

NATIONAL SHELTER REVIEW WORKSHOP
FOR HABITAT II

Organised by

MINISTRY OF PUBLIC CONSTRUCTION
AND NATIONAL HOUSING

in association with and promoted by

UNITED STATES AGENCY FOR
INTERNATIONAL DEVELOPMENT

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FINAL REPORT OF WORKSHOP FINDINGS

VOLUME 1 : REPORT

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Mr T Chiramba	:	USAID
Ms T Dooley	:	USAID
Mr Tafangombe	:	MPCNH
Mr K Evans	:	Keith Evans Associates
Ms L Conway	:	Price Waterhouse
Ms M Shambare	:	Consultant

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1.0 INTRODUCTION

1.1 Background To Housing Shelter Workshop

The United National Conference on Human Settlement (Habitat II) will be held in Istanbul in April 1996 and will adopt a general statement of principles and commitments and formulate a related global plan of action capable of guiding national and international efforts through the first two decades of next century. It will also attempt to arrest the deterioration of human settlements and ultimately create the conditions for achieving improvements in the living environment of all people on a sustainable basis.

As part of the preparatory process of the Conference, all countries (whether developed or developing) will prepare National Reports to be presented to the Conference. The National Reports will examine and appraise their shelter and urbanisation problems on a comparative basis through the use of a common set of urban and housing indicators. The analysis will form the basis of the structure of the national report.

In order to facilitate the preparation of the National Report, a consultant (PLAN INC ZIMBABWE (PVT) LTD) was contracted to prepare the indicator study. The study was commissioned jointly by the Ministry of Public Construction and National Housing (MPCNH), the Zimbabwe Coordinating Committee on Human Settlements (ZCCHS) and the United States Agency for International Development (U.S.A.I.D.).

In addition to the Indicator Study, the Coordinating Committee on Human Settlement identified the need for National Workshop to assist in the formulation of the National Report. Invitations to the workshop would come from a wide cross section of the housing sector, Government Ministries dealing with shelter related issues; local authorities; professional associations; academics; construction industry; housing finance institutions; N.G.O's; cooperatives and private developers.

Inputs to the workshop include a review of the results of the urban and housing indicator study, the analysis of sector constraints in key areas such as access to land and finance by the poor, affordable building materials; construction sector structure, technical skills and capacity building and employment and poverty issues.

1.2 Terms of Reference For National Workshop Technical Assistance

To facilitate the preparation and operation of the National Workshop, a consultant (PALMER ASSOCIATES (PVT) LTD) was contracted to provide technical assistance. Also a consultant (HUMAN RESOURCES (PVT) LTD) was commissioned to prepare and organise the logistical assistance to the workshop.

The overall objectives to the contract for technical assistance were to:-

- a) Review the results of the Zimbabwe Urban Housing Indicator Study.
- b) Analyze and debate constraints in the delivery of housing/shelter and also services for the low income households.
- c) Make recommendations for appropriate changes in policy and procedures at the National and Local government levels.

In order to achieve the above objectives, the contractor will assist in developing the agenda of the workshop, provide technical support services during the workshop and prepare a final report of the results of the workshop. The contractor was to collaborate with the ZCCHS and USAID in the carrying out of the tasks.

This report represents the final part of the contract and summarises the proceedings of the workshop. The report is divided into 3 sections; the workshop organisation; the workshop outputs and the appendices. The appendices include a list of participants to illustrate the wide cross section of participation; the workshop programme and copies of the papers presented to the workshop. The Appendices are included in another volume of the report.

2.0 WORKSHOP ORGANISATION

2.1 Agenda Arrangements

The agenda was prepared jointly by the ZCCHS, MPCNH and USAID with technical inputs from the technical consultant. The agenda that was used for the workshop programme is shown as Appendix 1.

The theme of the workshop was guided by the key issues identified by the African Group preparations for Habitat II and by the preparatory notes of the United Nations Conference on Human Settlements (Habitat II) drafting group in Nairobi. The key issues were:

- 1) Sustainable urban development in Zimbabwe.
- 2) Housing delivery in Zimbabwe.
- 3) The Environment for us and prosperity.

Therefore these three issues became the modules of the workshop, in which various topics were identified. Obviously the urban and housing indicator study was the main topic to be discussed and formed the background information of all the discussions.

Other topics identified were as follows:-

- 1) Local Government capacity for effective development.
- 2) Municipal finance.
- 3) Land Management and delivery
- 4) Town Planning and Infrastructure Standards
- 5) Building materials and technology
- 6) Joint Venture approaches to housing delivery
- 7) Housing Finance - macro economic indicators
- 8) Housing Finance - building society involvement
- 9) Gender perspective
- 10) Consumer perspective
- 11) Disadvantaged perspectives
- 12) Planning and management of the environment.

The topics represented the papers to be presented and covered the whole range of housing and urban development issues to be debated at the Habitat Conference in Istanbul in 1996.

The agenda was arranged so that each presentation was given 15-20 minutes with 10-15 minutes discussion. The conference organiser identified the need for commentators to initiate general debate on the papers and the need for group work to debate the topics in detail. Usually, a workshop has either commentators or group work and it was jointly decided that the workshop should give priority to group work.

The workshop was arranged for 2,5 days and included an official opening by the Ministry of Public Construction and National Housing and the United States Ambassador.

2.2 List Of Participants

The list of persons invited to attend the workshop are shown on Appendix 2. They represent the whole cross section of persons from the local authorities, Ministries, private sector, professional institutions, finance houses, university and interest groups in housing.

2.3 Workshop Organisation

2.3.1 Presenters

The persons requested to prepare papers are shown on the Agenda (Appendix 1) and the Appendix 3. Presenters were given a maximum of 10 pages to prepare their paper and these papers were circulated before the workshop began, or in some cases when they were ready. Each presenter was given guidelines for his/her presentation, which was prepared by the technical consultant prior to the workshop. The guidelines are shown below:-

GUIDELINES FOR PRESENTERS

- 1) *You have prepared a paper on the selected topic and you will present the paper at the workshop in accordance with the programme.*
- 2) *Your presentation shall be 15-20 minutes long and can be assisted by overhead projector, slides, flip charts etc. You should not exceed the stipulated time given.*
- 3) *The chairperson will introduce you and will constantly keep time on your presentation. After the presentation, the commentator will make observations and initiate discussions.*
- 4) *You will be required to answer questions from the participants through the chair persons. The question time will be only 15 minutes, so they will only be points of clarification and observations. More detailed discussions will be held in the group work.*
- 5) *You are invited to attend the group discussions on your paper. The objective of the group discussions will be to identify the issues raised and to pass some recommendations. You may assist the groups in their deliberations.*
- 6) *After the presentation and the plenary question time, the chairperson will close the session with a summary.*

2.3.2 Chairpersons

Chairpersons were selected for the duration of each session. It was agreed that different chairpersons would be necessary to give diversity to the topics selected. The following chairpersons were selected:

Session 1 (Topics 1,2 and 3): Mr Aisam : Town Clerk, Chegutu Municipality

Session 2 (Topics 3 and 4) : Ms L Conway: Price Waterhouse

Session 3 (Topic 5) : Mr T Chiramba: USAID

Session 4 (Topic 6) : Ms E Guerney : Institute of Architects

Session 5 (Topic 7) : Mr Chikumba : Town Treasurers Forum

Session 6 (Topic 8) : Ms Dodo : National Association for Women
Government Organisation

Session 7 (Topic 9) : Mr Mudekunye : Masvingo Housing Director

Session 8 (recommendations) : Mr Sibanda : Ministry of Public Construction and National Housing

The guidelines for the chairpersons were distributed before the workshop to guide the smooth running of the workshop. The guidelines were:-

GUIDELINES FOR CHAIRPERSONS

- 1) *Your role is to chair the proceedings for the session stipulated in the programme. This means that you will need to do the following:-*
 - a) *Introduce yourself, if you are not introduced by someone else.*
 - b) *Introduce the topics to be presented.*
 - c) *Introduce the presenters of the topics.*
- 2) *You will have a presenter and a commentator on each topic. The presentation must last 15-20 minutes only. You must be strict with the time keeping and therefore must continually keep reminding the speaker of his/her time constraint.*
- 3) *After the presentation, the commentator may make some observation and initiate the discussion by asking the first questions. Under no circumstances will the commentator make a presentation. You as chairperson must ensure that there is no speech making.*
- 4) *You will then coordinate the questions from the participants. You must ensure that the questions are short, appropriate and targeted. You must not allow speech making from the participants. There will only be 15 minutes for questions. Remember that the topic will be discussed in more detail in group sessions so the plenary discussions must be observations and clarifications only.*
- 5) *Finally, you will need to summarise the proceedings for the topic before going onto the next session.*

2.3.3 Commentators

Commentators were originally chosen to make comments on the papers presented. They were chosen for their close knowledge of the topic being presented. Unfortunately not all commentators arrived and their role was revised to one of chairpersons of the groups and initiation of discussion in the plenary session. The guidelines for commentators were given before the workshop and were as follows:

GUIDELINES FOR COMMENTATORS

1. *You have been selected to be a commentator for the topics as scheduled in the programme. You will have two functions:*
 - a) *To make comments on the paper being presented.*
 - b) *To chair the group work on the selected topic.*
2. *When the paper is being presented, you will be required to make notes and initiate discussion through the first questions. Under no circumstances are you to make any speeches. There is only 15 minutes given for question time and it is intended that questions will only seek clarification.*
3. *Detailed discussion on the paper will be made during group work. As Chairperson of the selected groups, you will be expected by a facilitator to guide the discussion of the topic. At the end of the group work you will be required to summarise and present the findings of the group to the plenary session.*
4. *The purpose of the group work will be to identify issues raised in the paper (and others not raised in the paper), and resolutions to those issues. The summaries of the group work will be discussed in the plenary session and will go a long way to formulating the national action plan.*

2.3.4 Facilitators

The facilitators were chosen by the technical consultant to assist in the group work discussion and prepare summaries of the group discussions. The facilitators were chosen as follows:-

Ross Palmer	:	Palmer Associates
Linda Conway	:	Price Waterhouse
Keith Evans	:	Keith Evans Associates
Maria Shambare	:	Consultant

The guidelines for the facilitators were as follows:-

GUIDELINES FOR FACILITATORS

- 1) *Your role is that of facilitator at the workshop. This means that you are being employed by USAID to assist the workshop to prepare a National Action Plan for Housing.*
- 2) *We will be having group discussions of each topic during the 3 days of the workshop. You will attend the groups and will assist the chairperson in guiding the discussion in the group. You will need to be focused on the issues and always remember that the group work must be results orientated.*

- 3) *You will also assist the chairperson to prepare the recommendations to be presented to the plenary sessions. After the presentation, you will make notes of any comments and resolutions and give these recommendations, comments and resolutions to the typist for typing.*
- 4) *At the end of the workshop, you will work together to prepare a final set of recommendations for the workshop. These will be presented to the workshop for discussion on Thursday. Any comments arising from the presentation will need to be written down and typed.*

2.3.5 Group Work

Group Work was the detailed discussion of the selected topics and it was agreed that due to the numbers of persons attending the workshop (+/- 75), there would be 4 groups. This also allowed for the facilitators to assist only one group at a time.

The groups were chosen on the basis of topics presented and it was necessary to identify 5 group sessions.

Each group was attended by the interested participants (on a democratic choice basis) and they chose their chairperson (if the commentator was not there) and the rappateur

After each session, there were group presentations of the main issues identified. The presentations for each group had to be brief and only 7 minutes was given for each presenter. The guidelines for the group work were as follows:-

GUIDELINES FOR GROUP WORK

- 1) *The purpose of group work is to discuss the topic in more detail than was possible in the plenary session. The main focus of the discussion will be the paper that was presented. The objective of the group work is to identify issues and resolutions within the topic that will contribute to the framework for the National Action Plan.*
- 2) *The group work will involve +/- 20 persons and the composition of the group should be multi disciplinary in order to encourage diverse discussion.*
- 3) *The group will have a chairperson and facilitator who will assist in guiding the discussion. The group must be focused on the matters discussed within the topic and should identify clear issues and resolutions.*
- 4) *The group will make recommendations that will be presented to the plenary session for discussion.*
- 5) *It is important for all group members to participate fully in all discussions.*

In order to assist the group in their discussions, it was agreed to prepare guidelines for the presentations of recommendations. There was a need to have consistency in the recommendations by identifying ISSUES, OBJECTIVES, ACTIONS, WHEN AND WHO. This would also assist the preparation of final recommendations for the preparation of the National Action Plan. Guidelines for this part of the group work were prepared before the workshop.

GUIDELINES FOR GROUP WORK RECOMMENDATIONS

1. *In order to achieve consistency with the group work recommendations, the following structure should be used.*
 - a. *Each group will identify the ISSUES and write this down on the flip charts.*
 - b. *Each issue should have a broad OBJECTIVE or statement of intention in which the issue can be resolved.*
 - c. *There will be a number of ACTIONS that need to be undertaken in the United Action Plan. These need to be identified.*
 - d. *The question of WHO and WHEN should be discussed for each action e.g who means which agency is responsible for the implementation of the action - Central Government, Local Authority, Private Sector etc.
e.g. When means the time period in which the action should be undertaken i.e. Short term (1-2 years), medium term (3-5 years), or long terms (+ 5 years).*
2. *The presentation of the topic recommendations should be structured into the 5 categories; ISSUE, OBJECTIVE, ACTION, WHO and WHEN. This will assist in the presentation of the recommendations and the compilation of the group reports.*

3.0 WORKSHOP OUTPUTS

The workshop outputs are divided into the group discussion results and a summary of these group discussions. The following groups were organised.

SESSION 1 : INDICATORS

Group 1	:	Background Data and Socio Economic
Group 2	:	Infrastructure and Transport
Group 3	:	Local Government and Environment
Group 4	:	Housing delivery, affordability and finance.

SESSION 2 : LOCAL GOVERNMENT AND FINANCE

Group 1	:	Capacity building in local government.
Group 2	:	Municipal Finance
Group 3	:	Capacity building in local government
Group 4	:	Municipal finance

SESSION 3 : LAND, TOWN PLANNING AND INFRASTRUCTURE

Group 1	:	Land Delivery
Group 2	:	Town Planning and Infrastructure
Group 3	:	Land Delivery
Group 4	:	Town Planning and Infrastructure

SESSION 4 : PARTNERSHIPS, TECHNOLOGY AND HOUSING FINANCE

Group 1	:	Joint Ventures
Group 2	:	Building Material Technology
Group 3	:	Macro Economic Finance
Group 4	:	Building Society Finance

GROUP 5 : DISADVANTAGED GROUPS AND ENVIRONMENT

Group 1	:	Gender perspective
Group 2	:	Disadvantaged groups
Group 3	:	Environment

*There was no group 4.

The outputs are written as they were presented in the final group presentations.

3.1. Indicator Study

The indicator study was well presented and well received. The data provided was used to substantiate a number of issues identified in each topic discussion. Unfortunately not all indicators were finalised by the time the workshop was convened, and this was observed by the participants as a constraint to discussions. In addition, the indicators were not totally extensive, and many participants felt that other indicators could have been mentioned. However, the indicators were chosen by the international group responsible for HABITAT II for comparative purposes and therefore there was no scope for the change or addition/subtraction of indicators.

The results of the group discussions are as follows:-

GROUP 1: BACKGROUND AND SOCIAL INDICATORS

1. ISSUE

Standardisation of Information

Objective

Improve quality and relevance of information available in order to make indicators more meaningful for shelter provision, for e.g.

1. Land use should be dis-aggregated into land available for development (serviced/ unserviced) land ownership in terms of cost and speed of delivery.
2. Average household size - should be aggregated according to type and size of house, family size etc, to facilitate determination of overcrowding levels and incidence of disease etc.
3. City product per person - clarify relevance of this indicator.

Action

Habitat and Central Government and Local Authority to standardise information required for relevant indicators.

When

As soon as possible

2. ISSUE

Lack of common criteria between Local Authorities and Building societies in determining informal sector income for Mortgage financing.

Objective

To establish a common approach that will mobilise savings of the informal sector and the very poor.

Action

1. To facilitate communication between Local Authority and Building Societies in terms of selecting criteria for "proof of income" and managing risk.

When

As soon as possible.

Who

Local Authority and Building Societies

GROUP 2 : INFRASTRUCTURE/TRANSPORT INDICATORS

1. ISSUE

1. WATER CONSERVATION versus SHORTAGE

Objectives

- a. Increase awareness
- b. Water saving fittings
- c. Unaccounted for water
- d. Reuse of water

Action

- a. Educate
- b. Include in new design. Introduce to old systems.
- c. Reduce by maintenance and design.
- d. Implement and invest (especially industry).

Who

- a. L.A./C.G. Pvt
- b. L.A./C.G. Pvt
- c. L.A./C.G. Pvt
- d. L.A./C.G. Pvt

When

- a. A.S.A.P.
- b. S.T.
- c. S.T.
- d. S.T.

2. WATER

Objective

Review water pricing

Action

Tariff reviews: Bulk water

Who

C.G./L.A.

When

M.T.

6. **WATER, SEWAGE PLUS ELECTRICITY (ZESA OR SOLAR)**

Objective

- a. To provide water to all planned urban settlements.
- b. To all planned rural settlements.

Action

a & b Plan/Source Finance implement.

Who

- a. L.A./C.G.
- b. L.A/C.G.

7. **TELEPHONES**

Objectives

To alter settlement (changing the approach)

Action

Plan squatter settlements to account for circumstances

Who

L.A./C.G, N.G.O. Beneficiaries

When

S.T.

8. **TO TACKLE THE SQUATTER ILLEGAL SETTLEMENT ISSUES**

Objective

To plan and adopt a new approach to accelerate provision of housing at irregular settlement (and very low income so as to avoid these types of unplanned settlement in future).

Action

To review layouts (Physical Plan) Water sewage, electricity etc, Security of tenure to account for the irregular circumstances. (Starting with organised land layouts). Services to provide affordable housing. Perhaps a reformed layout procedure.

Who

L.A/C.G., N.G.O Beneficiaries

When

S.T.

9. **ARE OUR URBAN AREAS PLANNED TO MAKE EFFECTIVE AND EFFICIENT USE OF INFRASTRUCTURE (SERVICE AND TRANSPORT) AVAILABLE.**

Objective and Action

Investigate Zoning, Planning our approach.

Who

L.A./C.G.

When

GROUP 3 : LOCAL GOVERNMENT AND ENVIRONMENT

WHAT ARE WE LOOKING FOR?

- a. Do we agree with the definitions and the presentation indicators given.
- b. Do they tally with local situation
- c. Underlying issues from the indicator results.

1) ISSUES

- a. Additional statistics on air pollution - traffic (exhaust emissions).
- b. Effect of settlement on land and environment
 - erosion
 - deforestation

OBJECTIVES

- a. Effective land usage planning.

ACTION

- a. Information on these issues
- b. Siltation of Dams (water planning)
- c. Clear management strategy
- d. Empowerment L.A's
- e. Clear ID of roles and resp. re environment management.

2) ISSUES

- a. Energy consumption
 - per capita
 - uses
 - types

OBJECTIVES

- a. To establish current usage and future needs and its impact on the environment.

ACTION

- a. Statistics per capita consumption
- b. Affordability
- c. ID of alternatives

WHO

- a. Ministry of Energy

3) ISSUES

- a. Waste statistic gaps
 - Sources of information

ACTION

- a. ID add sources of information and modify the stats

WHO

- a. Current consultants

WHEN

- a. Now (before final report).

4) ISSUES

- a. Waste disposal methods

OBJECTIVES

- a. Environmental protection and management

ACTION

- a. ID other methods of disposal
 - re-use and more efficient

5) ISSUES

- a. Quality of living environment
 - No stats
 - reducing space sizes
 - health and pollution issues
 - What are world standards?
 - What are our standards?

OBJECTIVES

- a. To establish what our quality is and how it compares internationally.

ACTION

- a. Establish our standards
- b. Establish indicators and collect data on indicators

WHO

- a. Ministry of Public Construction and National Housing and LA's

WHEN

- a. Within one year.

6) **ISSUES**

- a. Attitude to environment by population (constraining access).

OBJECTIVES

- a. Understanding of attitude as it affects the implementation of environmental management (to design appropriate strategies).

ACTION

- a. Conduct an attitude survey (establish current position)
 - population
 - qualitative indicators

WHO

- a. L.A.'s - all departments

WHEN

- a. Within next year (to take to Istanbul).

GROUP 4 : HOUSING FINANCE AND DELIVERY INDICATORS

1. ISSUES

- a. Affordability
- b. Standards
- c. Availability of Land
- c. Cost of finance/interest rates
- e. Delays in home delivery (Surveyor General)
- f. PhD in Survey (UK) not allowed to practice. Surveyors Act protects local qualified surveyors.

2. OBJECTIVES/SOLUTIONS

- a. To enhance affordability by having graduated housing schemes and increase densification and build upwards, cluster houses, semi-detached houses.
- b. Reduce standards in accordance with affordability in (i).
- c. Reduce cost of finance by reducing inflation, reducing interest rates on speculative housing.
- d. Remove limitations in housing delivery - establish an Housing Investment Centre.
- e. Repeal existing legislation which protects locally registered surveyors.
- f. Joint ventures between local authorities and private sector.

3. MOBILISING RESOURCES

- a. Housing Co-operatives, Housing Construction.
- b. Integration of Building Societies in the Economy.
- c. Secondary Mortgage market to tap into pension fund.
- d. Mortgage securities to be classified as approved assets.
- e. Improve availability of rental properties.

WHO - Local Authorities
 Central Government

3.2 GROUP REPORTS : LOCAL GOVERNMENT AND FINANCE

GROUP 1 : BUILDING CAPACITY IN LOCAL AUTHORITIES

1. **ISSUE** : Responsibility for Carrying Allocation out responsibly.
(Problem of first suspicion between Local Authority and Government).

Objective

Decision making at Local level - resource mobilisation to match responsibilities including housing provision.

Action

Constitutional Protection

Who

-Civil Society and Local Authority;Lobby
-Parliament
-Cabinet

When

Process

2. **ISSUE** : Capacity Building

Objective

-Judicious Management of resources
-Prioritise capacity building

Action

Integrate capacity building to activities on the ground e.g.: Plan Survey and provide land.

Who : Multilateral Agencies, Government and Local Authorities

When : Immediate

3. **ISSUE** : Land Ownership

Objective : Shorter period to development e.g. from 4 years.

Action : Make small Local Authorities own land

Who : MLGRUD

When : Long Term, Immediate

4. **ISSUE** : Acquisition of Land by small Local Authorities for Housing.

Objective : Ensure quick development

Action

1. Multilateral Agencies for Finance
2. Loan-out land (payment on sale)

Who : Government and Local Authorities

When : ?

GROUP 2 : MUNICIPAL FINANCE

1. **ISSUE** : To improve (prompt) revenue collection

OBJECTIVE

- a. To advertise
- b. Marketing
- c. To educate ratepayers and ensure prompt payments

ACTION : The effect of late/non payment of levies and charges on the overall charges

WHO : LA

WHEN : ST

2. **ISSUE** : To get greater return on capital and reduce bank charges

OBJECTIVE : Bank tendering

ACTIONS : \$50m budget has given a \$1m saving i.e. (2%)

WHO : LA

WHEN : ST

3. **ISSUE** : Time lag to implement price increases

OBJECTIVE : To implement increases on time

ACTION

- a. Council do budgets by May (sent by Swift) - budgets should be locally approved democracy
- b. Government to approve budget by June (possibly by decentralising) - perhaps government should be only given budget for information and to act as watchdog
- c. Budget tariffs should be allowed a degree of flexibility

4. **ISSUE** : Budget discipline

OBJECTIVE

- a. To avoid overspending
- b. To realise revenue

ACTION : Capacity for up to date audited accounts and staff development

WHO : LA

WHEN : MT

GROUP 3 : BUILDING CAPACITY IN LOCAL AUTHORITIES

1. **ISSUE** : Activities passed by Central Government to LA's without adequate funding or means to raise funding

ACTION : Look at FULL cost recovery of services (user fees)

WHO : LA's to determine policy re:

- fee rates
- fee recoveries (user earnings threshold)

WHEN : Within a year

2. **ISSUE** : Who is responsible for building capacity at Central Government.
Internal capacity, building in areas other than finance and general management
- e.g. engineers, architects

ACTION : Training policy at all levels

Training plan to ensure continued competencies and future development

3. **ISSUE**
- a. Cap. and appropriate of Councillors and politicians
 - b. Accountability and transparency
 - c. Look at levels of decision making (decision making to be at level closest to implementation)
 - d. Look at information flows
 - e. Building capacity of community based groups
 - e.g. rate payers association

ACTION

- a. Education and awareness at grass roots level
- b. Education and awareness programme on ind. rights

WHO : NGO's

4. **ISSUE**
- a. Council authority
 - need other interests represented
 - creates checks and balances
 - LA's do not use groups such as rate payers association
 - b. Councillor participation in pressure groups
 - c. Strategies for retaining quality staff

- d. Training and recruitment strategies are lacking
- e. No collaboration with research institutes
 - e.g. universities

GROUP 4 : MUNICIPAL FINANCE

The group decided to concentrate on critically analysing the three suggestions how council can improve council's operational position as follows:

1. By reducing expenses

- a. This could be achieved by contracting some of the services provided by the local authorities to outsiders who can perform them more efficiently. This stems from the assertion that local authorities are inherently inefficient and this is exacerbated by political interference especially where rate increases are proposed.
- b. Local authorities could also consider creating cost centres. This entails encouraging some of the departments that were providing poor service to improve and then get paid according to their performance. Staff should also be paid according to their performance, that way they will work harder and deliver the goods.

2. Revenue Maximization

- a. There is need to improve the operational capacity of the local authorities so as to reduce costs and make savings. There should be a more efficient way of collecting service fees from lodgers who enjoy such services as medical attention from local authority clinics. Rental cards should be produced as proof of lodging before such services are rendered, failure of which full medical expenses must be met.
- b. The waiting list should be used to encourage people to start to save for their houses in advance, by making use of various saving schemes which are currently in the offering. Councillors could perform the task of lobbying and convincing would-be-home owners to start saving for their houses. This could take the form of co-operatives or groups of prospective home-seekers.

3. Institutional Development

As a way of strengthening the operational capacity of local authorities and also to inculcate the culture of saving among local authorities, a suggestion was put that local authorities should consider setting up an investment bank which will, among other things, channel financial resources efficiently for the benefit of all the local authorities. This implies the employment of well qualified banker as well as closer supervision by the Reserve Bank of Zimbabwe so as to ensure that strict prudential guidelines are strictly followed.

3.3 GROUP REPORTS ON LAND AND TOWN PLANNING/INFRASTRUCTURE

GROUP 1 : LAND DELIVERY

1) ISSUE : LAND

1. Definition of land
2. Issue of long leases - as an issue of collateral
3. Issue of cartels - and the association of surveyors and building societies
4. Issue of state land
5. Delays taken to deliver land for development
6. Principles of land

EXPLANATION OF LAND AND ITS USE

Land - physically definable area of land and there are vertical and horizontal limits upward and downwards legally which can be developed - however on all land there is not exclusive ownership as all title deeds have a clause which says that the state has a right to numeral rights.

LA system of allocation of land are they transparent? - especially in terms of waiting lists.

How to achieve transparency with respect to state land?

State delivers land to public through Councils - and from Councils to public.

The State is not making land available to LA as reflected by low priority given in state budget. State land office has numerous problems with giving title to land. Need to revise allocation system on waiting list. e.g. In Marondera now purchasing farms via region of \$3 million on its own.

Council only administers State land for Government.

Low priority is given to the purchase of land for housing by Government. However Councils are encouraged to identify land for purchase by Government. Pricing of land by State Council and Private Sector seems to have no common ground and therefore the cost of land for housing seems to high.

Government does try to keep land valuations down in small centres in public interest and in the long run the Council benefits from rates.

Problem of recovery of land in terms of value of land and its purchase of land for housing - However valuation can overdo this to a point by compulsory acquisition and selling price.

If the have access of land at reasonable price let land be bought in advance. By delaying land prices go up. Money must be sources for this.

The loss of agricultural land is a problem, therefore should encourage building of flats.

RECOMMENDATION

1. Land banking must be encouraged in order to keep land prices down for housing purposes.
2. Funds must be sourced for these purposes.

2) ISSUE : SURVEYORS PROBLEM

In Zimbabwe there are enough surveyors. The main problem is with surveyor generals. Need to change system of examination and land recommendation to be more efficient.

Research has been done on identifying problems of land registration. The recommendation was:

- stop duplication of work by private surveyor and surveyor generals department
- suggests this stops and that full responsibility lies with private surveyor and he must have full liability for any mistakes made - this will improve the work submitted by private surveyor.

Same applies to Deeds Registry, Registrar of Deeds checks everything - the conveyancer must accept liability and responsibility for his work, so as to stop delays in this process.

RECOMMENDATION

1. Increase number of registered surveyors in consultation with Institute
2. Need more flexible way of registration of surveyors
3. Tasking Institute of Housing and Ministry of Lands to sort this out

3) ISSUE : LONG LEASES

LA already operating long leases with LA money, but Building Societies can not.

RECOMMENDATION

1. It is recommended that Building Societies should look at this aspect
2. Improve housing delivery
3. Joint waiting lists should be encouraged rather than separate lists currently operated by LA and Ministry and points system operated. Although Ministry does forward its lists to relevant LA.

GROUP 2 : TOWN PLANNING/INFRASTRUCTURE

1. **ISSUE** : Zoning

Objective : Integrate land uses (blend uses if possible).

Action : Change approach to design

Who : Local Authority, Government

2. **ISSUE** : High cost of infrastructure

Objective : Reduce infrastructural costs

Action : Alternative layout designs, alter standards, alter technologies to infrastructure development.

Who : Local Authority, Government, S.T.

When : S.T

3. **ISSUE** : Affordability - low income versus high costs.

Objective : Improve access to finance indigenous, Empower local community, Co-operative approach.

Action : Home industry, Vending, Involve locals in project implementation, Community work

Who : C.G., Local Authority, Government, Beneficiary N.G.O.

When : S.T.

4. **ISSUE** : Shortage of land

Objective : Efficient utilisation of available land, Prepare and use of strategic plans.

Action : Densification, Alter standards, Infills, Land Banking

Who : Local Authorities, Government

When : S.T., M.T.

GROUP 3 : LAND DELIVERY**1. ISSUE**

1. 70% Not in the economy (30% is), Gwanda, Kariba, Karoi and Victoria Falls - state land
2. Demand exceeds supply
3. Land Comm. no focus on small town and their growth and transition to urban centres
4. Land Acquisition Act does not re-enforce Urban Councils Act

OBJECTIVE

1. Provide mechanism to bring some of 70% into economy

ACTION

1. Land for future housing development - part of master plan - **WHO** -LA
2. Land transferred to control LA's (as a one-off and not piece-meal)
3. Government to relinquish 10% commonage to LA
4. Change Forestry Comm Act and Nat Parks Act to enable transfer and Land Acquisition Act

WHO : Ministry of Local Government, Environment and Lands

WHEN : Short term

2. ISSUE : Lease hold for financing

OBJECTIVE : To speed up land release for development

ACTION

1. Information available to user groups (small towns)
2. Dialogue with building societies

WHO : LA, State Land Office - Ministry of Local Government

WHEN : Immediately

3. ISSUE : 3 prices for 3 types of land (private, municipal, govt)

OBJECTIVE : to obtain affordable land

ACTION : LA's use existing structure e.g. Land Acquisition and current use - Pricing mechanism

WHEN : Immediately

4. ISSUE

1. Shortage land surveyors
2. Non Zimbabweans not allowed to practice

OBJECTIVE : Access to land surveyors

ACTION

1. To amend legislation to allow registration of non Zimbabweans
2. Rat. and alleviate surveyor general starts to reflect urban focus

WHO : Ministry of Agriculture

GROUP 4 : TOWN PLANNING/INFRASTRUCTURES**1) DEREGULATION**

1. Municipal By Laws
2. Removal of Vendors CBD
3. Discrimination
4. Licence - Area - Penalties - Supervision
5. Denied - Interests of Health and Safety morality
6. (1) and (5) combined
7. (6) Legal? Not airtight. Withdraw licence if fine not paid

2) ZONING

1. Non offensive industrial stands
2. Change of use - consent

RECOMMENDATION

1. Roads - footpaths
2. Health storm-weather drainage

1. DEREGULATION: By-laws

- a. Controversial on hawking C.B.D.
- b. If the penalty for contravening the by law should be confined to a fine, confiscation of wares withdrawal of a licence and prosecution.

2. ZONING: As on paper

- The siting of Non Offensive industrial stands.
- A point to note is that the Local Authorities have to Authorise where these activities are to be carried out.

3. STANDARDS

- As on paper
- PPII (ii) Not much money is realised from licensing so the costs should be incorporated into RATES in the low density areas and supplementary charges in the High density areas.
- (iv) The plots should be accessible in order for vehicles carrying building materials to get through to the plots.

3.4 BUILDING MATERIALS, JOINT VENTURES AND HOUSING FINANCE

GROUP 1 : PARTNERSHIP, TECHNOLOGY AND FINANCE

Development doesn't concentrate on one aspect of development.

By close co-operation can reduce costs and financing and still make a profit - but in this case USAID came in by giving 50% of money in Z.B.S. for on lending to clients.

1. Concerned with motivation of G.D. to get involved. G.S. appeared to get profit through some markup in financing aspect and in cutting costs and also they got the commercial rights, development rights - i.e. they are going to develop a shopping centre here.

Came at right time to capitalise on certain issues.

2. Ministry are happy with this scheme because:- G.S. contractor mainly - Ministry supplies of on and off site services USAID is giving money through Z.B.S - G.S. is capitalising on the liquidity of this money - He makes money as manager and subcontracts - uses system of building which makes his house cheaper.

3. All scoring - therefore Ministry is getting 4000 units built this turnkey approach -

Difference in this project 4 key actors are together at same time.

Other joint ventures - have not been at same scale. Taking opportunity of financing on market at moment - Ministry is keen on joint ventures - there are other projects in the pipeline.

4. No objection to joint ventures - but must be careful on standards - mass houses are produced - Builders if not properly supervised will result in house with problems - when look for redress on these defects - contractor does not accept liability.

As long as control and supervision of housing standards then mass housing is acceptable. In addition - are people living in these houses aware of the fact that their houses have a life span of 20-25 years.

5. Who are target group and what is cost of the house - Apparently target group is \$1200/month wage earners, therefore low income group are not being targeted - Is this then applicable to other L.A.

Quality Control

1. The Ministry sets standards and oversees it.
2. Fact the involving and Building Society - means that there is structural control.
3. Is a committee that inspects each house before being handed over.

6. Where is money for servicing coming from - is it coming from National Housing Fund and are L.A. other than Harare benefitting from this joint venture. Money for site servicing comes from USAID - Harare is the first scheme and first of kind - G.S. has no exclusive right - intention is to repeat this scheme in other towns.

This issue should have brought to L.A. and discussed by Ministry before they went ahead.

Ministry has approached all L.A. and explained advantages of joint ventures route.

Here is scheme where cost of financing is very low i.e. 10% and there are cost saving on construction method - but still not targeting people who earn less than \$1000.

7. Fact that joint venture and the fact of who is the target group are separate issues.
8. Z.B.S. and Beverley are both involved in joint ventures with target groups of \$00 and \$600 groups. Beverley has shown.

Affordability Analysis of 25 towns fund that affordable levels of 2 roomed wet core was \$350 and this meant earning of \$12 000,00.

9. Need a range of housing delivery.
USAID is target people earning less than \$12 000,00 - what about bottom range.
Problem - everybody trying to make an effort to supply housing to poorest - will joint venture satisfy this.
10. How much expectations of consumers of houses with housing produced - always expectation that we can deliver, are we providing shelter, site and service core houses etc.

RECOMMENDATION

Have a range of schemes profit - joint venture will not satisfy lowest range of target group - just one shelter provision approach. Need joint ventures where no profit and this may allow us to target the lowest income groups.

PROBLEM

Treat poor as passive consumers - need to talk to poor and see how they can help themselves.

Profit joint ventures is a model - but its worrying that community is not involved as partners here.

GROUP 2 : BUILDING MATERIALS AND TECHNOLOGY

1. ISSUE : Transparency

OBJECTIVES

- a. to be able to protect the beneficiary
- b. to be able to assess final cost of the house
- c. to be able to assess the technology (could be dangerous materials)

ACTION : Provide detailed cost/specs

WHO : Manufacturer

WHEN : Long before inflation

2. ISSUE : Alternative materials/modes of construction

OBJECTIVES : To be able to hold down and compare costs

ACTION

- a. Come up with a Housing Research Institute
- b. Strengthen existing institutions

WHO : UZ, SIREDC, ITDG

WHEN : Short term

3. ISSUE : Speed of housing delivery

OBJECTIVE : Beat inflation

ACTION : Erect Demo. units

WHO : Developer

WHEN : Before inflation

4. ISSUE : Total turnkey projects

OBJECTIVE : To be able to have appropriate units within the funding

ACTION : To have such a project as one of the alternatives

GROUP 4 : HOUSING FINANCE

Resource Mobilisation

1. Direct bulk loans from institutional investors to building societies e.g. USAID grant funds to building societies.
2. Housing bonds/debentures.
3. Development of Secondary Mortgage Market/off shore borrowings.
4. Contract Saving Schemes. People save over a stipulated time and then get loans.

