest is the Lands Development Committee which was established in early 1976 as a reference point and coordinating body for the preparation and implementation of land use plans. A year later the District Plans Committee was established to play the same role for District Development Plans. Finally, in late 1977, the Urban Development Committee was established as a reference group for the urban development policy. This last Committee draft the policies which were approved by Cabinet and are summarized in Chapter III of this report.

The agency of Government most directly and completely concerned with land use planning is the Department of Town and Regional Planning within the Ministry of Local Government and Lands. This staff is comprised of approximately 40 employees, including 5 in Francistown and the remainder in Gaborone. Nearly all the 20 professionals are expatriates. The following description of the

Department's activities was written by its Director for the draft of the NDP V report.

"The Department is the principal adviser to the government (specifically to the Minister of Local Government and Lands) on all matters relating to urban and regional planning. It is especially concerned with the physical, social and economic impact of existing and future development on people and places. New legislation, the Town and Country Planning Act, passed through Parliament in 1977.

"During the period 1976 to 1979, the Department has completed growth studies for Francistown, Selebi-Phikwe, Gaborone and Lobatse; has prepared draft proposals for an open town at Orapa; has completed a development plan for the new town at Jwaneng; had completed ten plans for major villages and smaller settlements; has played a major role in the preparation of District Plans by the District authorities; has made a significant contribution to the Tribal Grazing Land Programme and land use planning generally; has contributed to terms of reference for a National Transportation study, to the National Migration Study and to the location of a new headquarters and workshops for the railways; it has also assisted in the rural industry programme.

"Throughout the period the Department has been an active member of a number of national coordinating committees such as the Natural Resources Technical Committee, the Land Development Committee, the District Planning Committee and the Urban Development Committee and has given ongoing advice and guidance to local authorities on control of development, upgrading of squatter areas, site and service layouts, provision of infrastructure in villages and rural areas, as well as the preparation of longer term development plans.

"The Department has an active training programme in planning and draughting for school leavers and graduates, characterized by part-time study and part-time work in the department, followed by graduate studies outside Botswana. With six trainees each year and few dropouts it should be possible to localize the technical and professional posts up to senior level by the end of the plan period.

"The present and future work programme of the Department is extensive. The day-to-day work on national committees and with local authorities will continue; more work will be done on the establishment of a National Settlement Policy and its implications for towns, villages, lands areas and cattleposts, on village planning and on land use planning, notably in connection with the Arable Land Development

programme. Contributions to the National Development Plan will be elaborated in a regional planning framework. Development plans for each of the towns will be prepared as required under the new Town and Country Planning Act and detailed work will proceed on major expansion areas, like Gaborone West where up to 20,000 people may be living by 1985."

Development plans must be approved by Department of Town and Regional Planning for general plan considerations and the Department of Surveys and Lands for land title purposes. Town Councils approve construction permits based on typical building code requirements.

The Department of Surveys and lands, within the Ministry of Local Government and Lands, is responsible for land surveys, mapping, aerial photography, satellite imagery, and land management. Because of these broad and fundamental responsibilities, this Department gets involved in most urban and rural development projects.

Another part of the Ministry of Local Government and Lands which is very important to housing is the Unified Local Government Services. ULGS is responsible for the recruitment, training and posting of personnel employed by the local authorities, Town Councils, District Councils, and Land Boards. One of the main problems with most self-help housing agencies is that ULGS has been slow to provide adequate staff and tends to transfer staff with little regard to their personal interest or their importance to the agency's program.

When newly trained housing staff are transferred to non-housing positions, the SHHA's suffer the loss of the competence they need plus have the necessity to train new personnel. Moreover, when transfers occur abruptly and key positions remain vacant for long periods, the housing programs are seriously disrupted. It is recognized

that trained Botswana are scarce, but more attention to housing staff needs would be beneficial even with this constraint.

D. BOTSWANA HOUSING CORPORATION

The primary Botswana institution with responsibility for managing and constructing housing is the Botswana Housing Corporation (BHC) established in 1970. The Chairman of the Corporation is the Permanent Secretary in the Ministry of Local Government and Lands, which has statutory authority over the Corporation.

The BHC has its own office building in Gaborone, which houses its headquarters. It also maintains small offices in the other three towns. The personnel of the BHC are organized as follows:

	<u>Total</u>	<u>Expatriates</u>
Management, Administration & Accountancy	39	3
Estates Management	12	3
Direct Building Organization (Maintenance)	42	4
Consultancy (Architecture)	<u>19</u>	<u>12</u>
Total	112	22

Source: Estimates of Revenues and Expenditures, 1979-80, Botswana Housing Corporation

BHC total expenditures exceeded total revenues by an estimated P464,000 in 1978-79 (expenditures of P5,304,000 and revenues of P4,839,000). Projections for 1979-80 indicate a similar deficit (P467,000) with expenditures of P5,903,000 and revenues of P5,436,000.

Loan charges in 1978-79 were P2,676,000 and are expected to be P3,122,000 in 1979-80. BHC asserts that rent levels are still below

economic levels, although there was a 17.4% across the board increase in 1976. This assumption is generally accepted within Government (although there are various opinions as to what the rents should be). Official Government policy is to raise rents to economic levels, but there is political reluctance to do this in big steps. The BHS contends it needs a 12-15% return on Capital, while its return is much less -- something like 50% of what it should be on many houses. BHC has applied for another increase in rent levels to a restructuring of rents, but as of May 1979 no determination was known.

BHC financing has been precarious for several years. Its critics suggest that overhead costs are excessive, while the BHC says its recurring deficits are caused by below economic rents. Construction costs are high, according to the BHC, because Government requires that it build only houses which are relatively large (for low-cost housing) and expensively finished (e.g., plaster in and out, ceilings); also, apparently Government no longer permits BHC to construct attached houses.

The BHC gets its capital for housing construction by borrowing from Government, Botswana banks and international financial and development institutions. According to the BHC Estimates of Revenue and Expenditures for 1979-80, BHC is paying principal and interest on 34 loans -- mostly at 8% for 15-25 years. Principal payments for 1979-80 are estimated at P714,000 and interest at P2,408,000.

The General Manager reports that the BHC is able to borrow the funds it needs to finance the housing it builds. The key constraint on increasing BHC housing production has been the limited number serviced plots allocated to BHC, the BHC contends, not the availability of capital. Some Government officials suggest that the BHC needs to get its expenditures and revenues in balance, or it will have problems borrowing in the future.

Table 8 compares the housing starts for each year since the BHC was constituted in 1970/71. More than one-half the units are "low-cost", but the least expensive house built by the BHC now costs P4,100 for 39 square meters. Median-cost houses cost P9,000 for 55 square meters and P11,500 for 75 square meters. Other models of BHC range in price from P14,750 to P23,100.

Nearly all BHC houses have been built by private contractors. BHC reports that sufficient numbers of firms are available and that bidding is highly competitive. Nine companies have been selected on 32 projects, since December 1975. Botoka won seven contracts, Minestone won six, Randall won six, and C&H Builders won six.

As the table on housing starts reveals, activity for the 1978-79 year was far below that of the year before because, according to the BHC, there were delays in the delivery of serviced plots in Broadhurst II and Planning Authorities held up the approval of plans for two projects involving newly designed "courtyard flats" and "townhouses."

The BHC General Manager says: "It is now policy that secondary services should be provided by the Corporation to all areas allocated and houses built concurrently. This should result in the acceleration of house completions." The BHC expects to implement this policy in Broadhurst III, Tsholofelo, where it expects to be building 370 low, 171 medium and 98 high cost houses in 1980-81.

TABLE 8

	<u>BOTSWANA HOUSING CORPORATION</u>						
	<u>ANNUAL HOUSING STARTS, 1971-79</u>						
	<u>HOUSE TYPES</u>						
	Low Cost	Medium Cost	High Cost	Medium Cost Flats	High Cost Flats	Single Quarters	Plot Development
1971-72	500	132	-	-	-	-	-
1972-73	-	119	116	-	24	-	-
1973-74	380	82	156	-	-	-	-
1974-75	-	32	34	52	54	-	269
1975-76	-	43	69	32	8	-	-
1976-77	136	84	37	-	-	6	212
1977-78	705	222	4	-	18	36	486
1978-79	267	122	85	-	-	10	379
TOTALS	1,988	836	501	84	122	52	1,346

Source: Botswana Housing Corporation

As of March 31, 1979, the BHC was leasing and maintaining 4,147 housing units, including 1,109 from the original Government assignment and an unspecified number owned by other institutions. Some 500-600 houses have been sold. A complete survey and valuation was made of each house owned by the Corporation and in November 1977 a new rental structure was established.

BHC has had long waiting lists for its housing for several years. The waiting list as of March 1979 is shown as Table 9. Note that the waiting list for low-cost houses is more than three times the total number of these new units started by BHC in its eight years. On the other hand, the waiting list for high cost units is only one-half the number of these houses which were started under construction in 1971-79. Medium-costs construction and demand were about the same. These relationships imply maximum waiting times of many years for low-cost houses, several years for medium-cost and a few years for high-cost houses. From the perspective of equal housing opportunities, it would seem that the mix of housing types should be directed more toward low-cost housing. Another inevitable conclusion is that the pace of housing construction needs to be greatly increased to meet the rapidly growing demand in all the towns. Clearly, BHC production needs to increase, but it also seems desirable to foster more private construction -- a conclusion which Government officials increasingly embrace. It simply is not reasonable to expect one organization to design and sponsor nearly all the market housing in rapidly urbanizing Botswana.

TABLE 9

BHC WAITING LISTS FOR HOUSING BY TOWN AND
TYPE OF APPLICANT, MARCH 1979

TOWN	High Cost		Medium Cost		Low Cost		Flats		Total	
	Government	Private	Government	Private	Government	Private	Government	Private	Government	Private
Gaborone	85	138	158	473	914	4,100	5	136	1,162	4,847
Labatse	2	16	49	95	293	278	-	-	344	389
Francis- town	4	2	2	7	106	360	-	-	112	369
Selebi- Pikwe	3	7	6	1	10	164	-	-	19	172
Subtotal	94	163	215	576	1,323	4,902	5	136	1,637	5,777
Total	257		791		6,225		141		7,414	

Note: Allowance has been made for dropouts.

Source: Botswana Housing Corporation

E. TOWN COUNCIL SELF-HELP HOUSING AGENCIES AND HOUSING PROGRAMS

Each of the four town has a housing department known as the Self-Help Housing Agency (SHHA). These agencies have been in operation for several years. Major functions of the SHHA's regarding self-help housing in sites and services projects and squatter upgrading projects include:

- Community development assistance
- Relocation assistance
- Plot allocations

- Certificate of Rights issuance
- Technical advise to households regarding house and toilet construction
- Building materials loan program

SHHA budgets and staff are increasing rapidly as the need for self-help housing continues to increase greatly each year. Table 10 following, summarizes the general budget situation for each Town Council. Note that SHHA expenditures are 11-12% of each Town Council budget. SHHA budget increases over the year before were a nominal 3% in Lobatse, 93% in Selebi-Pikwe, 105% in Francistown, and 227% in Gaborone. These rates of increase reflect the growth in activity in each town. These increases are much greater than the total budget increases for three of the towns. The decrease in Lobatse's budget is attributed to improved financial management.

Town Councils depend upon property taxes and service charges for most of their revenues. Since tax base growth has not kept pace with expenditures and one-half of the plot holders are behind in paying the service charges, the Town Councils are getting into serious financial difficulties. Accordingly, Government has assigned high priority to restructuring the tax system and improving collections. Also Government makes a grant of P90 per plot when a Certificate of Rights is issued to help cover Town Council costs.

Short of very major improvements in Town Council revenues, SHHA's will need substantial loans and grants to meet the needs for self-help housing. In each town there are projects underway or committed which ensure some the necessary SHHA funding for the next year or two.

TABLE 10

TOWN COUNCILS' BUDGET GROWTH
1976/77 - 1978/79

Town	1976-77 Expendi- ture	Expendi- ture Per resident 1976/77	1977-78 Expendi- ture	Expendi- ture Per Resident 1977/78	% in- crease from previous year	1978-79 Budget	Expendi- ture Per Resident 1978-79	% increase (Decrease) from Previous Year
	P	P	P	P	%	P	P	%
Gaborone	1,041,873	33,37	1,402,712	37,75	13	2142,190	48,14	28
Francistown	973,805	39,27	1,234,791	46,97	20	1671,242	59,90	28
Selebi-Pikwe	618,011	29,28	755,597	32,84	12	1157,284	46,11	40
Lobatse	372,897	24,25	674,355	39,47	63	619,607	32,61	(17)

Source: Draft of Chapter 4: Local Government and Land Development for NDP V, Ministry of Local Government and Lands, April 1979.

SHHA staffing is as fundamental a need as financing. The Foundation for Cooperative Housing (FCH) from the United States completed a study on SHHA staffing requirements in Lobatse, Francistown and Selebi-Pikwe in March 1979. FCH conclusions regarding staffing requirements are based on Projected short-term growth in SHHA workloads. In terms of total staffs, the conclusions are:

	<u>Actual Staff</u>	<u>Required Staff</u>
Lobatse	15	53
Selebi-Pikwe	38	64
Francistown	66	74

In Gaborone, the SHHA staff is budgeted for 60 positions, but there are several vacancies. Projected workloads will require substantial enlargement of this staff also.

The FCH report concludes that each SHHA has staff problems: "These problems are the need for the timely recruitment of staff for approved positions, the need for technical assistance and the need for the training of their personnel." FCH proposed that FCH technical assistance be funded by the Agency for International Development of the United States as an extension of the Operational Program Grant which presently is funding the FCH Advisor to the Gaborone SHHA. Staff recruitment for the Town Councils is handled by the Unified Local Government Services (UGLS). Because of the shortage of trained Batswana, ULGS has not provided all the needed personnel when needed. Further, ULGS commonly reassigns personnel, thus disrupting SHHA activities and requiring training of new staff.

The major lower-income housing projects of the four Town Councils are summarized below.

1. Francistown

This town has had two phases of squatter upgrading and site and service projects since 1971-72. In 1970, Francistown consisted of several unplanned squatter areas, some of which were on state-owned land and some on land owned by the Tati Company, and small areas of high and medium cost houses. The United Kingdom financed the first phase of the project which was completed in 1974. The second phase, funded by IDA, began in 1974 and is nearly completed. A status report on this project, Francistown Urban I, was prepared by the Urban Coordinator for Francistown and Selebi-Pikwe on April 4, 1979. That report is the source of the following paragraphs:

"FRANCISTOWN URBAN I PROJECT

- "1) Civil Engineering Contracts for Roads/SWD, Water Reticulation, Sewage, Electrical Reticulation are complete. Installation of sewage was limited to the Existing Central Business District, the Extended Central Industrial Area, and the High-Cost Housing Area "A". The other infrastructure works were constructed for the above-named three extensions, and for portions of the Tatitown Wards, for portions of the Monarch Ward, and for four (4) Site and Service Housing Areas comprising 985 plots (of which 849 are intended for residential development).
- "2) Building Construction Contracts for two Primary Schools, two Health Clinics, two Ward Offices, a Marketplace, Street-Vending Stalls/Shelters, and a Works Depot complex (Admin Block, Bulk Store, Garage Maintenance Unit, Plumbing/Sanitation/Electrical Block, and Toilet Block) are complete.

- "3) As of 28th February 1979, the FTCs Housing Department had allocated 763 of the 849 residential plots in the Site & Service Areas. An additional 40 plots have been clustered into a category described as "difficult-to-develop" due to dongas/borrow-pits/heaps-of-spoil/etc. Taking this number into account, the total is 803 plots. Only 46 plots remain to be allocated, most of which are in the Aerodrome S&S Area and have been reserved for resettlement of residents from the Tatitown Wards plot rationalization/demarcation exercise.
- "4) Building Material Loans of P400 have been issued to virtually all of the S&S plot occupants. The FTCs policy was that if a person met the eligibility criteria for plot allocation, he was entitled to a materials' loan. This attitude continued until mid-1978 when the Management Board decided the high percentage of defaulters (their number being statistically more than 1 of every two families) required the Council to limit the issue of Loans. This decision coincides with guidelines agreed between the Botswana Government and the IBRD during negotiations for the Urban II Project.
- "5) No loans for the installation of toilets were granted as part of the Urban I Project. It had been initially anticipated that loans for Aqua-Privies would be given, but dissatisfaction with the early versions of the Aqua-Privy and a decision by the Government to embark on a study in liaison with the Canadian IDRC changed the opinion of the IDA representatives. The Project's official posture became to await the results of the research project, and only to provide loan assistance in cases where the plot occupants found it was absolutely impossible to erect a pit latrine. None of these cases were ever identified.
- "6) Technical Assistance was provided to the FTCs Housing Department in the form of reimbursement of recurrent operating expenses between 1.4.75 and 31.3.78. Also provided was finance for the erection of Housing Department Offices/Stores/Store-Yards in the four S&S Areas, for furnishing and equipping these offices, and for transport needed for staff and building materials.
- "7) Emphasis in the Urban I Project was the creation of new S&S and Monarch Ward plots. The up-grading works in the Tatitown Wards affected living conditions for a large number of people with regard to availability of water from public standpipes, to street-lighting along roads and pathways, and to new roads providing individual

- " plot access. However, the Urban I Project did not offer building material loans to plot occupants in the upgrading areas nor in the Monarch Ward. This became an issue at the time of designing the Urban II Project, and many people expressed resentment about finance being made available to "new residents" whereas they, the "old residents" of in some cases 20-years standing, had been ignored and neglected.
- "8) The current construction cost of the standard 30 m² corehouse used in the Urban I Project - materials' only - has risen in excess of P850.
- "9) The closing date for the Urban I Project was extended from 31.12.78 to 31.12.79. The FTC is continuing to allocate S&S Plots and to grant Building Materials' Loans. A fourth Street-Vending Area will be developed in the pedestrian plaza of the Aerodrome S&S Area. Accounting equipment is to be acquired for the FTC and SPTC Treasuries to assist with record-keeping of loan/service charge payments (and arrears)."

The World Bank (IBRD) and the Government of Botswana have agreed to a combined housing and urban development program for Francistown and Selebi-Pikwe which is known as Urban II. This P10.4 million project (\$12.5 million) mostly will be financed by a Bank Loan of US \$8.0 million equivalent.

Squatter upgrading will include Surveyed Tatitown, Tati-West, Bluetown, Somerset East and Somerset West (1,948 plots total). Households living on plots unsuitable for upgrading will be encouraged to move to resettlement plots. Settlement plots will be developed in the Somerset East Extension (457 plots) and the Donga Area identified in the Growth Study Report (537 plots). Since the project is directed primarily at households with incomes less than P200 per month, most of the plots have only basic services.

The project is to foster the use of traditional materials and construction techniques. Home improvement loans will range from P100 to P670 -- P100 is expected to be adequate to improve a rondavel or construct a pit toilet, while P670 should pay for materials for a two-room concrete block house with toilet. These loans are for 15 years at 9% interest.

The project also includes two primary schools, one clinic and community centers and primary infrastructure. In addition, the project finances the development of selected commercial and industrial facilities. Funding is provided for the Francistown Housing Department (SHHA), Project Unit (Urban Coordinator) and consultants.

The Francistown part of Urban II is budgeted at P5,677,000. Households with incomes up to P3,500 are eligible for plots; those below P1,500 per year will have highest priority and those between P2,500 and P3,500 will have lowest priority. Building material loans are to be made only to households up to P2,500 annual income. Household incomes (monthly) are to be five times monthly costs for service charges and loan repayment.

It is estimated that monthly costs will be P11.79 per plot P5.70 for service charges and P6.09 for repayment of a home improvement loan of P600. At 15% of income for these costs, households would need to have monthly incomes of P79 and above (P948 per year). Costs are kept low by providing only minimal plot improvements (estimated development cost is P211).

It is expected that this project will service all the upgradable periurban settlements in Francistown. However, Government estimates that 3,000 plots in addition to Urban II will be needed by 1985 -- 85% of these will need to be for self-help housing.

Francistown has an experienced Housing Department with demonstrated success in Urban I. However, the Town Council has been experiencing the worst record of all the towns in collecting service charges from plot holders (more than 50% in arrears). Also, the World Bank has declared the Council's accounting system to be inadequate. Overcoming these problems is a matter of substantial concern insofar as future housing programs in Francistown are concerned.

2. Selebi-Pikwe

The Selebi-Pikwe part of Urban II includes settlement plots in the Western Areas (1,116 plots) and the South East Extension (446 plots). An additional 462 plots in the latter area are to be 100% GOB funded. Squatter upgrading will concentrate on the Botshabelo area with 2,000 plots. Some (287) low-cost sewerred plots on small lots (330 m^2 , narrow frontages) will be developed in the South East Extension because the primary sewerage facility exists, thus making additional costs much lower.

Building material loans are projected for 2,347 households for house construction/renovation on the same terms as in Francistown. A total of 246 low, medium and high cost residential plots will be developed on an in-fill basis.

The Botshabelo North District Centre will be serviced as will six local centers. Provisions will be made for small scale industry, marketplace, vending shelters and horticulture area.

Limited primary infrastructure will be added. Community facilities include two community centers, three primary schools, one clinic, and two health posts.

As in Francistown, there will be technical assistant to the Housing Department, Project Unit (Urban Coordinator) and consultants.

Total cost of the Selebi-Pikwe part of Urban II is estimated at P4,756,000. Since Selebi-Pikwe continues to grow, there will be future needs for self-help housing projects beyond Urban II. However, the number and types of additional units has yet to be determined.

3. Lobatse

The development of the Woodhall Residential area in Lobatse is being carried out in stages. The first stage, Woodhall Phase I completed in 1977, had about 580 site and service plots. A Primary school and clinic were constructed in 1977-1978 to serve the Woodhall Community. An industrial area of 13 hectares was also completed in 1978. Woodhall Phase II will provide 1,000 site and service plots and 100 high and medium cost plots by 1981.

Included in the Woodhall development will be community facilities, comprising schools, health clinics, and a local centre. The Lobatse Town Council Self-Help Housing Agency will be expanded to cope with the increased number of plots provided. The SHHA

will receive capital funds for new plant and equipment required for efficient operation and to cover the costs involved in developing the new plots in Woodhall II.

A sewerage study for Lobatse was carried out in 1979 and a sanitation study of the Peleng squatter settlement will be completed early in this Plan period. A project for sewerage selected parts of Lobatse, in particular the government enclave and the Central Business District, will be prepared and implementation begun in 1979. The Peleng sanitation study will have as its terms of reference to suggest an economic solution to the sanitation problems of Peleng, a densely populated area situated on a very steep hill with rocky ground which precludes certain types of low cost sanitation. Implementation of the sanitation study recommendations will proceed once they are approved by Government and the Lobatse Town Council.

Funding for the next phase of Woodhall is to come partially from the United Kingdom, which is expected to fund part of Peleng squatter upgrading as well.

4. Gaborone

Major housing projects in Gaborone in recent years are the Broadhurst site and service project and the Old Naledi squatter upgrading and resettlement project. Both of these projects have entailed substantial involvement by the Gaborone SHHA, which since December 1977 has had technical assistance in the form of a full-time advisor and short-term consultants from the Foundation

for Cooperative Housing (FCH) financed by a US/AID Operational Program Grant of \$266,000.

Broadhurst I provided over 1,500 new serviced plots and development was nearly complete by 1976. Delays were experienced because of low-cost sanitation issues and weaknesses in the SHHA staffing and operations.

Broadhurst II was delayed at the outset because of problems with donor finance, particularly the reluctance of European Development Fund (EDF) to permit South African tendering for the primary water facilities.

Broadhurst II development includes site and service plots for 2,279 housing units, including 1,848 self-help plots. There will be three primary schools, four local centers and land is reserved for a major commercial center.

Funding for this P10.5 million project is complex:

- engineering design - grant from United Kingdom
- water supply - grant from European Development Fund
- roads, drainage, low-cost sanitation - grant from Canadian International Development Agency
- self-help housing areas infrastructure construction, building material loans and management/technical assistance - housing guaranty loan from US/AID
- electricity, sewerage, roads, drainage, miscellaneous - Government of Botswana and Gaborone Town Council.

On the basis of this experience, Government now has a policy of no more than two donors per project.

The US/AID loan guarantee is for P2 million (\$2.4 million), which includes approximately P560,000 for roads and drainage, P480,000 for low-cost sanitation, P720,000 for building material loans and P160 for SHHA capital expenditures.

Broadhurst II started construction early in 1978; Area A (562 self-help plots is now complete, Area B (579 self-help plots) is nearly complete and the remaining area; C and D should be completed by January 1980. Plot allocations and building material loans are well along in Area A and commencing in Area B. It is expected that plot allocations will be completed by July 1980. Building material loans will be completed by mid-1981.

The SHHA now is functioning well, infrastructure construction issues have been resolved, and all contracts are let. The Urban Development Coordinator, with the assistance of the inter-agency project committee he chairs, is managing the project efficiently and effectively.

Naledi is a squatter upgrading project involving some 2,300 households, of which 250-300 will need to be relocated over the life of the project -- 150 to a resettlement area at the southern end of the project and the remainder mostly to Broadhurst. The 2,000 remaining housing units will be on plots defined by aerial photography, ground analysis and interviews with occupants.

Primary roads have been completed throughout the area and secondary roads are being developed now. The main water supply loop serving 25 standpipes was completed in June 1978. With the

addition of 75 standpipes by October 1979, there will be one standpipe per 20 families. Two primary schools, two clinics and a community hall have been completed.

All construction of infrastructure is to be completed by March 1980. The Canadian International Development Agency is providing financial assistance through a grant as well as the Project Manager.

The Gaborone SHHA is providing community development assistance and issuing Certificates of Rights and building material loans. One of the troublesome aspects of this project has been the inability to survey the plots through regular ground surveys because of the density in the northern section and very irregular informal plot layouts. This problem is being overcome by the use of aerial photography, as mentioned above, so it is becoming possible to issue Certificates of Rights. This process is estimated to require one year from now. During which time, and subsequently, the people will be improving their houses with building material loans.

Naledi accounts for more than 20% of the housing in Gaborone. Its upgrading is a long, tedious, complex process, but one which is working. While many -- perhaps most -- Naledi residents identify more with their rural villages than they do Gaborone, there seems to be interest and ability to improve their housing once title to the property is clear through the Certificate of Rights.

The Government of Botswana and the Town Councils are endeavoring to slow down urbanization and provide site and serviced plots and

settlement plots for the lower-income who do migrate to urban areas. Nevertheless, squatter areas have been growing (Naledi had 8,000 people in 1976 and 10,000 in 1978). The upgrading experiences gained in Naledi as well as in the other towns may well be valuable knowledge for the future.