Risk Management/Resource Mobilisation

5. Establishment of Community Bank e.g. Grameen Bank of Bangladesh. Concept is existent in Zimbabwe. Co-ops of savings Groups. Phased borrowing.
6. Removal of Rent Controls - to increase competition in house production, market forces.
7. Tax Incentive, subsidies - not very feasible in current economic conditions.
8. Alternative methods of Mortgage lending.
9. Development of community based low cost housing programmes. Communities participate in construction and production of building materials.

1. **Issue:** Unavailability of affordable housing finance.
2. **Objectives:** Mobilisation strategies for housing finance.
3. **Action:** As on 3 above.

3.5 GROUP REPORTS : EQUITY IN ACCESS AND DISTRIBUTION OF RESOURCES

GROUP 1 : GENDER

1. Importance of Women to society - need for shelter - importance of shelter to society. Educate women about their rights in shelter provision and orientate men.

Women - a disadvantaged group therefore level playing group.
Encourage participation in decision making organs.

2. Women are a sector in housing policy formulation - discuss more detail. Gather data to establish real facts.

3. Access to housing.

- Support informal sector, acknowledge earnings in the informal sector loan/housing applications.
- Provide more rented accommodation (short term solution).
- Curb rural to urban migration therefore improve rural economy.
- Increase employment opportunities e.g. improve access to affordable workspace - put money/resources where your mouth is.
- Empowerment - economic- politics - socially.

Adhoc basis) therefore piecemeal

La

- whatever profession.
- Co signatories to purchasing agreements
- facilities - where does the money come from.
- Need for education (women headed households)

Insecurity of Tenure. Husbands selling houses.

Encouraging women to fight their own battle.

Civil education Campaigns.

Our society has been patrilineal in all respects/at independent legal age of majority act.

1. Multiple roles that women play.
Can they effectively and diligently perform these roles without a home.
2. Society has therefor an obligation to provide women with an environment conducive enough.
3. Zim. Population - majority being women but economically not being in a position to purchase and own land or house.

GROUP 2 : DISADVANTAGED GROUPS

RECOMMENDATIONS

ISSUE : Policy to be refined to dis-aggregate different community sector needs. The inform and the poor of the poor cannot help themselves - need public assistance.

- 5.1 Provide rented accommodation
Regulation of the rental tenure - In terms of who provides these facilities at what price would need to be looked at.
- 5.9 (Unplanned/Planned informal settlements) - T.H.A.'s (Traditional Housing Areas) - be encouraged with minimal services.
- 5.5 Subsidies- All subsidies available be targeted at the lowest income schemes and be implemented by the L.P.A.'s.
- 5.6 Staggering of payments for stands - over a given period not exceeding the loan repayment period from N.H.F.
- 5.7 Cooperatives should be encouraged.
- 5.10 Aid funds should also be channelled through the local authorities.
- 5.11 Housing corporation/associations would be useful.

GROUP 3 : ENVIRONMENT

ISSUES

- 1. Energy requirements.
- 2. Water conservation
- 3. Pollution
- 4. Urban drift
- 5. Community awareness and participation at a local level.
- 6. Capacity building
- 7. Infill development
- 8. Legal
- 9. Poverty

1) ENERGY REQUIREMENTS

Objective : Provide adequate affordable energy sources.

Action: Deliberate but focused thrust towards Rural electrification energy. Methods of delivery of energy required package that....

Who : L.A., C.G. NGO, Private Organisation

When : A.S.A.P.

2) WATER CONSERVATION

Objective : Ensure adequate water supplies.

Action

- Prevent siltation
- Graduated tariffs
- Water saving fittings
- Regulation and licensing of boreholes
- Water harvesting
- Recycling.

Who : L.A., C.G.

When: Short term

3) POLLUTION

Objective : Safe disposal of methods: solid waste, special refuse.

Action : Environmental friendly treatment disposal methods : L.A., Industries.
Adopting of pollution pays principle tightening up the laws monitoring mechanism
solid waste disposal to be incorporated in the planning stage.

Who : L.A.

When : A.S.A.P.

4) URBAN DRIFT

Objective : Equitable development country wide.

Action

- Decentralisation and resources
- Greater investment in rural areas and growth points as well as smaller urban areas.

Who : C.G. Industries

When : Short and medium

5) COMMUNITY AWARENESS AND PARTICIPATION AT A LOCAL LEVEL

Objective : Actively involve and educate the community in the whole process L.A. to adopt and implement Agenda 21.

Who : L.A. Councillors, N.G.O. IULA

When : Short term

3.6 Summary of Findings

The facilitators prepared a summary of findings after the last group work based on 4 distinct sections; land, local government, disadvantaged and housing finance. Each of the facilitators were specialists in these fields and were able to capture most of the discussions and debates.

These findings were tabulated and presented to the final session. Where appropriate, tables were changed during debate but all participants received copies of the findings tables. The findings tables are listed below and will form the basis of preparation of the National Action Plan.

SUMMARY OF FINDINGS : LAND

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
1. NON AVAILABILITY OF SERVICED LAND DEMAND VS SUPPLY	Create mechanisms to provide more land for urban development	<ul style="list-style-type: none"> - Identify future land requirements through master plans - Increase joint venture developments 	<p>LA's</p> <p>LA, GOV'T, PVT</p>	<p>ST</p> <p>ST</p>
2. PRICE - 3 PRICES IN URBAN AREAS	Provide affordable serviced land for housing	<ul style="list-style-type: none"> - Introduce more land banking - Increase budgets for land acquisition - Realistic valuations 	<p>LA's, PVT</p> <p>GOV'T</p> <p>LA'S</p>	<p>ST</p> <p>ST</p> <p>ST</p>
3. OWNERSHIP	Rationalise land ownership in urban areas	<ul style="list-style-type: none"> - Transfer State land to local authorities - Relinquish 10% of commonage - Legislation affecting Statutory Institution (National Parks, Forestry Commission) - Increase amount of land through using 70% non marketable land 	<p>GOV'T</p> <p>GOV'T</p> <p>GOV'T</p>	<p>ST</p> <p>MT</p> <p>ST</p>

LAND CONT/...

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
4. MANAGEMENT (SURVEY, REGISTRATION)	Improve land management system	<ul style="list-style-type: none"> - Increase number of surveyors - Flexibility in registration - Streamline the examination process 	GOV'T PVT GOV'T	ST MT ST
5. DISPOSAL METHODS TRANSPARENCY	Increase transparency in land allocations	<ul style="list-style-type: none"> - Revise allocation system on waiting lists - Improve administration of State land allocations - Introduce long leases for collateral 	LA's GOV'T BLD SOC.	ST ST MT

SUMMARY OF FINDINGS : TOWN PLANNING/INFRASTRUCTURE

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
1. ZONING OR URBAN LAND TOO RIGID	- Improve integration of land uses	- Change approach to design and layouts - Streamline and make transparent change of use applications - Deregulation of ambiguous by-laws - Indigenize and empower local community	GOV'T LA's LA's/GOV'T LA's/GOV'T	ST ST ST MT
2. HIGH COST OF INFRASTRUCTURE	Reduce costs of servicing	- Alternative layout designs - Alter standards of servicing - Alter technologies to infrastructure	LA's LA's LA's	ST ST ST

SUMMARY OF FINDINGS : APPROPRIATE BUILDING MATERIALS AND TECHNOLOGY

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
1) LACK OF EVALUATION OF TECHNOLOGY	Improve L.A. exposure to new technology	-Assess affordability levels	LOCAL AUTHORITY	S.T
		-Assure the construction quality	LOCAL AUTHORITY	S.T
2) INADEQUATE CONSUMER CONSULTATION	Increase consumer friendliness	-Incorporate market research into designs	PRIVATE	M.T
		-Evaluate needs of community	LOCAL AUTHORITY	S.T
3) SUSTAINABILITY	Protection of the beneficiary	-Speed up delivery	PRIVATE	S.T
		-Ensure longevity of product	PRIVATE	M.T
		-Allow zero infrastructure and traditional materials	C.G/L.A	M.T

SUMMARY OF FINDINGS : FINANCE ISSUES

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
1. MACRO-ECONOMIC POLICY	To create an effective enabling environment for a sustainable flow of funds into housing at affordable interest rates	<ul style="list-style-type: none"> - Permanent shift to positive real interest rates for building societies - both deposit and lending - Reduce interest rate structure by reducing inflation - To recognise Housing as an economic and social political priority - Implement balanced strategies to ensure that resources are devoted to housing on a long term sustainable basis 	GOV'T RES. BANK GOV'T RES. BANK GOV'T GOV'T	ST ST ST M/LT

FINANCE ISSUES CONT...

ISSUES	OBJECTIVES	ACTION	WHO	WHEN
<p>2.</p> <p>HOUSING SYSTEM WEAKNESSES</p>	<p>Establishment of a well organised housing finance system which is able to mobilize savings and to compete for deposits on equal terms with other financial institutions</p>	<ul style="list-style-type: none"> - Integrate housing finance institutions into the broader financial sector - retain specialist identity - Establish community Credit Unions to tap savings and to make available loans to low income sector - Introduce appropriate incentives for housing finance particularly for low income sector - Encourage community groups to participate in housing co-operatives - Rationalise home delivery and development constraints and establish Housing Investment Centre 	<p>RES. BANK GOV'T</p> <p>GOV'T</p> <p>GOV'T LA</p>	<p>MT</p> <p>ST</p> <p>ST</p>

FINANCE ISSUES CONT/...

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
3. MOBILISATION OF SAVINGS AND CAPITAL FOR HOUSING	To increase availability of funds for housing	<ul style="list-style-type: none"> - Introduce self building schemes - Establish secondary mortgage market - Building Societies issue housing bonds - Encourage contract savings schemes by offering incentives - Allow off-shore borrowings for housing - Encourage joint ventures - Encourage Pvt Sec to provide housing for employees 	GOV'T B. SOC. GOV'T B. SOC. GOV'T B. SOC. GOV'T GOV'T LA, B.S. GOV'T	MT MT ST ST ST ST
4. RISK AVERSION	Ensuring effective management of risks by financial institutions	<ul style="list-style-type: none"> - Introduction of incentive both fiscal and otherwise - Effective supervision 	GOV'T GOV'T RES. BANK	ST ST

FINANCE ISSUES CONT\...

ISSUES	OBJECTIVES	ACTION	WHO	WHEN
5. EASING OF RENT CONTROLS ON RESIDENTIAL HOUSING	- To encourage construction of more accommodation available for rental and to bring down rents through market forces	- Examination of feasibility of removing rent controls on a selective phased basis	GOV'T	ST
6. AVAILABILITY OF FUNDS FOR INFRASTRUCTURE	To ensure local authorities and developers have access to funds for development to ensure efficiency of infrastructure	- NHF to make available loans to LA for middle and high income projects - LA to be allowed to borrow from financial market	GOV'T	ST

SUMMARY OF FINDINGS : CAPACITY BUILDING IN LOCAL GOVERNMENT

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
1) CAPABILITY AND SKILLS OF DECISION MAKERS	To improve decision making	Induction courses for Councillors and M.P's on Local Govt operations and their roles in Local Govt	MIN OF LOCAL GOVT AND L.A	IMMEDIATE AND ON GOING
2) INSUFFICIENT CAPACITY BUILDING OF TECHNICAL SKILLS	To provide a high level of technical services within Local Govt	<ul style="list-style-type: none"> -Develop training policies throughout L.g and L.A. -Develop detailed training plans to implement the policies -Develop and adopt a mechanism to retain and maintain capacity -Develop recruitment policies to hire and retain quality staff 	MIN OF L.G AND L.A	IN THE SHORT TERM

SUMMARY OF FINDINGS : LOCAL GOVERNMENT CONT...

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
3) MANAGEMENT STYLES IN L.G NOT CONDUCTIVE TO EFFICIENT DECISION MAKING	To create an environment for swift effective decision making to enable more effective implementation	Decentralise control and decision making down to the appropriate level	MIN OF L.G. AND L.A.	IN THE SHORT TERM
4) NO EFFECTIVE MANAGEMENT OF ENVIRONMENT -ENERGY AND WATER CONSUMPTION -WASTE DISPOSAL	To effectively plan resources use whilst minimising environmental impacts.	<ul style="list-style-type: none"> -establish current usage and future requirements of resources -identify alternative cost effective source of energy, water and methods of waste disposal -evaluate the impacts of above on environment -develop plan to minimise impacts 	MINISTRY OF LANDS AND AGRICULTURE AND WATER MINISTRY OF L.G AND L.A'S	WITHIN ONE YEAR

SUMMARY OF FINDINGS : MUNICIPAL FINANCE

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
<p>LOCAL AUTHORITIES OPERATE WITH A BUDGET DEFICIT BECAUSE OF :-</p> <p>a) INADEQUATE METHODS OF REVENUE COLLECTION</p> <p>b) OVERSPENDING</p> <p>c) INEFFICIENT FINANCIAL MANAGEMENT</p> <p>d) RESTRICTIVE REVENUE GENERATION CAPACITY</p> <p>e) LEGAL BASIS OF LOCAL GOVERNMENT AND POLITICAL INTERFERENCE</p>	<p>To become self funding and thus provide funds for housing</p>	<p>a) Improve revenue collection by imposing penalties for late payments</p> <p>b) Budget discipline and more effective budgeting</p> <p>c) Focus on cash flow and treasury and asset management- provide accurate, timeous and appropriate information.</p> <p>d) Devolution of decision making on proposals for revenue generating projects from C.G to L.A's</p>	<p>LOCAL AUTHORITIES AND MIN OF L.G</p>	<p>IMMEDIATE</p>

SUMMARY OF FINDINGS : EQUITY IN ACCESS AND DISTRIBUTION OF HOUSING
A. GENDER BALANCE

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
1. Women as a distinct group in society which is disadvantaged	Improve women's access to shelter	<ul style="list-style-type: none"> - Educate women on their rights and how to obtain housing - Educate men and society about women's need for shelter - Improve quality of statistics on women to clearly identify their needs in specific terms 	Cent. Gov't LA Non Gov't Organisations.	ST

2. Women's poor access to shelter	Assist women to develop effective demand for housing	<ul style="list-style-type: none"> - Promote informal sector activities - Provide more rental accommodation - Improve rural economy to curb rural to urban migration - Increase employment opportunities for women by providing affordable work space - Empower women economically, politically, socially 	<p>LA CG LA CG PVT. SEC.</p> <p>LA</p> <p>CG, LA, NGO, PVT.SEC.</p>	<p>ST</p> <p>ST</p> <p>ST</p> <p>S/MT</p>
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**SUMMARY OF FINDINGS : EQUITY IN ACCESS AND DISTRIBUTION OF RESOURCES
DISADVANTAGED GROUPS**

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
<p>1.</p> <p>Policy does not dis-aggregate various groups of the disadvantaged</p>	<p>- Improve the specificity of Policy in targeting housing programmes for disadvantaged groups</p>	<p>- Revise policy shift on tenure to increase houses available for rental</p> <p>- Educate tenants on how to get a better deal from landlords</p> <p>- Provide informal planned settlements and cut back on service provision to minimise cost on such settlements can be upgraded in the future</p>	<p>CG, LA</p> <p>LA, CG, NGO</p> <p>CG, LA</p>	<p>ST</p> <p>S/MT</p> <p>S/MT</p>
<p>3.</p> <p>SUBSIDIES</p>	<p>Should be more targeted to benefit the very poor</p>	<p>- Implement shelter provision strategies which specifically target the poorest of the poor</p> <p>- Stagger payments for stands to match LA repayment schedule of LA to National Housing Fund</p>	<p>CG, LC, DONORS</p> <p>LA</p>	<p>S/MT</p> <p>S/MT</p>

B. DISADVANTAGED CON'T...

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
4. Co-operatives and community based groups	Improve participation by community based groups in shelter provision	<ul style="list-style-type: none"> - Government should give positive support for the development of community based groups - Improve land allocation through community based groups - Promote formation and development of community based groups 	CG LA LA/NGO	ST TO MT ST ST
5. Aid funding	Include LA's as channels of AID	- Portion of donor funding for shelter provision should be channelled through local authorities	Donors CG	ST

SUMMARY OF FINDINGS : EQUITY IN ACCESS AND DISTRIBUTION OF RESOURCES
C. ENVIRONMENTAL MANAGEMENT

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
1. Energy Requirements	Improve provision of energy to houses of the poor	<ul style="list-style-type: none"> - Provide affordable sources and promote alternative technologies - Step up rural electrification programme 	LA, PVT.SEC. PVT.SEC. CG	ST S/MT
2. Water Conservation	Ensure adequate supplies	<ul style="list-style-type: none"> - Prevent siltation - Introduce graduated tariff structure as opposed to the current block tariff structure - Tighten up licensing of boreholes - Encourage water harvesting - Recycle water - Introduce new building technology which saves water and wood 	LA, CG, LA CG, LA CG, LA, NGO, PS LA, PS, CG, LA, PS	ST ST ST S/MT

C. ENVIRONMENT CONT\...

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
3. Pollution	Reduce pollution	<ul style="list-style-type: none"> - Improve safety in waste treatment and disposal - Polluters of environment should pay for the clean up - Planning process should include disposal of waste methods which are efficient and cost effective 	LA, PS CG, LA LA, CG	ST S/MT S/MT
4. Urban Drift	Curb rural to migration	<ul style="list-style-type: none"> - Promote balance in development activities to achieve equity between rural and urban environments - Encourage economic development in smaller centres outside major urban centres 	LA, CG LA, CG, PS	S/MT S/MT

C. ENVIRONMENT CONT\...

ISSUES	OBJECTIVES	ACTIONS	WHO	WHEN
5. Community awareness and participation	Increase community awareness and participation in environmental issues	- Promote educational activities to include politicians and major NGO's	LA, CG	S/MT
6. INFILLS				
7. Poverty alleviation				
8. Capacity Building for LA's	Improve capacity of LA's	- Step up training efforts - Increase financial resource provision	LA, CG, CG	ST ST
9. Legal framework for environmental issues	Rationalise legislation	- Bring all legislation on environmental issues under one Act and Ministry	CG	MT

4.0 CONCLUSIONS

The National Workshop and Shelter held at Kadoma Ranch Motel during 25-28 September 1995 represented a serious attempt to review urban and housing performance in Zimbabwe and identify issues, objectives and actions to be undertaken over the next 20 years in the country. Owing to its diverse participation, full agenda and committed group discussion, meaningful recommendations have been identified.

These recommendations together with the final report on urban and housing indicators will assist the ZCCHS and MPCNH to prepare an appropriate and responsive National Action Plan for Zimbabwe.

The draft National Action Plan will be discussed in Johannesburg on 16 October with the African Group for Habitat II and then refined for presentation to Habitat II Conference in Istanbul, Turkey in 1996.

NATIONAL SHELTER REVIEW WORKSHOP
FOR HABITAT II

Organised by

MINISTRY OF PUBLIC CONSTRUCTION
AND NATIONAL HOUSING

in association with and promoted by

UNITED STATES AGENCY FOR
INTERNATIONAL DEVELOPMENT

at KADOMA RANCH MOTEL, 25-28 September 1995

FINAL REPORT OF WORKSHOP FINDINGS
VOLUME 2 : APPENDICES

Prepared by

PALMER ASSOCIATES (PVT) LTD
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ACKNOWLEDGEMENTS

PALMER ASSOCIATES (PVT) LTD, the technical consultant acknowledged with thanks the assistance given to the preparation of this report and the organisation of the National Shelter Workshop to the following groups:-

Human Resources (Pvt) Ltd	:	the logistics contractor
Mr T Chiramba	:	USAID
Ms T Dooley	:	USAID
Mr Tafangombe	:	MPCNH
Mr K Evans	:	Keith Evans Associates
Ms L Conway	:	Price Waterhouse
Ms M Shambare	:	Consultant

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APPENDIX 1 : WORKSHOP AGENDA

PROGRAMME FOR THE SHELTER REVIEW WORKSHOP: 26 - 28 SEPT. 1995:
KADOMA RANCH MOTEL

The Workshop will be officially opened by the Hon. Minister E.C. Chikowore and the US Ambassador, the Hon. J. Carson on 27 September, 1995 at 9:10 am.

Monday 25 September, 1995

5:00 p.m. Participants begin to arrive and register.

Tuesday 26 September, 1995

7:45 - 8:45 Registration.

8:50 All participants seated in Conference Room.

9:00 - 9:30 The Purpose, Programme and Organisation of the Workshop.
Mr W.T. Vengesayi (Acting Secretary, MPCNH)
Mr T.M. Zinyandu (Deputy Secretary, MPCNH)

Session Chairman:

9.30 - 9:45 **Topic 1:**
Housing in Zimbabwe: The Consumers Perspective

Presenter: Mr. M. Nyambuya
Consumer Council Zimbabwe

9:45 - 10:00 **Commentator:** Tenants Association

Plenary Discussion

10:00 - 10:15 **T E A B R E A K**

10:15 - 11:15 **Topic 2:**
Urban and Housing Indicators.

Presenter: Ms C. Butcher
Plan Inc.

11:15 - 11:35 **Commentator:** Mr Munyame, City Engineer Mutare.

Plenary Discussion

11:35 - 12:25 Group Work

Module 1: Sustainable Urban Development In Zimbabwe

12:25 - 12:40

Topic 3:

A Framework for Building the Capacity of Local Authorities for effective Urban Development.

Presenter: Mr Katiza, (IULA)

12:40 - 1:00

Commentator: Mr Musandu Nyamayaro, (PCMU)

Plenary Discussion

1:00 - 2:00

L U N C H B R E A K

Session Chairman:

2:00 - 2:15

Topic 4:

Municipal Finance: Present and Future Trends.

Presenter: Mr B.Kittilsen, (Interconsult)

2:15 - 2:35

Commentator: Mr Majange, (Town Treas. Masvingo Mun.)

Plenary Discussion

2:35 - 3:35

Group Work

3:35 - 3:50

T E A B R E A K

3:50 - 4:50

**Presentation of Group Reports
Workshop Resolutions**

4:50 - 5:00

B R E A K

5:00 - 6:00

**Presentation of Group Reports
Workshop Resolutions (*Continued*)**

7:00 - 8:30

R E C E P T I O N

Wednesday, 27 September, 1995

Session Chairman:

7:45 All Participants Seated in Conference Room

7:50 Module 2: Housing Delivery in Zimbabwe

Topic 5:
Land

8:00 - 8:15 a) **Effective Land Management and Delivery for Sustainable Development of Human Settlements.**

Presenter: Mr Mabikacheche
Estate Agent

8:15 - 8:35 **Commentator:** Mr Chimbetete, (U.Z) RUP, Land Management

Plenary Discussion

8:35 - 8:50 b) **Town Planning and Infrastructure Standards: Which Way for Zimbabwe: A realistic Critique.**

Presenter: Mr Mbiriri (Deputy Director
Physical Planning)

8:50 - 9:10 **Commentator:** Institute of Engineers

Plenary Discussion

OFFICIAL OPENING OF WORKSHOP

9:10	Arrival of Dignitaries (US. Ambassador, Ministers, Deputy Ministers, Mayors, Governors)
9:15	Introductions by the Acting Secretary, (MPCNH), Mr W.T. Vengesayi.
9:25 - 9:35	Welcome speech by His Worship, the Mayor of Kadoma.
9:35 - 9:50	Address by the US Ambassador, The Hon. Mr J. Carson.
9:50 - 10:10	Official opening by the Minister of Public Construction and National Housing, the Hon. E.C. Chikowore.
10:10 - 10:20	<i>TEA BREAK</i>

10:20 - 11:30 Group Work

11:30 - 12:30 Group Reports
Workshop Resolutions

Session Chairman:

12:30 -12:45 **Topic 6:**
Building Materials and Technology

a) **Building Materials and Technology: Alternatives for the Poor, Is this a Myth?**

Presenter: Mr Bernard Thompson
Formerly with Astra Group.

12:45 - 1:00 **Commentator:** Mr Mugova, ITDG

Plenary Discussion

1:00 - 2:00 *LUNCH BREAK*

Thursday, 28 September, 1995

7:45

All Participants Seated in Conference Room

Topic 8 (Contd)

8:00 - 8:15

b) **Housing for the Disadvantaged Groups in our Society
(e.g. Very Low Income and others)**

Presenter: Mr Magagula (Byo Director of Housing)

8:15 - 8:30

Commentator: Housing People of Zimbabwe
Plenary Discussion

Session Chairman:

8:30 - 8:45

Module 3: The Environment for Us and Posterity

**Our living and Built Environment (UN Agenda 21):
Planning and Management for Sustainability.**

Presenter: Mr O. Chapeyama (USAID)

8:45 - 9:00

Commentator: Ministry of Enviro.and Tourism.
Plenary Discussion and Summary

9:00 - 9:30

Group Work

9:30 -10: 00

Group Reports and summary

10:00 - 10:10

T E A B R E A K

Session Chairman:

10:10 - 10:20

Brief on National Plan of Action and Best Practice.

Presenter: MPCNH

10:20 - 11:50

Group Work:

**Draft National Plan of Action In Human Settlements
in Zimbabwe and Best Practice examples.**

11:50 - 1:30

Group Reports

Workshop's Draft National Plan of Action

1:30 - 2:00

Official Closing of Workshop.

2:00

L U N C H

END OF PROGRAMME

APPENDIX 2 : LIST OF PARTICIPANTS

THE ZIMBABWE NATIONAL SHELTER SECTOR WORKSHOP

Sponsored by
The Ministry of Public Construction and National Housing

with funding provided by
the United States Agency for International Development

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Ministry of Industry
and Commerce

ZINYANDU, T.

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- PAPER 4 : Access to land and transparent land delivery policies to enable the poor to own land by **T.A.S. MABIKACHECHE**, Chartered Valuation Surveyor.
- PAPER 5 : Deregulation of Municipal by laws and review of town planning and infrastructure standards for effective housing demand and delivery by **P I MBIRIRI**, Department of physical Planning.
- PAPER 6 : Building materials and technology; alternatives for the poor; a myth? by **B THOMPSON**, Sherwood Homes (Pvt) Ltd.
- PAPER 7 : The joint venture approach : Zimbabwe's experience with public/private partnerships by **E G GALANTE**, G S Developments.
- PAPER 8 : Housing Finance : the domestic potential is underrated and untapped by **MERVYN ELLIS**, Consultant Economist.
- PAPER 9 : The role and performance of building societies, in Zimbabwe : providing housing finance for sustainable development by **K EVANS**, Housing Finance Consultant.
- PAPER 10 : The gender perspective of Housing : to what extent is it real? by **MS R M SHAMBARE**, Consultant
- PAPER 11 : Housing for and by the disadvantaged groups in our society by **I M MAGAGULA** Director of Housing and Community Services, City of Bulawayo.
- PAPER 12 : Our living and built environment; planning and management for sustainability by **O CHAPEYAMA**, USAID, NRM Programme Specialist.

CONSUMER'S PERSPECTIVE ON THE ACCOMMODATION SITUATION IN ZIMBABWE

BY MR M N NYAMBUYA, CONSUMER COUNCIL OF ZIMBABWE MANAGING DIRECTOR 26 - 28 SEPTEMBER 1

Housing is one of the most basic critical needs not for social well - being but for economic security. One of the basic consumer rights enshrined in the United Nations General Assembly Charter is The Right to Basic Needs and accommodation is included in this right.

For the consumers' right to shelter to be fulfilled the delivery systems have to be efficient and they should address the key factors of affordability, availability and quality. Housing delivery systems in any country call for a thorough examination and analysis of society's needs, proper planning, relevant consultations among the stakeholders and a massive mobilisation of funds. Top - notch expertise and designing technology is also essential if housing programmes are to be done in a manner which satisfies the needs of consumers.

Although studies have shown that Zimbabwe has one of the most progressive housing delivery systems in sub-Saharan Africa it is unfortunate that it has failed to satisfy current demand particularly for the low cost housing. In Zimbabwe, squatting, overcrowded lodging, unhealthy and very dangerous dwellings, evictions and auctioning of houses due to failure to pay mortgages is common.

With the increasing rate of urbanisation this is giving a further strain on the housing delivery systems. The urbanisation rate in Zimbabwe, according to studies in 1992 was about 7 percent double the rate of natural population increase of 3,4 percent Harare and Chitungwiz have rates of growth of around 8 percent. However, Zimbabwe's urban population is expected to rise from 26 percent in 1980 to 40 percent by the year 2 000. The increase in the rural to urban drift has occurred due to the following reasons

- * removal of influx control laws in 1980 leading to families reuniting with migrant workers in towns.
- * perceived income and employment opportunities in towns.

- * the insecurity of landlessness, drought and unemployment in rural areas.

During the late 1980s, just 11 percent of the annual minimum necessary rate of housing construction to meeting Zimbabwe's national goals by the year 2 000 took place as less than 19 000 units were built annually. The Consumer Council of Zimbabwe has found that by late 1992 Harare's housing waiting list stood at 80000 with about 1 000 names being added each month. In 1995 the waiting list for Harare is reported to be over 100 000 and with the City Council's construction rate of 2 200 units each year, it is expected that it would take 45 years to satisfy this existing demand. On the other hand, Chitungwiza had a waiting list of 30 000 with 200 new names each month.

According to the Ministry of Public Construction and National Housing the housing waiting list nationally in cities and major towns stood at 660 000 in 1992 with 83 750 housing units needed annually to alleviate the urban housing problem by the year 2 000. At present only about 15 000 units are being built annually which is less than one - fifth of demand. Although land shortages and bottlenecks in registration have been cited as one of the major contributions to the housing crisis, the CCZ believes that there is adequate land to enable more housing projects to take place. Parties involved in the housing delivery systems should be more efficient and avoid the current bottlenecks.

Failure by the housing delivery systems to meet demand for decent accommodation at affordable prices means that consumers' hopes of getting accommodation have been dashed and this has resulted in squatter settlements. It was reported that there are more than 11 000 people living in squatter in and around Harare. Overcrowding particularly in high density areas has resulted, and consumers' right to health and safety have been put into danger as existing sanitation and other facilities have been strained. While many consumers are overcrowded in high density areas and others living as squatters about 40 percent of Harare

municipality is public open space. In 1992 it was estimated that 66 percent of high density dwellers were either lodgers or lived in backyard shacks as a result of shortage and unaffordability of housing. In a study of backyard shack dwellers in Harare in 1991, one researcher found that while shacks were established in the period 1976 - 1980 as a pre - independence phenomenon, the main period of shack construction was after 1981. As the country's housing delivery system could not cope with demands for affordable housing, shacks were built as a result of shelter needs from extended family and children and as a source of income. Many people bring their own shacks and it has been realised that their rent is for the land they occupy and monthly rents for backyards shacks paid by tenants range from \$30 to \$65 per month, with an average of \$41,00 per month. In some cases, there will be an average of 5 shacks per house giving the house owner an average income of \$205 a month. Infact, one of the key factors of homelessness is the barrier posed by the cost of housing to those who would wish to purchase. With the cost of living escalating to unimaginable proportions, the CCZ is of the opinion that more soft - hearted programmes such as employer assisted schemes, purchase of houses on a rent to buy with repayments spread over longer period, mobilisation of funds to financial institutions to meet accommodation costs, low interest rates on mortgages and identifying idle land and use it for building houses should be started. Judging by current trends of costly accommodation, quite a small proportion of the Zimbabwean population will own homes. The nostalgia for owning a home will remain a pipe dream to most consumers for many years to come unless a more dynamic approach to housing problems is found. The Central Statistical Office's Household survey of income and expenditure in 1990/91 found that in rural areas the greater majority earn between \$0 - 249 while in urban areas the medium earnings is in the \$500 - 999 range. In 1992, the urban median income was \$700 per month, while 25 percent of urban households earned \$270 per month or less. A further probe on the housing situation indicates that people in the low and middle income bracket who earn less than \$999 per month make up 90 percent of the waiting list for houses in Harare. The average income of \$600 per month

in Harare in 1992 was inadequate to provide the Z\$12 000 needed at that time to develop a 300 square metre stand in the high density suburb, let alone to build housing on it. The costs are escalating annual. From 1986 - 1991, it was estimated that the cost of providing one low income housing unit on a 300 square metre plot rose from Z\$10 000 to Z\$43 000 in 1992 according to a researcher. The Consumer Price Index indicated that rent, rates, fuel and power rose by 11,2 percent between November 1993 and November 1994. Building materials rose in price by 18,6 percent between September 1993 and September 1994, particularly for bricks, timber and wood products and metal windows and door frames. (CSO 1995). It should not be surprising that even houses that are build cannot be sold when complete as a result of prohibitive costs. In Dzivarasekwa, for example, houses that were to cost \$19 000 when started rose to \$60 000 in price in the cost of their construction (Daily Gazette 22/8/94).

The Consumer watchdog has noted that over the years a breed of lodgers and other homeless people has increased and these have increasingly become vulnerable to merciless landlords who have pounced on them by demanding ludicrous rents and giving other unbearable rules as conditions of lodging. Regulations setting maximum rents for lodgers in high density suburbs in 1980 were hardly enforced due to increased demand, and de facto fell away. Without any regulations in force to protect the lodgers, this group continues to be exploited with impunity by the marauding and unscrupulous landlords. The CCZ believes that there must be regulations which set parameters or boundaries of the rights and obligations of landlords and lodgers just as it happens with tenants and landlords who sign a lease agreement clearly stating the rights and obligations of each party. While there have been housing schemes assisted by AID loans from institutions such as the USAID loan scheme developers were given a short period to build houses.

For example for the US\$38 million Kuwadzana scheme made possible by the US\$50 mn AID scheme which was started in 1982 and completed in mid 1987, developers were required to develop four rooms and ablutions within 18 months and this proved costly to poor consumers. Such schemes have become particularly vulnerable to absentee.

landlordism and raiding by higher income groups.

Price increases on houses have also occurred because many speculators on housing emerged. While a so called National Housing Fund has been initiated after a realisation that many people had properties repossessed and sold by public auction for failing to repay mortgages, more defaulters continue to be evicted or some of their properties get sold through auction to repay mortgages. The City of Harare recently attached property for people who had made arrears in paying rents. Such moves tend to put consumers in a predicament particularly if one considers the escalating cost of living. Against this background, the CCZ condemns in its strongest terms such moves which tend to place consumers further into waters of accommodation crisis. All institutions with a hand in the provision of accommodation should have a soft - heart for consumers who are facing a hefty cost of living. Home providers should come up with lenient terms of contracts of sale of houses which require consumers to repay over longer periods.

It should be remembered that the post independence housing policies were geared to provide every family with decent durable and affordable accommodation in communal, resettlement and commercial farming areas but there have been hitches as already indicated. Infact, the policies were mainly geared towards increased Government involvement in the construction and housing industry, public and private sector partnership in housing development, community participation and encouragement of more research in the construction and housing industry. These policies were:

1. Home ownership to be the major form of tenure with a small percentage being developed for rental purposes,
2. Cost effective and labour intensive modes of house construction to be used in the schemes funded by the public sector.
3. Individual savings to be encouraged to promote self - reliance.
4. Full cost recovery.
5. Minimum housing standards.
6. Public funded housing schemes in both rural and urban areas should strictly be for those without houses.
7. Both the public and private sectors to mobilise their resources to meet the needs in the country.

However, these policies have led to a succession of housing supply programmes, including The National Housing Fund Programmes, Government/World Bank Housing Programme, USAID Private Sector Housing Programmes, The Civil Service Housing Programmes, the Rural Housing Programme, Employer Assisted Housing Schemes, Private Developers, Joint Venture Projects between the Public Sector and the Private Sector, Community Based Schemes and the start Paying For Your House Scheme.

While the emphasis on participation implies that the priorities and interests of the beneficiaries should either guide or strongly influence the outcome, structures through which the voice of consumers can be heard need to be practically implemented otherwise participation may indeed involve a shift from groups purporting to speak for consumers to another. The cost of building houses is one of the greatest issues at stake in the sense that if building costs are exorbitant consumers cannot afford the costs and they will be denied of their inalienable right to accommodation.

In addition, the bottlenecks in the capacity to produce the houses to meet the enormous need can be inflationary, thereby prompting further costs increases. Attempts to recover inflated costs from beneficiaries as well as well as the bottlenecks to the delivery of housing can prompt destabilisation of the entire delivery system.

The watchdog believes that the form and extent of beneficiary participation, the level of house and mortgage finance costs as well as the output velocity of the housing industry stand in relation to one another and are critical for the creation of sustainable residential land development projects.

The Government and local authorities continue to make efforts through their various schemes to provide accommodation for consumers. However, the participation of the private sector in the provision of accommodation to consumers is still far from being impressive. Finance costs, development profit and speculative revenue are likely to remain major determinants of selling prices

under private developers driven delivery system but there is great need for the private sector to plough back some of its profits to the community and invest in housing as a socio - economic obligation.

However, from the macro - economic perspective, the factors which have caused the price of houses to escalate need to be addressed so that there is popular participation in the housing delivery system. The potential for participation would be greatly enhanced through achieving the following policy goals:

- * bringing inflation under control
- * creating employment
- * generating income
- * devising an appropriate monetary policy
- * making more land available for housing projects

Popular participation in housing processes - either through the market or through direct interventions by social groups in the planning, delivery and post - occupancy phases - requires at the very least ^{asufficient resource base as access to state assisted} schemes. A targeted state assistance in a massive housing campaign can prompt economic growth, employment creation and income redistribution. The maximisation of efficient, productive output remains a central issue in mass delivery. In addition, given the enormous costs associated with housing which are redeemed over time - it appears inevitable that targetted recurrènt state assistance to delivery agents and users (i.e through incentives and subsidies) is a necessary condition for access to formal housing.

One of the most important strategies of tackling the accommodation crisis is giving prominence to the idea of co-operatives. Defined by the International Co-operative alliance (1980) as: "A legal incorporated group of people, generally of limited means pursuing an economic purpose in which membership is voluntary and control democratic", a co-operative can be very effective in alleviating the plight of homelessness. Co-operatives which aid in the provision of accommodation can be on the suppliers' side such as

building materials, housing plans, surveyors and builders. Financial institutions which give loans for building projects at affordable interest rates can also form co-operatives to alleviate the plight of homelessness. While Building Societies such as CABS, Beverley, Founders and Zimbabwe Building Society provide mortgage finance the interest rates are still very high and the formation of co-operatives becomes a necessity. On the other hand, consumers can form co-operatives so that they 'pool' their resources with a view of securing accommodation after making a collective effort. Although existing consumer housing co-ops such as those in Mabvuku, Mufakose and Kuwadzana have done well in securing accommodation for their members who are mainly in the low income bracket, the CCZ appeals for the formation of more such co-operatives to alleviate the problem of homelessness. The main advantages which accrue from co-operatives for self - help housing by low income households include:

- a) Creation of integrated communities not only for the purposes of providing housing, but also for supply of various services and facilities and the promotion of employment opportunities, education and the raising of the standard of living in general.
- b) Internal Control to prevent speculation and illegal transfer of houses.
- c) Collective system of financing and repayment by means of mutual responsibility which considerably reduce the danger of defaults.
- d) Gradual assumption of responsibilities for the administration and management of co-operatives by the members.
- e) Mobilisation of savings and self - help resources by the co-operative group.
- f) Collective maintenance of built - up environment.
- g) Accumulation of experience and continual improvement of operations.

9/....



Although housing co-operatives can face problems such as lack of land, finance and expertise we believe that such problems can be overcome with appropriate public and private sector programmes thus making co-operatives efficient housing agencies. It should be noted too that the financing and mortgage arrangements also have an important role to play in the development of low cost housing through the co-operative movement. There should be more housing schemes, designs and mortgage finance which are tailor-made to suit the co-operative movement if there is to be a significant reduction in homelessness. Poor consumers must not be neglected but must be catered for by the housing delivery systems.

The task of finding accommodation for all Zimbabweans is a mammoth one and it requires close co-operation among all sectors of the economy. Housing plans and designs which are affordable to consumers should be introduced for the benefit of poorer groups. Bottlenecks and bureaucracy right from registration for accommodation or stand through to the fruition of the application should be effectively dealt with. Although there has been a general thrust on urban housing, the rural population where the bulk of the people live also need decent accommodation. The CCZ believes it is appropriate for sectors involved in the provision of accommodation in the country to decentralise their operations so that there is balanced development in accommodation. Government and local authorities should subsidise accommodation costs and provide stands or houses with long term financing. Payments for houses bought on a rent - to - buy basis should be spread over longer periods to cushion vulnerable groups. In addition, institutions such as the National Social Security Authority (NSSA) Insurance Companies and other financial sectors should invest in housing projects as a community based service to the nation. Building societies also need to lend to local authorities to finance servicing of stands. The CCZ has also noted that some consumers are ignorant on housing schemes available and it is necessary to intensify consumer education and awareness.

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The CCZ is of the view that the roles of the state, the local authorities, non - profit making organisations and informal self - help schemes all need to be revisited in an attempt to design a future housing delivery system in which the role of the market and the state are clearly defined and specified. It is also imperative that reliable research of the needs of an area and the preferences of the people should be undertaken before embarking on schemes which are well meant but do not meet the needs or carry the approval of the majority of the people involved.

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DECENTRALISATION AND FORMULATION OF A
FRAMEWORK FOR THE EMPOWERMENT OF LOCAL
AUTHORITIES

PAPER PRESENTED BY
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AT A WORKSHOP ORGANISED BY THE MINISTRY
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INTRODUCTION

The themes of decentralisation and democratisation have occupied the centre stage in recent years. Numerous African countries have undertaken major political and constitutional reforms, involving democracy and greater pluralism, including holding of representative elections at local level.

Local Authorities in many parts of the world are increasingly being seen as the primary deliverers of services and programmes. The era of the nation state as the primary locus of decision-making authority is fading. The concept of subsidiarity contained in the European Union's Maanstrict Treaty - that services should be delivered at the lowest level that makes administrative and economic sense - is becoming accepted in many parts of the world as a valid operating principle.

Subsidiarity can be justified on the grounds of greater effectiveness and, where local governments are democratically elected, (in free and fair elections of course), greater responsiveness to local needs. Two of several cautions about sibsidiarity are these. In many parts of the world local governments do not have the fiscal and human resources to address environmental issues with effectiveness. Devolution of responsibilities to local authorities in the name of subsidiarity without commensurate fiscal and legal resources - sometimes known as down loading - is unlikely to result in effective action.

OVERVIEW OF DECENTRALISATION IN ZIMBABWE

Democratisation refers to the process whereby citizens can become involved in the process of governing and decision making. This includes the holding of representative, fair and free elections at central and local level and free political activity. It should moreover involve inclusive approach, entailing widespread consultation with the community with particular attention to encouraging the full and active involvement of women in local government (1)

Democratisation and decentralisation in the African context should not be seen as an end but as a means to the end - notably the development of communities and better provision of services. Both strategies (decentralisation and democratisation), are mutually re-enforceable.

Of course, the practical implementation of both democratisation and decentralisation will differ from country to country and depend on local circumstances. It is therefore essential that there is national ownership of and direction over the strategies entailed, which could further be strengthened by civic education programmes.

Zimbabwe has two significant pieces of legislation (the Urban Councils' Act [chapter 214] and the Rural District Councils Act [No 8 of 1988] which specify the functions and duties of local authorities (2). To these two can be added a host of other Acts,

policy directives and regulations. But the only constitutional reference to a local authority is the definition of local authority at page 113. Much as the Acts give a wide range of powers (at least 49 in the case of the Urban Councils Act - Second Schedule) there are no safeguards to the institution of local government as would be found in the Constitutions of other countries such as Uganda, South Africa, etc. The 1986 Urban Councils Amendment Act, and the Education Amendment Act of 1992 are some examples of how local government may be manipulated by interests at the centre. (3).

The sudden withdrawal of Health Grants after 1984 the reduction of road construction compensation during the same period for main national roads maintained by local authorities, the imposition of the blend price for water, need for tariff approval by Governments, are all pointers to the vulnerability of local authorities in Zimbabwe.

Whereas, Zimbabwe has demonstrated one of the best run and transparent and accountable systems of local government for a very "long time", the same may not be said today. Very few, if any, local authorities in Zimbabwe, still have reserve funds, these having been wiped off as a result of the imposition of excise duty on beer, on the one hand and the increase in the functions of local authorities on the other hand. At a time when rural-urban migration has increased, most of our local authorities are unable to undertake wealth generating projects due to shortage of credit market for local government it being

noted that central government - the main lender of local authorities has more to do than the resources it can part with.

Economic reforms in Zimbabwe should take account of the fact that the increasing demand on infrastructural services and public finance put pressure on local authorities. The denial of an opportunity for lower levels to decide on user charges for what may appear to be short term political considerations may be a dis-service to the very citizens whose interests we purport to protect.

There is need therefore for systematic reform of urban governance and financing structures as well as a review of institutional arrangements for sustainable city governance. Governance is often viewed merely as the formal elements of municipal government. A priority is to view good governments by a local authority as the management of the relationship between the local authority and its constituents, whether these be individuals, community groups or business and other local insititutions. In addition to providing for the needs of local residents, local governments must manage conflicts among various sectors of the local community when they arise. Accountable and stable urban governance (like we have in some of our urban councils), is a priority for effective action. Local authorities that are poorly managed, that operate in an authoritarian manner, and that take a narrow and short-sighted view of issues are not governments that can take effective action towards, for example, environmental sustainability; in other words, environmental

issues require a system of democratic discussion and choice so that the views of all parts of the community are taken into account.

We should stabilise local government and the community and encourage community ownership of urban development and governing apparatus. There is need to explore new/additional revenue base/sources whilst weaker local authorities should have an increased share of government transfers. The constitution should protect local government and provide specific share of resources as an entitlement. Functions of local authorities and those of central government should be streamlined to remove overlap and duplication. There should be development partnership between communities (local government), private sector and government.

CAPACITY BUILDING

If governments in Africa take long to realise the need to support or facilitate the managerial financial and political needs of the local authorities, whilst demands on urban infrastructure/services grow the way they are doing, city governments may soon be urban dinosaurs of our times.

Apart from the political and financial issues confronting local governments today, one other critical issue to be considered by governments in Africa is the question of capacity building at local government level.

Capacity to make local government visible as a development instrument entails visionary leadership; strategic planning and effective management. Local Authorities must have the necessary competencies and operate within an institutional framework which enables them to effectively manage urban growth and development and ensure proper service provision.

There should be emphasis on building local capacity for example by use of human and institutional resources from within Zimbabwe or Africa for donor supported projects. This entails ensuring proper orientation/training of elected local representatives and staff, including in-service training and distance education as this will ensure that local authorities have the requisite skills and expertise for their effective functioning. This entails effective use of management training institutions at regional, sub-regional and local level, for local government capacity building. Local Government training should be targeted. Currently, it would appear that we have focused more on management and financial training needs at the exclusion of technical training, yet management and implementation of development infrastructure goes beyond those two. This may be attributed to the structure of our training institutions which have tended to concentrate on "soft" needs. In this respect, local authorities associations must be challenged to properly articulate the real needs of their constituent municipalities. Recognition of the role and competencies of national associations of local government should be undertaken in close cooperation with existing efforts of the International Union of Local

Authorities (IULA) Africa Section and in accordance with the recommendations of its Fifth Regional Conference held in Harare, 19 - 23 June 1995 (4). This Conference called upon local authorities, national associations, national governments intergovernmental and multi-lateral agencies to focus not only on ensuring the defence of the philosophy, development and practice of good local democratic governance, but deliberate involvement in capacity building in local government. The Conference saw the development of career paths for local government officials as one of the key issues that will remove restraint on local development.

MUNICIPAL INTERNATIONAL COOPERATION

The most recent IULA World Congress held in The Hague, 3 - 7 September 1995, stressed on the importance of Municipal International Cooperation (MIC) as yet another appropriate vehicle for the promotion of local development and strengthening good local self-governance because:

- "municipalities can offer their own expertise in capacity building for the provision of essential services to citizens;
- the colleague-to-colleague experience exchange fosters mutual respect between the partners, necessary for the building up of long-term commitment;

- small-scale, community-based projects can be more easily implemented and monitored;
- local government can respond better to citizens' needs, represent the general public interest and promote active citizen participation as it is the level or sphere of government closest and most accountable to the people and which has been evaluated as more cost-effective."

This Congress (attended by 1 500 people from 100 countries), called on the UN, in consultation with IULA and other appropriate partners, to intensify its support for MIC as an instrument for the implementation of the Agenda for Development and to declare a "Decade for Good Governance and Local Democracy".

UN CONFERENCE ON HUMAN SETTLEMENT - HABITAT II

Therefore, having accepted the central role local government can play in development; and that centrally based development has not been able to curtail world poverty as 400 million people live on US \$1.00 per day today and that of the World's 5.7 billion people, 1.2 live in a state of absolute poverty and their incomes are declining. To illustrate, 130 of the United Nations' 185 member states are developing nations of which 47 are classified as least developed countries (LDCs). During 1980 to 1991, 31 of the 47 LDCs experienced a reduction in annual per capita income from \$360 to \$349.

By contrast, Eastern Europe (so called countries in transition) during the 10 year period has a 19 % increase in per capita income, from \$3880 to \$4260, and the developed nations experienced a 26% increase from \$16,159 to \$20,309, exceeding in one week the average annual income in the poorest countries. (5)

It therefore comes as no surprise to me that at age 50, the United Nations has taken on the problems of Human Settlements as an issue of importance and to introduce local governments' official relationship with the United Nations and other International Bodies.

As we march towards Istanbul, for the UN Conference on Human Settlements, Habitat II, more than 10 national committees have been formed in some 100 countries and that 50 meetings have so far been held to prepare input to this Conference which will address many issues including:

- Access to credit investment in cities;
- attraction of private sector investment into cities so that cities are not the repository of failures;
- Decentralisation of functions to local level of political/development powers and appropriate resources, as centralised administrations have proved not very effective.

It has been agreed that local authorities and their institutions should not only be included in the national committees referred to above but to form part of national delegations to Istanbul. How far has Zimbabwe taken this important international decision to which our Government is part, can we genuinely talk about the Formulation of a Framework for the empowerment of local authorities?

CONCLUSION

It is clear from the foregoing that decentralisation and devolution implies the importance of strategic planning for the fair share of governance and resources between central and local governments. Local Authorities and their associations have for the first time become part of the United Nations development process as a result of the recognition of their important role in development. We live, love and die in local authority areas (whether we are in urban or rural areas of Zimbabwe). There is a shift of balance from global to local. Local authorities and the private sector will be part of the Habitat Governance in the 21st Century. The rapid urbanisation shows a preventable demographic shift from rural to urban and coupled with implications of Economic Structural Adjustment programmes on the citizens, there is urgent need to review our institutional arrangements for city governance. There is need for more financial, political and economic accountability at all levels

than ever before and a degree of transparency in governing the affairs of men. As discussion on decentralisation and democratisation rages on, debate about standards should not occupy a back seat as the quality of service provided determines the citizens' motivation to pay for the service rendered. This also calls for government to give budgetary incentives to local authorities.

RECOMMENDATIONS

- 1 In order to accelerate the process of development in Zimbabwe at various levels, government is urged to render political support needed for decentralisation to succeed. This requires appropriate legal provision(s) in the constitution and that the commitment to decentralisation be accompanied by a sustainable resource base or back up. This is a responsibility of all ministries and Parliament. It should not be left to MLGRUD alone.
- 2 The government of Zimbabwe should urge that multi-lateral and bilateral agencies channel development resources to municipalities.
- 3 Local authorities, national associations, Central Government, and other support agencies should resource and back up development of capacity at local level. Lack of capacity has often been given as a pretext for not

devolving appropriate decision-making powers to the localities.

- 4 Local Authorities and their institutions should play a meaningful role in policy determination regarding local government. Local Authorities must be transparent, committed and be guided by the needs of the people rather than individual interests.
- 5 There should be clear assignment of sources of revenue and functions between levels of governance and that both levels must appreciate the inherent potential risks and stability and find ways of addressing any risks for the good of development.
- 6 There is an urgent need to create capital markets for local government in Zimbabwe which recognise the uncredit worthiness of smaller local authorities and address their plight.
- 7 Zimbabwe needs to develop visionary leadership (mayors) that is not parochial but accountable enough in order to secure credibility of individual local authorities and the local government industry bearing in mind that there should be "no representation without taxation". Services provided must be paid for and that expenditures incurred thereafter must be used for further development.

- 8 In allocating resources from the centre, due consideration must be given to the smaller local authorities which have little access to the credit market.
- 9 It may be time that Zimbabwe takes steps to create municipal development funds for capital development.
- 10 Cities are important players in governance as they provide transport, housing, water, sewerage and other services. They therefore need expertise in a wide range of functional activities. Support should be provided for capacity building which is essential for them to cope with the growing demands of society.

There should be consensus in engaging the private sector to work together with government, NGOs and local authorities to bridge the widening gap between supply and demand. These sectors must develop a coherent policy for urban development. The obsolete structures for servicing cities should be reviewed very critically, bearing in mind the high cost of transition that does not provide free lunches. In this way, the investment in the Workshop on "Decentralisation and Formulation of a Framework for the Empowerment of Local Authorities in Zimbabwe", would be fully justified.

I thank you

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URBAN COUNCILS' FINANCE

BACKGROUND - PRESENT SITUATION - POSSIBILITIES

Before starting, I must - as a good bureaucrat - take all possible precautions, before I say anything at all. Firstly: I am a consultant, and appear here only as "private person" and an "expert" of this area. Although I work in MLGRUD (Ministry of Local Government, Urban and Rural Development), what I say cannot be taken as expressions of any MLGRUD views, opinions or policies. Only my personal, private ones.

1 INTRODUCTION

We all know that councils today take care of most of the infrastructure, regarding house building: water, sewerage, refuse collection, roads, community services etc.

So what we are after in the context of this workshop is: Can councils contribute directly to house financing or building? The answer to this is

NO

However, as any NO, this means a conditioned YES:

Councils can contribute, but only under certain conditions, which I will come back to later.

2 URBAN COUNCILS' FINANCE IN ZIMBABWE

In 1995/96, the total budgeted operational expenses and revenues are Z\$ 2.9 billion, and the capital budget - Public Sector Investment Programme = PSIP - Z\$ 1.7 billion. Internal transfers deducted, we remain with a total figure of Z\$ 3.2 billion. This is 5% of GDP or 12.5% of the National Budget. The public sector thereby covers 45% of GDP.

While the operating budgets balance, and - with a few exceptions - are considered realistic, the capital budget is not.

PSIP allocations = loans to councils amount to appr. Z\$ 280 million. Councils themselves contribute with only Z\$ 117 million, and even if some cities can go to the market for part of their loan requirements, we are left with a gap of Z\$ 3 - 500 million.

Bearing in mind that most of the capital budgets refer to housing infrastructures, this is not a positive picture.

In this situation, the councils can certainly **not** contribute to **house building**, since they cannot even cover the needs for **housing infrastructures**. It would be rather absurd to place the responsibility of building houses on a council, if water, sewerage, roads etc. were not in place.

3 COUNCILS' ROLES AND FUNCTIONS

I believe it is necessary first of all to look at councils as phenomena: why they exist, what they do/can do and how they function.

3.1 Councils' role as "public entities"

The first councils emerged where urbanization took place. Probably at a junction: a ford at a river, where two or more roads met etc. The first function in this **polis**, as a town was called in Greek in those days, was probably the **market**. Deriving from the word polis we have the word **politicians**, the decision-makers, law-makers for the town's affairs. The enforcement of the laws and decisions were left to the **police**.

As people congested, the conflict between individual and common interests arose. It was a practical solution that certain tasks were undertaken by a common body - the council. Definition of ownership, safeguarding of property, then of the whole community, have probably had a high priority. Many people in one place lead to disagreements, so a juridical body was formed to solve disputes. As towns grew, roads, water, sanitation became something to solve in common.

Time went by, and all over the world we find the same development: at a certain level of population within an area, a sort of local government emerged.

Greece - the cradle of democracy - was not a country, but a number of independent towns or councils.

A lot of things then happened, until around 1720 and thereafter the principle of the **Sovereignty of the People** emerged as the idea, which today is the basis of the democratic world. The People elects its representatives, who, through their mandate from the People, govern the country.

We also elect representatives to the **Local Government/council bodies**. But be aware that these representatives do **not** have a mandate in respect of the **People's Sovereignty**. **That** authority lies solely with the **National Assembly**. The **Local Government** is therefore not an independent body, but an entity with its authority extended from the **National Assembly**. The elected councillors as well as the administration can only act according to the delegation from and within the limits set by the central government.

We find therefore that councils today work according to opposite principles:

- 3.1.1 *Councils can only do what the Central Government has specifically assigned councils to do, and nothing more*
- 3.1.2 *Councils can do whatever they wish to do, as long as the tasks are not specifically assigned to other entities, by laws or central government regulations*

The local "self-rule" is obviously greater under the last principle. If we look upon countries which use the first principle, we will find low interest for local affairs and low participation in local elections. The opposite when the last principle is applied.

In Zimbabwe the second principle prevails, while for example England uses the first one.

3.2 Councils' financial situation

As the polis emerged, and common tasks were undertaken, somebody had to pay for these. Resistance to pay is probably as old as the first taxation, so there is no wonder that the levying of the council's costs on its population is still experienced as a problem.

Be, however, aware that a council is not a company or corporation, who shall earn money and "collect treasures on earth," but a **common household**, whose sole reason of existence is to take care of common tasks. If the population moved out, then the council would cease to exist; no people = no common household.

The main principles for councils' finance and operations are:

3.2.1 To carry out tasks allocated or resolved to be undertaken by council, and

3.2.2 To distribute the costs of the same on the participants of the local community

The distribution of costs can be done as a "head-tax," i.e., levied on each individual. Or the taxation might take into consideration the ability to pay, so that those who are wealthy, pay more than the poorer.

The last solution prevails in most countries we can and would like to compare ourselves with: **Council expenses** are undertaken according to the local society's **needs**, while the **council revenues** are collected according to the individuals' **ability to pay**.

Hence, there is no link between what an individual benefits and what he or she sacrifices: No individual can go to a council with his rate bill in hand and demand a service. A person, who does not contribute a single cent to the community, has equal right to use public rooms and facilities as one who has paid a million.

I mention this, because many are unaware of this: politicians, officials as well as the public.

But we also have a set of services where another principle prevails: **the tariff accounts**: water, sewerage, refuse management. To a certain degree also housing. Here is the principle: you pay for what you get. If you cannot pay, then you are denied that particular service. The same goes for **commercial accounts**, like beerhalls, kiosks, rest camps etc.

We also have a third category: services where the users pay a smaller or larger portion of the costs, but where the common coffers (= rates) must cover the balance. Also here is the principle that if you cannot pay your share of the costs, then you do not get the service. However, this is where SDF comes in and pays on behalf of those unable to do so.

What happens then, if a council runs a deficit?

In a private company, a deficit means that the owner has lost part of his equity. When all equity has gone, he is broke and must close down.

Councils' deficit is a situation where all the costs have not been distributed on the members of that society. Which means: a council has a claim on its inhabitants, and must collect the balance for example next year. In that sense, a council can claim never to have a deficit, since it always has a corresponding claim on the inhabitants.

Be also aware of another difference between private and council accounting: in private business, the **bottom line** - surplus or deficit - is the important issue.

For councils the important issue is **whether the budget has been followed, or not**. For a council with 47 activities, it is actually a question of 47 different accounts. The accounting aims at monitoring the budgeted allocations against the actually used or received amounts.

Another peculiarity is that in a council an investment can be treated as an expense, since also this is monitored against the budget.

3.3 Councils and housing finance

Councils can very well resolve to build houses, and set aside funds for this in the budgets over the years.

This can be done in two ways:

3.3.1 The council itself resolves to do it

3.3.2 Central government can define this as a council responsibility and through act or regulations specify councils' amount of responsibility

Initially, in both cases, councils need funds for the financing of the house building, in addition to what councils today finance of the infrastructure.

If houses can be sold with full cost recovery, the financing problem is a temporary one, which can be solved by a revolving fund.

Today, all councils have a deficit on their housing accounts.

If future council house building also implies that the costs will not be fully recovered, then councils must raise the charges from all the other members of the community, in order to subsidize the ones, who occupy the new houses.

Whether to do this or not, is therefore a **political question**, where the councillors must take a stance.

3.4 Check and balance

The administration is the **executive and operating** body in a council, while the councillors form the **controlling, appropriating and directing** body. One detail to notice is that the councillors as individuals do not represent council, unless a direct resolution gives an individual councillor that authority. On the other side: no administrative leader has any right to undertake tasks or commit council, unless necessary and sufficient allocations and authorities are resolved.

If the administration does not act in accordance with legal resolutions, then the councillors may take proper action against such officials and replace them.

If councillors, however, do not act in the interests of the local society, then the people may terminate the mandate of such councillor(s). **Transparency** is a precondition for this to work out. This requires a free and professional press. But even then, there is a problem: elections take place only each 4th year.

The Urban Councils Act has therefore placed upon the MLGRUD the onus of supervising that the "controllers" also are controlled. Disputes between the administration and the councillors may therefore be referred to MLGRUD, and termination as well as employment of so-called designated posts must also be accepted by MLGRUD.

(In Norway the Governor of a county = a region has much the same authority as MLGRUD in Zimbabwe in this respect. Mr. K. Willoch, a previous 5 years Prime Minister, now Governor of Akershus, said and wrote some months ago that the Governor was the people's last defence against irresponsible politicians. Several politicians raged against this, and called him a reminiscence from the days of the autocracy and an enemy against the People's Sovereignty. But aside from not liking his views, no substance came forth. Myself, as part of the administrative side, hold his views to be true.)

Of course, over the MLGRUD we have the Cabinet and the Parliament, who can be approached if MLGRUD steps out of line.

So we can say that the "check and balance" consist of 3 elements, like the legs of a 3 legged stool: all are equally important to keep the instrument working and in equilibrium.

4 CAN ANYTHING BE DONE - AND TO WHAT EFFECT?

The only way to achieve balance between needs and ability to deliver, is for councils to contribute more of their own resources: a higher self-financing ratio. But - as a council is only the common household of the local society - this means that each individual household must contribute more to the common coffers.

We can improve councils' operational position in 3 ways:

- 4.1 By reduction of expenses
- 4.2 By maximization of revenues

4.3 By institutional development

My estimates - after having looked into quite a few budgets and accounts - is that we have a total potential of improvements of **ZS 1 billion**.

Let us look at the break down of this.

4.4 Improved budget discipline, i.e., to make sure that the budgets are kept:

4.4.1 no overspending of expenses

4.4.2 full realization of revenues - or corresponding reduction of expenses, if this is not feasible

Total improvements: between **ZS 135 million** and **ZS 185 million**

4.5 Utilization of taxation reserves, i.e., all councils with lower rates and supplementary charges than what is affordable, increase these

Total improvements: appr. **ZS 155 million**

4.6 Utilization of tariff reserves, i.e., all councils who are charges low tariffs, increase these to an "estimated" affordable level

Total improvements: appr. **ZS 200 million**

4.7 Implementation of new rates and tariffs on 1/7 each year, instead of an average of appr. 1/2 year later. Conditions: 1) Councils finish its budgeting process before 1/5. 2) MLGRUD process the increases immediately

Total improvements: appr. **ZS 200 million**

4.8 Improving budgeting and planning process. More efficiency in this area leads to less expenses and higher revenues.

Total improvements: appr. **ZS 100 million**

4.9 Bank tendering. Councils are big users of bank services and deposit huge amounts, but get considerably less than what they should. This process is already under way, and from the achieved result we can estimate

total improvements to appr. **ZS 80 million**

4.10 Cash management systems are important measures for controlling councils' cash flow. It gives an "early warning" when an account starts to ail, it is necessary to schedule investments which are financed by operating surpluses and it increases the bank balances.

Total improvements: appr. **ZS 20 million**

4.11 Improvement of bill collection. Huge amounts are outstanding. In some cases the **ability to pay** is lacking - often temporarily, but the main problems are partly councils' own management of billing and collecting, and some residents' **unwillingness to pay**. The New Accounting System, now under implementation, is expected to improve the efficiency in councils considerably. Stern measures are necessary to turn around the reluctant debtors. If we can reduce the outstanding amounts by appr. 80%, the

total improvements are estimated at **Z\$ 100 million**

I must mention that my estimates are based on rather rough figures, and that we need to look more closely into the whole material before we can make conclusions with double lines under. However, I believe that the above gains are fairly realistic. But it really does not matter if the true figures are lower; it is substantiated that there are considerable reserves to be hauled in.

I must also mention that we have not yet had time to look into the Housing Accounts in the Urban councils.

As earlier mentioned: all councils run a deficit of this account. Which hardly makes it easier to persuade councils to be more active in this field.

It is therefore important to find out if these deficits are consequences of rules and regulations set by GOZ, or whether they are results of perhaps not too much consciousness in Council about the situation.

But what about **affordability**? If we increase the payments from the public to the councils, it means reduction of people's welfare. Again, it is a choice between the individual welfare and the common welfare. And our studies actually show that people in some councils pay considerably more than in other councils. When comparing the costs in two similar councils, it can therefore not be the **ability** to pay that makes one pay more than the other, but the **willingness** or, rather, what they are accustomed to pay.

It is not feasible to increase all charges to the highest affordable level in one go, but over a period of 3 - 5 years, it should be possible.

5 EFFECT ON THE NATIONAL BUDGET - AND THE NATIONAL ECONOMY

Some of the above-mentioned improvements of Urban Councils' finances will - or can - also have an impact on the National Budget.

First of all, it will enable councils to service their debt to the government and to clear the rather huge backlog of loan arrears.

I have estimated the effect to be appr. Z\$ 100 million the first years, thereafter appr. Z\$ 20 -30 million per year.

Secondly, it will also give leeway to alter the present PSIP-financing, where GOZ alone carries the burden of financing Urban Councils' investments. One option is to leave more of this financing to councils' self-financing.

A reduction from appr. Z\$ 300 to Z\$ 100 million a year may be obtainable, i.e., a saving on the hand of GOZ of Z\$ 200 million per year.

Another option will be to differentiate the interest rates; several projects/councils are fully able to pay the market interest. The fact that this is not done, is in many cases directly counterproductive: why increase your tariffs and cover the investments yourself, when loans from GOZ is cheaper?

The GOZ subsidies amount today to appr. Z\$ 150 million per year; a figure that may be considerably reduced, say by Z\$ 100 million per year.

A third option regards the redemption period. When a project has a payback time of 2 - 3 years: why then loan finance it over 25? If the loans were recouped speedier, the same monies could be used for new projects.

Let us say that an additional Z\$ 50 million could be achieved by this

Adding this together, we talk of appr. Z\$ 450 million per year.

What will be the effect on the National Economy, if this is done?

Provided that the effect is solely used for reduction of the National Budget Deficit, it will reduce this deficit by 10%.

This will further reduce the inflation, loosely estimated to 2 - 3%-points.

Then the interest will go down by appr. the same. Although not significantly, this may increase the private investments, since the difference between assumed surpluses from commercial activities and the interest from financial placements will become smaller. Increased investments mean job creation.

Then people with loans will get increased purchasing power, which will increase their demand for goods and services, which again will make investments more attractive, which will promote employment etc. etc.

All in all: a contribution to the good circle.

6 LEADERSHIP

The preceding issues are all well and good.

But do they improve the efficiency, effectiveness and economy for the inhabitants?

The answer is: Partly and/or Not necessarily.

Some of the issues imply definitely a better use of resources, and, hence, better "value for money" for the population. In the context of council being the common household for the local society, a rectification of the described discrepancies should have a positive effect. But not necessarily.

More money to a public body is regrettably not synonymous with more or better services.

On the contrary, more leeway may actually lead to less thrive for efficiency; the various entities do not have to be efficient, since they do not feel the pinch of scarce resources. As long as the budget is adhered to and not overspent, no complains will be forwarded.

The **private** sector is exposed to the market. The customers are the judges of this sector's performance: If the products of company A are satisfactory, then the customers buy, and company A will flourish. If company B offer cheaper/better goods, then company A must pull itself together and compete - or loose out, and, ultimately, close down.

The **public** sector is in a **monopoly** situation, and in general not exposed to the market. (The public sector may participate in markets exposed enterprises, but must (or should) then face the same challenges as the private companies)

To tackle a monopoly situation to the benefit of the customers has proved to be a difficult issue. The above mentioned lack of financial incentives or corrections is one. The fact that a variety of **interest groups** utilize their pressure is another. An often observed lack of understanding among the political echelons that they cannot just resolve the **tasks = expenditures**, but must also resolve the **distribution of costs = tariffs and taxes** is a third.

Professional, engaged and qualified leaders with a high ethical standard is the answer to these problems.

And by leaders I mean **both** administration **and** politicians.

7 TIME SCHEDULES - PRECONDITIONS

It should be possible to obtain the financial improvements - as a "technical" exercise - within 2 - 3 years. However, the **leadership/management development** necessary for a sustainable quality in the long run, will obviously take more time - say 10 years.

Please note again that we do not aim at the **administrative** side only, but also to the **political** side. **Educated decisions** are the responsibility of the politicians. But this implies "education", as a professional and well qualified administration can give, in adequately deliberated propositions and reports.

A good administration will give good politicians. However, this enhancement does not work the other way around. Seldom is it observed that - in the long run - good amateurs are better than even less than average professionals. Admittedly, in single cases the opposite can occur.

Detailed strategies for each area should be drafted, with relevant organizational structures and well defined areas of responsibilities and tasks, with concrete milestones and outlined preconditions and the resources necessary defined.

8 CONCLUSION

Investments require that resources - finance - is available. But these resources must be provided through

saving: if there is non or little saving in the society, the investments will simply not be done.

The government has a deficit on the National Budget, and therefore - by definition - does not save.

The private sector saves, but this is to a large extent swept up by the GOZ deficit.

So far, we must also register that the Urban council sector is not saving, either.

However, as I have tried to substantiate above, the Urban council sector **can supply the necessary saving** - if they improve their financial position, and are willing to prioritize housing.

By this I am back to the original question. The answer is **NO**, which still remains a conditioned **YES**.

But now the conditions are stated above.

And the challenge is: how to convert words into deeds?

THE SHELTER REVIEW WORKSHOP: KADOMA

RANCH MOTEL: SEPTEMBER 1985

ACCESS TO LAND AND TRANSPARENT

LAND DELIVERY POLICIES TO

ENABLE THE POOR TO OWN LAND

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- (c) Member of The Estate Agents Council of Zimbabwe.

1:0 INTRODUCTION

The key word on the topic is "LAND", It is the only word which appears more than once, in fact it is mentioned three times. What do we understand by the word land?

1.1 "Land or (real estate) may be considered as any portion of the earth's surface over which ownership rights might be exercised."

The ownership rights do not only have to relate to the surface area of the land concerned. We see trees on land which have been attached to it by nature. Man on the other hand has put up various buildings and other numerous improvements on land, and there are also various objects that lie above and below the earth's surface.

1.2 Land is the cornerstone of social and economic activities of all human beings. It is a source of wealth. Various wars are fought over land. Governments all over the world spend sleepless nights debating about the land available to them and how it can be distributed to the people.

May be I should mention what I consider to be the major types of land uses:

- (a) Residential Land
- (b) Commercial Land
- (c) Industrial Land
- (d) Farming Land
- (e) Pasture and Grazing Land
- (f) Mineral Land

I have listed residential land at the top because I personally take it to be the most important use for every human being. People have got to be housed . I feel that all activities have residential land as their root. The origin of human birth is supposed to be from a house /shelter. Further, residential land use is the one which has evoked this workshop to be held.

2.0 I have as at now shown the importance of land. Everybody, the poor and the rich want to own land. But how accessible is this land to both the rich and the poor?. To be able to answer this question properly one needs to highlight the ownership of this land.

2.1 Land ownership falls under one of the three categories listed below namely:

(a) State Land

This is land which belongs to the State. The State can acquire it by using its powers under the Land Acquisition Act.

(b) Private Land

This is land which is in the hands of individuals, or companies etc. It is acquired from Local Authorities or the State.

(c) Municipal (Local Authority) Land.

This is land which is under the control of Local Authorities. Local Authorities acquire land by buying it from private owners or from the State.

2.2 Anyone who wants land can make application to any of the three owners of land mentioned above. Land which is easy to acquire is private land. It is acquired on the basis of willing buyer and willing seller. Thus as long as one has money he can acquire land without much bureaucracy . But it is the poor who face major problems in acquiring land. Private land can be very expensive resulting in it not being affordable for the poor.

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3.0 The supply of land (serviced or unserviced) is very limited. There are always promises from Central Government and Local Authorities that stands would be made available. But when there is no land available the process of acquiring more land can be long. The Local Authority if it identifies a piece of land which it wants to add to its housing stock, it would check the zoning first. If it is not zoned for residential use an application would be made for change of use.

The Ministry of Local Government, Rural and Urban Development has to give its approval. Once this is done work on the layout of the proposed new stands can start. Surveying of the stands would then follow. The survey diagram of the stands have got to be approved and registered by the Surveyor General. The next step would be the servicing of these stands.

3.1 Land in private ownership is mostly surveyed land and has title deeds. Access to land is greatly hindered by the unavailability of serviced land. There is a lot of such land throughout the country. The lack of qualified land surveyors complicates the issue further. The Local Authorities have a lot of such land.

3.2 If a person who is buying a stand from a Local Authority wants his stand surveyed he would have to wait until such time that that Authority, is in a position to carry out the survey. But as pointed out, the unavailability of qualified land surveyors leads to delays which can be years of waiting. The poor has very little option rather than just waiting patiently. However if a person has funds he can engage a private land surveyor who would be able to do the job quicker. It's worth mentioning too, that there is also a shortage of qualified land surveyors in private sector. But on the whole private land surveyors would do the work quicker.

4.0 Title to land is very important indeed. Having a title deed is like having money in the safe. Once there is title, it is easy to approach financial institutions or any other lenders. The lender would take over the title deed as security until such time that the borrowed money would have been repaid. If the people form groups eg co-operatives and put the little money they may have in a bank, they can then ask for the surveying and servicing of their land using that money. The groups can further borrow money to build basic accommodation.

It would be even cheaper if the group is allocated land that is at the same area which can then be surveyed at once. Some Local Authorities are allocating unserviced/unsurveyed stands to applicants. This should be encouraged.

4.1 The land delivery process has many hitches. There are a lot of requirements which are to be met from stage to stage. In the end it is not possible to be certain that your project can be started at a specific date. The delays encountered are costly. More should be done to minimise such delays. The minimum building standards should also be further reduced.

5.0 I wish to sum up by pointing out that policies which are going to enable the poor to own land should be discussed/debated /reviewed frequently. It should be the responsibility of everyone Government, Local Authorities, Non- Governmental Organisations, the lenders, and other professional bodies and not putting aside the contributions of the people who are aimed at (i.e the poor).

6.0 May I wind up by telling a story which I am sure many of you have heard several times.

6.1 Once upon a time there were six blind beggars who begged daily by the roadside. They heard on several occasions people talking about elephants. They had never seen one which is obvious as they were blind.