The population of Gaborone is expected to increase from about 44,500 at the end of 1978 to about 66,000 by 1981. Over 4,500 plots will be required by 1981 to house new residents or residents now living in squatter areas. Broadhurst II will provide about 2,300 plots; and the Broadhurst III (Tsholofelo) project, scheduled for implementation in 1979, will provide over 2,500 residential plots, which will eliminate the gap in plot provision based on present population projections.

The Tsholofelo Project will be developed north of Broadhurst Stage II and will provide about 1074 site and service plots, 811 low cost, and 703 medium and high cost. The development will have four primary schools, one secondary school, local centres, public open space, and a major mall as big as the present Gaborone mall.

Consultants have been engaged to do engineering design of primary and secondary services in the area. Construction of primaries will begin in 1979 and be completed in 1981. Site and service plots will become available in stages, beginning in late 1979.

In order to provide adequate housing in Gaborone to meet demand after 1981, planning is now underway for developments in Gaborone

after the Tsholofelo Project. Gaborone's growth until 1990 will be concentrated to the West of the rail line. This growth direction was suggested by the Gaborone Growth Study and has been approved by Cabinet. Government is negotiating to purchase the land for development of Gaborone West, now owned by private concerns, which will provide about 20,000 residential plots.

It is proposed that Gaborone West be developed in four phases, each of which will contain about 4,000-5,000 plots and all associated community facilities. Town planning and engineering planning of the entire Gaborone West area began early in 1979, and design for a new industrial area will be done in mid-1979. The Department of Town and Regional Planning is doing the town planning of the area, while consultants have been engaged to do the engineering planning. Construction of the industrial area will be completed in early 1980. Present population projection show that between 8,000 and 9,000 plots will be required in Gaborone by 1985, in addition to those provided by Broadhurst Stage II and the Tsholofelo project. Therefore, it is expected that two phases of the Gaborone West project may be required by 1985. Construction of the first phase should begin in mid-1980, with houses available from mid-1981. The second and subsequent phases will be developed as required, depending on population trends in the period. As planned now, approximately 65 percent of the plots in Gaborone West will be for site and service, 20 percent for low cost, and 15 percent for high and medium cost.

F. FINANCIAL INSTITUTIONS

The Bank of Botswana was established by an Act of Parliament in July 1975 and the Bank began to carry out its central bank functions in 1976. On August 23, 1976, Botswana issued its own currency, the Pula, and withdrew from the Rand Monetary Area. The Bank regulates the financial institution's in Botswana including prescribing commercial bank interest rates.

The two commercial banks in Botswana are Barclays Bank of Botswana and Standard Bank Botswana. Public financial reports on these banks are combined. The President of one of the banks indicated that they are about the same size. Total deposits in December 1978 were P101 million. For the past few years actual liquid assets have been around P30 million, while required liquid assets have been approximately P20 million, thus indicating the conservative nature of these institutions.

The combined commercial bank lending in 1972 and 1978 is shown on the following table. Growth has been substantial, P14 million to P75 million, mostly in mining and agricultural.

These banks do not make mortgage loans. Some loans are made for housing construction; but the impact on the housing market is negligible. Because of the short-term nature of their deposits, Standard and Barclay's are reluctant to make long-term loans for any purposes. In May 1978, the Government placed P1 million on 3-year deposit at one of the banks to encourage longer term lending by that bank, but because the economy was rather stagnant, there was not much demand for such loans. Government also relaxed liquidity requirements in 1977 for longer term deposits, but this does not seem to have increased long-term lending much either.

TABLE 11

CHANGES IN COMMERCIAL BANK LENDING

(P million)

Sector	As at 31st December		Change
	1972	1978	
Government	2	2	-
Agriculture	3	18	+ 15
Mining	0	23	+ 23
Manufacturing	0	6	+ 6
Construction	1	6	+ 5
Commerce	2	8	+ 6
Business Services	1	2	+ 1
Utilities, communication	0	1	+ 1
Households	3	9	+ 6
Other	2	0	- 2
TOTAL	14	75	+ 61

Source: Bank of Botswana 1978 Annual Report

Most interest rates were lowered in August 1978 by one percentage point because of continuing excess liquidity in the commercial banks, a falling rate of inflation and low loan demand. The Bank of Botswana lending rate was reduced to 6.75% and commercial bank prime lending rate was dropped to 10.0%. The cost of living index was 12-13% from 1974 thru 1977, but by December 1978 it was only 7.8% higher than 12 months earlier. However, by March 1979 it had increased to 8.7%.

Other institutions in Botswana which provide a variety of financial services are listed below. They are "financial institutions" in the broad sense of the term only, i.e., they are not subject to the Financial Institutions Act, which only applies to the two commercial banks.

<u>Institution</u>	<u>Regulated By</u>
National Development Bank	NDB Act; board chaired by a nominee of the PS, Finance & Development Planning
Botswana Building Society	Building Societies Act; PS, Finance & Development Planning is the Register of Building Societies
Post Office Savings Bank	P.O.S.B. Act; board is chaired by Director of Economic Affairs in the Ministry of Finance & Development Planning
Financial Services Co. of Botswana	Companies Act and Hire Purchase Proclamation; board is chaired by one of the shareholders
Botswana Cooperative Bank Limited	Registrar of Cooperatives, Ministry of Agriculture

The National Development Bank (NDB) makes mostly small loans to farmers and businessmen. A few large loans are also advanced to Botswana who wish to purchase free-hold farms or other real property. The NDB differs from other banks in Botswana as it does not accept deposits from the public; its liabilities are derived mainly from Government Loans. In addition, the NDB acts as a trustee of funds belonging to the Post Office Savings Bank, the mine labourers' Voluntary Deferred Pay Fund, and similar funds. (The mine labourers referred to here are those recruited

for work on South African gold mines, under the auspices of the Chamber of Mines).

NDB lending increased by 18 in 1978, to P3.7 million. Of this, P2.5 million is for agriculture. Only P0.3 million was for low-cost housing and P0.1 million was for building development. Because the NDB gets nearly all of its funds in the form of loans and unrecallable capital it naturally has a much smaller need for liquid assets than commercial banks, which accept short term deposits.

The Post Office Savings Bank (POSB) was started 17 years ago with the main object of providing a savings facility for the public, especially in the more remote areas of the country. The service is provided by the post offices situated in the various villages. Many of these villages are a long distance from the banking facilities provided by the commercial banks.

There are 44 post offices throughout the country where the services of the POSB are provided. The POSB is also a savings institution for miners' deferred pay from the Rustenburg Platinum Mines in the Republic of South Africa. The POSB pays a rate of 4½% interest on savings deposits. Total deposits were P1.6 million in 1976 (last year available).

Financial Services Company of Botswana (pty) Ltd. was formed in 1974 when it was felt that there was demand for hire purchase and industrial leasing facilities, over and above those already supplied by other financial institutions. The National Development Bank and the Botswana Development Corporation each has a 30% shareholding in the company. Barclays Bank of Botswana and Standard Bank Botswana each has 20%.

A portfolio of industrial leasing and hire purchase finance has been built up to a total value of about P1.5 million. In the field of hire purchase, which accounts for about two thirds of the company's business, the company operates within the terms of the Hire Purchase Proclamation of 1961.

Botswana Co-operative Bank Limited started operating in December 1974, after taking over the assets and liabilities of the former Cooperative Development Trust. It does business mainly with cooperatives throughout the country, to which it offers loans and from which it accepts deposits. The cooperatives consist of consumer societies, marketing societies, thrift and loan societies and credit societies. Membership in the bank is by way of share capital ranging from P10 for thrift and loan societies to P100 for the Botswana Cooperative Union (the wholesale cooperative). As of December, 1977 there were 13 consumer societies, 21 thrift and loan societies, 40 marketing societies, 4 credit societies and 5 clubs that held accounts with the bank.

To try and encourage borrowing, the bank charges a low rate of 10% on its loans to the societies. Repayments of the loans are made as the borrower's profits permit. For example, an agricultural marketing society would pay an installment after a good harvest and after the sales of their produce. From September 1977 to September 1978, loans to the societies have increased by 49%. Funds available, consisting of shares, deposits from member societies, reserves, grants and donations, etc, increased by 88% over the same period.

The Botswana Building Society (BBS) took over the operations of the Gaborone branch of the United Building Society (of South Africa) in January 1977. The new building society purchased the assets of the previous operation, including of course the most important asset, mortgage loans. It was not, however, given automatic access to the deposit liabilities of the old building society. Instead, the United Building Society was required to inform its depositors and shareholders in Botswana, that their deposits or shares with the UBS would no longer earn any interest after a certain date, and invite them to transfer their deposits to the BBS.

One large parastatal shareholding with the two building societies was run down in late 1976 and early 1977. Although most other deposits were stable during the transition period, the loss of this one large shareholding plus a small loss of other deposits made it necessary for the Government to increase its own shareholding in the Building Society to P1.6 million. During 1977, deposits by households resumed their growth after the fall in the first quarter, and by the end of the year were higher than the previous peak levels reached during 1976. As a result of these developments, the Society continued to have adequate cash and other liquid resources during 1977. In 1978, households increased their deposits and shares only 7.4%, from P2.7 to P2.9 million, while Government increased its deposits and shares by 43.8% -- from P1.6 to P2.3 million.

It had always been a matter of doubt as to whether or not the Gaborone branch of the United Building Society was fully paying its own way, or whether it was in effect being partially subsidized by the South African operations of the UBS. With the creation of the Botswana Building Society, the hypothesis of viability was immediately tested. It was found necessary to lower the rates of interest paid on its liabilities, in order to overcome the disadvantages inherent in running such a small building society. Most of the changes took effect in April, 1977. In addition, in October 1978 most savings and deposit interest rates were decreased one percent along with other interest rates in Botswana.

Interest paid for ordinary savings is only 2.5%, while special savings earn 6%. Fixed deposits of 12-23 months yield 7.5% interest. Subscription shares and indefinite period paid-up shares pay tax-free dividends of 6.5% and 7.0%, respectively. Five year fixed period paid-up shares pay a dividend of 8.5%. Because of these substantially different rates, the Building Society is experiencing an outflow of savings deposits and a major inflow of longer term investments.

Mortgage loans at the BBS grew steadily during 1977, to just over P3 million by the end of the year. The total value of mortgages rose by 19%, compared with a rise of 35% in 1976. In 1978, mortgage loans grew by 34% to P4.1 million.

The Government Public Housing Scheme was negotiated with the Building Society in 1978 and was put into operation in March, 1979. While there is not enough experience yet to judge the value of this

program, most everyone involved in housing in Botswana thinks it meets a crucial need: more affordable mortgage financing.

The Botswana Building Society can now lend up to 95% of the purchase price of any freehold or long leasehold house that does not cost more than P15,000, provided that the applicant meets the Society's basic requirements.

The normal maximum loan is 70%, but by virtue of an agreement between the Society and the Botswana Government, this can be increased to 95%, with the Government guaranteeing the balance of 25%. The scheme is only available to citizens who wish to buy or build a house for owner-occupation. A loan for the extension of an existing property cannot be granted under the terms of the agreement between the Society and Government. The Society is prepared to consider such applications under its normal terms of business.

Under this scheme the applicant is required to find 5% from his or her own resources, plus the legal costs and valuation fee. The Society's loan is based on the purchase price or valuation and if the price is higher than the valuation, the borrower has to provide the difference between the price and the loan, although this may mean a downpayment more than the minimum 5%. Below are examples of the program in operation:

<u>Purchase Price</u>	<u>Valuation</u>	<u>Loan</u>	<u>Deposit</u>	<u>Costs</u>	<u>Total Amount to be provided by applicant</u>
5,500	5,500	5,225	225	300	525
7,000	6,500	6,175	825	320	1,145
10,000	10,000	9,500	500	350	850
13,000	14,500	12,350	650	410	1,060
15,000	15,000	14,250	750	430	1,180

Monthly repayment cannot exceed one-quarter of monthly gross income. If income is not sufficient to meet the repayment terms for the amount that the household wishes to borrow, it is necessary to provide a greater deposit. Again, this is best explained by some examples:

<u>Monthly Income</u>	<u>Maximum Repayment</u>	<u>Maximum Loan</u>			
		<u>10 yrs</u>	<u>15 yrs</u>	<u>20 yrs</u>	<u>25 yrs</u>
P200	P 50	3,600	4,000	4,900	5,200
P250	P 62	4,500	5,500	6,000	6,500
P300	P 75	5,500	6,600	7,450	7,750
P400	P100	7,300	8,850	9,900	10,500
P500	P125	9,150	11,000	12,300	13,000

The Society currently charges interest at the rate of 10.5% per year on all loans not exceeding P20,000. Loans exceeding P20,000 are charged at 11% per year.

The maximum period of repayment is 25 years, but the Society may agree to only lend for a shorter period in any particular case. The Society reserves the right to decline any application and there is no appeal to Government for reconsideration.

Although the scheme is basically designed to assist citizens in the purchase of modest homes, if the household wishes to build or buy a house in excess of P15,000 it can still receive some assistance from Government.

The excess of price over P15,000 would be subject to the normal maximum loan of 70%.

The Building Society reported that as of March 1978, mortgage loans outstanding numbered 554, including 55 new loans made in the previous 12 months. These new loans were nearly all for medium and high cost

houses. With this new housing scheme, it is expected that many more mortgages will be made. This program is likely to benefit households earning P200 per month and above -- the minimum income enabling the household to afford the low-cost houses built by the Botswana Housing Corporation. While it is unlikely that households with incomes below the urban median would be able to take advantage of this program, it could be of great value to households in the 70-80% range.