6.2 One day a man was walking down the road riding an elephant. They heard about it. When the man and his elephant arrived where the beggars were, the beggars asked him if they could lay their hands on the elephant so that they would have an idea of what an elephant looked like. The man agreed.

- 6.2.1 Beggar 1: Laid his hand on the elephant's side.
Findings: "Well, Well" he said, "Now I know all about this beast. He is exactly like a wall."
- 6.2.2 Beggar 2: Laid his hand on the tusk.
Findings: "My brother" He said, " you are mistaken. He is not like a wall. He is round and smooth and sharp. He is like a spear than anything else."
- 6.2.3 Beggar 3: Laid his hand on the trunk.
Findings: "Both of you are wrong. Anybody who knows anything can tell that this elephant is like a snake." he said.
- 6.2.4 Beggar 4: Laid his hand on the leg.
Findings: "Oh, how blind you all are," he said. "It's very plain to me that he is round and tall like a tree."

6.2.5 Beggar 5 Laid his hand on the ear.

Findings: "The blindest among us should know that this beast is not like any of the things you named," he said, " He is exactly like a huge fan."

6.2.6 Beggar 6: Laid his hand on the tail.

Findings: "Oh, foolish fellows!" he exclaimed. "you all have surely lost your senses. This beast is not like a wall, or a spear or a snake or a tree or a fan. Any man with particle of sense can see that he is exactly like a rope."

6.3 The man moved off with his elephant. The six beggars sat down and started arguing and quarreling the rest of the day, each believing that he alone knew just how the animal looked. They called each other names when they could not agree. There was a lot of noise.

6.4 The man moved off with his elephant. The six beggars sat down and started arguing and quarreling the rest of the day each believing that he alone knew just how the animal looked. They called each other names when they could not agree. There was a lot of noise.

6.5 But there was one person who knew, and that was the driver, the person who was riding the elephant and he was not blind

6.6 I relate this story to this workshop and in particular to the topic of my paper as follows:

Land and the delivery policies - Is the Elephant

6 Blind Beggars - Are the poor

Professionals/Experts gathered here - Is the Driver (the man with the elephant)

DEREGULATION OF MUNICIPAL BY-LAWS AND REVIEW OF TOWN
PLANNING AND INFRASTRUCTURE STANDARDS FOR EFFECTIVE HOUSING
DEMAND AND DELIVERY

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INTRODUCTION

This paper argues for the creation of, in broad terms, an environment which results in there being effective or decisive housing demand and delivery.

At the national level, we must create more wealth and at the micro-level, the earning capacity of individuals must increase so that they have, in real terms, more disposable incomes.

Any significant increase in disposable incomes is likely to result in a growing effective demand for housing. A growing effective demand for housing is likely to be quickly noticed by the market place resulting in improved housing supply or delivery thereby minimising the growing housing crisis in Zimbabwe. Taking a long term perspective of the problem, this is the best route to take in preference to tinkering with housing input costs and standards as there are real limits to such tinkering.

Thus, in my view, the current ongoing national debates on the following broad issues :-

- . the benefits of the Economic Structural Adjustment Programme;
- . the inescapable need for indigenising the economy to the benefit of the broader majority;
- . the need to encourage both local and foreign investment so as to create more employment and reduce the prevalence of poverty;
- . the need to reduce the rate of national population increase as well as rural-urban migration;
- . the case for reducing inflation and interest rates;
- . the case for accepting housing as an important priority in national resource mobilisation and allocation;

- . the need for financially viable local authorities which are adequately manned and equipped to plan and implement housing programmes;
- . the case for the deregulation of some of the municipal by-laws; et cetera

should be seen in the context of the above cited economic goal. Put simply, unless the ordinary person has more money in his/her pocket - we labour in vain.

But for a person to be able to have a decent income and for the money so-earned to be of any practical use at all in terms of being able to spend it on, inter alia, housing, he/she must be in good health. Thus, in my opinion, a buoyant national economy, reasonable earnings at the household level and good health are prerequisites to effective housing demand and delivery.

This assumes, of course, that the people we are talking about are rational and responsible as decent earnings and the state of good health can be misdirected! Fortunately for us, most Zimbabweans appreciate the importance of decent accommodation! Most yearn for that opportunity and we ought to build on the obtaining burning desire and need inherent in most ordinary people of owning a home of their own.

Thus, municipal by-laws must, on one hand, make it possible for the informal as well as the small to medium enterprises to survive and hopefully thrive and, on the other hand, they must ensure that public health is not undermined. In addition, our Town Planning and infrastructure standards must relate to our ability to pay for the housing units so produced either collectively as a nation or individually as the common man or woman. To proceed on any other basis will result in the construction of houses with no takers. No developing country can afford such a waste!

MUNICIPAL BY-LAWS

The Deregulation Project Team (DPT) has established the following issues pertaining to some Municipal By-laws; that :-

- . there is an artificial demarcation of those involved in informal trading into HAWKERS and STREET VENDORS :
 - they wonder where the hawker vends and where the vendor hawks and suggests that there be one term for both activities;
- . local authorities enjoy wide discretionary powers to impose restrictions and conditions which have the effect of restricting trading in terms of trading areas, goods that maybe sold and at what minimum distance from existing shops:
 - they submit that restrictions and conditions should be for reasons of public health, safety and morality only;
- . by-laws deliberately seek to protect holders of licences in that if an existing licence holder objects - however flimsy the grounds - that knocks the aspiring new entrant's application dead in its tracks :
 - they suggest that existing licence holders should be awoken from their slumber and complacency by a bit of competition;
- . harsh penalties are meted out and what are really civil wrongs or offenses are rendered criminal resulting in the impounding of goods, arrest, prosecution and even imprisonment:
 - they call for less harsh penalties; and

- . there exists an array of by-laws on trading which are not easy to fathom - they submit that they be collapsed into one.

In addition, it has been suggested that :-

- (a) street vendors should continue to hold a licence indicating the general vending area and the applicable penalties for non-compliance;
- (b) the renewal of the licence may only be denied if it is in the interest of public health, safety and morality.
- (c) minimal licensing fees be charged to meet municipal overheads;
- (d) street vendors must be caused to keep their trading areas clean;
- (e) in the interest of public health, order, safety and security, minimum distances from business premises be specified;
- (f) the penalty for contravening the by-law should be confined to a fine without recourse to arrest or prosecution;
- (g) push carts should be subject to control on dimensions, loads and movements on the roads; and
- (h) restrictions on the selling of food and cooking of food for sale are deemed desirable in the interest of public health.

ZONING

The debate on home industries has been largely deflated by the timely gazetting of Statutory Instrument 216 of 1994 whose reception has, perhaps understandably so, been mixed.

S.I. 216 of 1994 reduces the number of use groups from 9 to 6 thus making it easier to effect use changes to premises in response to a rapidly changing market.

The statutory instrument makes it possible for local authorities to allow specified activities subject to such activities engaging less than 5 persons.

Using the special consent route, more activities can be located in residential areas provided not more than 10 people are engaged and the activity not being in public view. Other requirements relate to the fact that :-

- . the predominant use on the stand must remain residential;
- . the activities must be of no-nuisance value;
- . the equipment used and the goods produced must not be publicly displayed; and
- . the activity must serve persons in the immediate neighbourhood.

In so far as home industries are concerned, the statutory instrument gives discretionary powers on the local authority. Local authorities are being alerted to what are deemed as desirable changes. They are not being presented with a "take it" situation. They are being shown the way in terms of how the clamour for affordable premises from the informal and SMEs can be addressed in a meaningful way almost overnight.

Other important Town Planning measures are being actively taken with a view to facilitating the growth of the informal sector and SMEs. These include :-

- . the replacement of the old Town Planning Schemes with more flexible MASTER and LOCAL plans thereby reducing instances when special consent is required or activities are prohibited outright in a given zone;

- . the siting of industrial stands near residential areas - although this is easier to effect on green sites than in existing residential areas where the NIMBY (Not In My Back Yard) syndrome prevails - sometimes unreasonably so;
- . the preparation of less demanding development conditions and minimum building values subject to public health and safety not being compromised though; and
- . the provision of small and more affordable commercial and industrial stands - notwithstanding the regrettable problem of some SMEs selling premises so provided to them to well established companies.

TOWN PLANNING STANDARDS

Town Planning design is largely motivated by considerations pertaining to amenity, convenience, aesthetics or beauty and public health. With reference to a residential neighbourhood, these considerations per se produce built environments with -

- . wide paved tree lined roads;
- . large houses on large stands with neatly manicured lawns; and
- . adequate services in terms of water, sewerage, electricity, telephones, etc.

This ideal carries with it enormous cost implications and thus constitutes, for most of us, what is really a dream because we simply cannot afford such neighbourhoods. The reality in terms of low income housing dictates more modest standards which relate to income levels and, of course, public health requirements. If this reality is not grasped and accepted then we will unintentionally continue to condemn significant segments of our people to -

- . lodging,
- . overcrowding,

renting in shacks, and
squatting.

As a reaction to this reality, Town Planning standards have been progressively reduced resulting in the more intensive use of urban residential land. Small houses on small stands with narrow frontages served by narrow access roads have become inevitable. This trend of reducing/lowering standards can only change if and when affordability levels improve. This is why, as already stated at the onset, wealth creation and higher earning in real terms are a sine qua non to increasing Town Planning housing standards whatever our socio-political and cultural inclinations maybe. For public health reasons though, there is a limit to the extent to which Town Planning standards can be lowered. This strengthens the submission that our average earning capacity must improve for effective housing demand and delivery.

We should also not lose sight of the fact that Town Planning procedures have a significant bearing on the ultimate costs of housing projects. Delays have devastating cost implications.

INFRASTRUCTURE STANDARDS

In terms of our standards, residential schemes must have the following infrastructure :-

- . roads,
- . sewers,
- . reticulated water,
- . storm water drains, and
- . electricity and street lighting.

The most critical of the six, in terms of costs and land utilisation, is ROADS. In notes a Housing Task Force sub-committee prepared in February, 1995 in respect of same, we had this to say :-

"1. Roads are an essential infrastructure component of any

housing scheme. They render housing schemes functional and can contribute considerably to the attractiveness of same.

2. Regrettably, roads use up a great deal of land. On average, they use up between 15% and 20% of a project site. Infact, a poor design can result in more than 20% of a project site being devoted to roads. The end result is that, the more generous the space or area devoted to roads, the fewer the number of residential stands and that can be created. The fewer the number of stands created, the higher the cost per stand.
3. In addition, roads cost a great deal of money. They are the single most expensive item in terms of infrastructure provision. Infact, they account for between 60 and 70% of the on-site infrastructure capital outlay.
4. Clearly, they deserve special attention in terms of reducing servicing costs especially now that undeveloped 300m² serviced low cost housing stands cost between \$8 000,00 and \$13 000,00!
5. One of the reasons why roads account for between 60 and 70% of the servicing costs is because all roads have since 1980 been sealed. Sealing a road entails :
 - . road formation,
 - . two base layers, and
 - . a single seal.

Whereas, if access roads are not sealed, the roads are merely formed and a single base layer is used resulting in cost savings of about 40%.

6. Realising the cost implications of sealing all roads in low cost housing schemes, the justification for providing all weather surfaces has been debated since 1986 without a consensus being reached.

7. There is no denying that merely gravelling access roads results in direct cost savings of about 40%. However, it has been argued that such savings are false economy in that maintenance costs for such roads are much higher. In addition, it has been argued that unsealed access roads create health problems and are a nuisance in terms of dust and mud. Furthermore, the sealing of all roads in some residential neighbourhoods and not all in others in the same town has been viewed as unacceptable in socio-political terms.

8. However, paragraph 3.2 of Circular No. 3 of 1992 issued by the Ministry of Public Construction and National Housing suggested :-

"Sealing of roads should be maintained on bus routes and major connector roads. However where appropriate, use of insitu granitic materials for wearing course on low volume plot access roads should be encouraged. This will result in cost savings of over 30%. Access roads servitude shall range between 8,5m and 10m wide as appropriate".

9. Whilst the suggestion has been accepted by some urban councils, others continue to insist on the sealing of all roads as a matter of policy. There have also been instances where private developers have been directed to seal all roads in low income housing schemes. Whilst savings are realised in terms of road maintenance, such stands are unaffordable to low income wage earners at a time when Building Societies are liquid and when Urban II Programmes - and Zimbabwe Private Sector Housing Programme finances are available for low income housing. There is no denying that an ideal housing environment is desirable but the fundamental question is:- Can the average wage earner afford such an environment? If he can't, is a less-than-ideal environment acceptable to him/her?

10. An environment where access roads are merely gravelled would be more affordable and would be an improvement to overcrowded lodging, staying in an outbuilding assembled out of an assortment of building materials and continuing to provide "low income" stands which the target group cannot afford.

11. Besides reducing costs through initially sealing bus routes only, significant savings can also be made through adopting the following layout plan design approaches :-

(i) discarding perimeter distributor roads in favour of more direct and therefore shorter distributor roads;

(ii) keeping the total lengths of distributor roads to an absolute minimum given the fact that the cost of such roads is treble that of access roads;

(iii) more extensive use of narrower collector and access roads so that more land is released for the creation of stands and in order to minimize overall infrastructure costs;

(iv) the use of "P" loops, cul-de-sacs and pan-handles in place of the wasteful conventional grid iron road network; and

(v) making use of longer and deeper blocks of stands in order to reduce the total area devoted to road space.

12. Recommendations

Given the above, it is recommended that :-

(i) access roads in low income housing schemes be initially gravelled with the sealing of roads

- being confined to bus routes and major connector roads only;
- (ii) where access roads are tarred in such schemes using the Local Authority's own financial resources, the cost of sealing such roads be excluded from the cost of the stands;
 - (iii) Local Authorities should not insist on private developers sealing access roads in low cost housing schemes;
 - (iv) Local Authorities be free to upgrade such unsealed access roads at a future date should their financial position permit; and
 - (v) road hierarchy and network for low income residential development be based on more cost effective and efficient design approaches as outlined in paragraph 11 above."

Many people from outside Zimbabwe are surprised that reticulated sewerage and water allowing for individual connection are part of our minimum standards for low cost housing. They argue for cheaper solutions like communal toilets and water tapes. Whereas communal facilities are well looked after in rural areas where the sense of community is strong, the same cannot be said about communal facilities in urban areas where they are vandalised, abused and neglected at substantial cost to the local authority.

It is important to appreciate that appreciable savings can be realised if the total length of piping is reduced through narrower stand frontages and careful design.

CONCLUSION

We must all put our shoulders to the wheel lest we have to contend with the real prospect of further reductions in Town

Planning and infrastructure standards pertaining to low income housing. The long term choices are EITHER people have more money in their pockets - in real terms OR standards are lowered in an attempt to rendering housing more affordable. As a Town Planner, the first choice is preferable as there is a limit to the extent to which by-laws can be deregulated and standards lowered.

BUILDING MATERIALS FOR HOUSING.

WOOD.

We mentioned briefly, that this is virtually used all over the world for centuries, and we put up the 'NORTON TIMBER HOUSE' as a prototype for low-cost housing (see picture). It was accepted by local authorities, and the local people who saw it were impressed. Why did we not continue? Contary to our original research in the availability of timber, we found that it became 'in short supply', and the cost per cubic metre went very high, which then forced us to look to alternative materials.

PLASTIC.

This material was being researched by a company in South Africa, and we were convinced at that time this was a medium fully known throughout the world, and with the modifications that had been carried out to ensure that the material had fire retardent properties, strength, long life, and no maintenance, this factory produced material could be the new medium. WHAT WENT WRONG? technically nothing! The problem came as with timber the prices of materials such as polyester resins went very high, thus making the cost prohibited for affordable housing.

During the past three years of our company endeavouring to find a solution to the problem facing the many thousands of our people, and others in Africa, we became known to many companies, and one of these companys PLASCON TECHNOLOGIES (part of the vast BARLOW GROUP in SA) contacted our company stating that they, in co-operation as a joint venture exercise with the C.S.I.R. (Council for Scientific & Industrial Research) in Pretoria, had developed a new material that would be ideal for housing.

This new material was scarce throughout the world, though it is available in Zimbabwe, and is of very high quality. This material is known throughout the world i.e. for the production of Gypsum Products, acoustic tiles, and for ceiling panels. The raw material used for these products is VERMICULITE. The material is light, can be produced in various thicknesses, BUT IN THIS FORM TOTALLY UNACCEPTABLE AS A BUILDING MEDIUM - except as ceiling boards (see sample made in France). UNTIL Plascon and the CSIR got together (whose technical knowledge is known throughout the world) and developed a material that would be accepted internationally, have great fire resistant properties, water proof, rodent and termite proof, inviromentally friendly, withstand high and low temperatures, have excellent insulative properties, impact resistant, lighter than most materials, and could be manufactured in Zimbabwe, use Zimbabwean raw materials, and hopefully be one of the first factories to produce a product that would create world wide interest (Plascon have carried research in Europe with incredible interest for this new medium).

WILL THE ENTIRE HOUSE BE BUILT WITH THIS NEW PRODUCT?

The wall internal and external, ceilings and hopefully a lot of the furniture may well have this material.

ROOF SHEETING.

We are hoping to introduce a totally new concept for roof sheeting, not manufactured in Zimbabwe, though we hope that if the demand for housing is big, we have suggested that we obtain manufacturing rights. They believe our concept is ideal for their product, and as we have a licence agreement with Plascon & CSIR they would consider a joint venture programme.

HOW DIFFERENT IS THIS NEW SHEETING TO ANY OTHER AVAILABLE WORLDWIDE?

We believe that this product will revolutionise roofing for low cost housing, and industrial roofing where CHEMICAL - FADE - BURN - CRACKING - SPLITTING - DAMAGE proof properties are required. This roofing is extremely light, in fact, any one reading this could easily carry 5 x 2 metre x 940 on their head!!

What are the other fantastic properties has this sheeting?

1. You cannot burn it. 2. It is almost impossible to break. 3. It does not fade. 4 It has excellent fire rating. 5. It is extremely light. 6. Very easy to fix. Does not require heavy roof trusses. 6. You can run a 10 tonne truck over it and nothing happens. (This can be proven by Dr. Chiramba of USAID who witnessed a 10 tonne refuse truck running over the sheeting).

We believe that this product will be essential to bring down costs, make it faster to build, in fact, like our new building materials will change the way of building low cost housing.

FOUNDATIONS.

We are currently testing an American approved system, which is non-hazardous, 100 % organic and environmentally safe. It conforms to the American Association of State Highway classification ASSHTO Designation M.145. This treatment will be (if test are satisfactory) be used to harden the soil, restrict when cured any water penetration etc., ready for our flooring to be laid - We may in some areas use our patented leveling fixtures.

IMITATION BRICKWORK.

We are able to produce simulated bricks for cladding (see sample) this is patented in America and Europe.

We are also looking into the manufacture of simulated doors, window frames etc., similar to the sample shown.

ALL PRODUCTS DISCUSSED HAVE WORLD WIDE PATENTS AND ARE EXCLUSIVE TO SHERWOOD HOMES PVT LTD.

PLASCON TECHNOLOGIES & C.S.I.R.

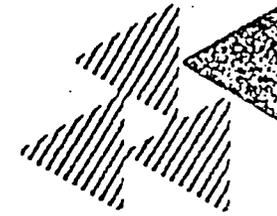
UNIQUE ADVANTAGES OF THE NEW SYSTEMS:

- 1. VERY HIGH STRENGTH TO WEIGHT RATIO.**
- 2. EXCELLENT TO BENDING UNDER LOAD, EXCELLENT STIFFNESS.**
- 3. DIMENSIONAL STABILITY.**
- 4. EASE OF FINISHING (VALUE ADDITION.)**
- 5. SPECIFICATION AND DESIGN FLEXABILITY.**
- 6. NOT BIOGRADEABLE .**
- 7. PROOF TO TERMITES, RODENTS, MICRO ORGANISMS.**
- 8. CAN BE TREATED AGAINST (A) WATER (B) FIRE.**

**APPLICATIONS: BUILDING COMPONENTS - E.G. - DOORS - PARTITIONS -
PANELLING - WALLING - DOWN PIPES - GUTTERING - PIPING.**

**SPECIALIST COMPOSITES - I. E. - LIGHT WEIGHT INSERTS TRUCK SIDING - CIVILS
ADVERTISING, MERCHANDISING, DISPLAY HOARDINGS. MATERIAL HANDLING.**

CRITERIA FOR HOUSING IN THIS MARKET



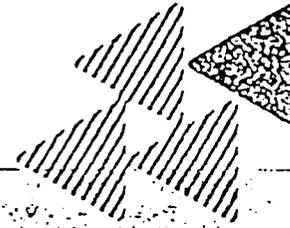
BUYER'S MOST IMPORTANT CONSIDERATIONS:

- * AFFORDABILITY
- * READILY / LOCALLY AVAILABLE
- * ADEQUATE SHELTER AND PROTECTION
- * EASY TO ERECT
- * EASY TO TRANSPORT

OTHER IMPORTANT CONSIDERATIONS:

- * AVAILABILITY OF DIFFERENT OPTIONS
- * DURABILITY
- * WEATHER-TIGHTNESS
- * FIRE-RESISTANCE
- * SUFFICIENTLY STRONG STRUCTURALLY

PRODUCT FEATURES



* AFFORDABILITY : AN ALTERNATIVE SHELTER FOR LOW INCOME HOUSEHOLDS

* BASIC UNIT HAS ONE OR TWO ROOMS

* QUICK AND EASY TO ERECT (TAKES ONE DAY FOR 2-4 PEOPLE)

* LIGHT WEIGHT - CAN BE TRANSPORTED ON A BAKKIE

* AVAILABLE IN KIT FORM - ONLY "CASH & CARRY"

* AVAILABLE IN A RANGE OF FINISHES

* DIFFERENT OPTIONS COULD BE MADE AVAILABLE (e.g. "WET CORE", 4 ROOMS ETC)

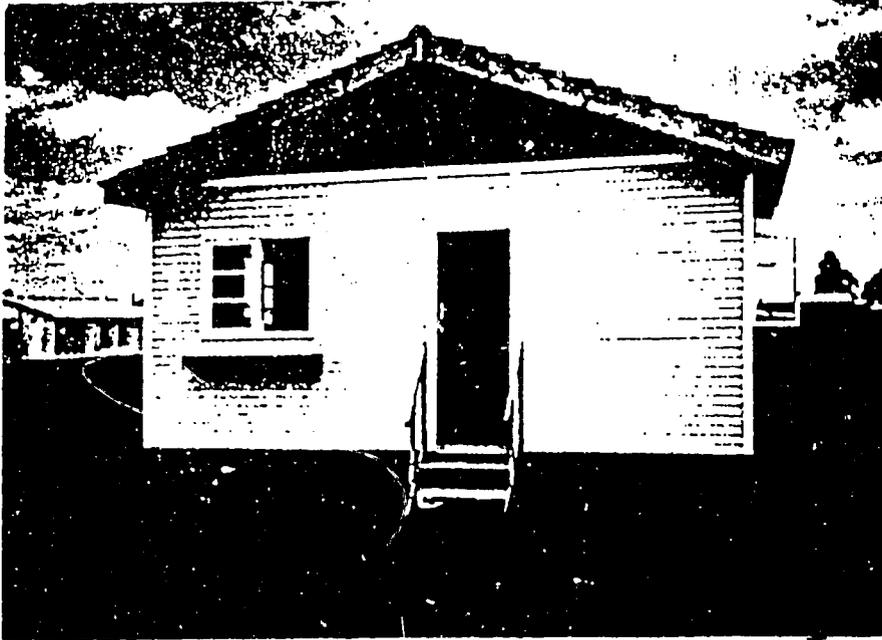
* FLEXIBILITY IN TECHNOLOGY ALLOWS MODIFICATION TO PRICE

* PERFORMANCE COMPLIES WITH MANTAG REQUIREMENTS

Sherwood Homes (Pvt) Ltd

*PO Box GD 311
Greendale
Harare*

*Ph: 486066 / 486003
Fax: 487306
Ph: 300661 (Sales OJ)*



Directors: J P Burns M O Francis R J Murrell Dr K J Moyana B H Thompson

ZIMBABWE NATIONAL WORKSHOP ON HOUSING: 26 - 28 SEPTEMBER 1995.

SUBJECT: Building materials and Technology : Alternatives for the poor, A MYTH?

BRICKS AND MORTAR - WHY CHANGE?

Why is it necessary to think of building with any other material? Building through the years has always been this way.

THIS IS NOT QUITE TRUE, for a vast part of the world - America, Canada, Australia, Asia, Norway, Sweden, Denmark, Germany and many others have been building houses in timber for centuries, and as you read this now, thousands of expensive and lower cost houses are going up all over the world.....

Building with bricks, stone, cement, sand and WATER cannot be faulted, and this system will always be with us throughout the world in the years to come.

Where does this method of building become a problem for those people who require housing - AFFORDABLE HOUSING - and are not likely to reach a high earning capacity? The truth is simply COST.

The cost of bricks, sand, stone, cement is one thing, - the cost of transport to site of these materials is very costly, and is not likely to go down, and once on site the SECURITY problem arises.

The next major problem, which cannot be overcome is WHERE IS THE WATER COMING FROM? The volume of water required to build a hundred houses is enormous, WATER that may not be available.

BUILDING WITH BRICKS AND MORTAR, what other factors have to be taken into account - TIME in putting up the house. SITE ESTABLISHMENT - SECURITY - THE MESS THAT IS CREATED - REMOVING FROM SITE ALL THE 'LEFTOVERS' - PAINTING OF THE HOUSE ETC.ETC.

WHY CHANGE FROM BRICKS AND MORTAR "WHY NOT" ?

Is this the one area that is destined not to change? Is this a situation that we in AFRICA will have to accept, and our lower paid workers are destined to live in hovels, shacks, and whatever cover they can obtain. WE BELIEVE WITH OUR NEW TECHNOLOGY WE CAN CHANGE THE "MYTH" OF HOUSING FOR ALL... into a more realistic fact, NOT WITH conventional building methods, but with proven new products that we will introduce to you.

We believe, the ONLY way to overcome the housing problem is to FACTORY BUILD HOUSING. Where a house is pre-built in controlled factory conditions, loaded onto trucks and delivered to site and erected within 48 hours. NOT POSSIBLE! the people will not like that. WHY NOT? EVERYTHING THAT PEOPLE PURCHASE TO DAY COMES FROM A FACTORY - their food, their clothes, the transport they ride in, the minerals they drink ALL

LOW COST HOUSING TO THE PEOPLE, in fact, two of the Worlds largest car manufacturers are going into Affordable Housing - and why not. If they can produce cars they certainly can produce HOUSING (see attached).

It is our intention to produce varying designs, sizes, of housing that can be ADDED to as and when the owner wishes to. A house that will be INTERNATIONALLY ACCEPTED , VERY EASY TO ERRECT - CAN COME FULLY FURNISHED (Our designers have made everything to fit in the smaller units, where conventional furniture would not) One of the large building societies stated that this furniture could be included in the cost).

WHAT ARE THESE NEW MATERIALS? Why have they not been used before? What tests have they undertaken?

WE ARE ONLY ABLE TO DIVULGE SOME FACTS AS WE HAVE SIGNED 'SECRECACY AGREEMENTS' PLASCON TECHNOLOGIES AND THE C.S.I.R.

We have 12 International patents, and more are under test, and as you will see in our paper the extent of testing necessary to ensure that the standards are sound.

WE ARE VERY FORTUNATE THAT THE RAW MATERIAL FOR THE PRODUCTION OF HOUSING ETC IS AVAILABLE HERE IN ZIMBABWE (We believe there are very few counties in the world who have these deposits). We are very fortunate that we have entered into a JOINT VENTURE with the company to supply untold tonnages of the raw material, not only for our own use, but for export.

We are to set-up under this joint venture a plant(s) to produce the raw material that forms the major part of the end product. Plascon Technologies SA are supplying the technology to convert this material into the substance that will be the basis of housing construction, partitions, furniture etc etc.

The product, as you will see with the C.S.I. R. testing (see attached) has undergone some of the most vigorous test methods - Fire, Water, Wind (gale force) impact, and earth tremours.

The design of the housing allows for very easy construction using UNSKILLED labour (we would have a team on hand to ensure all is checked). It may be possible for the owner to erect, though this would not be encouraged initially).

OUR DESIGNS ENABLE A HOUSE FROM ONE ROOM TO FOUR BEDROOMS. THERE IS NO RESTRICTION OF SIZE. WE ALSO HAVE DESIGNS FOR SCHOOLS, CLINICS, SMALL SCALE FACTORIES - ALL VERY FAST CONSTRUCTION.

We have briefly outlined the concept of our housing FOR ALL and the following papers deal on more of the technical aspect.

RIFTEC AFFORDABLE HOUSING

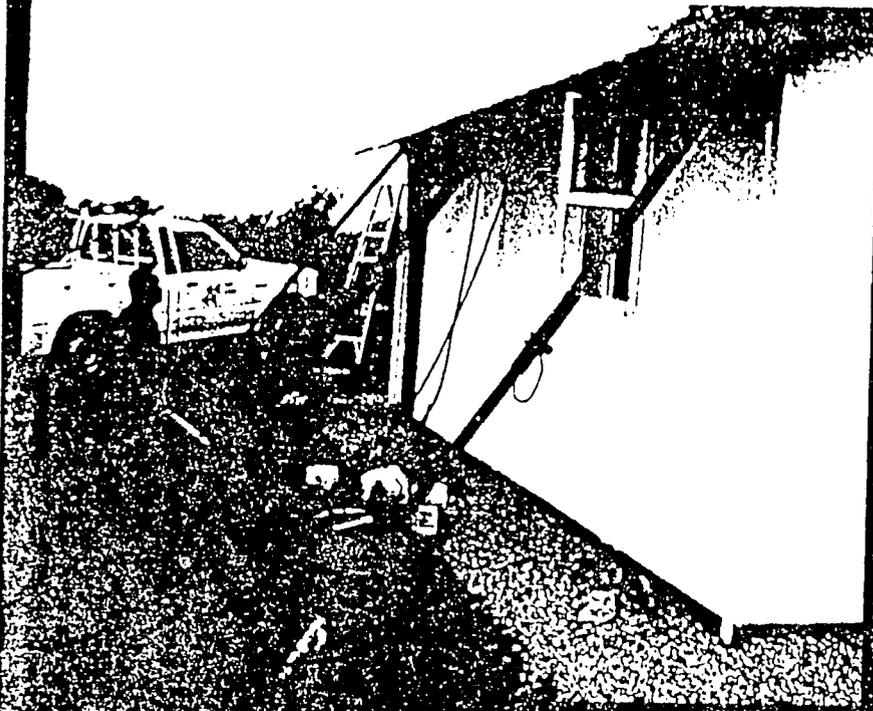
A Joint Venture between the
South African Council for Scientific and Industrial Research

and

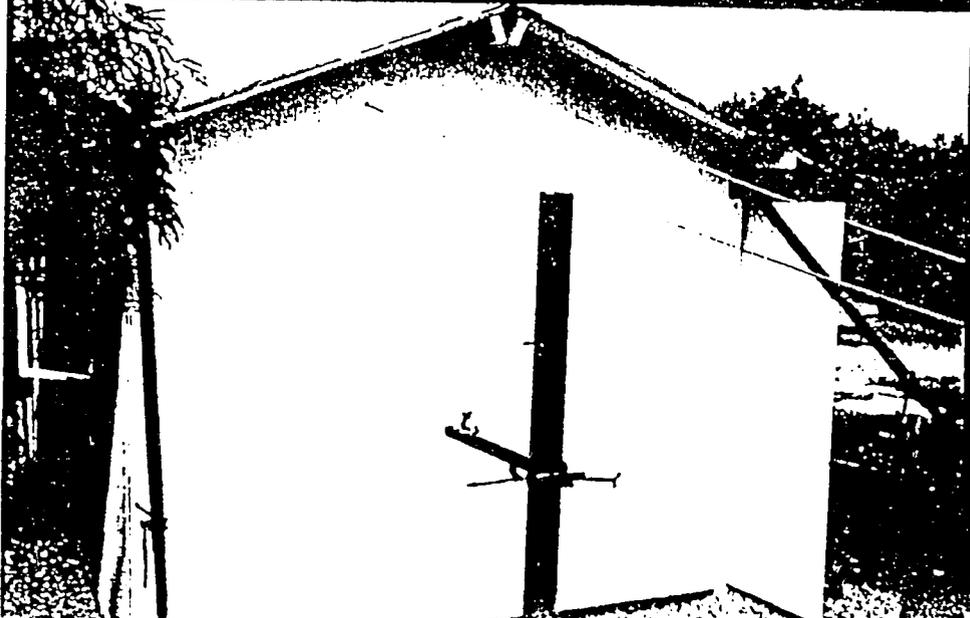
Plascon Technologies (Pty) Ltd

1. The Phase III, 2 Roomed Kit House
 2. A Prototype undergoing testing to Agrément Specifications
-

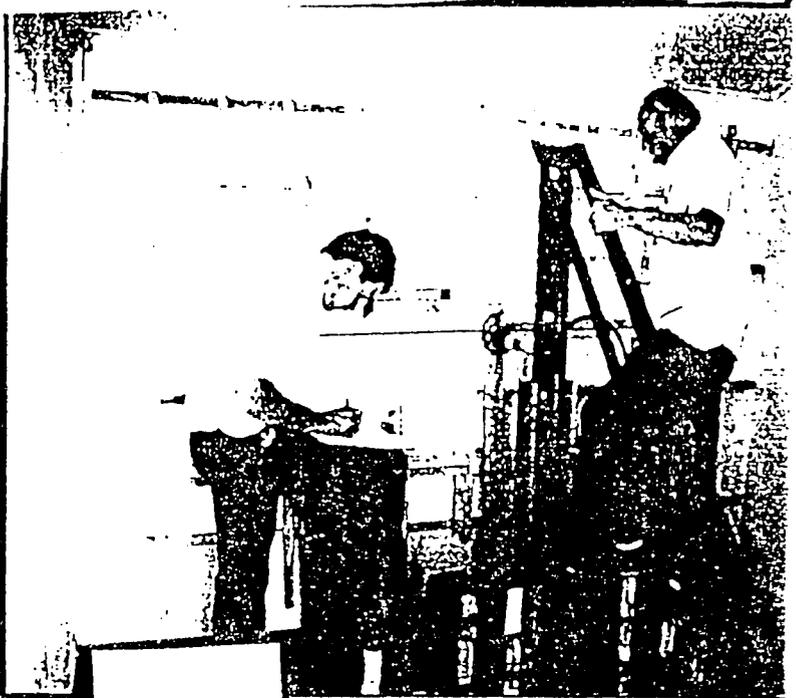
Measuring Overturning Moments
and Racking Forces



Simulating the Uplift Forces
Acting on the Roof as Caused
by High Wind Speeds



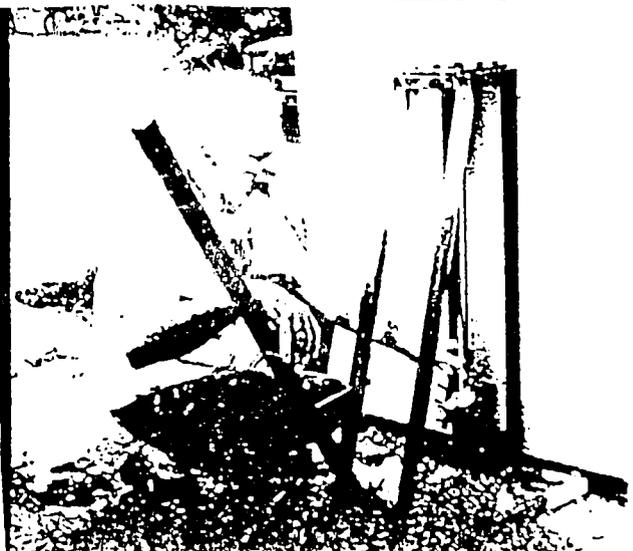
STRUCTURAL TESTING to AGREMENT STANDARDS



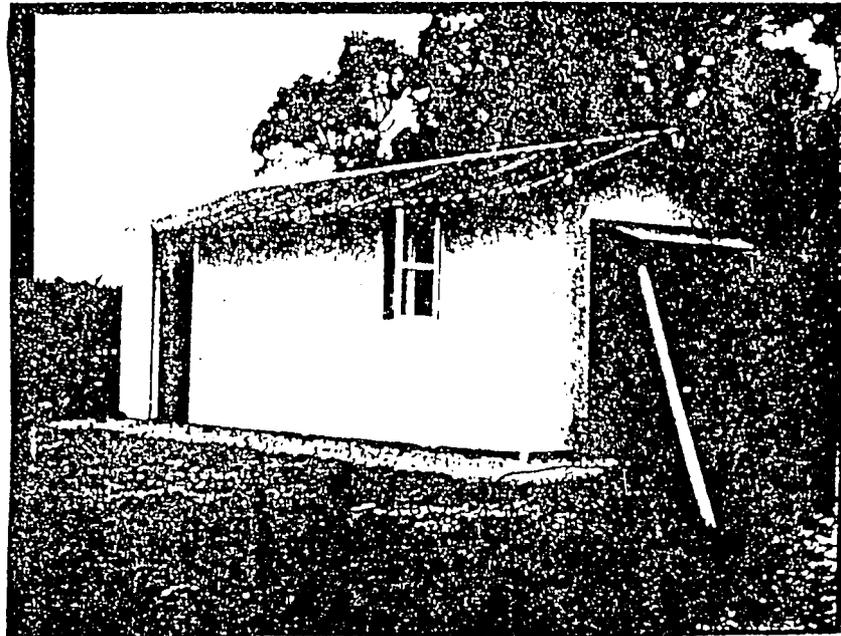
Applying Outward Loading on a Wall Incorporating a Window Par