One of the limiting factors to meeting the low-cost housing needs of Botswana towns is the lack of serviced plots. Part of this problem is that the land survey and registration processes require considerable time because of the shortage of surveys and land management personnel in the Department of Surveys and Lands. This new house mortgage scheme is an important improvement in housing delivery in Botswana. However, it is crucial that other limiting factors be addressed as well for the market to function effectively.

Botswana households purchase most houses now using personal savings and borrowing from relatives. For the minority with large herds of cattle, it is common to sell some as necessary to purchase materials for a house or a complete house. However, most urban households do not have such wealth. Thus, most households need self-help housing programs including building material loans.

It is reported that women heads of households -- perhaps the majority of Botswana -- are treated about the same as male heads of households of similar age and income. However, women households heads with young children tend to be much poorer because they are unable to work as much.

One reported distinction: in Francistown, a woman household head with two or more young children is given priority over other households with other similar characteristics in the allocation of sites and service and settlement plots.

G. COMMUNITY ORGANIZATION

Town Councillors are elected by Wards and these Wards become important community organization focal points. In the rural areas, tribes continue to be important socially and politically. The structure and pattern of community life is pervasively influenced by such organization

In urban areas, the influence of the tribe is largely diminished. However, in squatter areas, such as Naledi in Gaborone, tribes continue to be more important than they are in permanent housing areas. The following description is quoted from a paper by J.C. van Nostrand, CIDA Project Manager for the Naledi squatter upgrading project:

"In comparison with the older villages of Botswana it is clear that Tswana traditions have greatly influenced the settlement pattern and house form of Naledi, such as they exist today. Given that these were determined by the inhabitants themselves and that the majority of these people have come to Naledi from outlying traditional villages, this is not surprising. To a large degree, Naledi must be viewed as an extension of traditional Tswana culture.

"Unlike the majority of the indigenous peoples of Southern Africa, the Tswana are predominantly urban-orientated. Traditionally, each tribe settled in an around a central tribal capital where the royal family lived. While historically these capitals were often relocated on account of wars, famine or drought, at no time was this urban pattern of settlement ever abandoned and it has remained relatively fixed since the turn of the century.

"In the founding of a new capital village, the royal head first selected a site for his own quarters and one for the tribal council-place (kgotla). He would then assign other residential areas to the principal families of the tribe. These areas were known as

'wards' and were often occupied by up to 500 persons. The wards were separated from each other by lanes and roads of various widths. Each family head was allocated a household plot which, although the plots were densely organized, was usually large enough in itself to accommodate successive generations. Each family was also allocated a number of fields lying beyond the village for the production of subsistence crops. Finally, each household was allocated a cattlepost at some further distance from the village, usually close to a reliable source of water. Livestock constituted the principal family assets.

"The village-lands-cattlepost relationship established a framework for the daily, monthly and yearly cycles of activity both of the tribe and of the individual. For example, villages were virtually abandoned for the period of November to June when families left to plough and seed their lands.

"While, on the one hand, the settlement pattern of Naledi is closely linked with that of the traditional villages, on the other its role as part of future urban Botswana cannot be denied.

"Naledi's most obvious similarity with the past lies in the overall organization of plots. However, while individual structures are often arranged within each plot in a traditional fashion, that is, addressing an open courtyard or 'lapa', contemporary building materials have been absorbed into traditional building methods. Loadbearing walls are constructed today of concrete block instead of mud brick, and corrugated iron, in place of grass thatch, is attached to a framework of rafters and purlins.

"What links Naledi most clearly with future development in Botswana, aside from its overall location, is the unusual perception of it by its inhabitants. For the majority of the residents of Naledi continue to view their residences here as second or third homes, not unlike those located on the lands or at the cattlepost. The single most important attraction of Gaborone is industrial or commercial employment, and the subsequent incomes resulting from these. Their primary Home is still perceived to lie within the village of their birth and they often return there for week-ends or to the lands or cattleposts for longer periods of time depending on the season. Large portions of their incomes are being returned to their original holdings to build new houses, refurbish old ones, improve their fields or enlarge their herds. In other words, the traditional village-lands-cattlepost cycle has simply been extended to include Naledi, which serves as a base for employment in Gaborone.

"The situation outlined above has a number of important consequences.

"First, it establishes a strong relationship between the agricultural and industrial/commercial sectors of the country as a whole, a major objective of the government since Independence. Moreover, in terms of the latter alone, Naledi is an important source of labour and self generated production. In 1974, only about 18 per cent of the male population and 48 per cent of the female population were unemployed. Of those employed, about 70 per cent worked in Gaborone, 5 per cent were employed directly in agriculture and 25 per cent were self-employed. Many of the latter often work on their plots selling food, homemade beer, Chibukú (the national beer) or various groceries. Others were also home-employed in the production of bricks, pottery, furniture, tinwares, clothes, etc.

"Second, the village-lands-cattlepost-Naledi cycle, and variations of it, partially account for the temporary nature of many of the homes in Naledi. To be sure, other factors also come into play. For, in spite of the fact that Naledi may serve as a second place of residence, most people would like to build a sound house there of permanent materials. Furthermore, many people already have an idea of the kind of house they would like to build. However, with the absence of tenure, many have felt that they could be forced to move at a moment's notice and they have, therefore, been reluctant to invest a lot of money. It is anticipated that, once they are given long-term tenure, house construction will flourish.

"Third, and this is largely accounted for by the fact that people from all tribal backgrounds have come to Naledi, the community is still in the formative stages of political organization. There is no single headman, nor is there a single kgotla. At the moment, Naledi is represented by a single resident Town Councillor and an officially appointed Village Development Committee. Certain other unofficial 'headmen' are sought out in instances of family or plot disputes and there are four or five witch doctors.

"All these consequences suggest that, currently, Naledi occupies a critical, although somewhat precarious position not only in the lives of its inhabitants but also in the future of Botswana as a whole. Moreover, it is the people themselves who have brought Naledi to this position. In initiating the upgrading scheme the government hopes to establish a framework capable of reinforcing and encouraging the continuation of this search for a more stable future."

The official formation of the Village Development Committee in

Naledi is an important transition from a familiar concept in the villages to an urban setting. The Naledi Committee has 2-3 representatives from each of the several 'wards' which comprise this home for 10,000 people.

The Committee meets monthly. It has proven to be effective in coping with local problems and in dealing with town government.

Recently, two unofficial organizations in the Broadhurst areas were merged into one group similar to the Village Development Committee in Naledi. The SHHA helped in this reorganization. There are somewhat similar groups in the other town as well, but perhaps not quite as organized and active. In Francistown, a political party is very active and serves a community organization role.

The SHHA in each town includes a community development staff which helps lower-income households with their housing and related needs. The Village Development Committee approach appears to be most popular and effective.

CHAPTER VII: CONSTRUCTION SECTOR ANALYSIS

A. GENERAL CHARACTERISTICS OF THE CONSTRUCTION INDUSTRY

Urban housing can be divided into the following four types:

(1) Institutional housing for Government and industry, including housing from the colonial period. It is built by private contractors on tender for individual ministries, departments or companies to house employees of all income levels and often is subsidized. Institutional housing is not considered in this report except as its standards influence the general housing sector.

(2) Housing built by the Botswana Housing Corporation (BHC) for both the governmental and private market. The operations of the BHC are described in Chapter VI. The BHC's chartered mandate was to build housing for all income ranges, but to date most of its projects have produced high-quality housing units for upper- and medium-income families. BHC housing projects are designed by BHC staff but are built by private contractors on tender. In addition, BHC has the responsibility for managing housing projects turned over to it by the Government. The BHC usually does not design or build the infrastructure for its housing which is done instead by the Ministry of Works and Communication through private contractors.

(3) Low-income housing built under sites and services programs developed and directed by the four Town Councils. This housing is built either by self-help (owner-built) or by small contractors (1-5 employees). Most Government housing programs are of this type usually including serviced plots, technical assistance and building material loans.

The volume of low-income housing produced in this manner now is more than 1,000 units per year and increasing rapidly. In a few years, the annual production could reach 3,000 units in the four towns.

(4) Squatter housing built unofficially and sometimes haphazardly on illegal plots, usually with traditional materials. While squatter housing has increased in recent years, Government and Town Council officials project they will soon have enough sites and services and settlement plots available to gain control of this situation. Squatter upgrading and resettlement projects are significant now.

Relatively modern large-scale construction firms, employing 100 or more per firm, undertake the major part of conventional housing construction in Botswana. The building industry also includes a limited number of small-scale contractors with about 20 workers each and an undetermined number of unorganized individual or small groups of craftsmen.

B. BUILDING MATERIALS AND CONSTRUCTION COSTS

The special economic relationship between Botswana and South Africa has had a major impact on the functioning of the housing industry in Botswana. On the one hand, Botswana has benefitted from the trading and currency arrangements it has with South Africa which has facilitated foreign investment and import of building materials. On the other hand, a significant number of semi-skilled and skilled construction workers migrate to South Africa, which has limited the availability of tradesmen locally. In addition, an indigenous building materials industry appropriate for the Botswana economy has not developed, partly because

European materials are easily available from South Africa at relatively favorable prices.

The free flow of goods and services has also given Botswana access to technical services from South Africa. Unfortunately, while South Africans move freely in Botswana and have performed a number of major construction projects, the activities of Botswana in South Africa are severely circumscribed by South African restrictions.

The size of individual housing construction contracts varies greatly. Low-cost houses are often contracted individually by plotheolders to independent craftsmen who work for low wages and have little overhead and equipment. Contracts for BHC housing projects are awarded typically to organized firms.

Houses are generally built of structural masonry with concrete floor slabs on grade and a variety of roofing, depending on the cost level of the house. In low-cost housing there is a big distinction between permanent and non-permanent building materials, the latter being characteristic of traditional construction methods. Families in urban areas with the lowest incomes build with traditional materials. Because many families remain in this income group, there is still considerable building in the traditional style.

Traditional (or non-permanent) materials are mud bricks and mud rendering for the walls, tamped mud for floors, timber poles and framing for the roof, and thatch roofing. When mud bricks are made with the proper amount of cow dung, they are durable and can last indefinitely with good maintenance. In urban areas, however, cow dung is scarce

and bricks made without it are not durable. Likewise, good thatch properly applied can last up to 20 years, but it has become scarce and is being replaced by lower quality thatch, which is not as long-lasting and is a fire hazard, or by metal roofing.

Permanent materials for low-cost housing are usually concrete block for the walls with cement rendering both inside and out, concrete floor slabs, metal window and door frames, timber roof trusses or purlins, and corrugated metal roofing. Windows are glazed and wood doors are usually fitted with locking hardware. Some low-cost housing units have internal water supply and a waste line but no electricity. There is a strong feeling among low-income families that permanent materials imply modern living and are therefore desirable apart from their more practical attributes.

Almost all building materials for permanent construction are imported. About 90% of the imported materials come from South Africa and most of the rest from Rhodesia (representing primarily cement for the northern half of Botswana).

Three established building supply merchants, owned and managed by expatriates, distribute approximately one-fourth of the value of imported building materials. The remaining imports are arranged directly by contractors with South African suppliers or manufacturers. There are significant savings in materials costs, when volume justifies direct purchase from the manufacturer.

Costs of construction materials in Botswana generally conform with South African prices plus the cost of transport. Two-thirds of the

scale. For example, brigades are producing concrete blocks for the Gaborone SHHA's building materials inventory. Also, the Botswana Enterprise Development Unit (BEDU) has been promoting small-scale clay brick plants. In sum, these efforts account for a very small share of total building materials.

It would be possible for Botswana to make cement in that the raw materials exist, but there may not be an adequate market to make cement production economical. Wood products are unlikely because of the limited forest areas. Potentials for making glass and steel are not certain, but they seem unlikely. As was indicated above, the use of traditional materials in urban areas is limited by the short supply and preference for modern style houses. Nevertheless, more research and consideration of the production and use of local building materials should be a high priority of both Government and business in Botswana. Continuing nearly complete reliance on imports is both expensive and risky.

The level and composition of housing construction costs vary greatly depending on the type of building, size of unit, building materials used, labor component. etc. On the one hand, there is the basic self-help house on a sites and services plot.

The following table shows the detailed costs of building materials for a two-room model house of 21 square meters. This house is being promoted by the Gaborone SHHA in Broadhurst II. It is a concrete block rectangular structure with a sheet metal roof, two exterior doors and four windows. No plumbing or electricity is included. The toilet building is separate. The cost per meter is P31.50. The total cost of P662 exceeds the maximum building material loan of P600 now authorized by Government for self-help houses. Consideration is being given to raise this limit to P800, which should be adequate for a year or two.

Imported materials are shipped by rail from South Africa. Low volume users of construction materials located off the main rail terminals pay considerably higher prices due to lack of competition and increased transport charges. The cost of cement originating from Rhodesia is somewhat below that available from South Africa. This difference results from dumping by Rhodesia because of excess production capacity and the desire to earn foreign exchange.

As in other countries, recent cost increases for materials have been dramatic in Botswana. The Ministry of Works has estimates that the price of steel has increased at an annual rate of 50% over the past several years. Increases in the cost of cement, metal frames and glass have averaged 15-20% since 1973.

There are often serious delays in shipments of construction materials to Botswana. The reasons for this are the overload on transportation facilities, the possibility of embargoes enforced by South Africa, and the fact that Botswana -- while it depends heavily upon South African imports -- is considered a marginal market for South African manufacturers and hence does not receive priority for delivery of materials. Also contributing to delayed shipment of materials are restrictions by South Africa on Botswana truckers. Since only South African haulers can pick up and transport goods within South Africa, Botswana importers are dependent upon South African transport contractors.

The local manufacture of building materials in Botswana is limited to concrete blocks and bricks, clay bricks, metal frames and trusses, and paint mixing. Local production of materials is generally on a small

The houses constructed for the Botswana Housing Corporation by contractors in January 1979 had average costs as shown by Table 12. Note that the smallest house is 39 square meters and costs P4,100 for the basic house, or P105 per square meter. This house includes a kitchen of six square meters and room with an exterior door which contains a water closet and shower. There are two bedrooms of 7.5 square meters each and a sitting room of 10.9 square meters. It does not include electricity or heating.

One of the most difficult issues regarding housing for lower-income households in Botswana is sanitation. Between 1976 and 1978 the Low Cost Sanitation Research Project was carried out by the Ministries of Local Government and Lands, Works and Communications, and Health. Following the Project's final report, Cabinet approved the use of Type B toilets (an aqua privy of patented design), Reed's Odourless Earth Closets (ROEC's) and pit latrines depending on soil conditions and other factors relating to a particular area. Waterborne sewerage was determined to be too expensive to install and uses too much water to be practical in Botswana.

Type B aqua privy units have proven to be socially unacceptable in the Francistown Urban I project -- largely because it was not flushed properly and the soakaways were inadequate. In Broadhurst II in Gaborone, it has proven necessary to extend the soakaways considerably for adequate drainage. The compact soil found in much of the Gaborone area makes an aqua privy expensive (approaching P400 per unit now) and of dubious acceptability.

In Old Naledi, model pit latrines have just been constructed using single and double pits. The key advantage of the double pit is that when one pit is full the other can be used, thus allowing a long period of time

for the waste to decompose and the pit to be emptied. Costs are not known yet, but the total per unit cost probably will be less than the Type B aqua privy (say P300 versus P400).

More research and demonstration projects on low-cost sanitation are planned over the next few years.

TABLE 12
ESTIMATED COST OF BASIC 2-ROOM HOUSE AND TOILET
(Floor Area 21 square meters)

<u>UNIT</u>	<u>QUANTITY</u>	<u>SQUARE METER UNIT PRICE</u>	<u>TOTAL</u>
Cement	24 pkt.	P 2.10	P 50.40
Sand	3 m	12.00	36.00
Stones	3 m	6.00	18.00
4.5" Blocks	750	0.23	172.50
D.P.C.	20 m	2.00/roll	0.40
Brickforce	5 rolls	1.39	6.95
Lintols	6	2.30	13.80
Airbricks int.	4	0.14	0.56
" ext.	4	0.51	2.04
Doorframes	2	10.78	21.56
C1H	2	8.60	17.32
C7H	2	15.40	30.80
Rafters	4	9.77	39.08
Sheets	11	8.35	91.85
Screws	1 kg.	1.15	1.15
Washers	1/2 box	0.60/box	0.30
Galv. Wire	16 m	28.35/roll	5.00
6" Nails	1/2 kg.	0.34/kg.	0.17
Doors	2	23.65	47.30
Locks	2	3.36	6.72
Screws	20	(0.20)	0.40
Glass	18	0.57	10.26
Putty	3 kg.	0.23	0.69
Primer	1 liter	1.87	1.87
Undercoat	1 -	2.20	2.20
			<u>P577.12</u>
Toilet			<u>P 85.00</u>
		<u>TOTAL</u>	<u>P662.12</u>

Square meter price is P 31,50/32.00.

Source: Gaborone Town Architect, March 1979

TABLE 13

CONSTRUCTION COSTS OF HOUSES BY
BOTSWANA HOUSING CORPORATION

<u>House Type</u>	<u>Plinth Area (sq.m)</u>	<u>Construction Cost</u>
Khutse C	142	P23 100
Type II	123.5	P19 250
CF. 124	124	P20 000
CH. 124 (2 storey)	124	P21 000
Khutse A	125	P21 000
Shakawe A	123.5	P19 000
HMC - 105	105	P15 750
CH. 95 (2 storey)	95	P14 750
MC. 75	75	P11 500
MC. 55	55	P 9 000
MC. 95	95	P14 000
LC. 43 (no electrics)	47.5	P 4 600
LC. 33	39.0	P 4 100

NOTES: Plinth Areas exclude servants quarters, garages, car-ports, stoeps, and storerooms.

CONSTRUCTION COSTS: Estimated cost of fencing, services within plot, sub-structure, superstructure are included; but excluding cooker, off-site services, land, fees and capitalised interest.

Servants quarters, garages and car-ports are also excluded.

Prices estimated January 1979, assuming competitive tender on contract of approximately one million pula.

SOURCE: Botswana Housing Corporation

C. CONSTRUCTION CONTRACTORS AND LABOR

According to the 1977 Employment Survey, construction employment was a total of 6,900, or 11% of total employment, while in 1972 it was 6,475, or 16% of all employment. Construction jobs peaked in 1975 at 9,000. There were an estimated 206 construction companies in Botswana of which only 81 were considered active enterprises -- 53 of these employed less than 50 persons each.

Unskilled construction workers earned wages of P21-50 per month (\$25-60); semi-skilled workers mostly earned P51-100 (\$60-120), while the more skilled and experienced workers had monthly wages of P101-200 (\$120-240). There were only 140 female workers out of the 6,900 total whereas females comprised 20% of total employment.

More than one-half of the construction workers were based in Gaborone (3,520), while only 470 were in Francistown, 90 in Lobatse and 750 in Selebi-Pikwe.

More than one-half of construction employment is engaged in road building and other public works. Another large share is involved in the construction of industrial, commercial, agricultural and government buildings. Residential construction probably is no more than 20-25% of the total. In any event, individual unregistered craftsmen who might build their own houses or who might contract to build simple houses on an individual basis are not included in these figures.

Both construction wages and productivity are low in Botswana. For example, the productivity of a bricklayer in Botswana is 25% of the rate for a similar tradesman in Europe.

An analysis of construction labor requirements compared with planned additions to the skilled labor force suggests that a deficit will occur

in most trades (except bricklayers) through 1980. There are indications that even these projections were optimistic and that the actual numbers of both tradesmen and supervisors entering the construction industry has been far below expectations.

Most training for construction trades and supervision is provided at vocational training centers. Courses are offered in building (i.e., site preparation, concrete work, bricklaying), carpentry, painting, plumbing, electrical installation, and welding. There is an acute shortage of staff, and the quality of instruction reportedly is low. There does not appear to be sufficient management and supervisory personnel in Botswana for an expanded and sophisticated housing construction program. The lack of skilled construction supervisors is seen as an obstacle to increased construction capacity even more than the lack of skilled labor. These constraints have not affected the growth of self-help construction activity in recent years since less skilled local craftsmen have been more easily mobilized.

CHAPTER VIII: OTHER HOUSING TOPICS

A. ENVIRONMENTAL CONSIDERATIONS

The focus and emphasis of the Government of Botswana is on people, their health, education and economic well-being. Environmental concerns reflect this perspective in Government policies programs and regulation.

The land of Botswana is vast and varied, but most people are concentrated in the eastern section, where water is more available. Water resource management is a major concern, with programs administered by the Ministry of Mineral Resources and Water Affairs. Limited water supply is a growth constraint for Lobatse and of some concern in the other towns.

Botswana is concerned about preserving and properly using its agricultural lands, with programs being the responsibility of the Ministry of Agriculture. It is becoming increasingly apparent that Botswana has large and varied mineral resources. Government has adopted policies and legislation to ensure that these resources are exploited in a manner which most benefits the people and economy of Botswana -- including employment, wages, mine conditions, air pollution, open mining towns which are properly planned and developed, and a large share of mineral sales revenue going to Government. The Ministry of Mineral Resources and Water Affairs has primary program responsibility.

Game reserves have been established to protect much of the animal life of the country. Also, there are efforts to protect the life-style of the Bushmen and other traditional groups. One reason that Government policy and programs favor rural development over

urban development is the conviction that people are better off living closer to and in accord with the natural environment.

In both rural and urban areas, there is substantial concern about the pollution of water resources. As the National Development Plan points out, sanitation problems in villages are minimized by the dry climate. Yet, with dense population settlement and/or livestock concentrations, poor drainage, and poorly located surface disposal and pit latrines, inadequate water disposal can quickly contaminate wells and surface water supplies. Industrial waste also is mentioned as a concern. These issues involve coordination of several Ministries, especially Works and Communications, Local Government and Lands and Health working with District and Town Councils.

Environmental considerations regarding urban development are addressed in the Town and Country Planning Act, which is administered by the Department of Town and Regional Planning. Town Councils take account of environmental issues both in their regulation of construction and providing urban services such as trash collection.

Botswana does not have an environmental protection act per se, but there is concern for the natural and man-made environment. This concern is pervasive and growing, but it is not a dominate issue at this time.

The basic environmental issue involving housing is low-cost sanitation. The Government prefers water-borne sewerage systems, but these are too expensive for lower-income households and water is in short supply. Various types of pit latrines seem to be all

that is clearly affordable, but Government officials would rather see more advanced sanitation techniques. In any event, the issue is open and Government's commitment to lower-income self-help housing seems strong enough to cope with the sanitation problem while continuing to foster such housing.

B. RURAL HOUSING

While urban areas are growing rapidly and accounting for an increasing share of the total population, the rural population continues to grow as well. In 1971, 532,000 Batswana lived in rural areas, 89 percent of the total population. By 1978, the rural population increased to 643,000 but its share dropped to 85 percent. This trend is projected to continue so that by 1984 the rural population will be 748,000 and 79 percent of the total. Because Botswana is a large country, even in the eastern strip where population is concentrated density is low. Most of the country is virtually uninhabited.

According to the 1971 Population Census, 15 percent of the rural people lived in large traditional villages such as Maun, Serowe, Mochudi, Molepolole, Kanye, Ramotswa, Mahalapye, and Polapye. Some of these village house 30,000 people or more at various times of the year. Another 39 percent of the rural people lived on many smaller villages, while 27 percent were residing on agricultural lands, 14 percent at cattle posts, and 4 percent on freehold farms and other Places.

Any count of the rural population of Botswana masks the fact that people are highly mobile from season to season. Many households

have members who migrate between the village and the cattle post and/or farm lands. Also some migrate back and forth to the towns seeking education and employment.

Largely because of the seasonal mobility, the Census found that only 64 percent of the dwellings in the major villages were occupied. It is not uncommon for households to have two or three houses -- in the village and at the cattle post or farm land. Growing numbers "moving" to the towns retain their rural houses, thus contributing to the growth of squatter areas and lack of commitment to urban life.

Household incomes and wealth in rural areas vary greatly. Still, since nearly all houses are made by the household using mostly free traditional materials, houses are quite standardized. The typical house is a rondaval made of mud and cow dung with a thatch roof. Many houses consist of two or even three rondavals with a wall enclosure. Cooking is done outside and sanitation is nearly always a pit latrine. Plots are mostly large even in the larger villages. Small gardens are common and many people keep small animals in the village. Rectangular houses made of concrete blocks and metal roofs and in existence now in most villages, particularly the large ones.

Government for several years has had a major program of upgrading village water supplies. The larger villages have several wells and standpipes and increasing numbers of the smaller villages enjoy well water also.

Botswana villages are orderly and clean. Traditional tribal leadership continues. Also, in each village there is a Village

Development Committee which serves as an effective organization for group decision-making and action.

C. REFUGEE SETTLEMENTS

In 1977 there were about 4,500 refugees in Botswana, according to the United Nation's High Commission on Refugees (others resources report about one-half that number). In early 1979, there were perhaps 20,000 refugees located in Francistown, Selebi-Pikwe, Gaborone, Lobatse, and the new rural refugee settlement of Dukwe in Northeast Botswana.

According to a 1977 study for US/AID by Robert R. Nathan and Associates, Zimbabweans were arriving at 600-800 per week and South Africans at only 10 per week. Changing political conditions and events make it impossible to project refugee inflows with any reasonable degree of confidence. In any event, the number is large enough and the growth potential great enough to be of significant concern to Botswana officials.

Ninety houses were build for refugee families in Selebi-Pikwe with funds from the UN. Only one-half of these are occupied -- a large share of refugees come alone. The UN offered to fund 100 refugees houses to the Botswana Housing Corporation on Gaborone, but the project is not likely to materialize because the BHC was not interested. BHC maintains the houses in Selebi-Pikwe.

A large share of the refugees are interested in continuing their educations. Many Zimbabwe left school at the "O" level and thus are eligible for undergraduate programs. Most South Africans are younger and not as far along in school.

The Dukwe settlement is planned as moderate-sized farm plots so that the refugees can at least grow much of their own food. The refugees built their houses using local materials. Dukwe is overcrowded, so the Department of Town and Regional Planning is preparing a plan for the expansion of the settlement to house 20,000 persons. Dukwe is located near a site that had been planned for industry, therefore, it is possible that there may be industrial employment opportunities in the future.

Refugee housing in Botswana is in short supply now. Should the inflow of refugees increase much, the problem could become acute -- especially if more urban families were to come to Botswana. Nevertheless, at present, food and education are higher-priority concerns than housing because the refugees are mainly young and single.

D. WOMEN AND HOUSING

The 1978 "de-jure" population (excluding non-citizens, including absentees) was comprised of 415,000 females and 390,000 males, or 52 percent female. However, nearly all the 60,000 absentees abroad were young adult males working in the mines in South Africa. Assuming that 5,000 of the 60,000 are females, the resident citizen population was 410,000 female and 335,000 males, or 55 percent female. The 75,000 females in excess of males are concentrated in ages 20-49, thus reducing potential marriage prospects for women and resulting in a large number of female heads of households.