Determining the Effects of Soft Impacts, i.e. the Sandbag Test from a Height of 1.4 m



Determining the Ef
of Hard Impacts

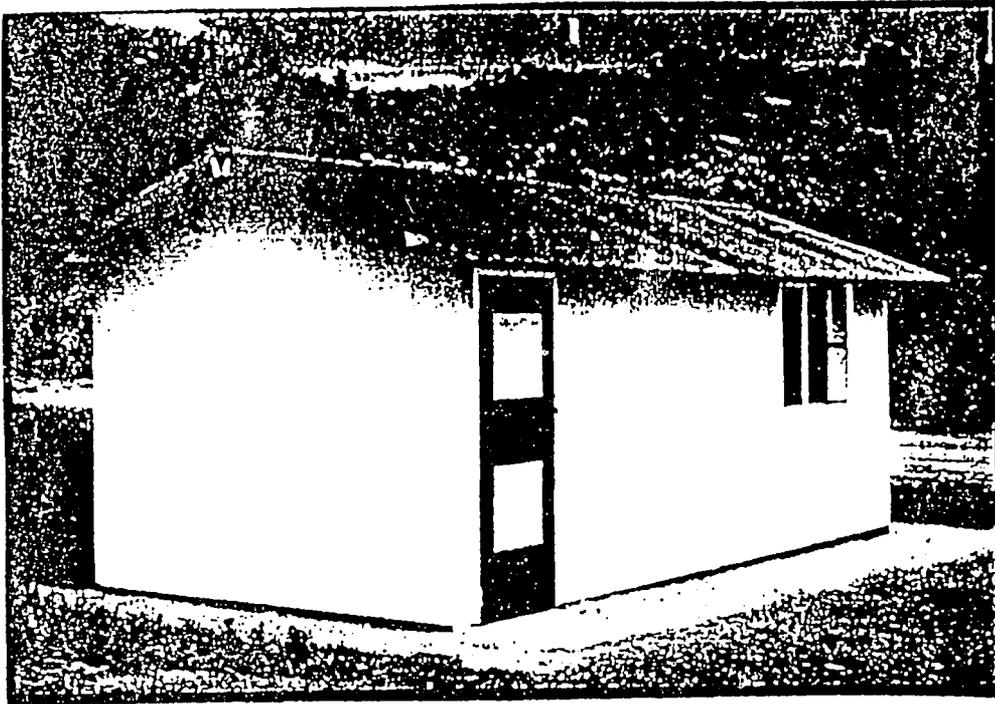


Water Penetration Test

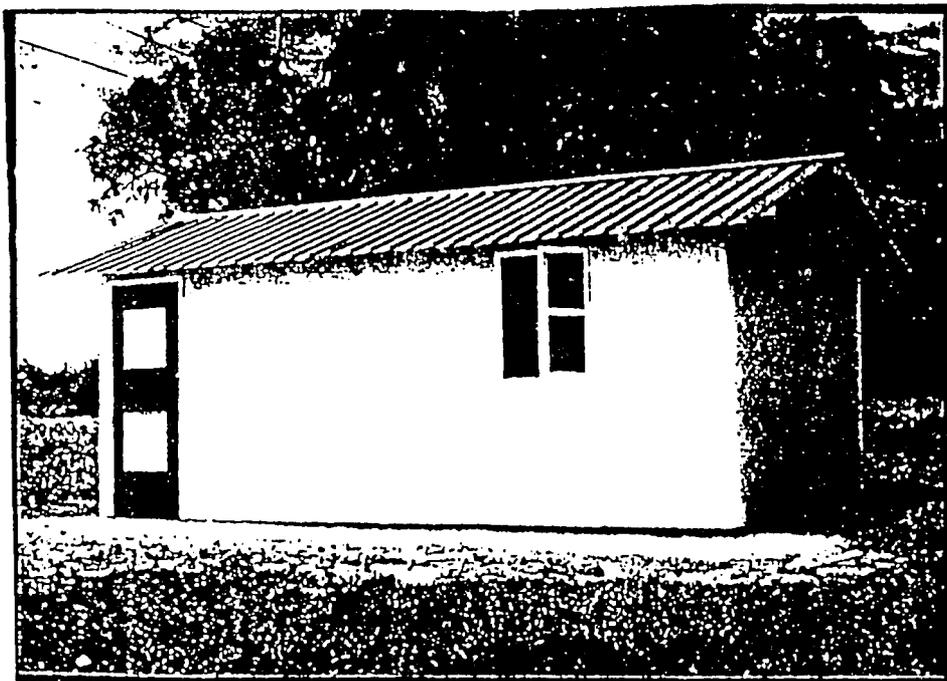


Results after > 30 Minutes
Exposure to a Fully Developed Fire





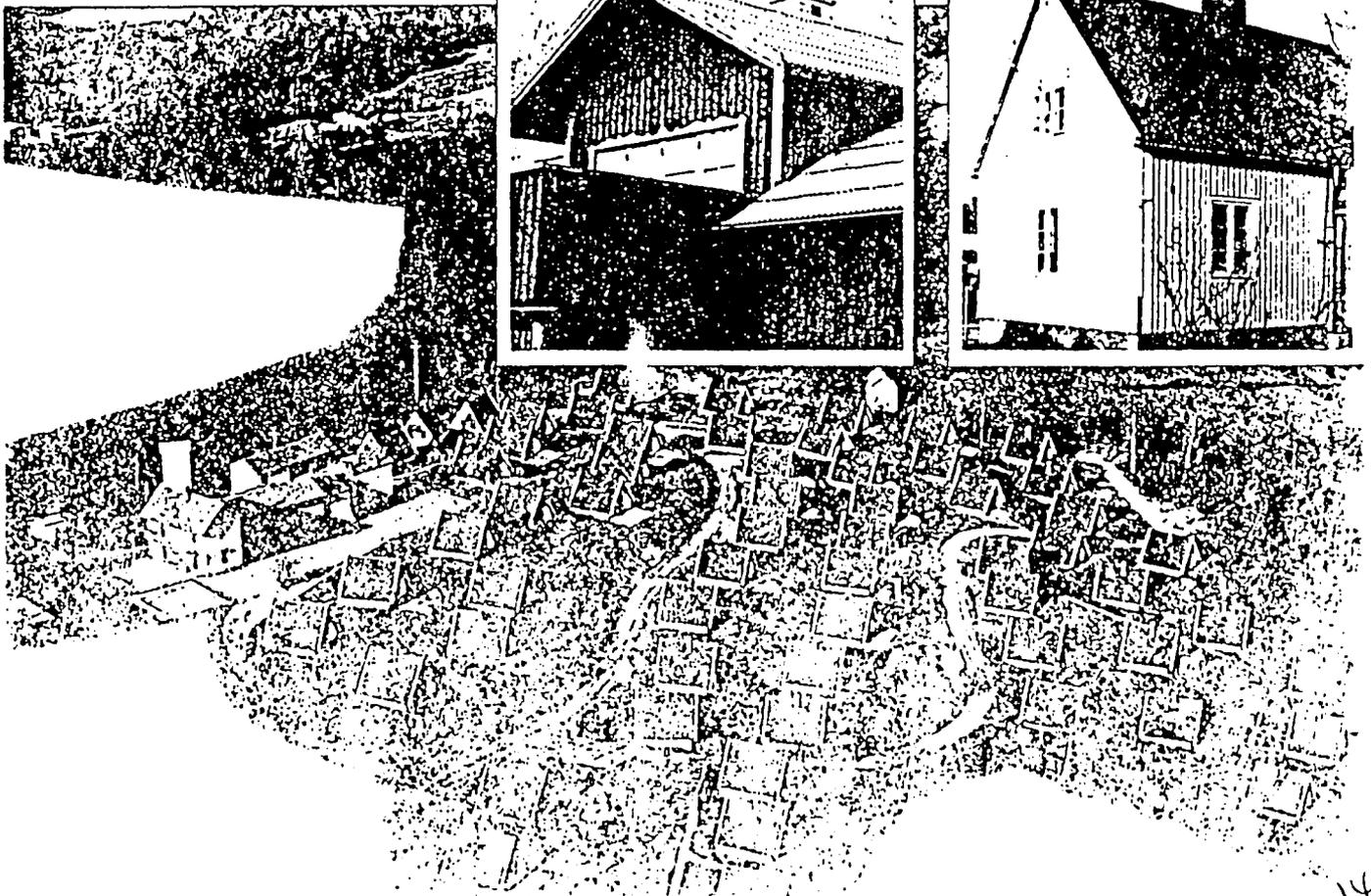
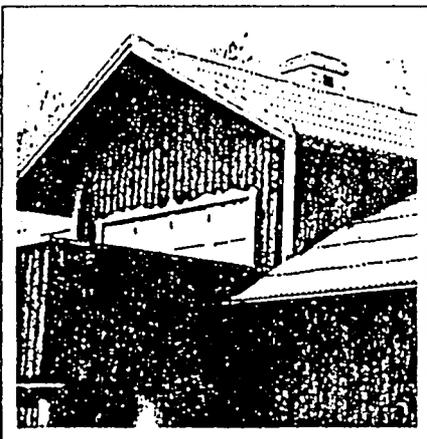
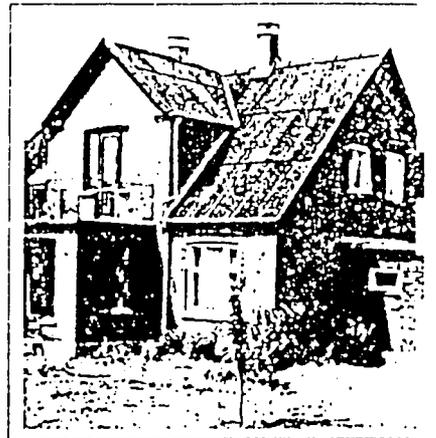
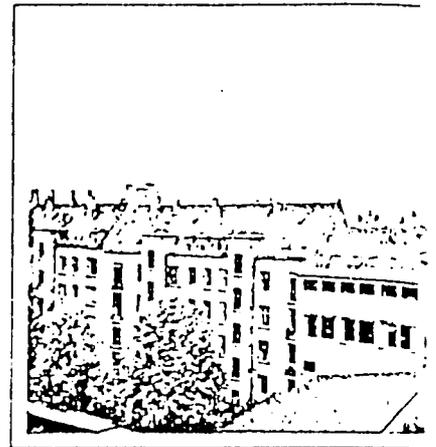
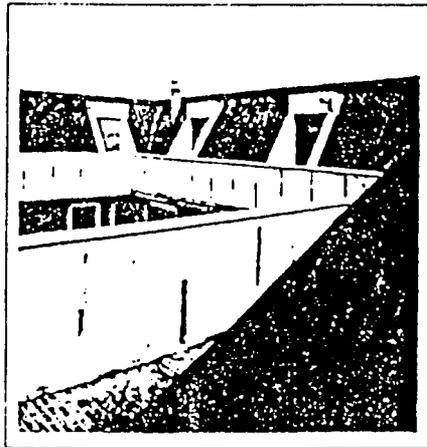
The Completed Phase III RIFTEC Kit House
Front and Side-on Views Showing the
Door and Window in Place

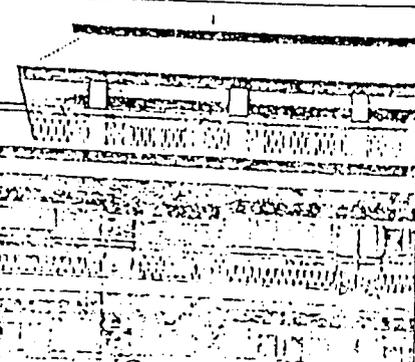
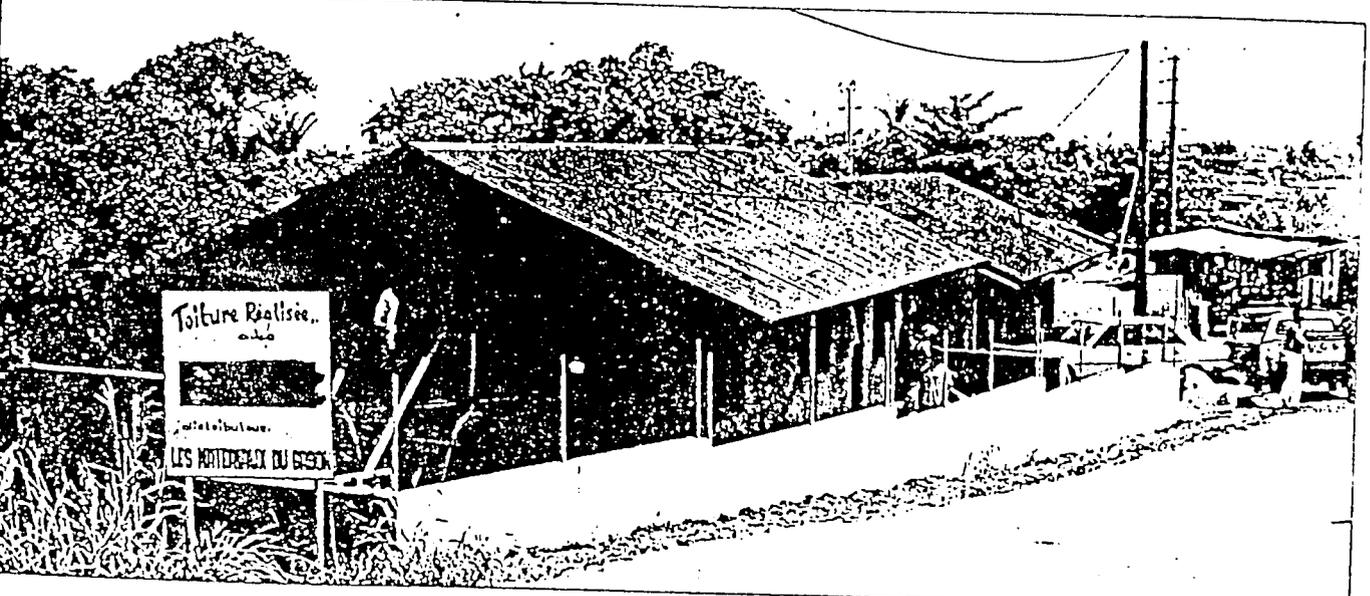
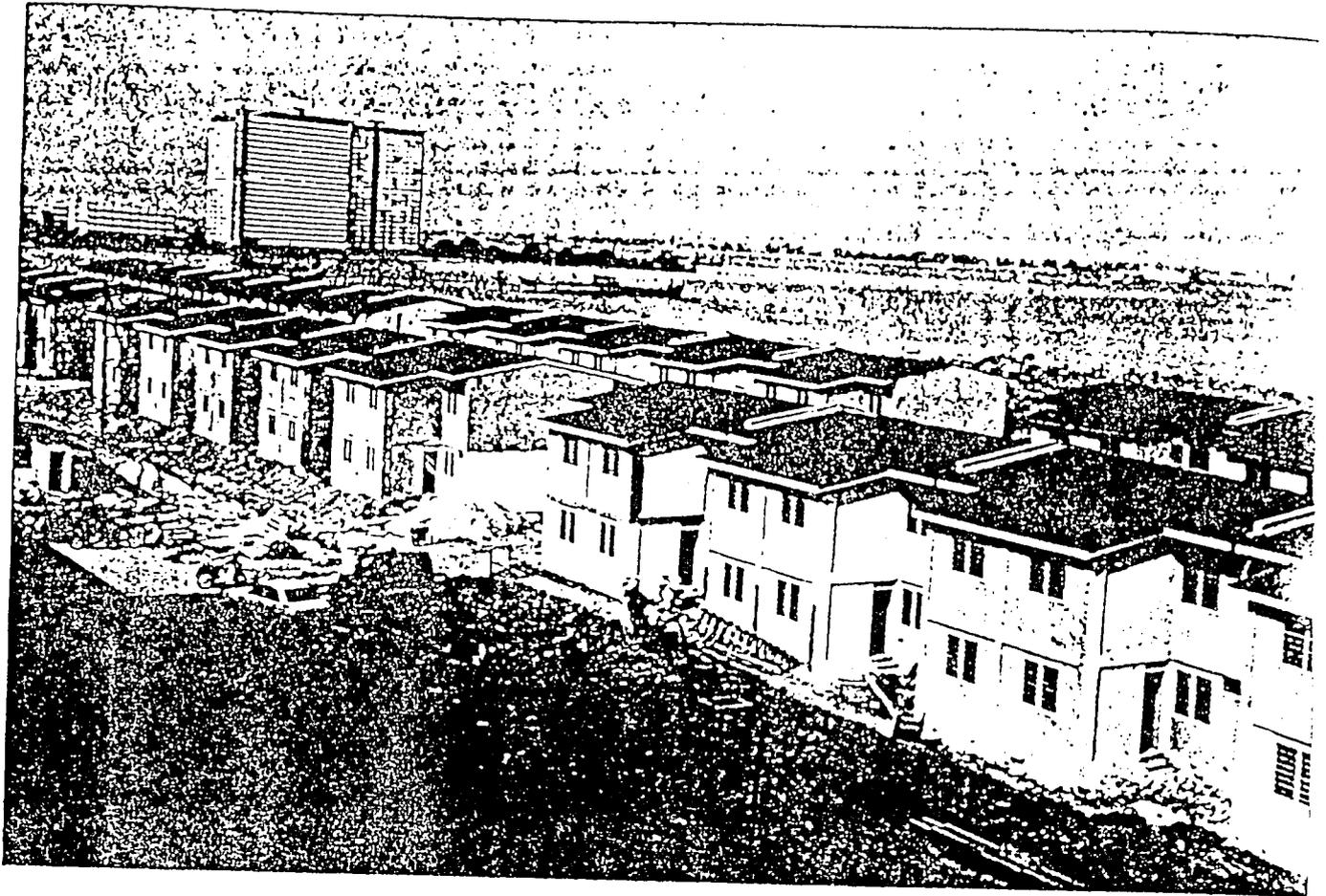


in general building and refurbishment

In over 90 countries around the world, ~~its~~ good looks, easy workability, light weight and long life have established it as a premier roofing material for even the highest quality structures.

~~It~~ is unaffected by the intense cold of the Arctic Circle or by the high humidity and heat of equatorial Africa and the Far East. Ease and speed of installation and large cost savings are both equally impressive; it is not surprising that the use of ~~it~~ is now increasing as fast in the UK as it has previously been in the rest of the world.

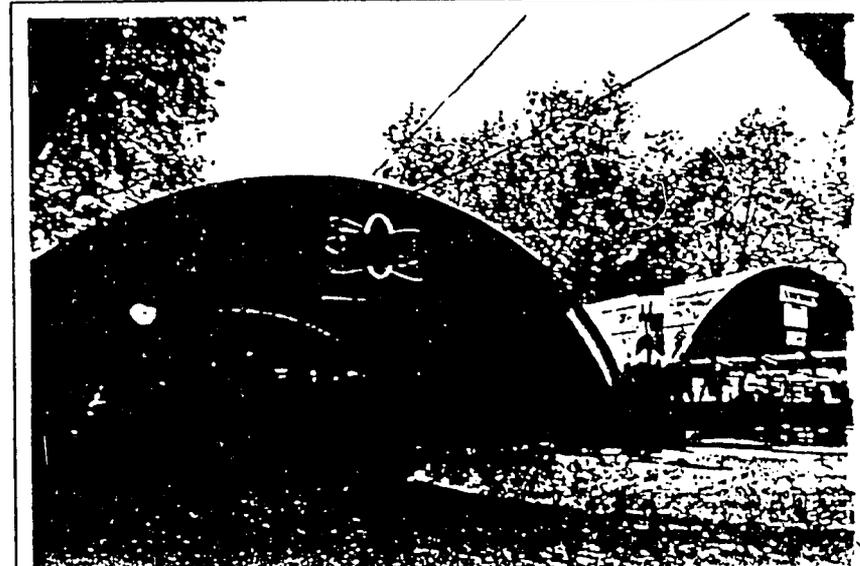
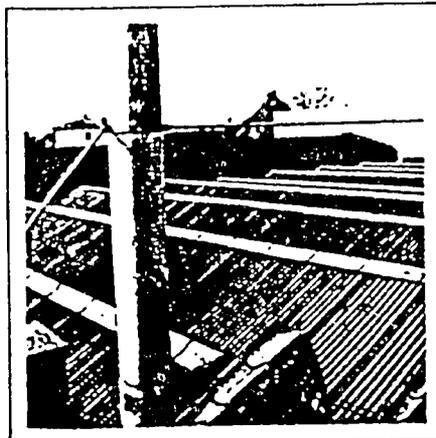
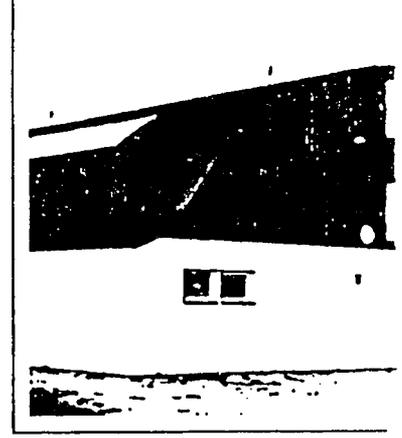
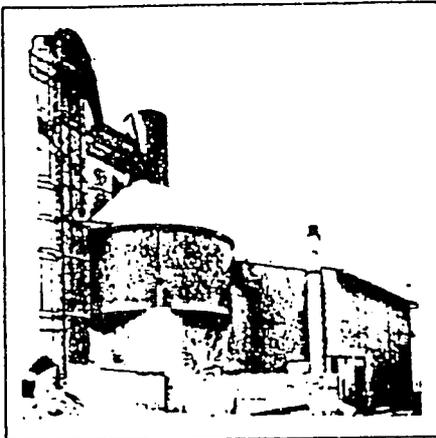
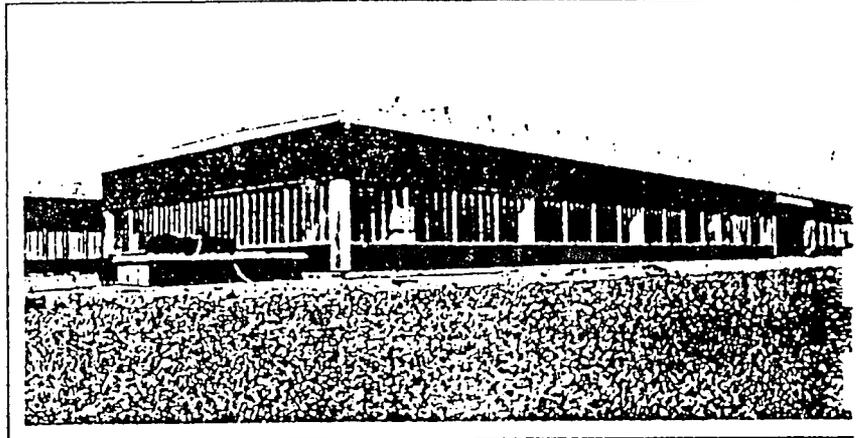
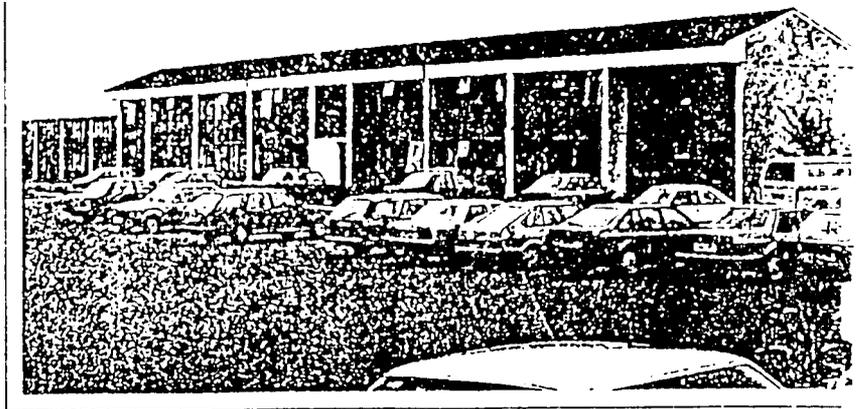




in industry

Industrial applications for [redacted] are so many and varied that it is impossible to list them. Pitched roofs as low as 5°, curved roofs and exterior walls can all be covered quickly and easily with [redacted]. Building sizes vary from small, single units to the largest industrial and commercial warehousing and factories.

[redacted] allows planning and design freedom to cope with unconventional constructions that are sometimes required on industrial sites. Its light weight permits lighter and therefore less expensive support structures which, coupled with the fact that [redacted] is virtually unaffected by fumes, corrosion, weather and wind, make it an attractive material to specify. Its long maintenance-free life is another important advantage in worldwide industrial situations where cost-efficiency is crucial.



BEST AVAILABLE COPY

Test Abstracts

A series of tests carried out on the Onduline where it has been used for over 50 years, has been supplemented by tests carried out in accordance with relevant British Standards and American Standards and these have indicated the total suitability of the material for roofing and cladding.

General Tests

Accelerated Weather and UV
BS2011 Warrington Research Laboratory Test (UK) BS2011. Showed minimal change and colour fast rating 7.

Strength and Impact Loading
Warrington Research Laboratory Test (UK) BS1811 and the United States Testing Co. ASTM D1503-60. Tests showed adequate bearing strength.

Water and Weather Proofing
Tests (UK) BS1911 and ASTM D1499 (USA) showed excellent weather-proofing characteristics.

Water Absorption
Warrington Research Laboratory Test (UK) BS1811. Showed minimal absorption. ASTM E56 (USA) Performed excellently in moisture vapour transmission and showed only minimal absorption. DIN 52103 (Germany) showed no effect after 16 days when immersed.

Heat Deformation
Warrington Research Laboratory Test (UK) Tropical investigations test showed no visible effects. Yarsley Research Centre Test (UK) Middle East suitability tests up to 70°C proved complete suitability in severe humidity and under all foreseeable conditions.

general information

Technical services

OFIC provide a comprehensive technical and laboratory advice service for all applications of Onduline.

Re-use of Onduline Sheets

In the event of sheets having to be removed from a roof or side wall, the nails are extracted with an ordinary claw hammer, covered against a piece of wood shaped to the corrugation. Sheets thus recovered may be used again - an important economical aspect.

Precautions

When using Onduline in conditions of high internal humidity it is important to use a vapour barrier of PVC and adequate ventilation on the roof space.

Maintenance

To ensure long life we recommend that the roof be cleared of all leaves and any other

Mechanical Strength
Warrington Research Laboratory Test (UK) BS2011.

Shows adequate resistance to impact and wind uplift.

Thermal Resistance (Insulation)

ASTM E775 (USA) and BS 2104 (UK) show good and best thermal resistance. Values 0.41 (USA) British Thermal Units.

Thermal Transmittance

Warrington Research Centre. According to BS 874 the 'U' value is 0.80 Btu/h at hot and cold face temperatures of 52°F and 65°F respectively.

Wind Lift

Tests by Miami and Metropolitan Dade County, Florida USA test code D70617 and Yarsley Research Centre (UK). Proved suitable in hurricane and earthquake conditions. Tested up to 120mph.

Hail/Frost Resistance

ASTM E196 (USA) and DIN 52103 and 52104 (Germany). Meets snow and frost resistance for all regions. No mechanical damage in frost.

Fire Resistance

Warrington Research Laboratory Test (UK). Show resistance to fire of up to Exlt. S.A.A. classification BS476.3 for AA Sheets.

Toxicity Tests

Yarsley Research Centre (UK). Tests carried out on water collected after catchment with Onduline sheets gives water suitable for drinking complying with World Health Organisation and EEC regulations.

These are only some of the tests in which Onduline has performed entirely satisfactorily. Full test details are available from our offices.

Conditions of Sale

The colour impregnation and coating is long lasting, but weathering effects cannot be entirely discounted, and will affect Onduline in the same way as they affect natural material roofs. OFIC assumes no responsibility for the effects of structural movement.

Details are correct at the time of printing, but the manufacturers reserve the right to vary specifications and details at any time. To avoid any possible misunderstandings we require that a customer seeking advice on suitability or performance of goods or relating to the nature of services supplied should put such requirements to us in writing. Goods are not tested or sold as fit for any particular purpose unless so agreed in writing. There might be slight variations in size and weight.

Safety note

The photographs in this brochure are of installations in many parts of the world.

Test Charts

A series of tests carried out throughout the world where Onduline has been used, over 50 years has been further supplemented by tests carried out in accordance with relevant British Standards and American Standards. These all indicate the total suitability of the material for roof and cladding.

The following table shows the nature of tests and their abbreviated results. Full details are available on request.

MIDDLE EAST In a tropical endurance test Onduline proved suitable in severe humidity and temperatures up to 70 deg (158 deg F). (Yarsley Test Centre - Kent UK)

SOUTH AFRICA In hail resistance tests Standard Onduline was resistant to 31mm (1 1/4 in) diameter stones and Granular Onduline resistant to 37.5mm (1 1/2 in) hail stones. (South African Bureau of Standards)

FRANCE In thermal resistance tests it was established that Onduline provided a higher specific resistance than many other roofing products. (Building and Public Works Laboratories - Paris)

French external fire test Standard Onduline Granular Silex GS sheets awarded classification T/30/1 by the Centre Scientifique et Technique du Bâtiment CSTB Agreement No. 79/14532. Avis Technique 5/85 537. Bureau Veritas 7367 bis (For use on dwellings in tropical countries.)

AUSTRALIA Complies with regulations 16.8, 16.9, 16.10, 16.11 and 16.12 (Building Advisory Committee - Adelaide).

SINGAPORE Complies with water absorption test (BS 2760), tensile test (BS 2782), transverse loading test (ASTM D1502), weight per unit area test. (Institute of Standards and Industrial Research).

GREECE Resistance to heat, snow, water permeability and natural drainage. (Laboratory for testing construction materials - Athens).

WEST AFRICA (Togo) Thermal conductivity was assessed to be relatively good by the Centre de la Construction et de Logement a Lome.

AUSTRIA Full acceptability for roof and claddings. (Technische Hochschule, Vienne).

MALAYSIA Approval given for roofing and cladding purposes. (J.K.R. Public Works Dept. Kuala Lumpur).

UNITED KINGDOM Building Research Establishment reports show Onduline has high resistance to hurricanes and earthquakes. BBA certificate No. 87/182

KUWAIT Approved by Ministry of Public Works for roofing and cladding.

INDONESIA Approved by Peremintah D.K.I., Jakarta for roofing and cladding.

NEW ZEALAND BRANZ - Building Research Association of New Zealand Approval Certificate No. 152 PP

Volkswagen to build low-cost houses in South Africa

FRANKFURT.

German automaker Volkswagen said at the weekend it would start producing and selling low-cost, prefabricated houses in South Africa from June, tapping a market amid a chronic housing shortage.

VW spokesman confirmed a Stuttgarter Zeitung newspaper report quoting purchasing chief Jose Lopez as telling an economic forum in Johannesburg the houses would initially be offered to VW workers in Uitenhage.

A second stage of the project envisages selling the houses — made of

7 cm thick plastic and containing two rooms, a living room, kitchen and bathroom — to Volkswagen workers in Brazil, the report said.

Eventually, the houses would be offered on the open market.

Mr Lopez said the houses would each cost 7 500 marks (R18 720) and could be built in three days.

"South Africa must build people's cars and people's houses," Mr Lopez told the executives,

but he laughingly denied Europe's biggest carmaker was going to rename itself "Volkshaus AG". Volkswagen means "people's car" in German.

The report said Volkswagen saw great potential in the prefabricated housing market in South Africa.

Some seven million South Africans live in corrugated iron and cardboard houses and the government plans to expand

housing construction heavily.

The newspaper said Mr Lopez and VW South Africa manager Heinrich Holtmann would personally build the first houses.

VW has been active in South Africa for more than 40 years and has the second-largest share of the car market.

The VW spokesman said he could not immediately provide any more details about the housing scheme.

South Africa's African National Congress-led government of national unity, promised to build a million houses during the next five years. — Sapa-R

HOT WATER FOR ALL

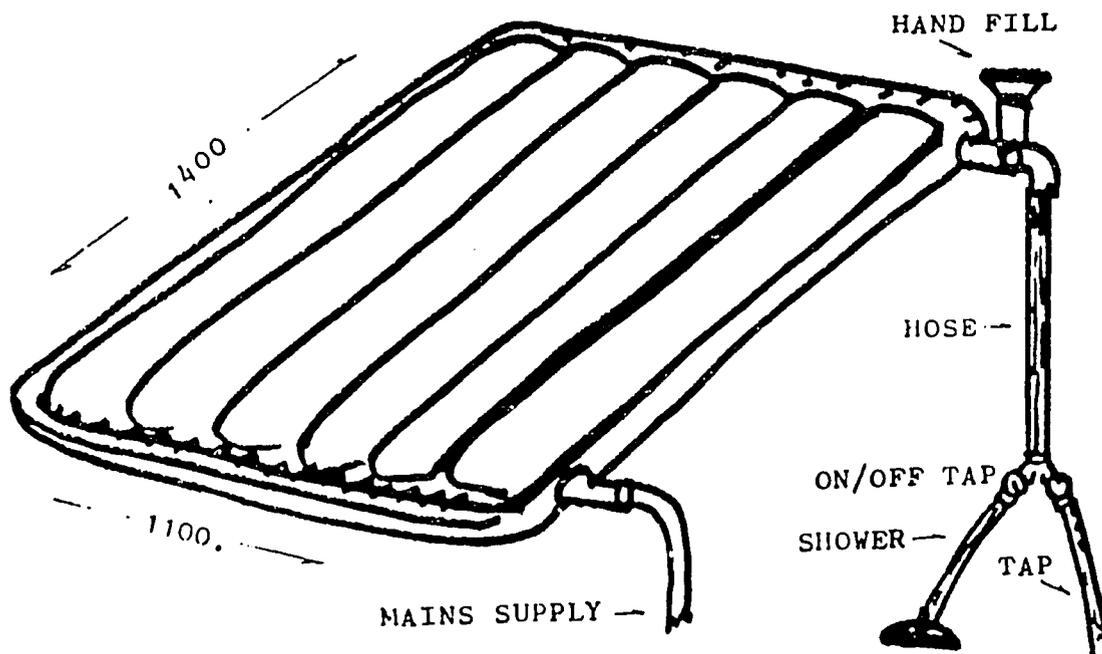
PATENTED IN ZIMBABWE: THE LOWEST PRICED SOLAR SYSTEM AVAILABLE :60.c. TEMPERATURE.

NO LONGER IS HOT WATER ONLY AVAILABLE TO THOSE LIVING IN URBAN AREAS. IT IS NOW AVAILABLE TO ANYONE ANYWHERE.

TESTING OF THIS SOLAR SYSTEM HAS PROVEN BEYOND DOUBT THAT THE LIVES, AND HYGIENE OF THOSE PEOPLE USING THIS WILL IMPROVE.

1. PRICED UNDER .
2. WEIGHS UNDER 2 KGS. [you can carry 5 under your arm]
3. EXTREMELY EASY TO PUT UP ON A ROOF-OR DOWN ON GROUND.
4. FILLED FROM MAINS OR BY HAND.
5. REACHES TEMPERATURE OF 60 DEGREES 'C'.
6. 50 LITRES CAPACITY. [A SHOWER OR TAP CAN BE FITTED extra]
7. HIGH GRADE UV RESISTANT LONG LIFE MATERIAL.
8. CAN BE USED AS A MULTI SYSTEM LINKED TOGETHER.
9. IDEAL AS AN' EXTRA HOT WATER SYSTEM IN ANY HOME.
10. PERFECT FOR CAMPER'S AND CAMP SITES, NATIONAL PARKS.
11. PERFECT FOR LOW COST HOUSING.
12. A MUST FOR FARMERS AND RURAL SCHOOLS, CLINICS.

We believe, that this unique low cost SOLAR SYSTEM will change the lives of those people who do not have access to ELECTRICITY now, or in the FUTURE. It now gives those people living in the RURAL AREAS and better way of life, and will certainly improve their hygiene. Once you have seen, and tested the heat of the water when exposed to the sun, it will leave no doubt in your mind that this is an ASSET to anyhome anywhere.



THE JOINT VENTURE APPROACH - ZIMBABWE'S EXPERIENCE WITH PUBLIC/PRIVATE PARTNERSHIPS

Presented By
Edward E Galante
Managing Director GS Developments

I will talk briefly about the current housing market conditions and constraints for private developers in Zimbabwe, and then about a Systems Approach, to the housing development process. Participants in that process include government and parastatal institutions, development and Aid agencies, NGOs and other foreign donors, large regionally based construction firms and indigenous small builders and local and international financial institutions. I will also outline the private/public relationships we have entered into here in Zimbabwe, take you through our development process under which we are currently constructing 4500 homes in Kuwadzana IV, and explain to you how our scheme could work in any of your municipalities.

My belief is that the most productive role a developer can play in the housing sector is to act as a marriage broker between the disparate and often conflicting agendas of many of the aforementioned institutions.

High interest rates within Zimbabwe have served to not only cripple some of the existing Building Societies, but to largely preclude any new mortgage lending. Additionally, as the cost of funds have risen, the value of the Zimbabwe dollar has dropped. Unfortunately wages do not keep pace with the realignments, and the fixed wage earner is squeezed between the increasing amount of his mortgage payments and declining value of his paycheque.

In light of this, and in response to the criticism that the current minimum building standards are inaccessible to the poor, the Government, in conjunction with USAID have taken certain measures including revising the current minimum building standards, and reducing plot sizes.