The imbalance of females over males is even greater in rural areas because more males migrate to the towns for work and education. In fact, a draft report by the International Center for Research on

Women entitled Women in Migration: A third World Focus (June 1979) found that female rural population shares are much higher in Africa than in Asia and Latin America and that the rural population of Botswana is the most female-dominated of any in the developing world. South Africa's rural population also is strongly female dominated. Thus, rural households are commonly headed by women who most of the time must alone raise the family, take care of the house and work in either cattle herding or farming (usually on little more than a subsistence basis). In older ages, as men return from the mines, the female-male ratio becomes more balanced.

Another more recent trend is that adult females (including late teens) are moving to the towns on their own. As is the case throughout the world, adequate employment opportunities are not available, thus many adult females live with others, frequently in squatter areas, and engage in marginal informal economic activities, such as brewing and selling home-made beer and prostitution. Recognizing the need for more appropriate housing for young women, the YWCA has a hostel under construction in Gaborone. Since the urbanization of young women is likely to be substantial in the future, it is probable that large amounts of suitable housing will be needed.

Women in Botswana are not discriminated against regarding housing opportunities directly, but since their earning power is less, they are likely to have less to spend on housing. Recognizing this, the Urban II project in Francistown and Selebi-Pikwe includes special actions intended to increase women's economic opportunities.

CHAPTER IX: CONCLUSIONS AND RECOMMENDATIONS

Batswana are moving to the towns in ever increasing numbers, while preferring their traditional rural village life style. The Government is endeavoring to accommodate rapid urbanization, while stressing rural development. Unless and until programs to provide employment in rural areas become large and productive, urban growth will continue unabated. For another decade, at least, migration to the towns is likely to continue at near present levels.

Botswana is unusually fortunate in having the immediate opportunity to manage its urbanization before problems mount to unmanageable proportions. Moreover, Botswana stands to benefit from sizable revenues from its mineral resources, thus having more financial capability to use in coping with urban development and housing needs.

The Government and Town Councils, with donor assistance, have achieved much in meeting the needs of the urban population. Inevitably, however, much more is required now and in the future. Based on the analyses presented in the preceding chapters of this report, the following conclusions have been reached. The recommendations made are intended to indicate what Botswana needs to do to better meet the challenge of urbanization, with special emphasis on housing lower-income households.

A. DELIVERY OF HOUSING AND INFRASTRUCTURE

In 1978, Botswana adopted a set of policies regarding land, urban development and housing. These policies are comprehensive, appropriate and realistically attainable. Implementation of many has begun. These policies should guide government decisions and actions. Moreover, the strategies and programs which implement these policies should be aggressively pursued while the opportunity to manage growth is at hand.

It is unfortunate that present practice is not fully in accord with these policies. In particular, the policies regarding no public subsidy of housing and cost recovery from the households are being neglected -- largely because Town Council revenue structure and systems are inadequate. These policies are crucial to effective delivery of adequate housing for all households. Remedies are needed which will bring practice into compliance with the policies.

Botswana Government is organized satisfactorily, in general, to facilitate urban growth management and the delivery of housing. Several of the existing institutions need to be strengthened, however.

The MLGL's Urban Affairs Division is effective, but more Batswana need to be trained to systematically replace the expatriates. The use of expatriates is desirable for technical assistance purposes now, but the ultimate capability to deliver housing will depend on the continuing effort of Batswana. (This recommendation applies to most institutions concerned with housing.)

The Department of Town and Regional Planning needs to increase its pace and effectiveness in preparing comprehensive development plans, or costly development mistakes will continue to be made. The Department of Surveys and Lands is accountable for some of the delays in the production of serviced plots because of the time required to survey project lands and handle the registration of titles. This capacity must be increased or the housing delivery schedules now planned cannot be met. It may be necessary and desirable to contract more of this work to the private sector.

The role of the Urban Development Coordinator is central to the implementation of urban housing projects, as the Coordinators have demonstrated

to date. These should become established permanent positions. Also, more Batswana should be trained to undertake these tasks.

The Low-Cost Housing Officer position also should be made permanent. More effective technical assistance to the Town Council housing departments is much needed. Further research and demonstration programs regarding the provision of affordable housing should be assigned high priority.

The Unified Local Government Services has a difficult task of allocating too few trained Batswana to ever growing staffing needs. ULGS needs to foster technical training programs geared to the needs of Town Council staffs, working with the Urban Affairs Division, the Town Councils and education institutions. Moreover, ULGS should accord more priority to staffing the housing departments and refrain from reposting staff away from housing roles once they have been trained in housing.

With two-thirds of the new housing needing to be self-help on site and service plots, it is essential that Town Council SHHA capabilities be upgraded in all the towns. Again, more Batswana are essential. In addition, technical assistance in the form of advisors and specialized short-term consultants should be provided.

As indicated above, the revenue capacities of Town Councils need to be increased substantially for the Councils to fulfill the growing demands on them. Both the revenue structure and the collection processes must be overhauled. Short-term technical assistance should be sought to accomplish this as soon as possible. Similarly, the towns could use assistance in upgrading their town engineering departments to enable them to better provide public services and maintain facilities.

The urban infrastructure in Botswana is quickly becoming a sizable investment which must be adequately maintained or serious service problems and

repair/replacement cost will result. The form of development being undertaken -- i.e., mostly low-density single-family residential -- is causing the need for substantially more roads, utility networks and other facilities than would more compact forms of development. Further, this low-density pattern significantly increases travel time and costs -- a particular hardship on the lower-income labor force. The issue of urban form should be made an important component of the work on urban settlement analyses, plans and policies to be undertaken soon.

Given the policy and need to provide affordable, socially-acceptable housing for lower-income households, it is not possible to house them in flats or other contractor-built houses. In fact, increasingly it will be necessary to provide large numbers of settlement plots with minimum (upgradable) services as an alternative to squatter areas for people so poor they cannot even afford a conventional site and service plot and a self-help house of permanent materials. Francistown is providing such settlement areas now.

While it appears that Botswana is limited in what it can do to produce more local building materials, research and demonstration programs should be enlarged and speeded up in any event. Almost complete reliance on imported materials is both costly and risky. Concurrently, further work is needed on low-cost sanitation systems to identify affordable approaches which are best suited to Botswana conditions and preferences.

Because of increasing costs of building materials, the building material loan limit of P600 no longer covers the costs of materials for a basic two-room house. Therefore, this limit should be increased now to P800 and reviewed every year or two. Nevertheless, the loan amount made to each household should continue to be based on ability to repay the loan.

The Botswana Housing Corporation has a waiting list for its houses which includes more than twice as many applicants as the Corporation has constructed housing units in all its eight years of existence. Most on the list are seeking low-cost houses. BHC housing production should be increased greatly. To do this will require more serviced plots. Also, BHC financing must be strengthened. Rents for BHC houses should be raised to economic levels on an established schedule which takes account of the ability of households to pay, increasing maintenance costs, inflation and other factors. It is important that this policy of Government be implemented. It also is suggested that an analysis be made to determine what other constraints, if any, are limiting BHC housing production and to propose actions accordingly.

In addition to improving BHC production, Botswana should foster private construction of market housing by making serviced plots available, encouraging financial institutions to make construction and mortgage loans and increasing training programs for housing contractors and tradesmen. At this time there are several large builders who contract to build BHC houses, but there ought to be private business and investment incentives to foster a substantial private residential construction industry to complement the BHC. It also would be desirable to investigate why housing cooperatives are not active in Botswana. These considerations warrant technical assistance by short-term consultants familiar with private housing markets and housing cooperatives.

B. HOUSING FINANCE

The BHC has been able to borrow money from Government, banks and international financial institutions to fund its housing construction. It may be able to expand this financing to produce much more housing. This issue should be included in the analysis of BHC production constraints.

The Botswana Building Society is developing satisfactorily for a new private institution. It is being tested now in terms of its ability to substantially increase mortgage lending by the new Government housing guarantee scheme. Savings are adequate to finance mortgages now, but a greatly expanded demand for mortgages could result in shortages of funds to lender. Consideration should be given to establishing a secondary mortgage entity to replenish the Society's mortgage funds. This is a complex subject deserving of a thorough study.

To date Botswana has not had sufficient effective demand for housing mortgages to warrant much attention by the Ministry of Finance and Development Planning and the Bank of Botswana. However, it is now timely to ensure that housing finance does not constrain the housing markets which are so important to economic development as well as being a social necessity.

C. HOUSING DEMAND

The 30% of the urban households who can afford contractor-built houses are frustrated by the inadequate supply, as identified above. If the proposed actions are taken, the supply should increase to satisfy this effective demand.

Most of Botswana housing problems are concentrated with the other 70% of households, the ineffective demand. The self-help housing programs are accurately targeted to meet most of these housing needs, along with the squatter upgrading projects. As long as these efforts are adequate and building material loans are available, little more can be done.

There is, of course, need for more employment opportunities for these lower-income households to enable them to increase their incomes and thus their ability to afford housing -- this need is especially acute for women heads of households.

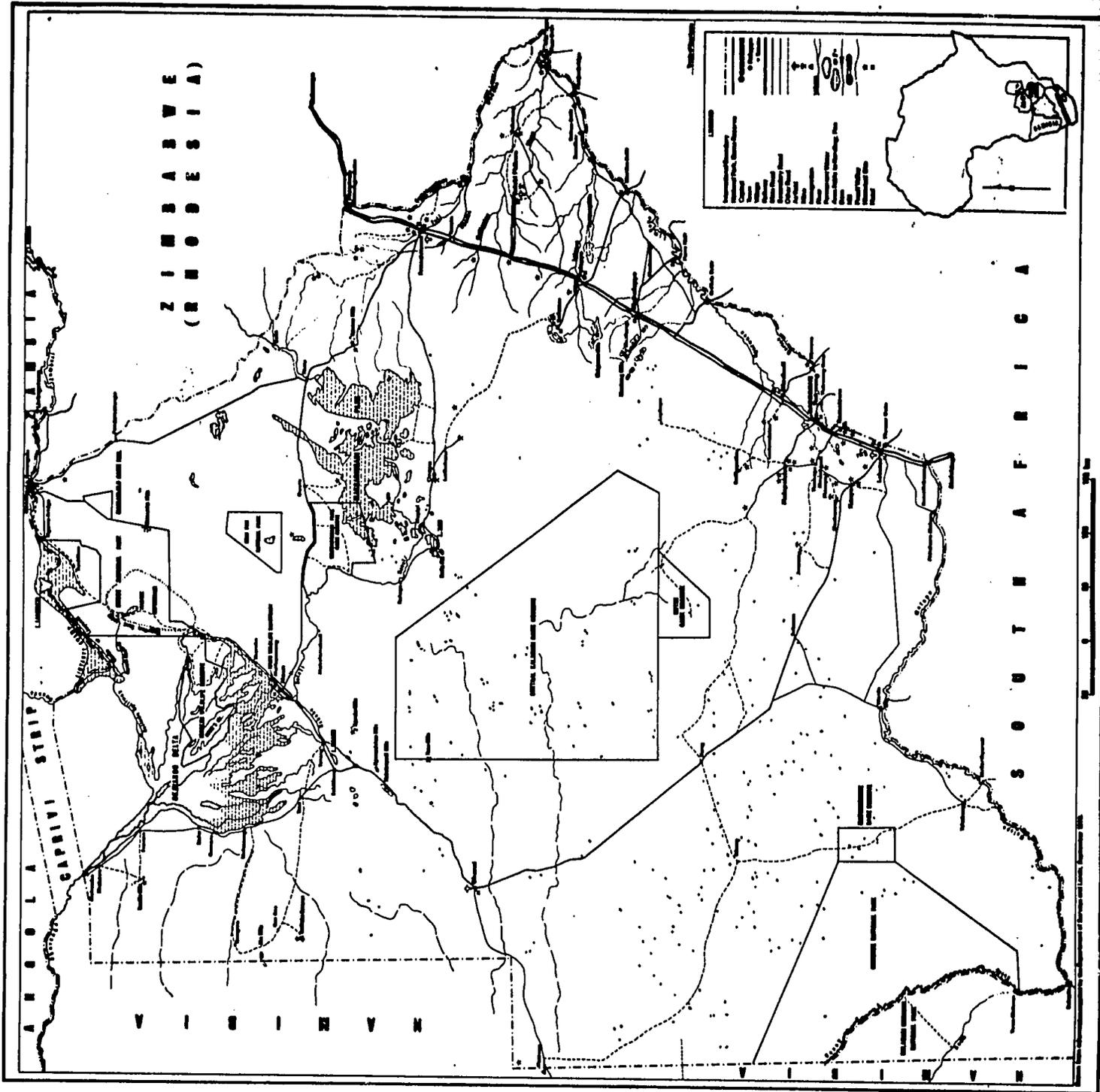
A substantial proportion of rural-urban migrants are young, single adults. More attention is desired to their special housing needs and preferences.

Batswana relate urban living with having a house of modern design and materials, rather than the traditional houses of the rural villages. This expectation is frustrating for most because they cannot afford such houses. All Government can do are the actions mentioned above. Housing subsidies are not recommended.

One of the more unusual aspects of Batswana life as it relates to housing is the tradition and continuing practice of having two or even three or four houses for the households (village, cattle post, fields), with seasonal migration between them by members of the family. This practice is extending to the towns. A large share of urban households, especially in squatter areas, consider their rural village to be their primary home and return to it frequently. This causes a perception of urban living which has important implications for housing programs, social services and community development. More needs to be known about this phenomenon, its housing-related implications and its prospects in the future.

APPENDIX

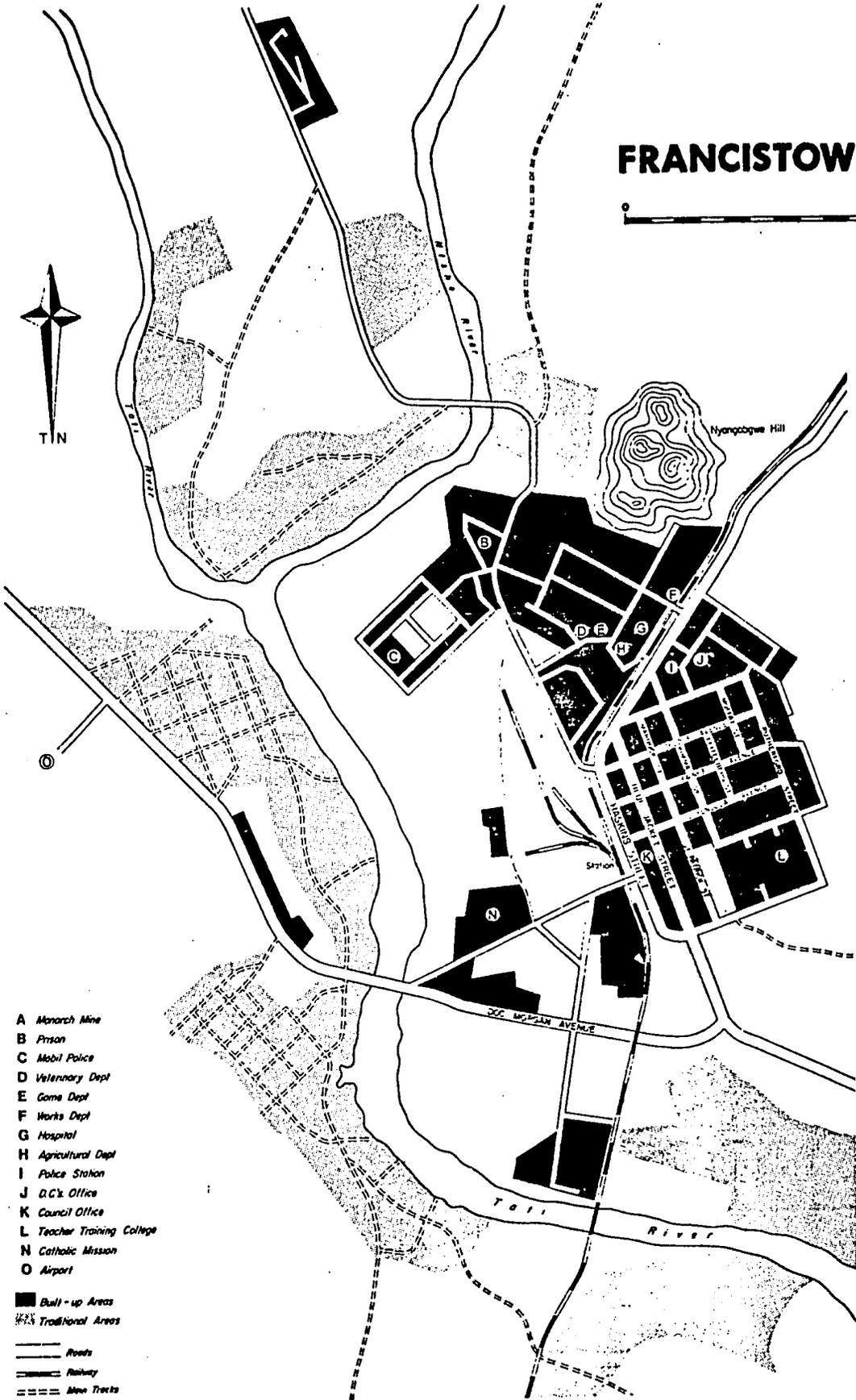
MAP OF
BOTSWANA



**MAP OF
GABORONE**



FRANCISTOWN



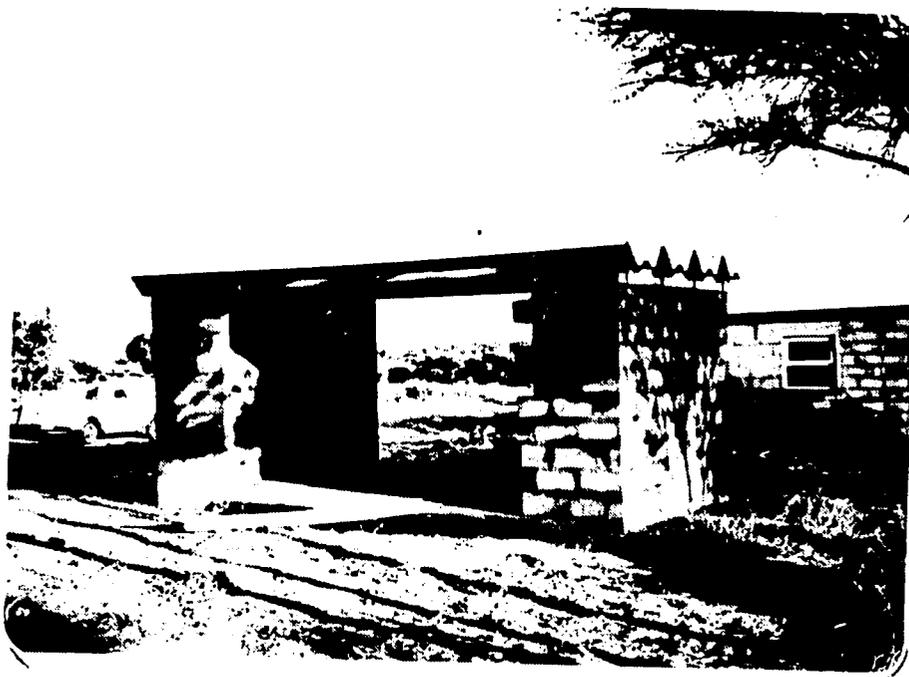
- A Monarch Mine
- B Prison
- C Mobil Police
- D Veterinary Dept
- E Game Dept
- F Works Dept
- G Hospital
- H Agricultural Dept
- I Police Station
- J D.C.'s Office
- K Council Office
- L Teacher Training College
- N Catholic Mission
- O Airport

- Built-up Areas
- ▨ Traditional Areas
- Roads
- Railway
- New Tracts

GABORONE SHHA CENTRAL OFFICES, BUILDING
MATERIALS DEPOT AND TRAILER AT SELF-HELP HOUSING SITE



MODEL HOUSES PRODUCED BY SHHAS DEMONSTRATING SELF-HELP
CONSTRUCTION--ONE USING MODERN MATERIALS FOR HOUSE STARTED
BY CONTRACTOR TO BE COMPLETED BY HOUSEHOLD AND THE OTHER DEMONSTRATING
COMBINATION OF MODERN AND TRADITIONAL MATERIALS

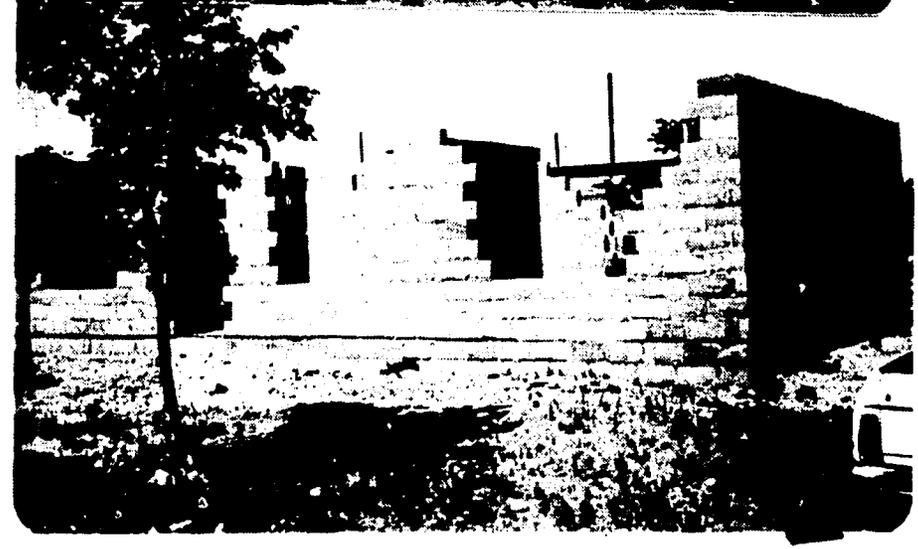


WATER STANDPIPES, HEALTH CENTERS, ROADS, AND DRAINAGE
ARE IMPORTANT ELEMENTS OF SITE AND SERVICE AND SQUATTER UPGRADING PROJECTS



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SELF-HELP HOUSING IN VARIOUS STAGES OF CONSTRUCTION



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TRADITIONAL HOUSE DESIGNS AND MATERIALS IN TOWN SETTINGS

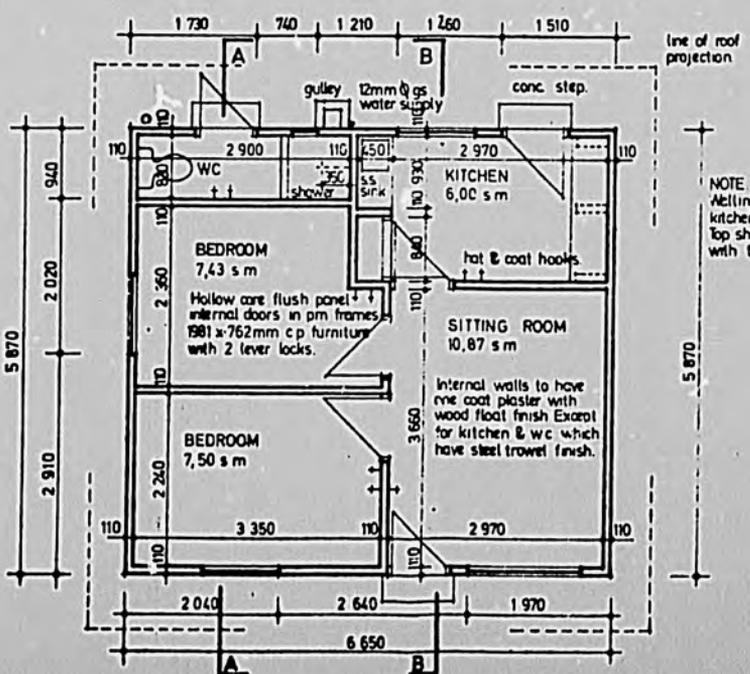
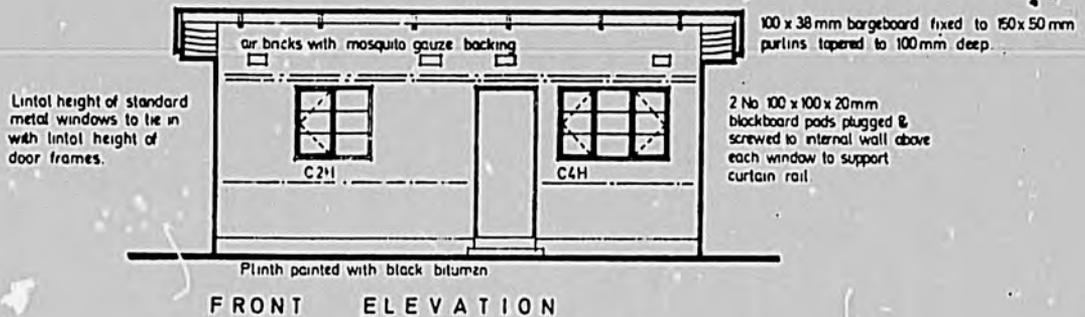
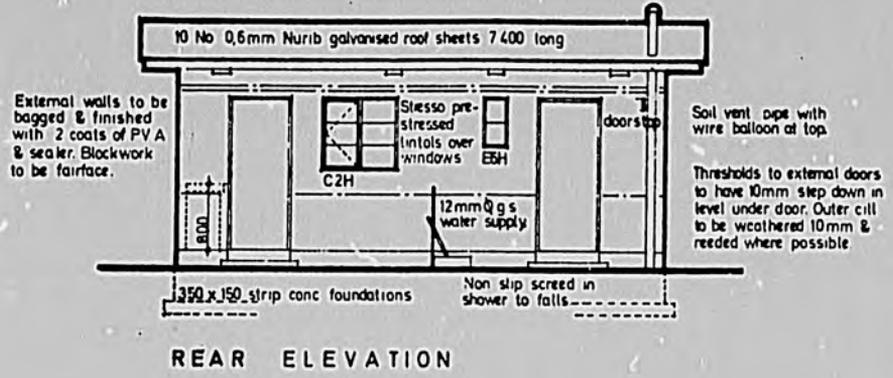
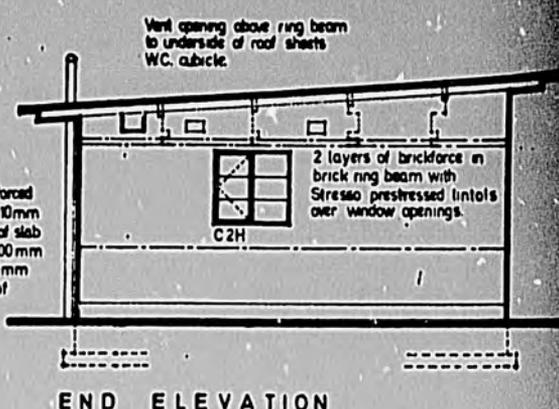
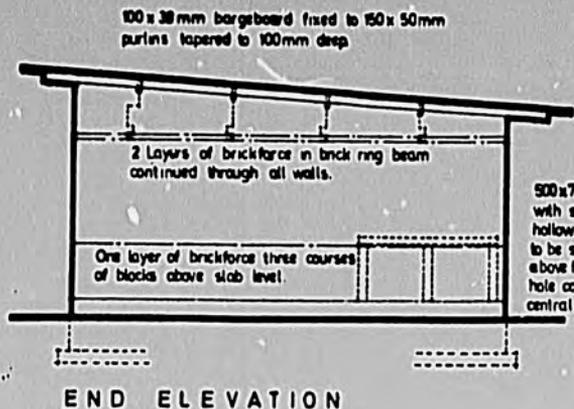