Under the Economic Structural Adjustment Programme, urban development and housing are seen conceptually and operationally, as part of the overall strategy in which the cities, through the privatisation process being promoted are expected to play an important role in national economic growth.

Our approach is, and has been to build a consortium of interested parties, by identifying and moving forward various agendas of often disparate groups. Often these groups have similar objectives but are constrained by either legislation (as is currently the case with the Building Societies in Zimbabwe), or by other market driven or bureaucratic obstacles. Our other focus is to re-centralise the development process. What I mean by this is that it is important to involve all parties to the process and bundle their involvement under our roof

Our value added is in crafting solutions to assist existing institutions in the development of innovative financial techniques and the introduction of modern efficient construction methods. As a result of this approach, I recommend to you all that when looking for a development partner, to assist your municipality in overcoming your respective and unique housing shortage problems, you should seek out one that is prepared to:

1. Work with you to assess customer requirements and salary levels;
2. Work to craft individual financial solutions to your beneficiaries' specific problems,
3. Put their own money and resources into the deal, and be prepared, from a risk standpoint to stand shoulder to shoulder with the financial provider; i.e. share the risk

It is no good any longer just to have a better building system or a better financing package, it is imperative that municipalities seek a developer that not only can build cheaper and quicker, but can provide financing solutions to often complex housing problems.

Our motive is simple, to advance the financing and delivery of affordable housing, and to profit, wherever possible from both. Our belief is that a free market works, and that given normal competitive pressures, the price for affordable housing will decline, not rise.

Zimbabwe History and Company Operations

Prior to our arrival in Zimbabwe (almost three years ago), the construction and financing of low-income housing had been virtually moribund for some five years. Zimbabwe had been hit by the effects of ESAP which was mandated by the international donor community, primarily the IMF and the World Bank. ESAP forced the change of the economy, in exchange for continued donor funding, away from a socialist/collectivist model to a free market economy. Naturally this required a reduction in the ranks of the civil service, which had been swollen by years of centralised planning. It also required that interest rates be deregulated. This had the overnight effect of forcing an enormous rise in interest rates; up to 45% on over-night money. The government, however, did not deregulate Building Society interest rates, just those for commercial banks, discount houses and the like. The thinking was that if Building Society interest rates were deregulated, then they too would rise dramatically and the foreclosure rate would soar. In addition, Zimbabwe, which is primarily reliant on agriculture, was (and still is) in the midst of a prolonged drought, which impacted all sectors of the economy.

The result of general interest rate deregulation coupled with rising prices and falling incomes led to a tight money situation which prompted an outflow of capital from the Building Societies and into vastly higher yielding investments on the money market. The net result was that the Building Societies rapidly decapitalized. In fact Government had to step in and bail out two of the then three Building Societies, by a convertible debt/equity injection. Obviously mortgage lending virtually dried up, and the money that the Building Societies did have, was invested on the commercial money market at vastly higher yields.

One other complicating factor was that, as a result of current financial legislation and in order to keep their tax free status, local insurance companies and pension funds have to invest 45% of their funds in government "prescribed assets". As a result, Government was (and with extremely few exceptions, our mortgage backed securities issue being one of them, still is) the only issuer of long paper. This has resulted in an inverted yield curve, where, for example 10 year money can be had for 20%, and 30 day money for 30%.

We arrived on the scene, just as this problem was developing. I initially started working with USAID to try and source cheap money for the financing of our low cost housing schemes in Zimbabwe. USAID had recently signed a Program Grant Agreement with the Government of Zimbabwe.

Under the Program Agreement, the Government, after meeting certain conditions precedent, would receive various cash grant and loan funds from the United States Agency for International Development. Through a series of "Counter Deposits", the Government of Zimbabwe will make conditional cash grants to local building societies and other eligible financial institutions for the purpose of increasing the affordability and availability of residential mortgage financing for low-income households within the urban areas of the country.

The deal provided that The Government would receive these conditional cash and loan grants, be free to spend the hard currency on virtually anything it chose, but be obliged to make the equivalent amount of money available to the Building Societies interest free, on the condition that the Building Societies raised money from their depositors at normal commercial rates, and then blended those funds to effect a subsidised interest rate. Thus if the Building Societies could offer deposit rates of 20% on 50% of the funds, be able to borrow the other 50% at no interest, they could then offer (in theory) mortgages of 10%. Naturally the Building Societies wanted to make a spread on these funds, so they tacked on 4.5% to the mortgages and are now offering 14.5% bonds to qualifying low-income urban borrowers.

I trotted around to all the Building Societies, and endeavoured to explain to them that this, while advantageous, still left them open to future fluctuations in short rates which is where most of the volatility is. In addition, they were still caught in the borrow short - lend long syndrome. The Building Societies that we talked to (CABS, Founders and Beverly) were unimpressed. The general consensus was that that is the way they had been operating for years, and that that is the way they would continue to operate. I pointed out to them that in this inverted yield curve environment, not only would they have trouble raising the matching funds at 20%, insofar as commercial 30 day yields were at 34%, but that even if they did raise the money, they were subject to the fact that their cost of funds would rise with interest rates and push their underlying cost of funds up, a cost that they would have to ultimately pass along to their borrowers. This in turn would precipitate default rates in their low income bond portfolio. Wasn't it better, I rationalised, to raise long term institutional money at fixed rates of interest (say 20%), hold this off balance sheet, match it with the interest free USAID funds, and issue fixed rate mortgages for a term of 30 years.

I even sweetened the deal by saying that as contractors, instead of getting paid up front, we would contribute our funds which would include our "development profit," subordinate it to that of the institutional investor, and take our costs and profits back in participations in the mortgages once the institutional investors had been paid off. That way, I pointed out, our cost of funds would be far less. What I proposed was that we as developers and contractors would make an overall development contribution of 25% on the houses, which we would contribute to the deal. This would leave us with a balance of 25% to be raised from the institutional money market at, say, a 20% rate of interest repayable quarterly in arrears with the principal balance due in 10 years, and 50% in interest free funds from USAID. This would have the effect of driving down our cost of funds to 5% (20% of 25% of the money), and we could then issue fixed bonds at 10%. When the institution was paid off in 10 years, the rest of the money (less the principal amount repayable to USAID) would accrue to us as our "residual development profit." Naturally there was also a surplus in the first 10 years which, after reserving for our institutional obligation, would accrue to us.

There was some method in my madness, in that, if the rate we could offer the low income borrowers dropped to 10%, then their payment amount would be reduced, or alternatively, the capital amount they could borrow would be greater, resulting in our ability to build them a bigger house, loan them more money and incidentally create a larger "development profit."

The three biggest Building Societies remained unimpressed. They either didn't want to go off balance sheet or didn't understand the deal.

However, there was a new Building Society that had been formed, the Zimbabwe Building Society (ZBS) that had as its mandate, the provision of mortgage finance to the low income sector. However it was new, and therefore struggling to raise deposits. I explained to its board the advantages of our scheme, and they agreed to participate. The result was that of the first \$US 10.0million that was disbursed to the building societies, 50%, or \$US5.0million (\$Z40million) went to ZBS, and the other three well established building societies received the remaining 50% between them.

By this time, we had negotiated a joint venture agreement with the Zimbabwe Ministry of Public Construction and National Housing (MPCNH) in which MPCNH granted my company, the right to build and develop 11,000 houses (subsequently amended to 23,000 houses) if we could source the financing. We plan to develop houses under this scheme in various municipalities countrywide. What I need from all of you is some indication as to number of serviced and unserviced stands, and current housing backlogs.

I think this would be a good time to give you some background on the mortgage securitization process. In the 1970's and 1980's, the focus of innovations in the United States was on the design of new mortgage instruments such as adjustable rate mortgages and graduated payment mortgages. These new designs attempted to overcome the unappealing features of the traditional fixed rate mortgages from the perspective not only of borrower, but also of lenders/investors, thereby broadening the institutional base of potential investors.

Basically, mortgage securitization, is a system by which individual assets (such as mortgages) are pooled and used as collateral for the issuance of securities. In Zimbabwe, most home loans are originated and held by Building societies who rely exclusively on deposits from small scale depositors or tax free Paid Up Permanent Shares (PUPS), who also secure the bulk of their funds through relatively short term deposits. Critically, this mortgage securitization process would enable mortgage lenders to broaden their typical source of funds from individual savers to institutional investors such as pension funds and insurance companies.

It is beyond the scope of this speech to enter into a detailed description of either the ramifications of the securitization process, or the process itself, but suffice it to say, that in mortgage securitization, individual loans (or assets) are bundled together. The monthly cash flows of these loans consist of three principal components: (1) Interest; (2) scheduled principal repayment; and (3) payments in excess of the regularly scheduled principal repayment.

The securitization (or bundling) process, makes all of these component risks both less risky and less expensive. The liquidity of mortgages was enhanced by the creation of Government agencies, which were charged by the US Congress to foster a secondary mortgage market. The major means of providing such liquidity was the creation of securities backed by a pool of mortgages and guaranteed by these agencies. The enhanced risk/return patterns offered by mortgage backed securities further expanded the range of both domestic and foreign mortgage market. As a result, the housing finance market that developed in the 1980's relies less on the savings and loan industry.

The Honourable Minister for Public Construction and National Housing, has said that any financial solutions we craft in the region must not "perpetuate the dependency syndrome" of the third from the first world. He further reiterated this by saying that we in the third world, "Must not expect the developed world to bail us out of our problems". He is certainly correct in this. However, taking a page from the securitization chapter above, we see that the tremendous growth in mortgage lending, and the consequent rise in living standards in the developed world, have been facilitated by the generation of government backed mortgage markets that utilise foreign resources to enhance and finance their housing stock.

We believe that if substantial numbers of affordable housing are to be delivered in Zimbabwe, financial regulations which encourage the securitization process, and ultimately the creation of wealth through the building of equity for the homeowner must be evolved. Rather than promoting dependence, these systems will promote self sufficiency and attract foreign capital that will in turn, ultimately help to finance real economic growth.

Our largest current project, The MPCNH - GS Kuwadzana IV Housing Development Project, is a joint venture between MPCNH and GS.

The purpose of the project is to build and finance approximately four thousand five hundred high density dwelling units in the Kuwadzana IV suburb of Harare.

MPCNH & GS, as partners, have entered into a development agreement with the City of Harare under which land is being made available to qualifying prospective low income urban mortgagors. MPCNH is providing funds from its wholly controlled National Housing Fund to service the stands. GS is acting as General Contractor for said servicing. MPCNH is acting as sites and services subcontractor, and is providing the servicing at cost. The City of Harare is screening applicants from its housing waiting list.

In order to finance the first phase of this development (estimated to be approx. 1,300 homes) GS has entered into a further Joint Venture Agreement with the Zimbabwe Building Society, Stanbic Bank Zimbabwe Limited and Mortgage Management Services (Pvt) Ltd. (a wholly owned financing subsidiary of GS) to provide \$Z80,000,000 00 in affordable mortgage finance in tandem with the USAID sponsored Housing Investment Guarantee Program in Zimbabwe.

This resulted in the first residential backed mortgage securities issue in the country's history. Funds have been provided by the First Mutual Life Assurance Company of Zimbabwe to support this financing. The construction budget for Kuwadzana IV is estimated at +- \$Z300,000,000.00. In addition to developing and constructing the housing, GS and MPCNH have been granted all the commercial rights in Kuwadzana IV.

The purpose of our offering was to secure these matching funds which, when blended with GOZ matching funds, and a contribution from GS, enables MMS to provide matching fund finance to meet the USAID/MOF requirements.

We have, over the last 70 working days, commenced construction on over 600 high density houses in Kuwadzana IV, and at this rate will have exhausted our first tranche of financing by late November. I am going back to the market to raise an additional \$Z87.5million which will lever \$Z350million in mortgage finance along the same lines as the scheme outlined above.

Sure enough, the other building societies have had some trouble raising their matching finance, have had trouble lending at the (subsidized) rate of 14.5%, and as a result are doing very little lending. \$US25million (\$Z215million) is now scheduled to be disbursed shortly by AID, hence our upcoming offering. There is still a shortage of paper at the long end of the market, and indications are that our offering will be extremely favourably received.

We are therefore now actively looking for sites either developed or undeveloped in all municipalities on which to build housing and provide 10% bonds. I would be very interested in liaising with those of you who wish to enter into development agreements similar to those we have entered into with the City of Harare.

Summary and Conclusion

I have already discussed how our project has evolved since inception. As developers we have found, that the key ingredients for success are patience and a willingness to listen and work with the key players in the process. Part of that work, on our part involves educating, and bringing along many of these same participants and part of that work involves learning and adapting our solutions to suit individual need.

The basic element, however, is creating a win-win situation, that advances the agendas of all the parties involved

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Our belief is that this method of coalition building between public and private sector institutions, is one that is possible throughout Africa. We must, however, start somewhere and be able to point to a project successfully completed. Despite many constraints and inefficiencies, I am indeed fortunate that our "somewhere" is Zimbabwe.

I would be pleased to take any questions or speak to any of you on an individual basis.

Thank You.

Zimbabwe National Shelter Review Workshop for Habitat II

organised by

THE MINISTRY OF PUBLIC CONSTRUCTION AND NATIONAL HOUSING

in association with

THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT

September 1995

Housing Finance: the Domestic Potential is Underrated and Untapped.

Presented by

Mervyn Ellis
Consultant Economist
Mervyn Ellis Consulting (Pvt) Ltd

The topic which I have been asked to address today begs two obvious questions: (i) what are the extent of resources available for housing finance in Zimbabwe; and (ii) how can these resources be mobilised. With reduced foreign aid and the severe constraints on government resources, it is clear that the delivery and financing of housing will increasingly occur within the private sector.

A number of studies have been commissioned in recent years, and as a result, the major existing constraints to the mobilisation of financial resources for housing are already well known to participants here today. The main points are summarised below for the benefit of delegates, but it would serve no purpose to go over this ground in detail again. The next presenter will be dealing in more detail with questions related to improving the enabling environment for the mobilisation of financial resources for housing.

I intend to concentrate today on the performance of the overall economy and the prospects that exist for growth and stabilisation in the future. It is these macro-economic events which will determine both the future affordability of decent housing for the urban population, and the ability of the private sector to deliver. In short, the question of the future mobilisation of private domestic finance for housing is dependant on the ability of the overall economy to deliver growth and employment, within a stable macroeconomic environment. At the outset it is worth reminding delegates that the question of how much finance is potentially available for housing can not be delinked from the issue of positive real interest rates. Only once all

interest rates in Zimbabwe are permanently free and positive in real terms, can the housing finance market be expected to live up to its potential.

The question of the extent of resources which are theoretically available for housing in Zimbabwe can be addressed by examining how much is spent on housing in comparison with other countries. According to the World Bank, for most countries around the world, annual investment in housing typically accounts for between 2 to 8 percent of GDP. As Zimbabwe's GDP in fiscal year 1994/95 was estimated at Z\$ 51, 749 million, the total amount of resources which should theoretically have been available for housing would be somewhere between Z\$ 1.0 and Z\$ 4.1 billion.

Public sector spending on housing amounted to some Z\$ 120 million (0.2 percent of GDP) in FY 1994/95. Although small, this represented a 70 percent increase in spending over the previous year, with the increase being attributable to the implementation of the USAID supported Private Sector Housing Programme (PSHP). Had this donor financed program not been in place, public spending on housing would no doubt have given way to other priorities under the economic structural adjustment programme.

By way of regional comparison, the South African government is already spending twice as much as Zimbabwe on low income housing. In FY 1994/95, the South African government spent 0.4 percent of GDP, or more than one percent of its total expenditure on housing. A more detailed comparison of Zimbabwe and South Africa by functional classification of expenditure will be included in the second part of this presentation.

In Zimbabwe, the nature of fiscal constraints points to the futility of attempting to focus any discussion on public sector resource mobilisation. The important point here, is that even with donor support, the level of public spending on housing remains small in comparison with the amount of resources which are potentially available for investment in housing, as suggested by the World Bank's observations elsewhere in the world.

Although figures for building society lending have not yet been released, I understand that financing of some Z\$ 400 - 500 million was provided in FY 1994/95. Although substantially higher than the roughly Z\$ 200 million which was being provided during 1992-94, this still amounts to less than one percent of GDP. With combined private and public sector financing amounting to only about 1.2 percent of GDP in FY 1994/95, the indication is that there is substantial scope for a further broadening and deepening of the housing finance market.

According to the World Bank ¹, the total volume of formal mortgage loans issued in many cities in any given year accounts for no more than 10 to 20 percent of the annual value of housing investment (other loans typically come from relatives, employers, etc). If Zimbabwe's total mortgage advances in FY 1994/95 of about Z\$ 400 million are assumed to represent 20 percent of total investment in housing, this would suggest that total investment in housing amounted to about Z\$ 2 billion, or 4 percent of GDP. Taking experience elsewhere

¹ Timothy T. Thahane, Housing Finance, Enabling Strategies and Economic Development, Housing Finance International, September 1993.

into account, this again points to the potential for more investment in housing. The challenge for us here today, is to encourage that potential by developing appropriate enabling strategies.

Studies undertaken in recent years have already identified the key constraints to the efficient operation of the private sector housing finance market in Zimbabwe. These studies are informing public discussion on the need for, and the way to go about, creating a properly functioning enabling environment for housing finance. The primary requirements are: (i) a permanent shift to positive real interest rates for both deposit and lending rates; (ii) the creation of a secondary mortgage market; (iii) increased competition, market desegmentation and improved supervision of the financial system; (iv) the restructuring of the municipal bond market; and (v) the creation of a system of mortgage financing for community groups. The implementation of these measures would undoubtedly go a long way towards improving the availability of long term housing finance.

During the process of formulating of the Zimbabwe Private Sector Housing program, some three or four years ago, a consensus developed around the argument that there were three broad policy constraints hindering the delivery of low-cost urban shelter in Zimbabwe. These were: (i) the shortage of foreign exchange for plant and equipment in the construction and building materials industry; (ii) regulations regarding infrastructure and minimum building standards, which were set too high thus making shelter unaffordable to the majority of income wage earners; and (iii) a lack of available private sector housing finance. It is relevant to note at this time, that the first of these constraints have been removed completely, while substantial ground has already been covered with regard to the other two areas of concern.

This suggests that once the last of the key constraints are removed during the next phase of reform, the housing delivery system should begin to live up to its potential. This expectation is probably realistic, even if the challenges associated with the successful delivery of affordable housing do not remain static over time. In some countries for example, rising economic growth and incomes have created their own problems, with increases in the price of housing outpacing the growth of incomes. In Zimbabwe's case, the road map for reform has so far proven durable and the remaining challenges over the medium term, at this time are relatively clear.

One outstanding challenge in the case of Zimbabwe, relates to weaknesses in the institutional framework which supports the housing sector. The housing delivery system in Zimbabwe is perceived as being disjointed and dysfunctional. There is no consensus yet as to how subsidies for housing should be rationalised in the future. This is because institutional capacity remains weak. There is no way of ensuring that the subsidy and incentive system, when it is changed, remains appropriate, affordable, well targeted, measurable and transparent. It is important to avoid distortions to the housing markets when changes are proposed, while at the same time ensuring that the interests of a range of groups, including the poor, are properly represented.

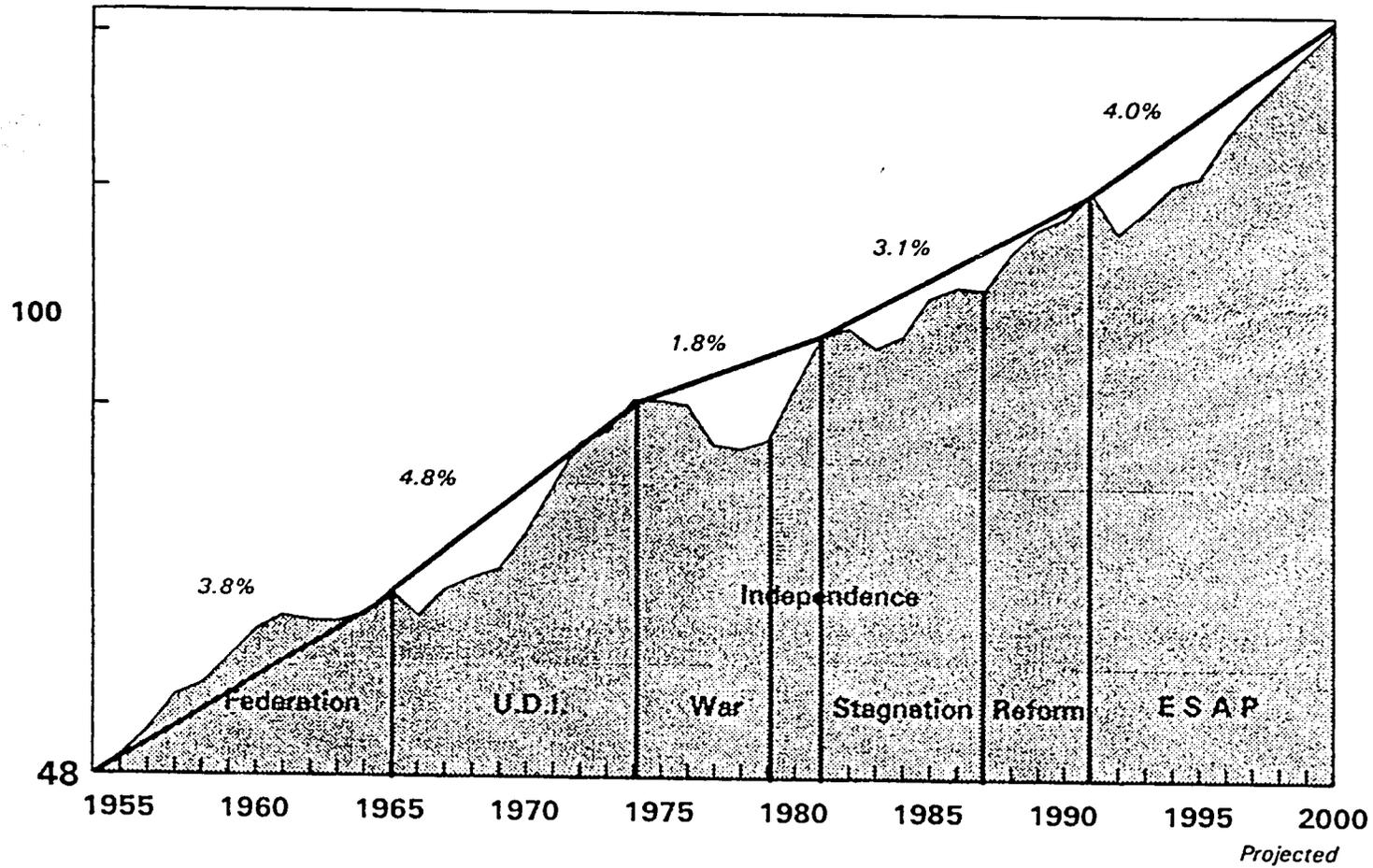
Housing has not been afforded priority status under ESAP in Zimbabwe because it is considered to be a socially orientated activity which essentially represents consumption and not investment. This perception needs to be corrected. Not only is housing an important complement to the key public investments in education and in health, but it is also an investment that yields a substantial, if unquantified, flow of goods and services over time.

It is true, however, that in many developing countries, the housing market tends to function poorly, because of pricing distortions and poor regulatory frameworks. This has given public investment in housing a bad name. In Zimbabwe's case, housing is afforded a lower priority, because ESAP is aimed primarily at the expansion of the tradeable goods sector -- i.e., goods which are exported and those which can substitute for imports. However, there is no reason that the expansion of the traded goods sector should result in a crowding out or reduction of the non-traded goods sector (which includes infrastructure and housing). Fortunately, the strategies which have been applied under ESAP to improve the performance of the tradeable goods sector -- liberalisation of external trade and payments -- have also acted to remove some of the most critical constraints to the provision of housing.

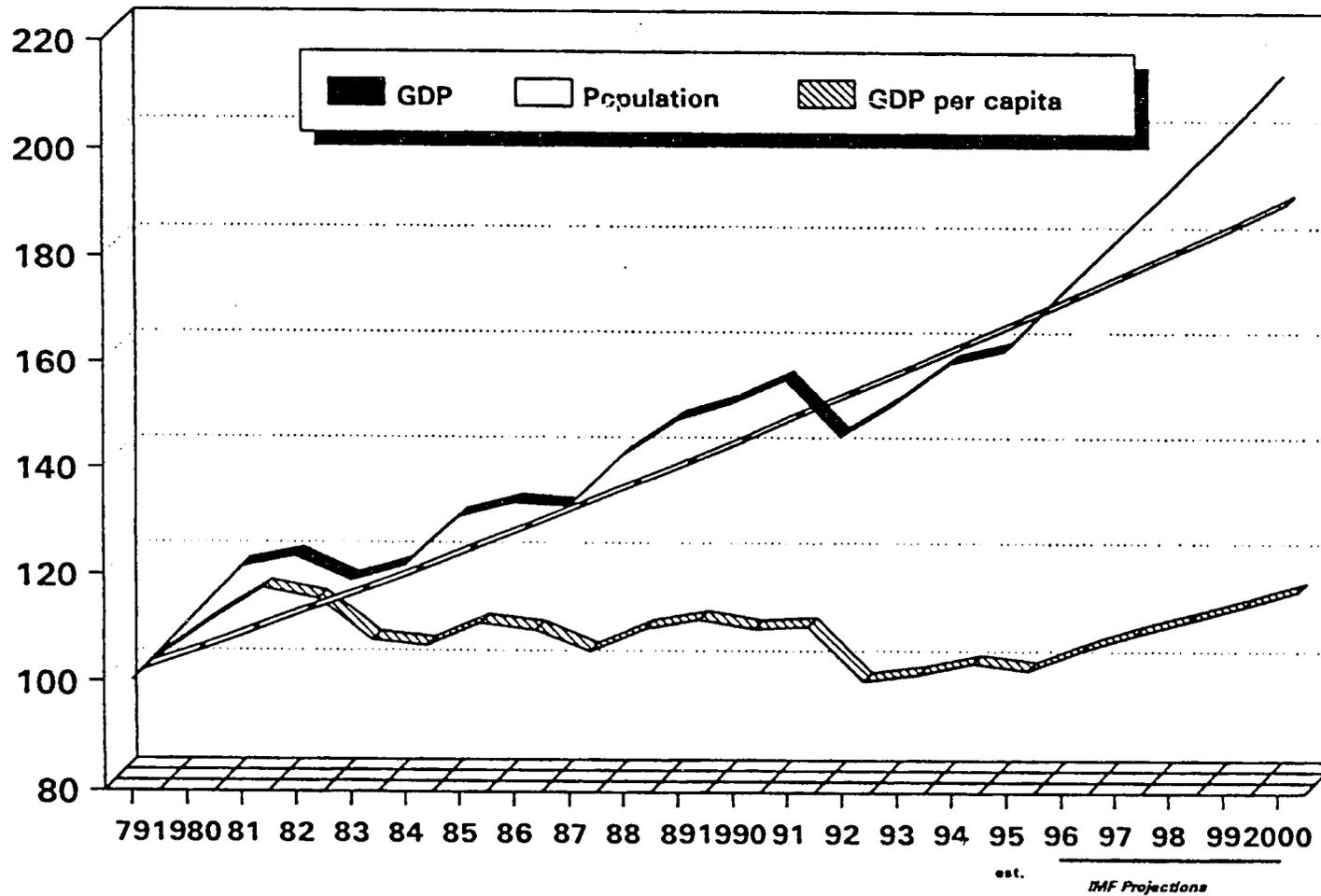
The question of the extent to which further private sector resources can be tapped depends heavily on the future performance of the broader economy. The issues of sustainable growth in income and employment and the maintenance of positive real interest rates in a stable macro-economic framework are preeminent. In the second part of this presentation, I will review, using a series of charts, the performance of the economy, and the prospects for its successful stabilisation.

Real GDP growth since 1954

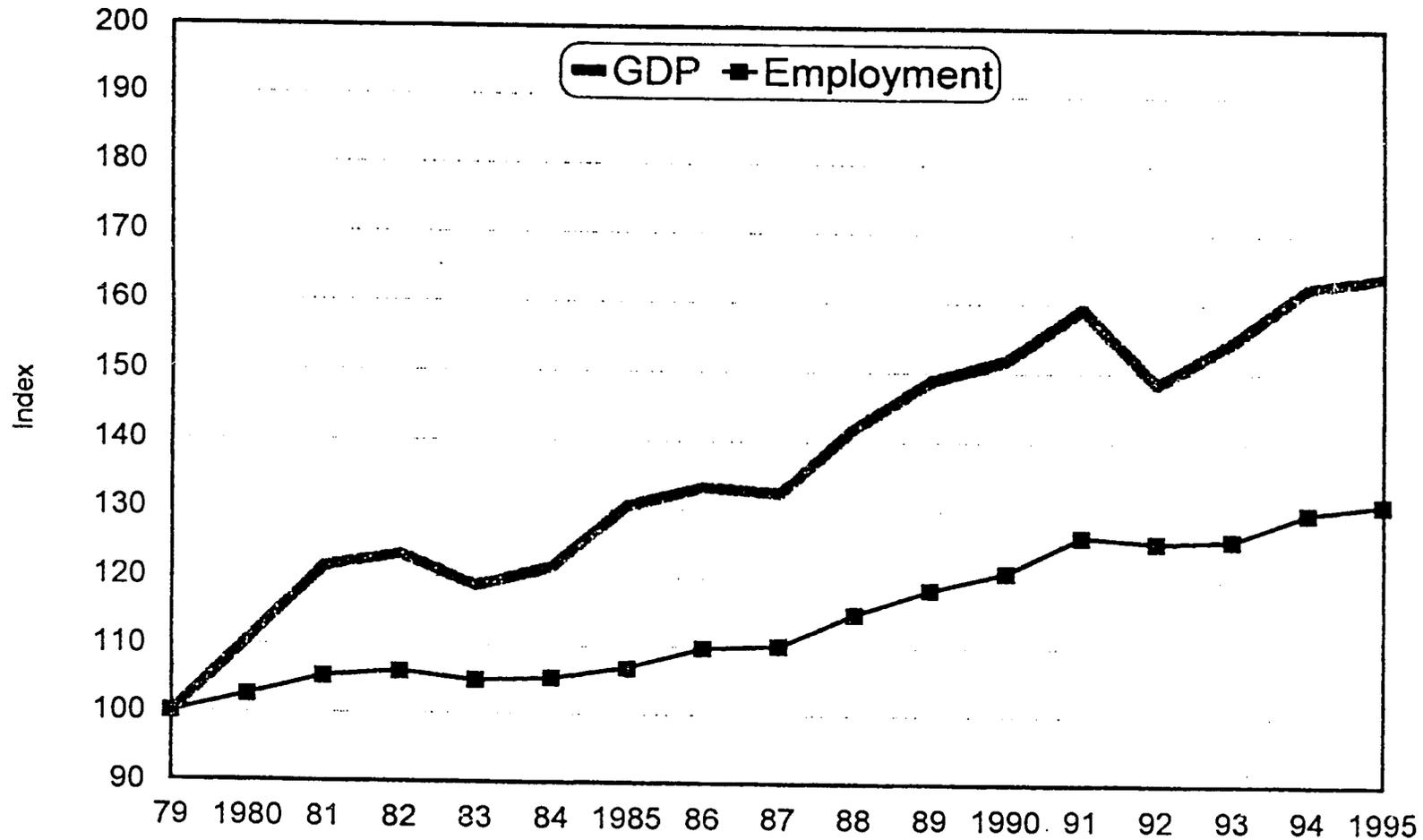
Log Scale : 1980 = 100



G.D.P. Growth -v- Population



GDP Growth -v- Employment Growth

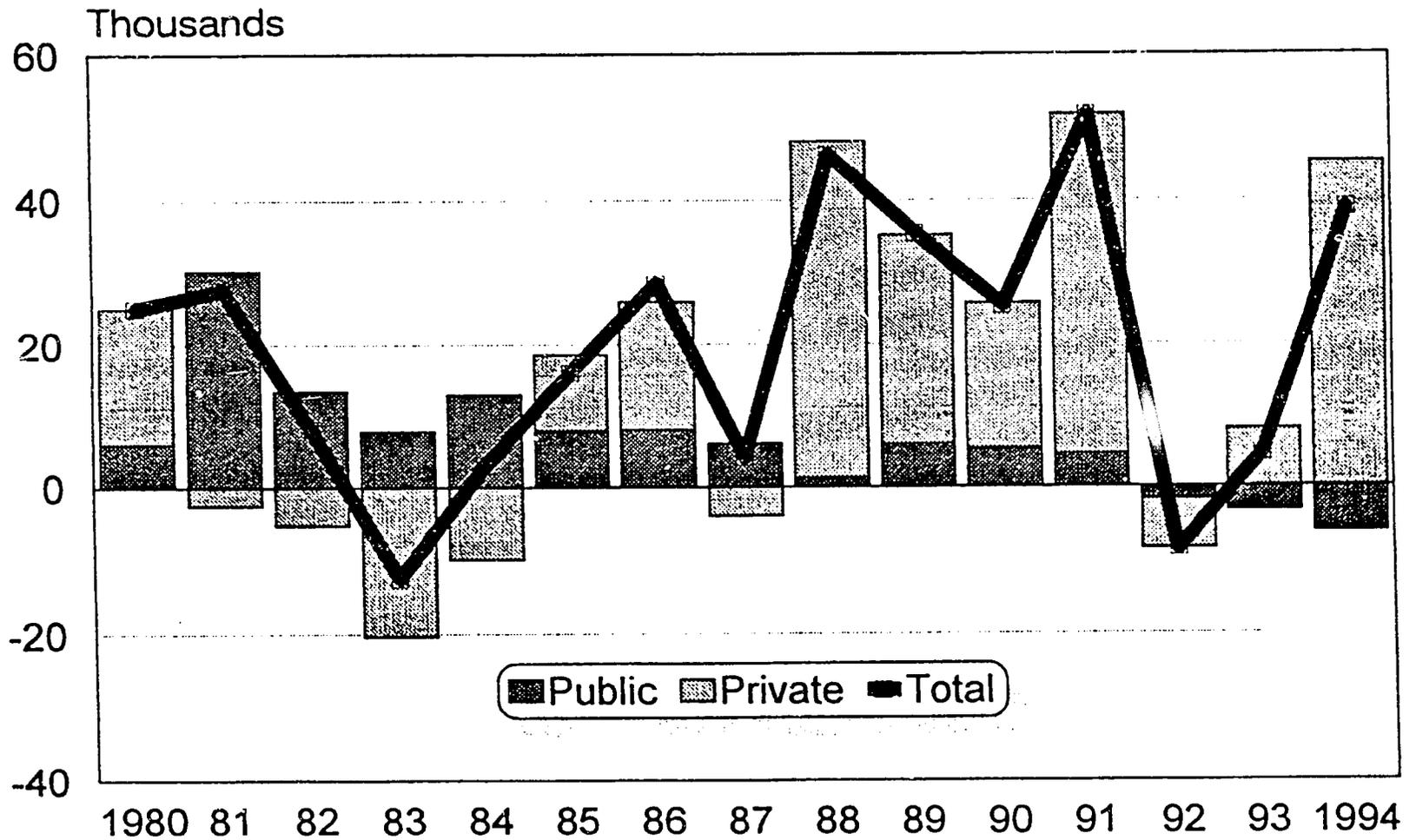


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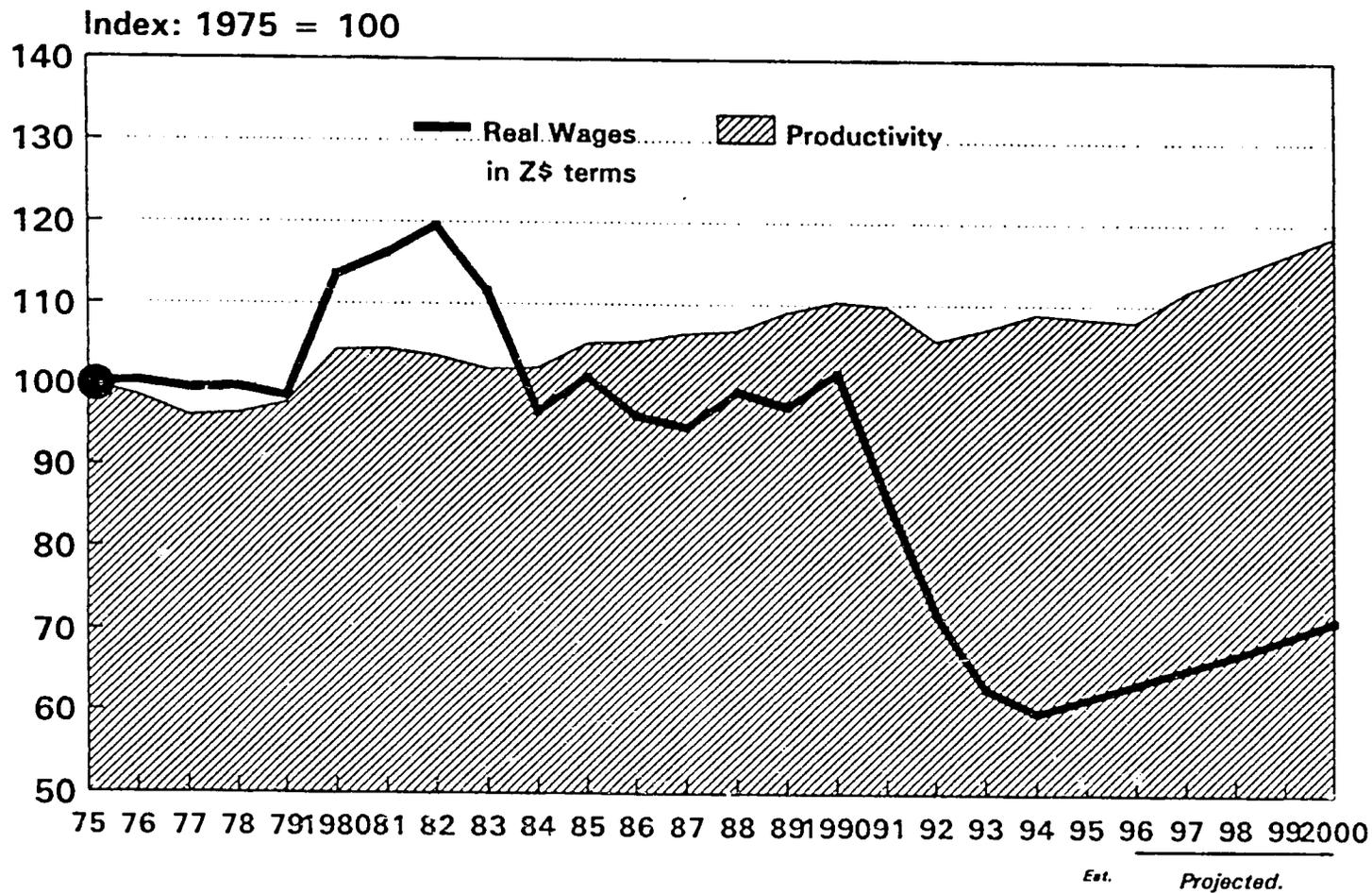
Employment