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BOTSWANA HOUSING CORPORATION HOUSES
(ALSO SEE CONSTRUCTION DRAWINGS)



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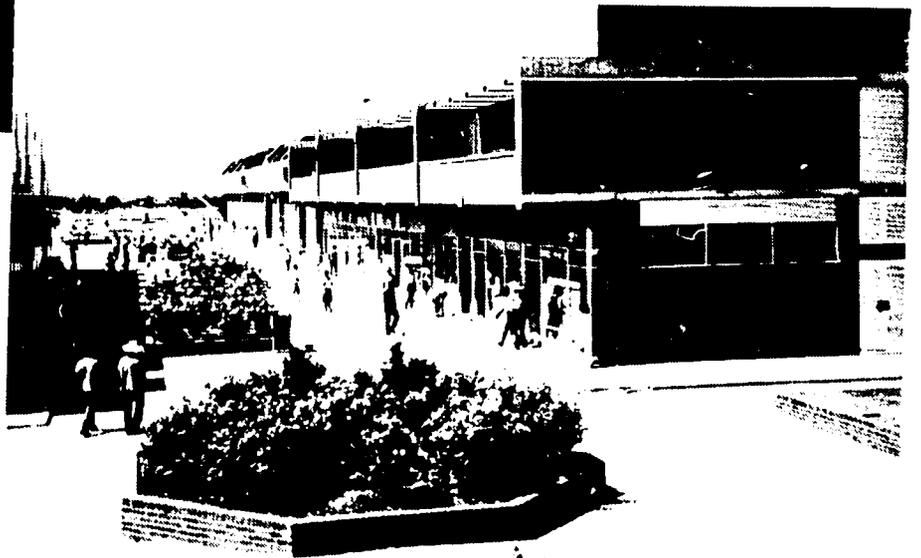
NOTE

⊗ Indicates position where roof is led down with 2 No strand of 8 guage galvanised wire. Ties to be concealed in blockwork & not exposed on wall face.

⊗ indicates position where roof is led down with 2 No strand of 8 guage galvanised wire. Ties to be concealed in blockwork & not exposed on wall face.

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OWNER-CONTRACTED EXPENSIVE HOUSE IN SITE
AND SERVICE PROJECT; EXPENSIVE FLATS AND SELEBI-PIKE CENTER



SUMMARY DESCRIPTION OF PLOT ALLOCATION
CRITERIA AND PROCEDURES

One of the more troublesome aspects of sites and services housing programs in developing countries is the allocation of plots to the lower income households on a fair, efficient basis. The Gaborone SHHA has instituted plot allocation criteria, procedures and education efforts which are worthy of replication elsewhere.

The following two-page illustration shows the Gaborone SHHA Plot Allocation System which was devised by the FCH Advisor, approved by the Town Council and has proven to be effective.

Applications are made at the SHHA central and ward offices. Assistance is provided in completing the simple application form. The staff processes the allocation in a matter of days (including household income check) and forwards it to the Town Council's allocation committee. The applicant must be a citizen of Botswana and resident of Gaborone for six months (new arrivals are discouraged because of policy favoring rural development rather than urbanization). Also, applicants must be at least 21 years of age (there are large numbers of younger household heads) and the applicant must not have a self-help plot or adequate housing.

Household income is limited to a maximum of P1,500 per year (\$1,800), except that 5% may have incomes up to P2,500 (\$3,000). The approximate median income in Gaborone is P1,500. Also, households with little or no incomes are excluded because qualified applicants must be able to afford the monthly service charge of P4.50 (\$5.40).

Priority is given to households living in Old Naledi, the largest squatter area, and other substandard housing areas. Within each of these classifications, households are ranked based on the point system shown on the illustration.

Eligible households are assigned plots as plots become available -- presently there is a substantial waiting list. Before 1978, plots were allocated without the households signing the Certificate of Rights. However, this proved unworkable because many refused to sign this agreement -- including the payment of monthly service charges and building a permanent house -- once they occupied the plot. Now they must sign the Certificate of Rights before they are authorized to occupy the plot. Not only does this document specify plotholder obligations, it is the leasehold title to the plot.

Before households sign the Certificate of Rights, the SHHA community development workers make sure that they understand the plotholder rights and responsibilities. Each applicant listens to a tape-recording (in Setswana) and is given a "comic book" entitled "Family Molefi's Housing Problems and How They Were Solved." Moreover, the community development workers provide individual counsel.

One of the more important areas of instruction is the responsibility of the plotholder to pay monthly service charges to finance secondary infrastructure development, low-cost sanitation, road and water supply maintenance and operation, trash collection, and SHHA operations. While the present charge of P4.50 (\$5.40) per month is readily affordable by most lower-income households, many do not pay because they feel they are not getting adequate services, they feel that they should not pay (i.e., Government should subsidize), or they think they can get away with not paying. A year ago, more than 50% of Gaborone plotholders were in arrears on their payments; now the rate is nearly 30%. The improvement largely is attributable to SHHA education efforts and improved collection procedures -- including systematic follow-up letters and actions for those who do not pay within 30 days. Also, the SHHA has greatly improved its record-keeping on plotowners by the use of programmable accounting machines with programs and procedures prepared by the FCH Advisor.

The Government of Botswana official policy is no subsidy of housing. However, the established charges do not meet present cost levels so both the GOB and the Town Council are providing subsidies. To eliminate these subsidies will require higher service charges and greatly improved collection rates -- both politically difficult, thus demanding effective education efforts by the SHHA and improved collection efforts by the SHHA and Town Treasurer's Department.

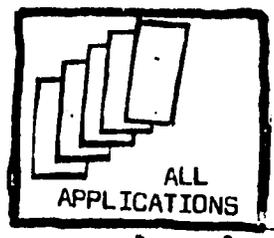
Another problem with the collection of service charges is that defaulting plotholders have not been forced to pay. The Certificate of Rights provided for the repossession of the plot, but this was considered too severe to be enforceable, thus no action was taken. The Certificate of Rights has just been changed to eliminate this repossession provision, thus allowing regular established debtor laws to apply. Since there is no experience with this change, its effects are unknown.

Botswana's ability to adequately house its rapidly growing urban poor largely depends upon self-help housing programs and affordable serviced plots. Central to these efforts are the effective allocation of plots and collection of service charges from plotholders. The Gaborone SHHA has made substantial progress on both counts, although more remains to be done to create adequate amounts of self-help housing on a non-subsidized basis.

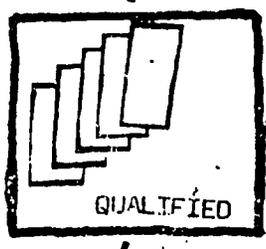
GABORONE SHHA PLOT ALLOCATION SYSTEM

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Step 1 Take applications



Step 2 Reject those not qualified for reasons like under age or not citizen, etc.



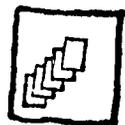
Step 3 Calculate how many points the applicant has....

POINT SYSTEM INFORMATION

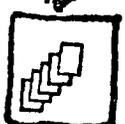
Spouse	20.
Children	X 5.
Sharing accommodation with rent.....	40.
Sharing accommodation without rent...	20.
Existing house scrap tin/wood/poly	50.
Existing house mud bricks	20.
Years in Gaborone	X 5.
Live 200M to 500M from water	5.
Live 501M to 1000M from water	20.
No sanitation at current home	40.
Pit latrine or similar	10.
Blind, crippled or missing limb	50.
Age greater than 65 years	30.
Seccd application for plot	20.
No. of persons in family	(A)
No. of rooms in house	(B)
(A)..... + (B)	= X 10.

POINTS ARE DETERMINED BY FACTORS TO THE LEFT AND INCOME

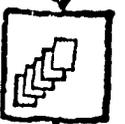
Step 4 Sort the applicants into 4 groups according to priorities



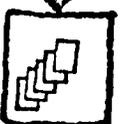
First priority is Old Naledi displacees



Second priority is displacees from thinning out process in Bontleng and White City.



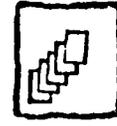
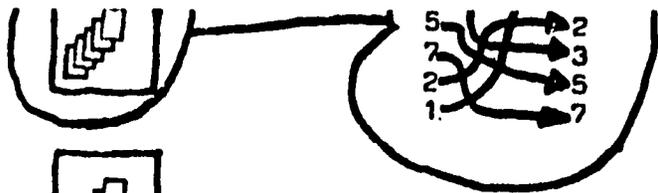
Third priority is squatters from anywhere in Gaborone



Last priority is any other person in Gaborone who qualifies.

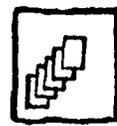
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Step 5 Working with the first priority, sort the applications according to the number of points.



Above is an example of how the numbers on the left might be put into order on the right according to their value

Step 6,7,8 Take each priority in turn, sort the applications according to the number of points.



Repeat step 5 for the other three priorities.

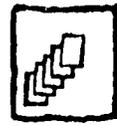
Step 9 Begin allocating plots starting with the highest number of points in the first priority and work toward the lowest number points in the last priority.



Starting with the highest points, allocate to first priority until plots are finished or...



If plots remain, starting with the highest points in priority 2, allocate until plots are finished or ...



If plots remain after above, starting with highest points in priority 3, allocate until plots are finished or



If plots remain after the above, starting with the highest points in priority 4, allocate balance.

**SUMMARY DESCRIPTION OF BUILDING
MATERIAL INVENTORY AND LOAN PROCEDURES**

The Certificate of Rights provides that the plotholder must have a permanent house plan approved by the SHHA and at least one complete room must be finished within 12 months of the plot allocation date. To facilitate house construction, the SHHA offers technical assistance and building material loans.

The SHHA uses "do-it-yourself" scale models of houses so that people can design the house they prefer. Charts are designed to quickly indicate what size house the household can afford. The quantities and costs of building materials are calculated by disc slide rule charts as well. SHHA staff assist households with these determinations. (Also, SHHA staff provides advice during the construction process.)

Once an acceptable, affordable house design has been selected, a Building Material Loan Agreement is arranged and signed. Like the Certificate of Rights, this is a standard form prepared by the Government of Botswana. The Agreement provides for repayment by equal monthly payments over 15 years at 9% interest.

In recent years, the maximum building material loan has been P600 (\$720). However, this amount no longer is adequate to finance materials for a basic house of 20 M² plus separate toilet building. An increase to P800 (\$960) is proposed by the SHHA.

Households can only borrow as much as they can afford to repay, i.e., no more than 25% of monthly income for the service charge and loan repayment. To date 60-65% of borrowers have been eligible for the maximum loan.

Loans are made in building materials, not money. The SHHA stockpiles building materials at its project ward office depots and delivers the purchased materials to the plot using its trucks and tractors-trailers. For large bulk deliveries, the trailers are left for the purchaser to unload in the evening or on the weekend.

With the potential for thousands of building material loans outstanding, it is essential that the SHHA have the capability to maintain large inventories, process material purchases, and collect loan payments efficiently and effectively. To this end, the FCH Advisor has devoted a large share of his time in the past year devising systems, writing procedure instructions and training staff. His efforts have been augmented by short-term technical assistance and the purchase of programmable accounting machines and transport vehicles.

The material inventory and loan record keeping, processing and analysis programs which he has devised and implemented enable an accurate day-to-day monitoring of building material stocks and transactions, thus facilitating inventory control. Further, complete accessible accounts are maintained

on each loan, thus insuring that both the SHHA and the plotholder are aware of what has been borrowed and what remains of the loan.

These machines are usable in keeping track of loan repayments as well. However, revenue collections are the responsibility of the Treasurer's Department, not the SHHA. Nevertheless, the SHHA and the Town Treasurer's Department work together on revenue collections because the SHHA is involved with the building material loans and works closely with the plot holders.

The success of the SHHA's housing assistance programs depends upon: (1) adequate funds for building material loans; (2) availability of building materials; (3) efficient procedures for processing loans and materials; (4) trained staff in the ward offices for processing loans, handling building materials, providing construction advice, collecting loan repayments and providing community development services.

Because loan demand is likely to increase more rapidly than loan repayments, additional GOB and donor funds will be required for building material loans. Eventually, it may be possible to establish a revolving fund program.

Building materials mostly come from South Africa. While the potential to produce local materials seems limited, more attention to this potential might reduce the costs and supply uncertainty inherent in relying so heavily on imports.

The SHHA appears to have adequate procedures for handling building materials and loans but there is the major need for continuing training of Botswana in all facets of this program. This will be especially necessary if the workload increases much above 1,000 self-help houses per year -- as it is planned to do with Broadhurst III and Gaborone West overlapping one another and following Broadhurst II.