Number of Jobs Created / Destroyed

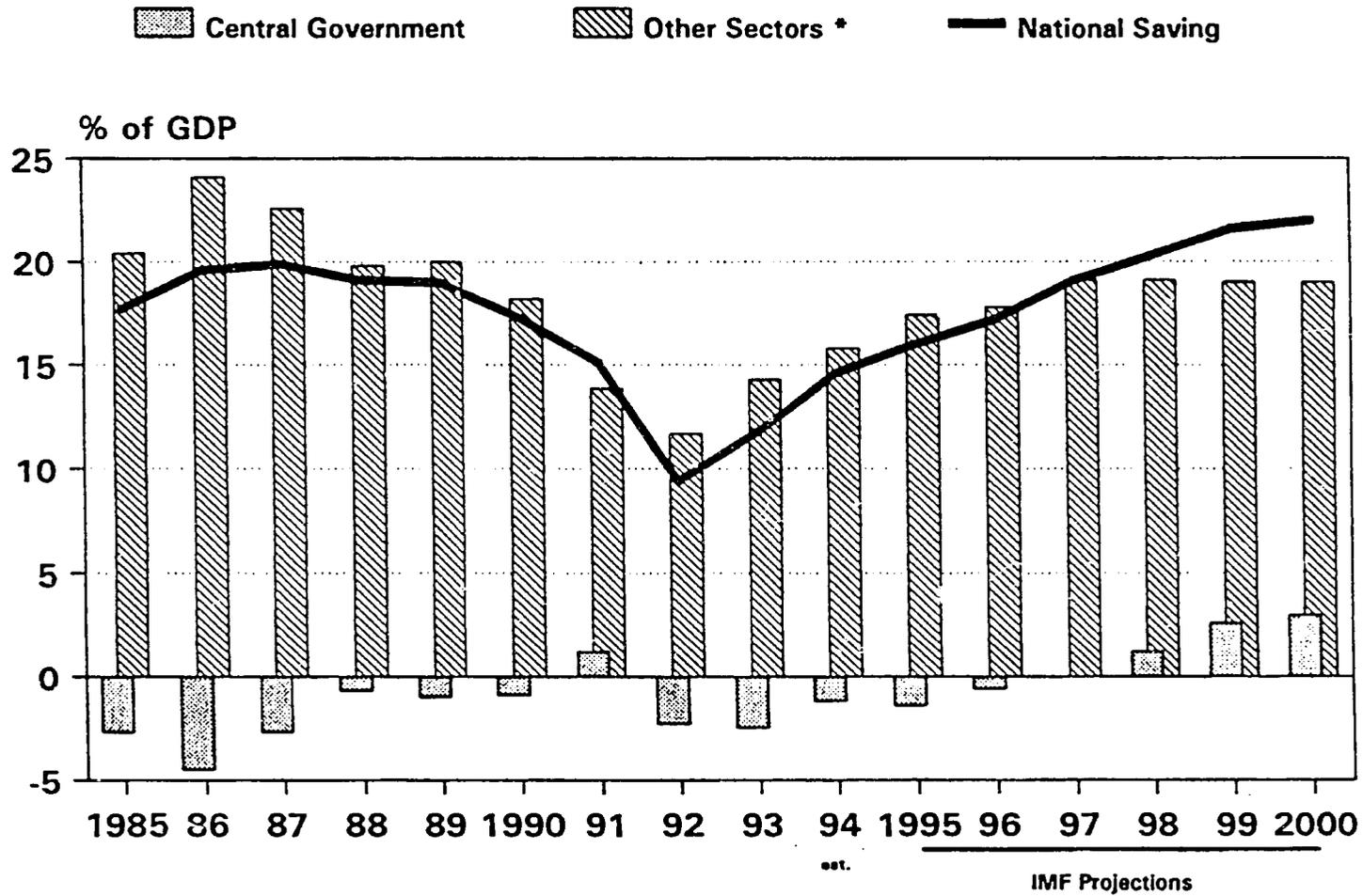


Real Wages -v- Productivity

Total Employment Except Agriculture



Gross National Saving

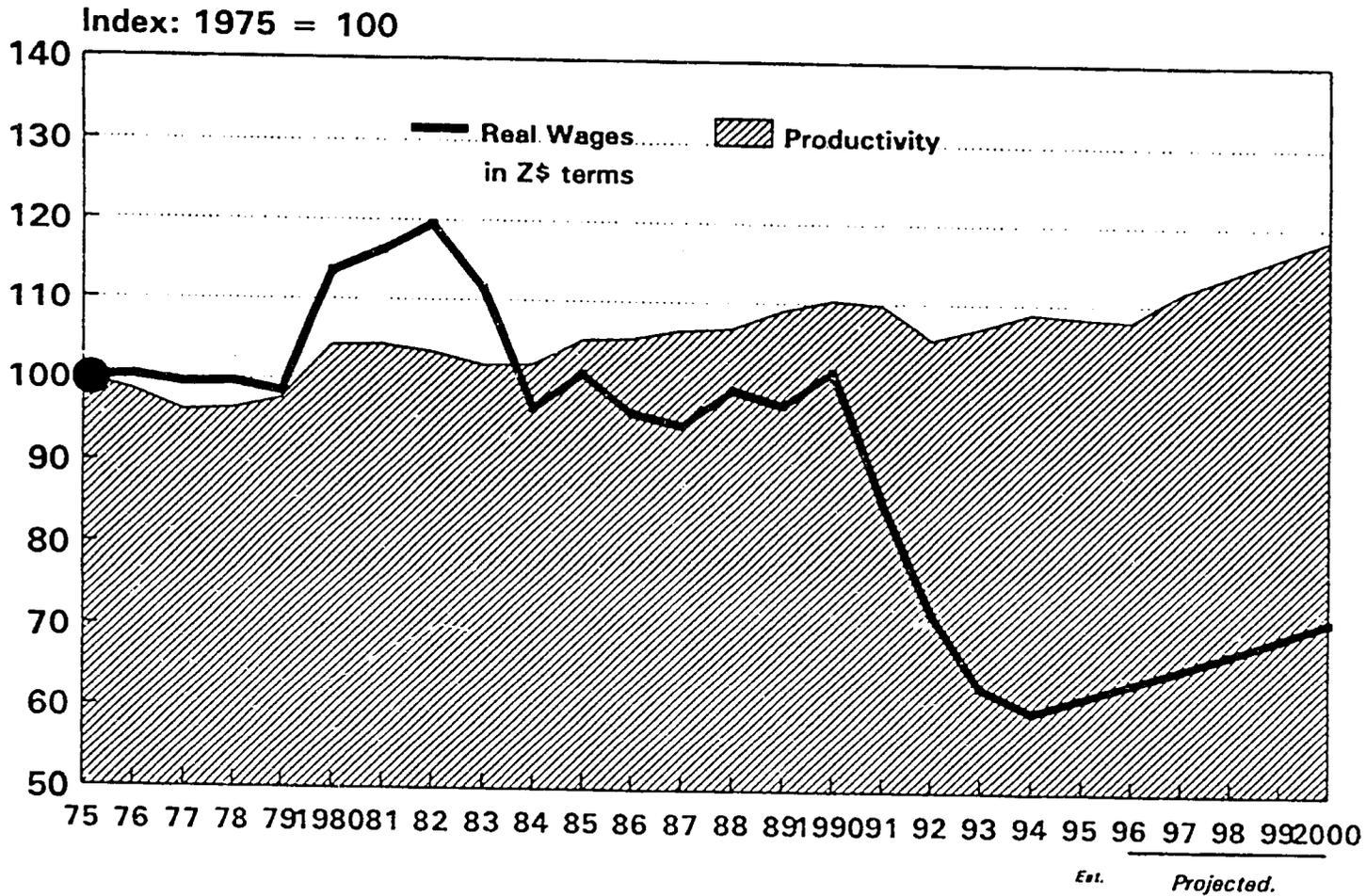


* Includes private sector & public enterprises.

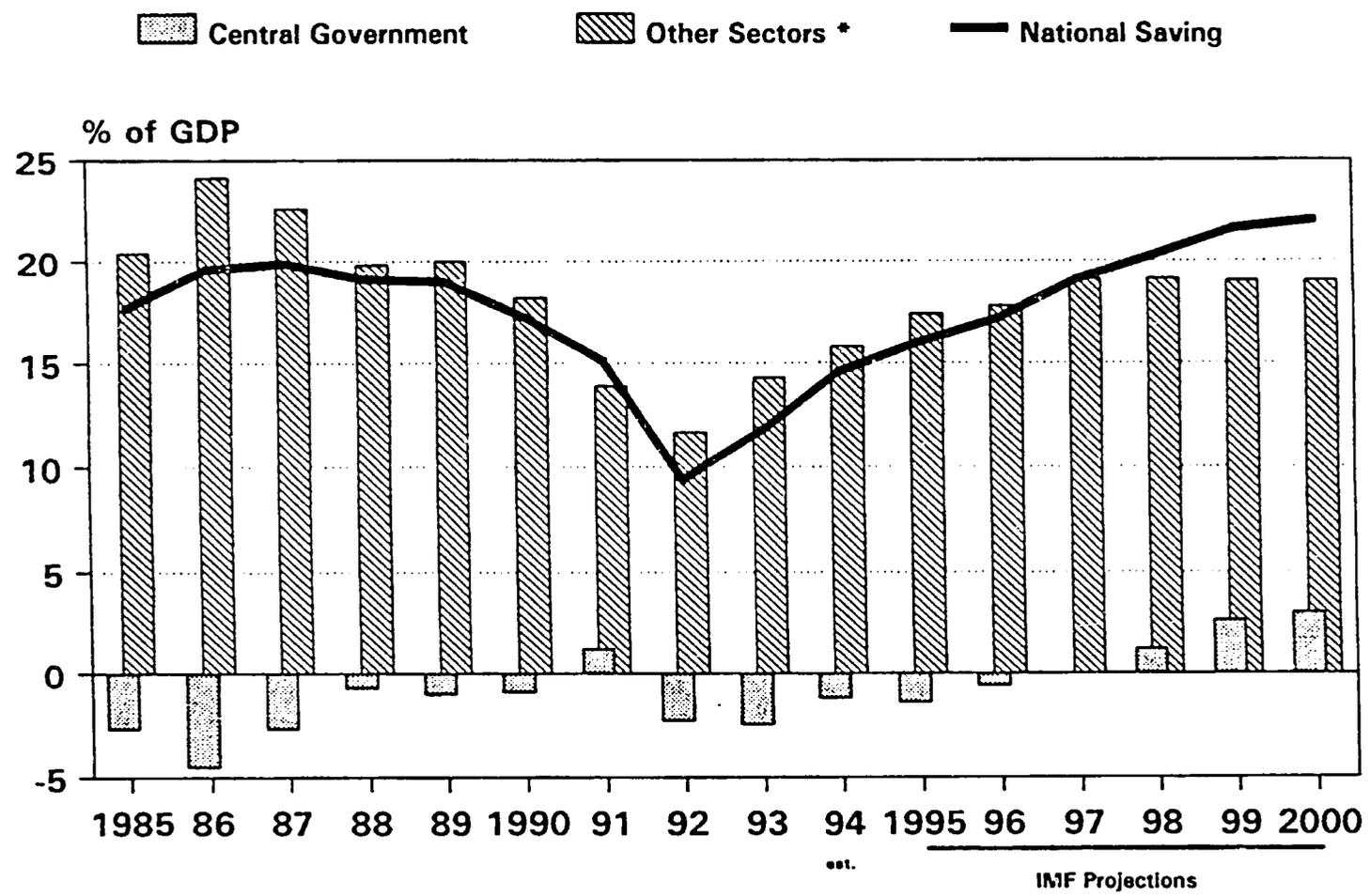
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Real Wages -v- Productivity

Total Employment Except Agriculture



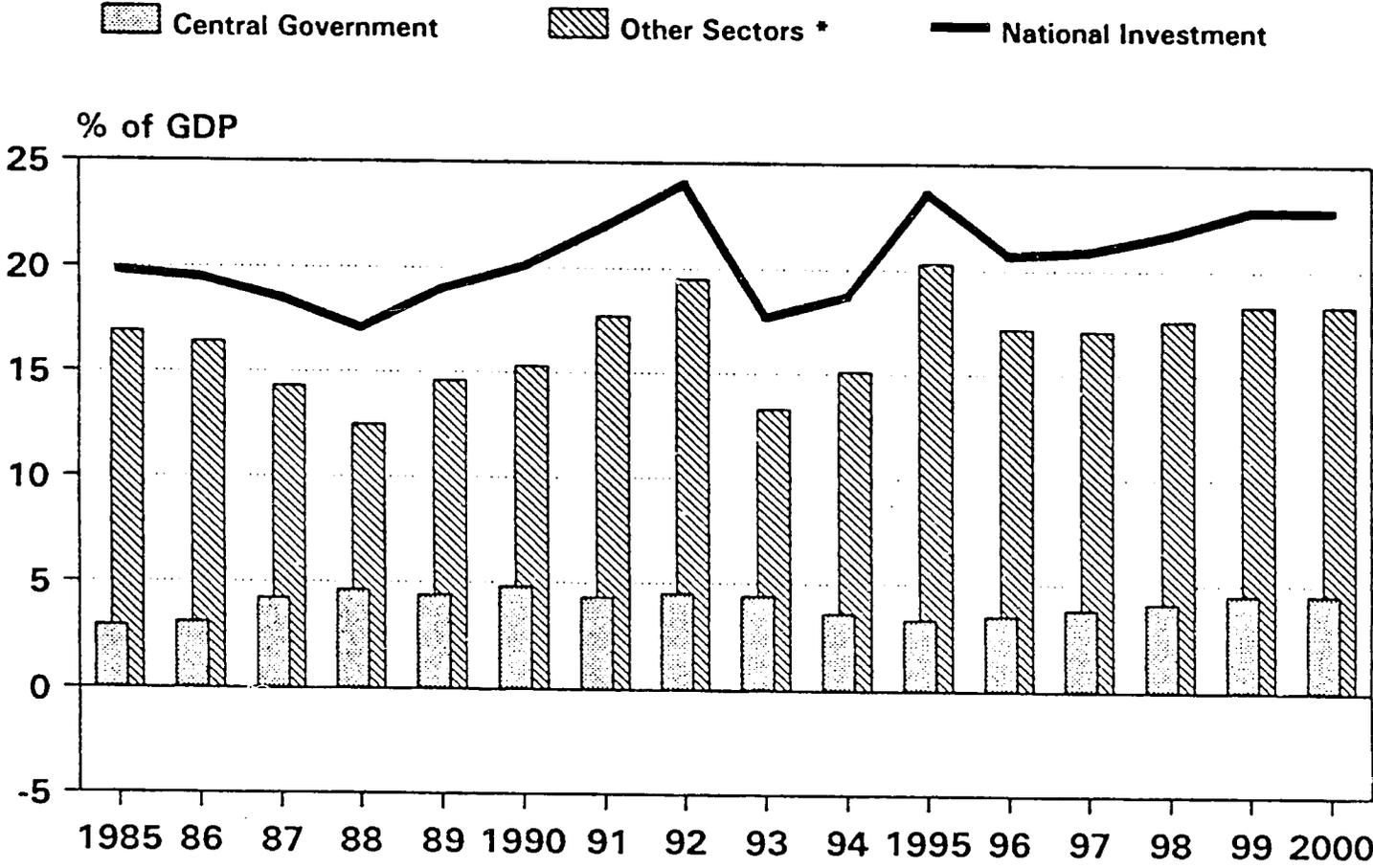
Gross National Saving



* Includes private sector & public enterprises.

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Gross National Investment



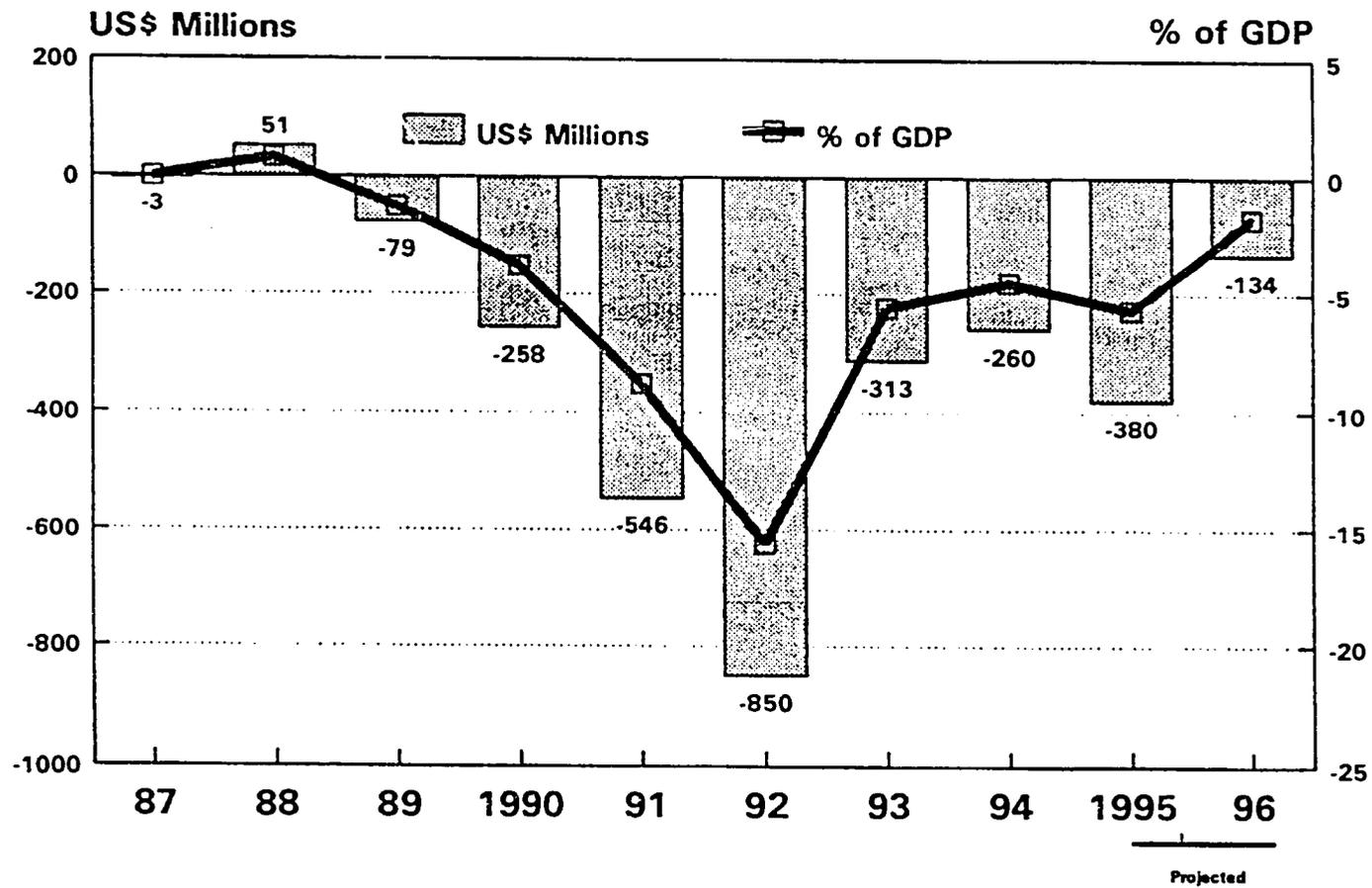
* Includes private sector & public enterprises.

IMF Projections

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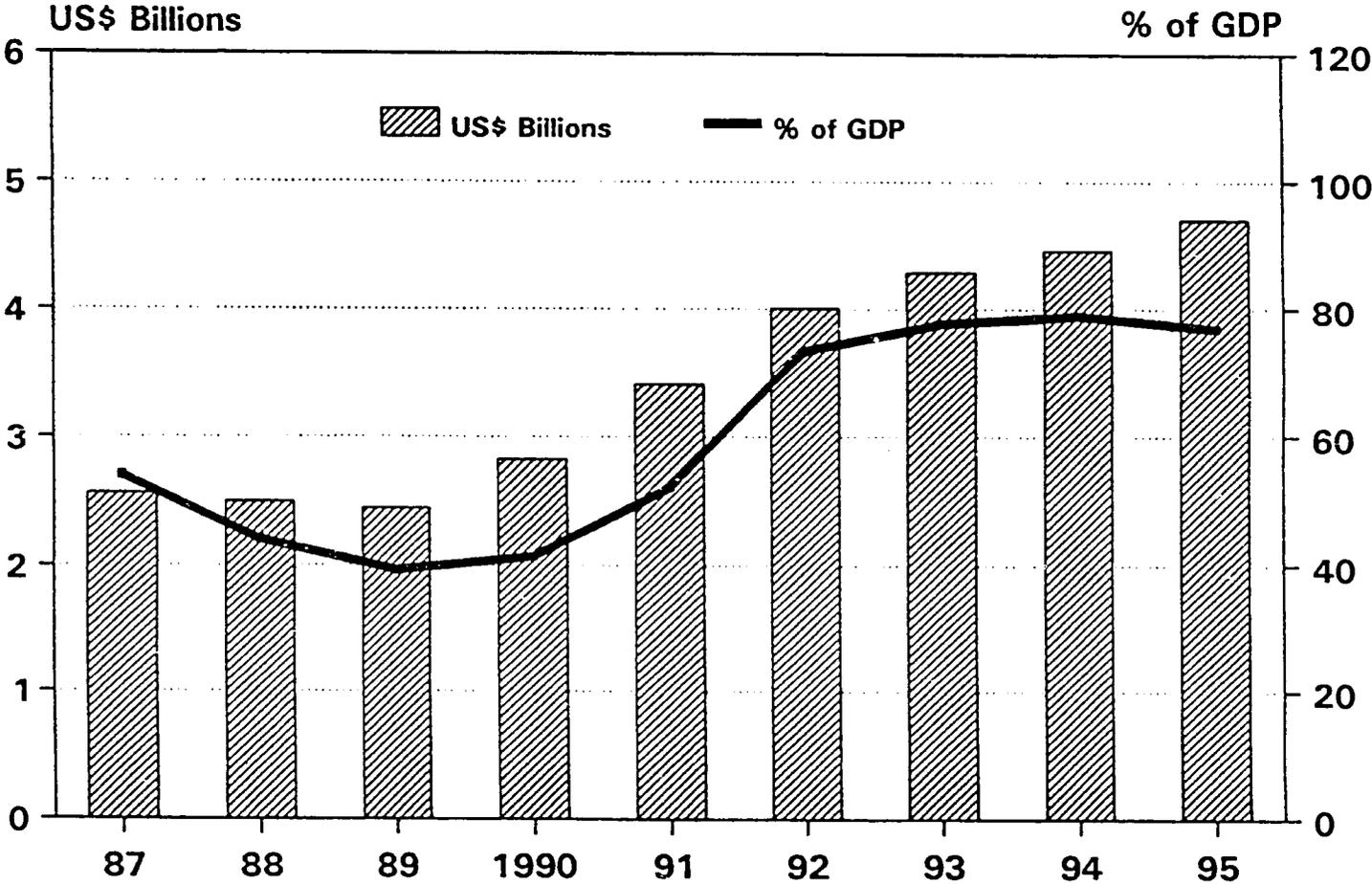
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External Current Account



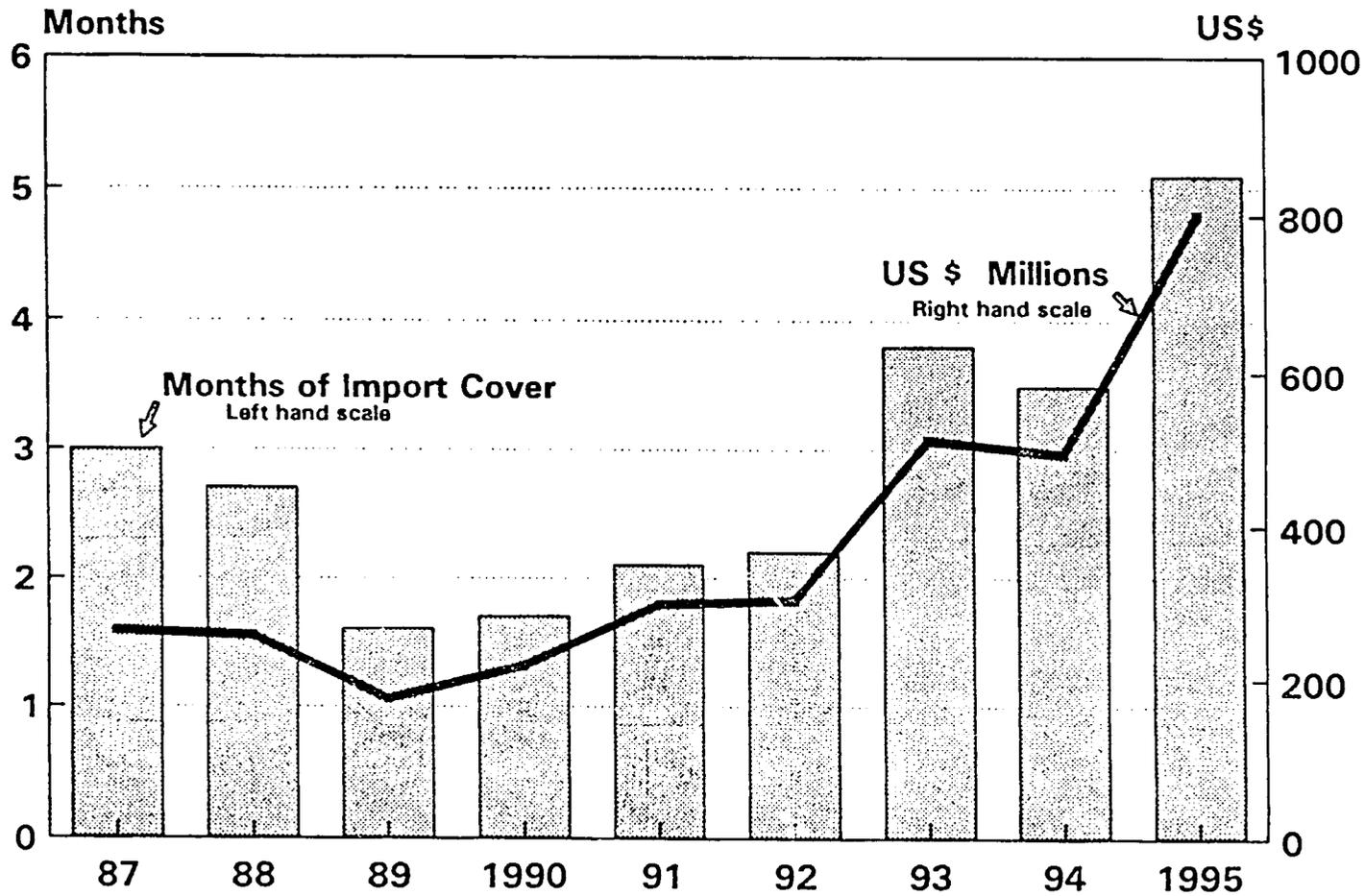
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External Debt Outstanding



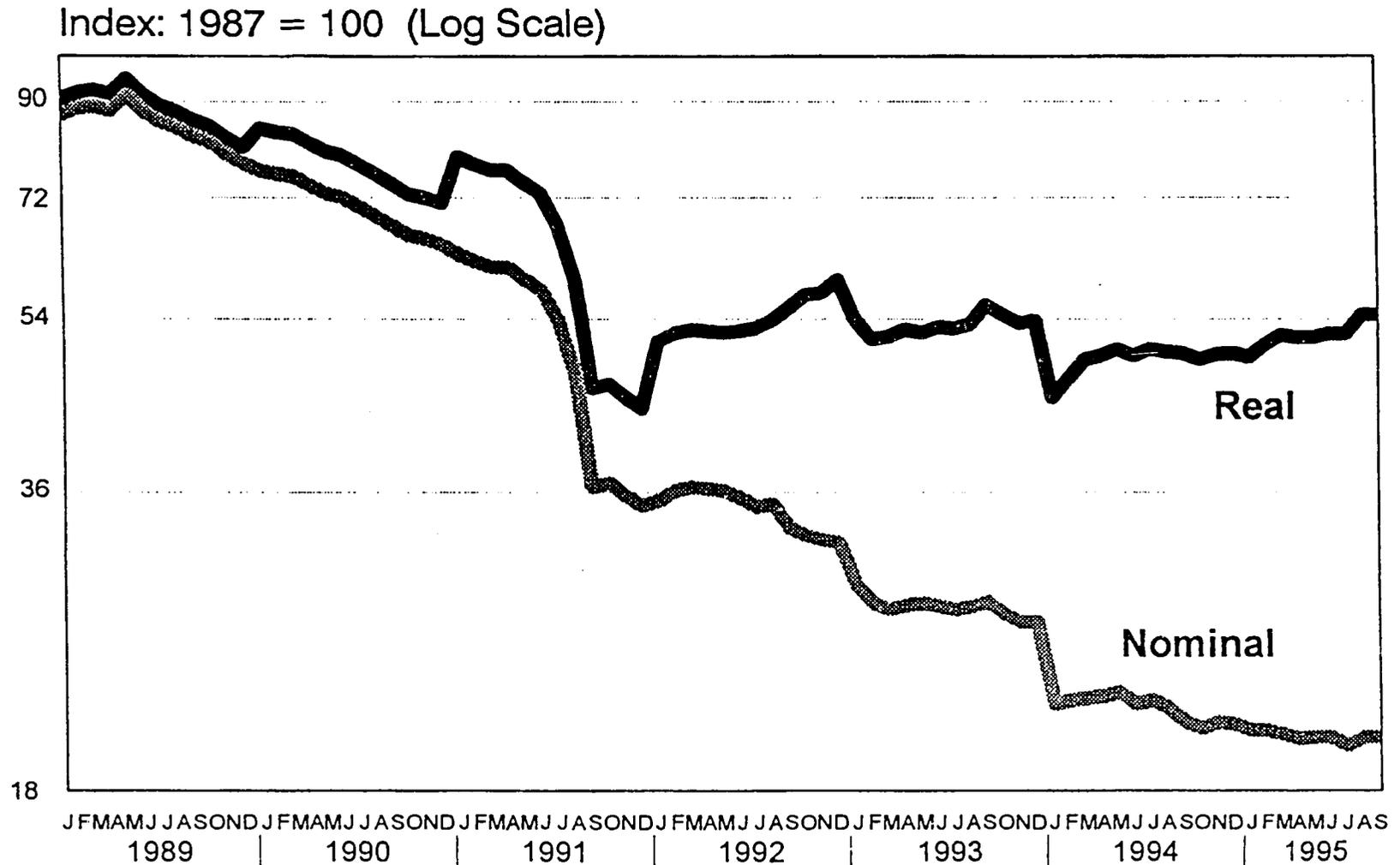
Short, medium and long term debt of public & private sectors

Gross International Reserves

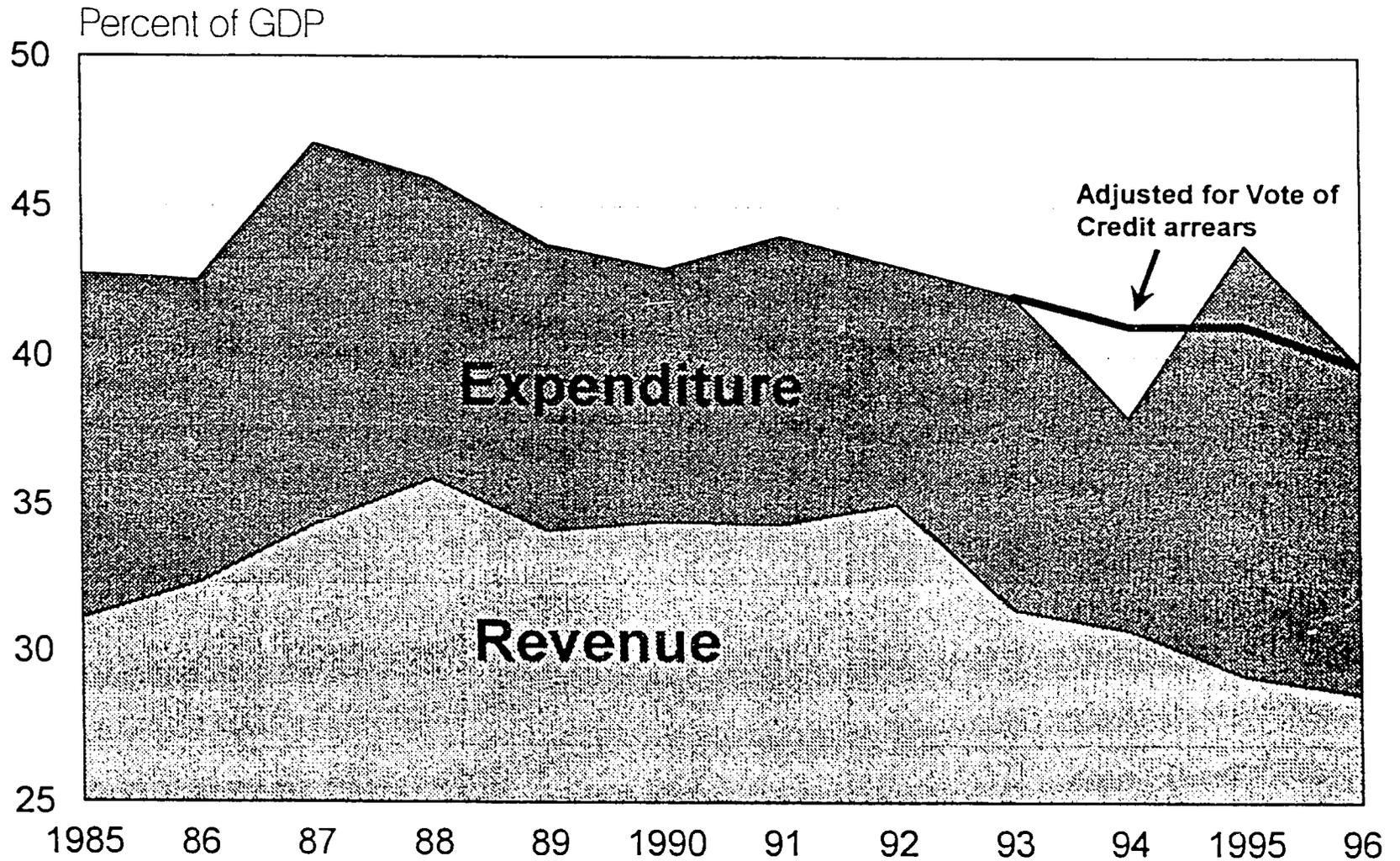


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Nominal and Real Exchange Rates

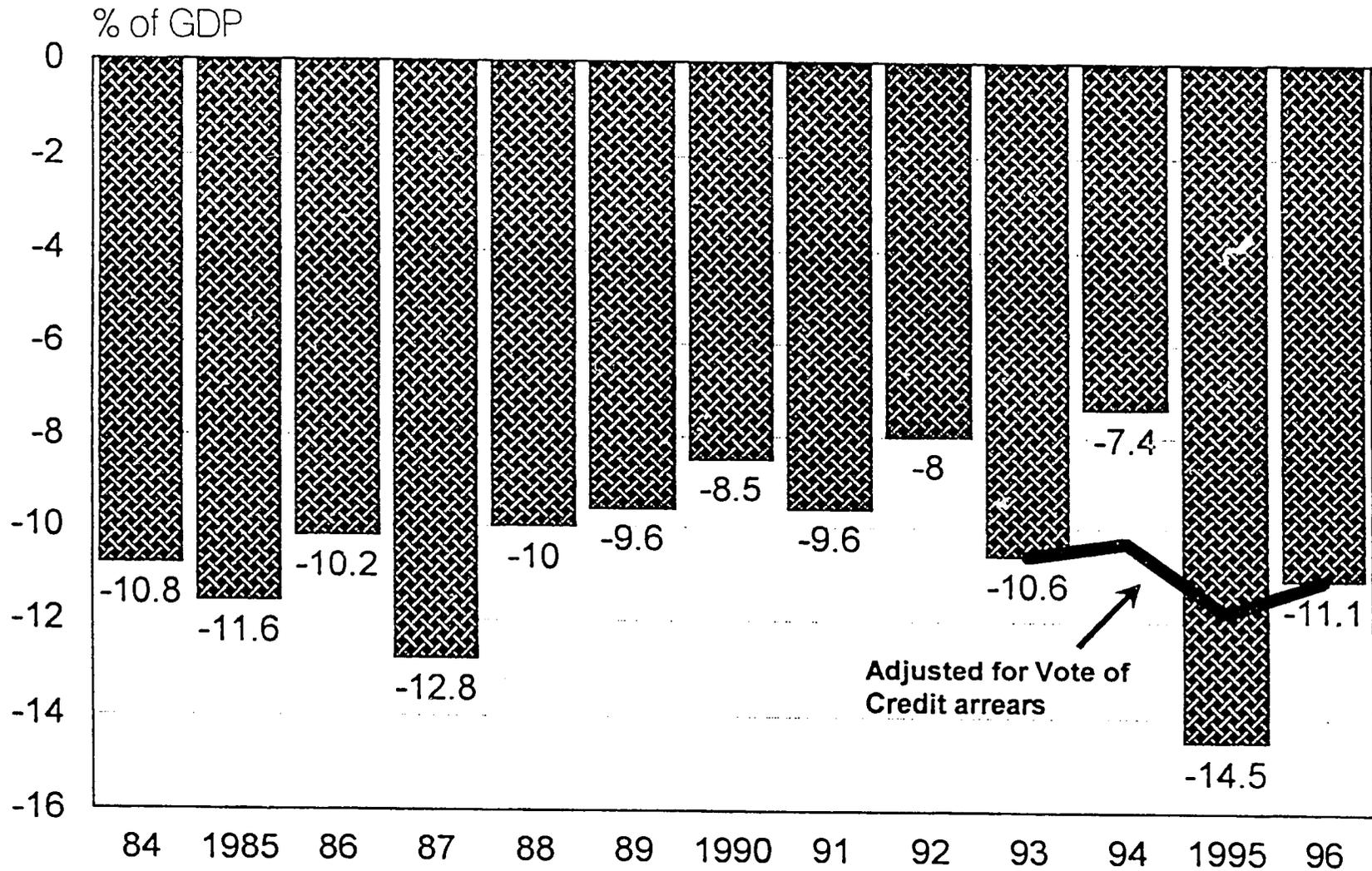


Central Government Operations

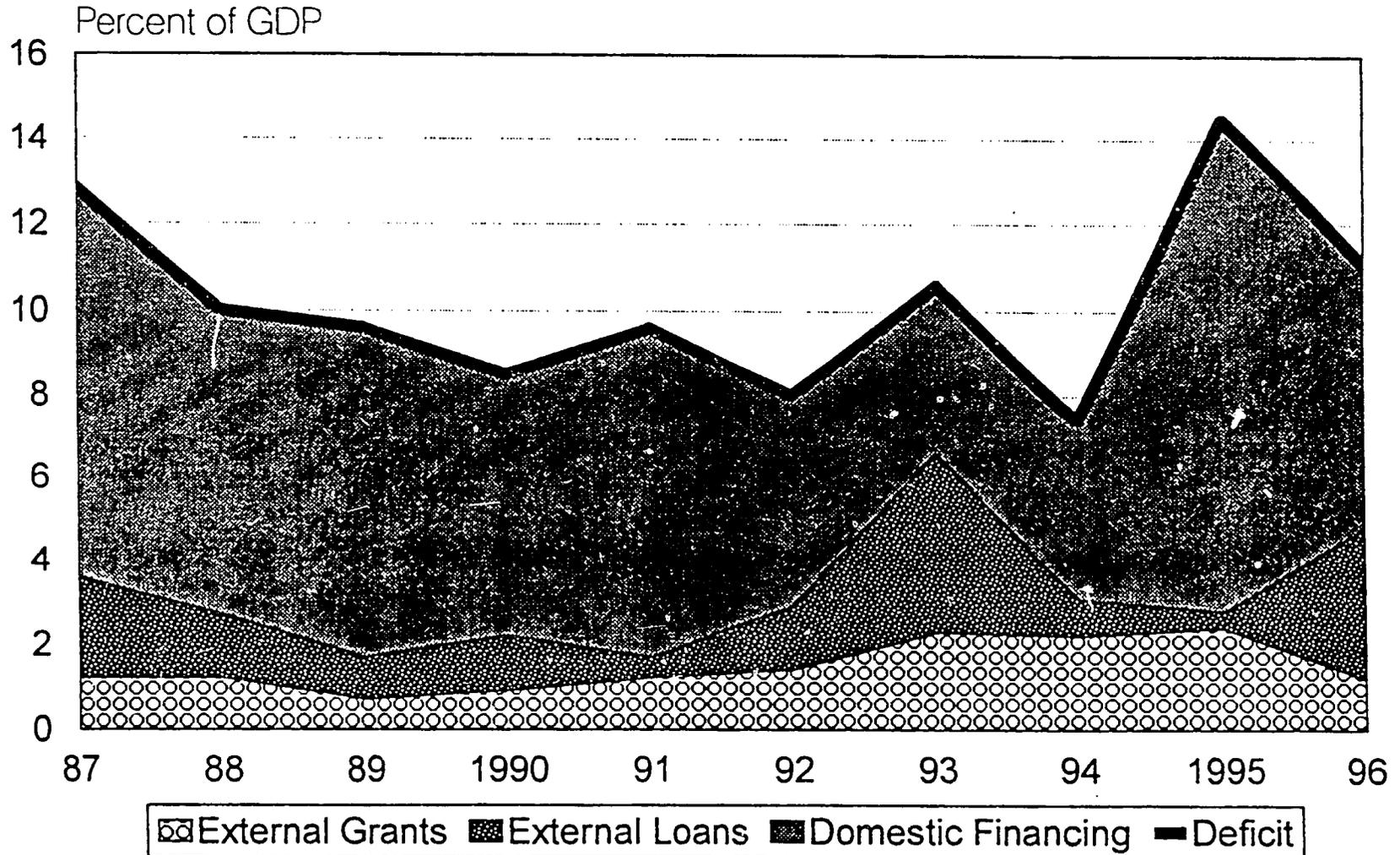


1985

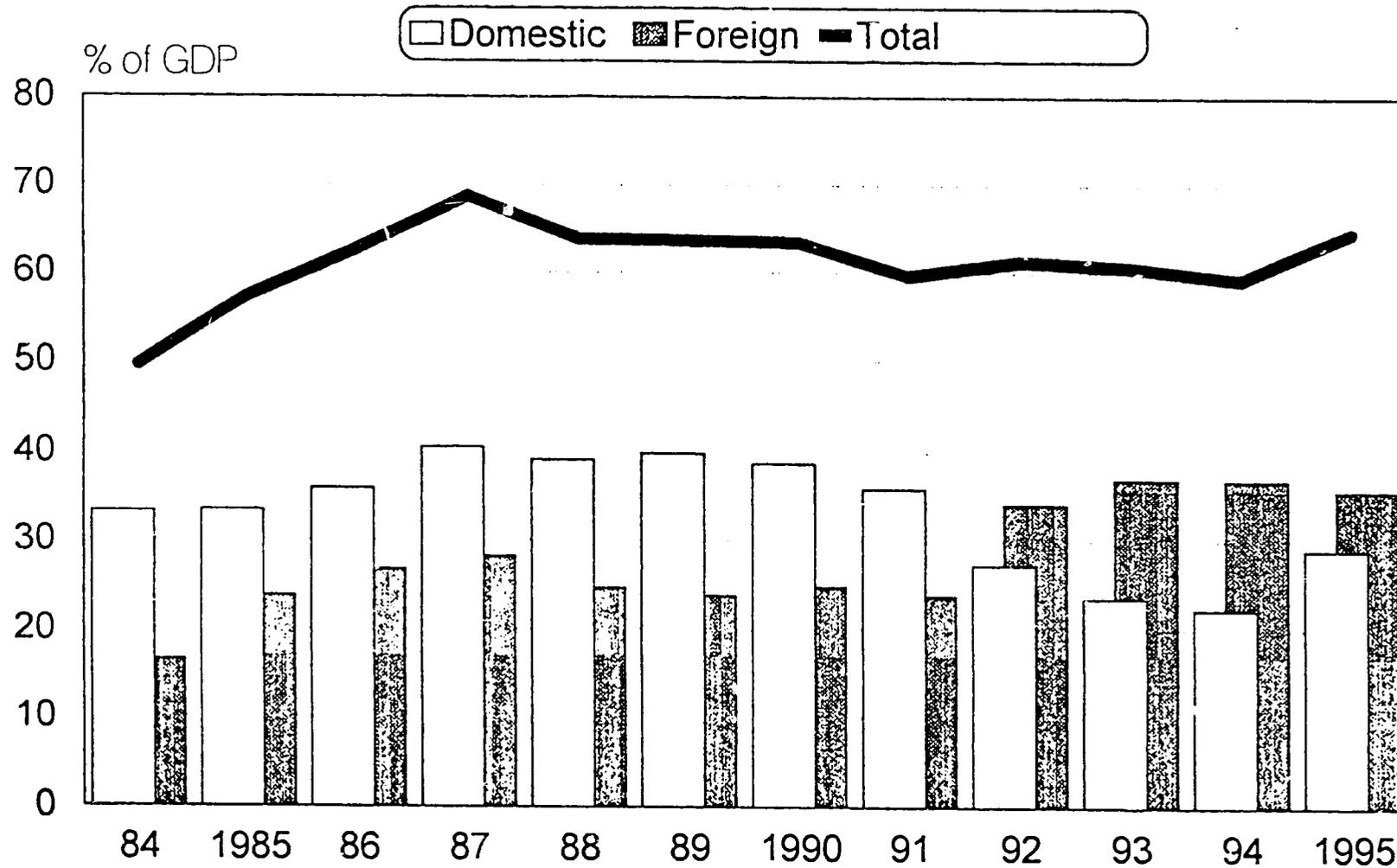
The Budget Deficit



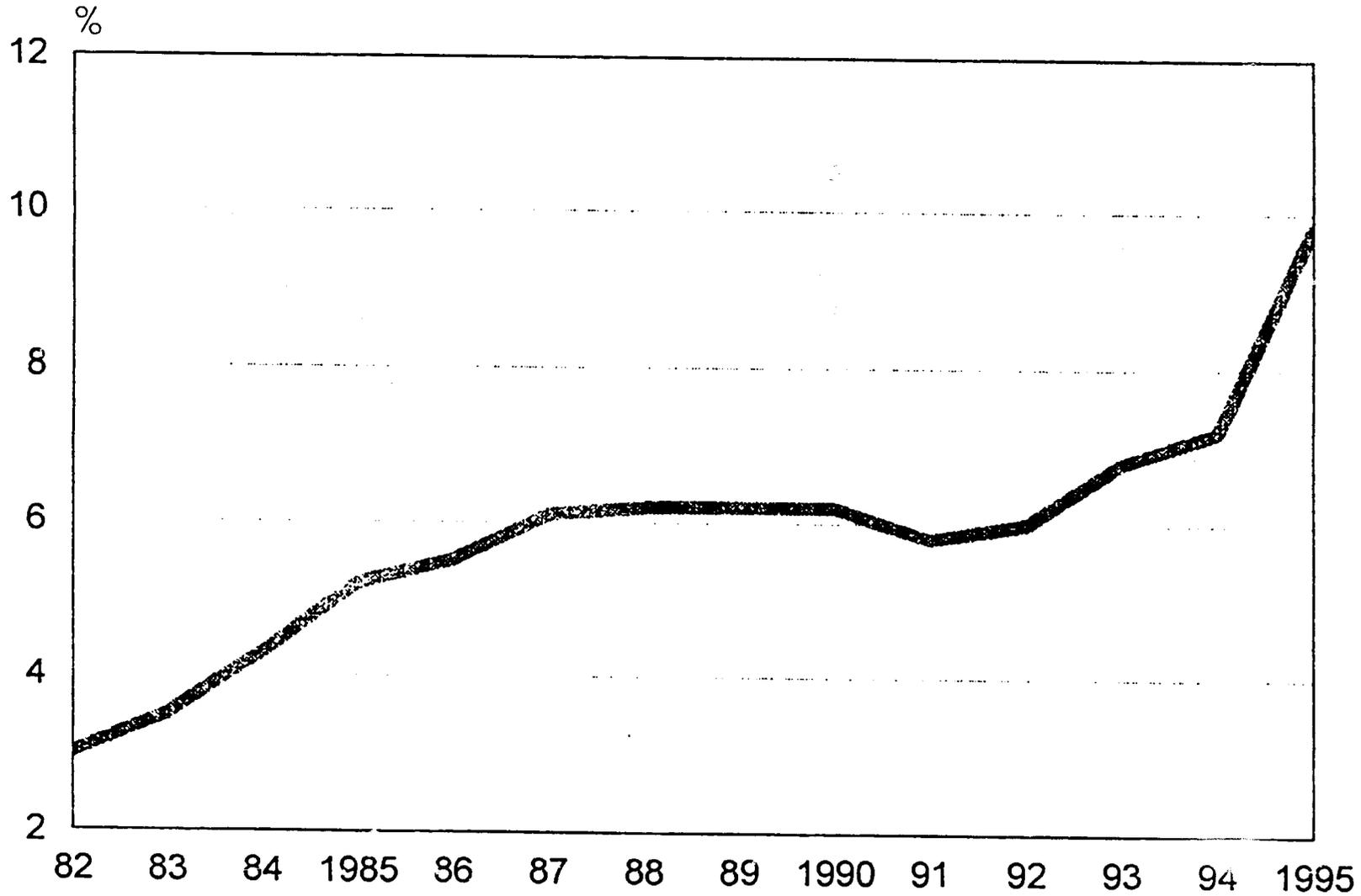
Financing the Deficit



Central Government Debt

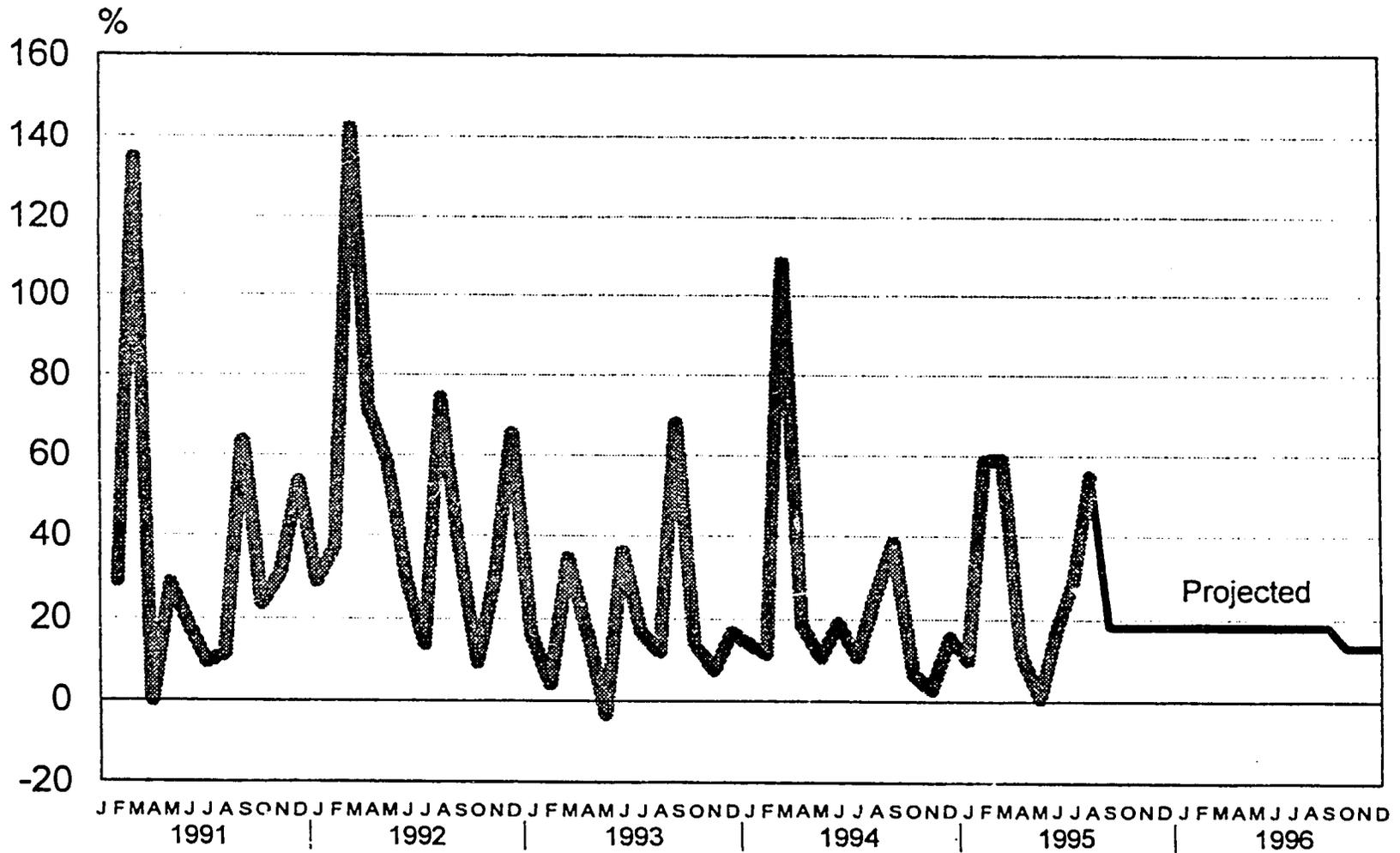


Government Interest Payments as % of GDP



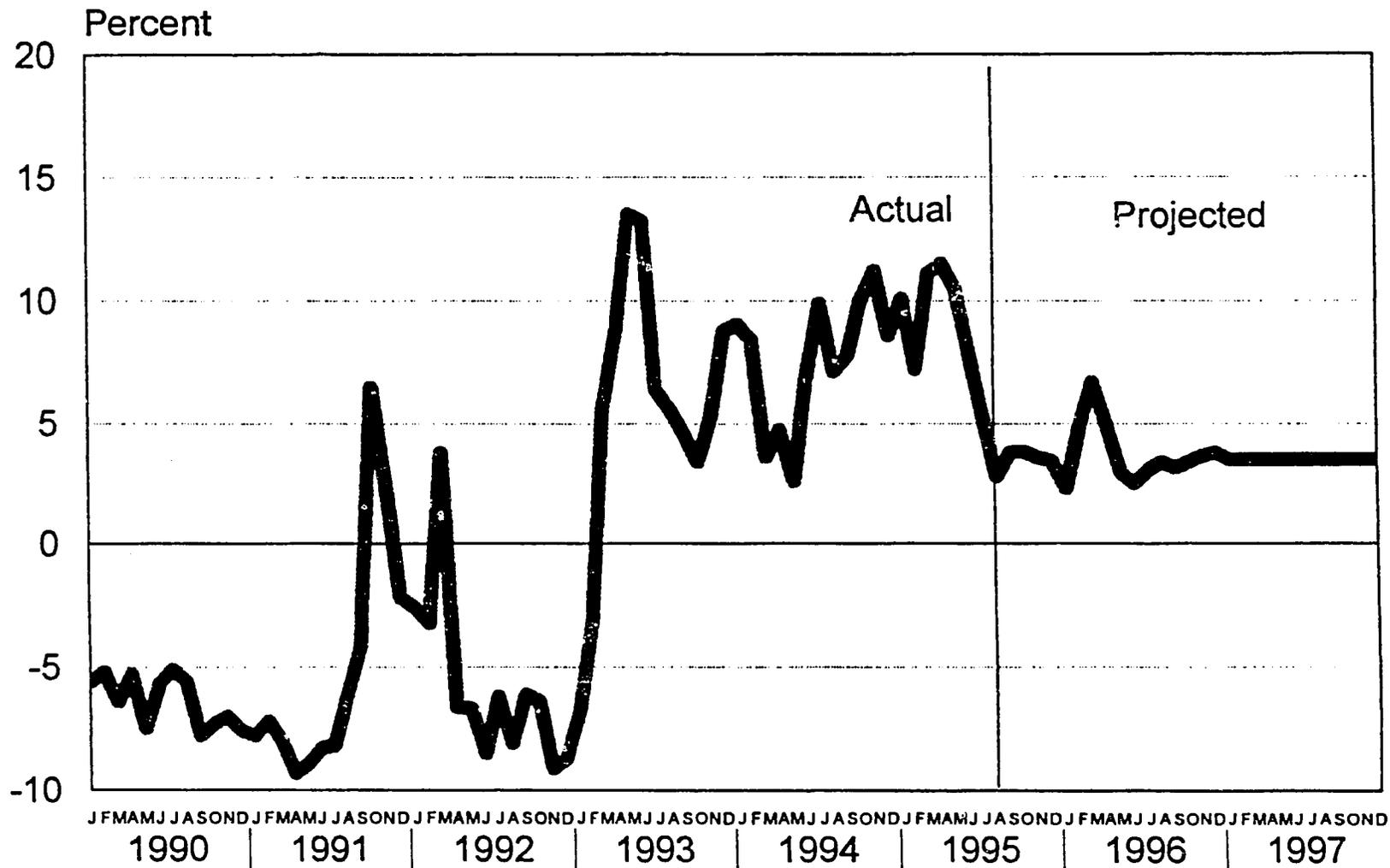
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Monthly Annualised Inflation



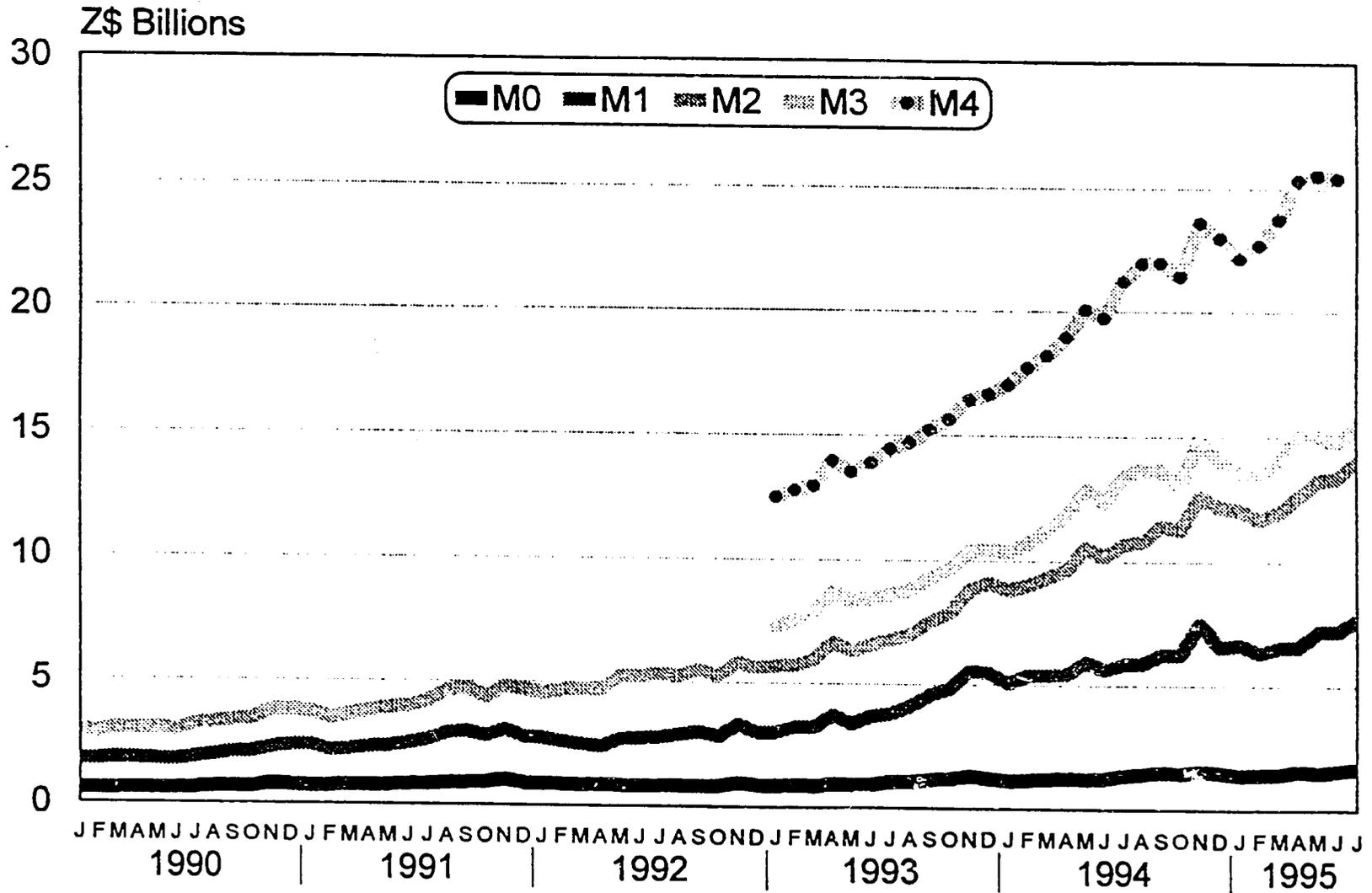
1997

Real Interest Rates



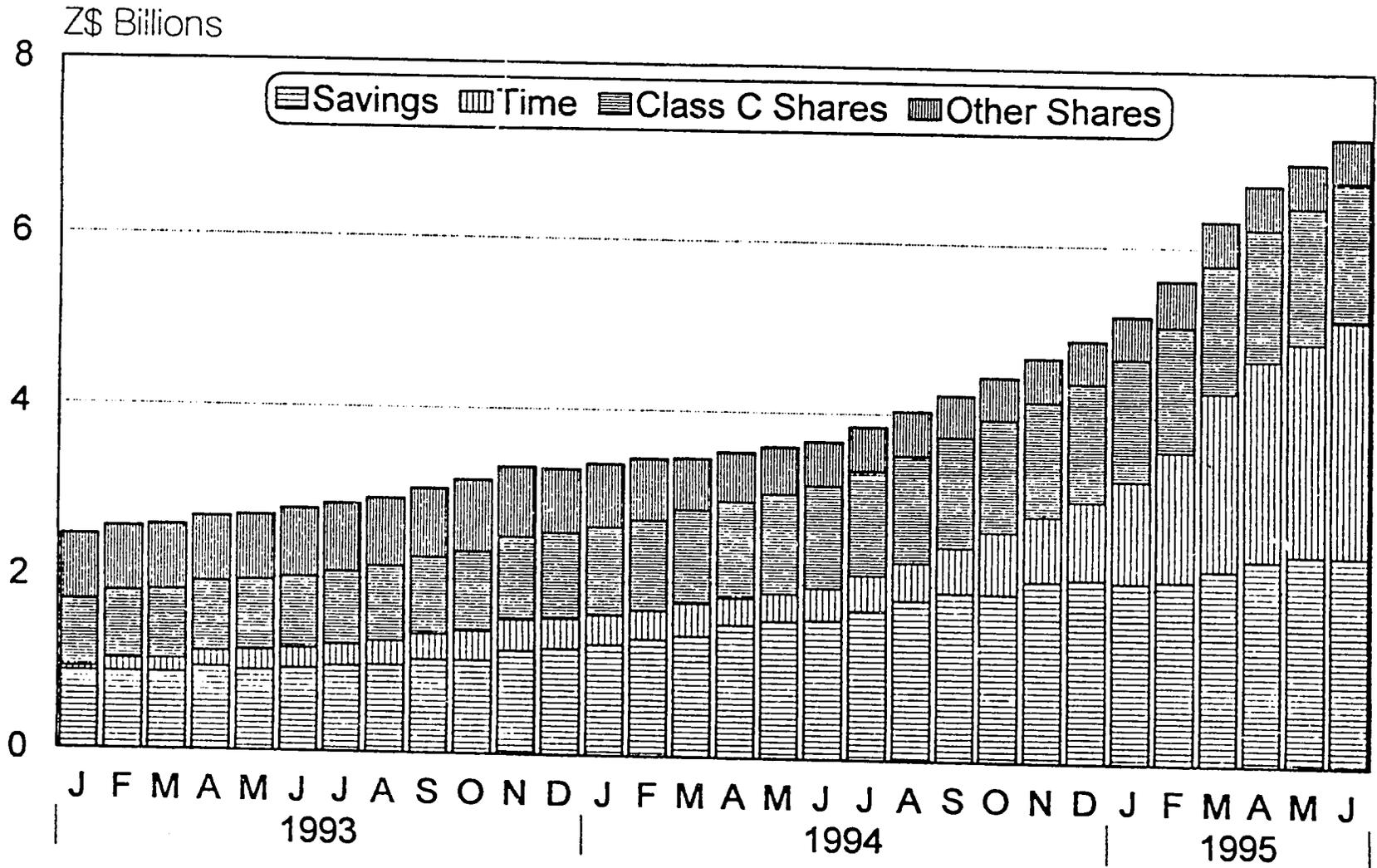
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Money Supply



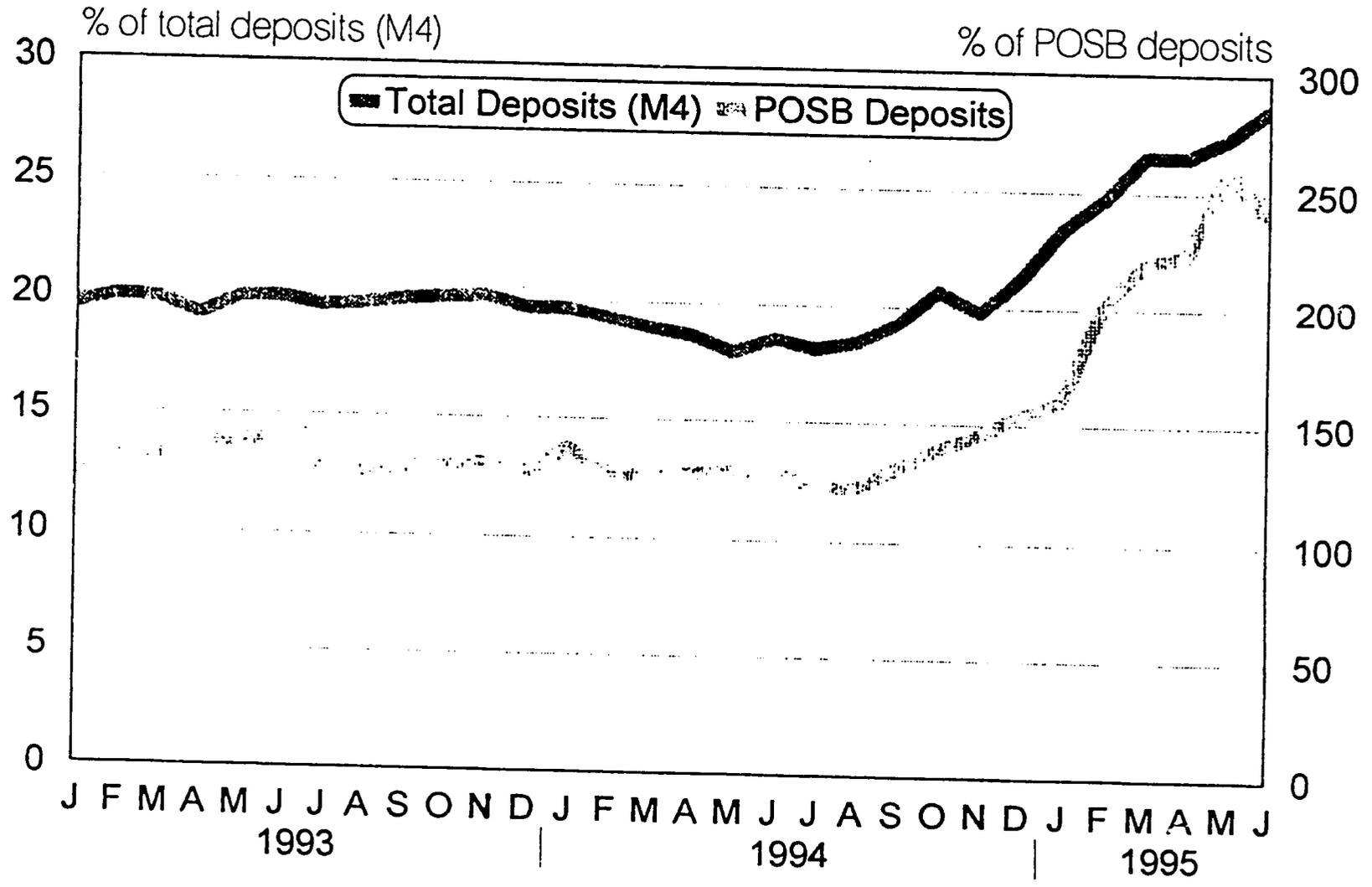
18

Building Society Deposits



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Building Society Deposit Ratios



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ZIMBABWE NATIONAL SHELTER REVIEW WORKSHOP FOR HABITAT II

organised by

THE MINISTRY OF PUBLIC CONSTRUCTION AND NATIONAL HOUSING

in association with and promoted by

THE UNITED STATES AGENCY FOR INTERNATIONAL AID [USAID]
SEPTEMBER 1995

THE ROLE AND PERFORMANCE OF BUILDING SOCIETIES IN ZIMBABWE :
PROVIDING HOUSING FINANCE FOR SUSTAINABLE DEVELOPMENT.

Presented by

Mr. Keith EVANS

Housing Finance Consultant

Keith Evans & Associates (Pvt.) Ltd. Zimbabwe

1. My terms of reference require me to examine the role and performance of building societies in a changing housing delivery environment, but I have taken the liberty of extending this to include a changing economic environment.

The Nature and Role of Building Societies

2. Building Societies are distinct specialist organisations subject to special laws and enjoy tax-free status. They have always been identified as quasi-mutual organisations whose business is primarily the granting of loans for the purchase of residential properties and the mobilization of retail savings. The building society concept which is well known has served the movement and the nation well and there are strong reasons why it should be preserved. The structure of societies in Zimbabwe is unique in that a small element of their equity shares [Class A or Ordinary Shares] are held as equity by their original promoters, or founder members. The balance of the shares are issued to the general public and corporate investors such as pension and life assurance funds. Unlike public listed companies whose shares are quoted on the stock exchange, building society shares can only be redeemed at par value and a continuing relationship exists between the society and its members.
3. The building society movement is well established in Zimbabwe having started in the early 1950's, nearly 50 years ago and the three established societies have built up a pool of expertise and experience in the fields of investment, housing finance, and computer technology. More recently a fourth society which registered and commenced operations in 1992 is rapidly catching up with the others. Although from an institutional point of view residential mortgage finance, has

2.

been virtually the exclusive domain of the building societies. competition for personal savings and corporate finance to provide housing finance has been strong and the capability of the societies to mobilise funds is dependent upon their interest rate structure and other economic and money market factors. The main competition for deposits has come from the POSB, the commercial banks and the finance houses [HP companies].

4. In considering the role of the societies it is important to recognise they act as trustees in safeguarding the hard earned savings of the people. With this function goes the responsibility of ensuring that they do not take undue or unnecessary risks. One has only to look at the enormous cost of the bail-out of the savings and loan associations in the United States of America, which necessitated over US\$300 billion in taxpayer subsidies to compensate depositors. The risks exposure faced by housing finance institutions in all countries have been classified by experts in the field into six categories :-

4.1. *Credit risk* : the risk that the money will not be returned, with whatever interest or other charges are due, on a timely basis.

4.2. *Liquidity risk* : the risk that the money market will be needed before it is due.

4.3. *Cash Flow risk* : the risk that changes in market conditions will alter the scheduled cash flows (real or nominal) among the parties involved in intermediation. This includes interest rate risk, prepayment risk, inflation risk and exchange rate risk.

4.4. *Agency risk* : the risk that a divergence of interests will cause an intermediary to behave in a manner other than that expected.

4.5. *System risk* : the risk that a crisis at one institution or in one part of the system will spread to the rest of the system.

4.6. *Political risk* : the risk that the legal and political framework within which the lending takes place will change.

The above risks include the functions of mobilization of funds, origination of mortgage loans and the collection of loan instalments. Let us now consider the risks faced by the building societies in Zimbabwe.

3.

Credit risk : One of the valuable legacies of the former Rhodesia has been the system of individual property rights and land registration which was established. The right of lenders to foreclose on borrowers who default in their loan repayments has also been in place for many years, long before the inception of building societies. The recent intervention of the State in established legal procedures relating to the sale of properties in execution following foreclosure action had serious consequences, even though the initial measures were subsequently modified. Not only did it encourage some borrowers to default, but some commercial banks now refuse to accept residential freehold property as collateral for commercial loans. It was possibly not appreciated by the authorities that this type of intervention for political reasons, when added to the existing administrative delays, will result in reduced funds being made available for housing, as lenders are now cautious about advancing funds on high loan to value ratios [LTV's] because of the accrual of interest at relatively high rates during the foreclosure process, taking the debt beyond the value of the mortgaged property. The number of properties actually sold in execution was relatively low in relation to the overall volume of mortgage loans. It has been found in other countries that the expedition of foreclosure procedures for default results in keeping arrears rates low and the access to funds high. Fortunately, in Zimbabwe the building society mortgage bonds contain a variable interest clause which avoids the problem of fixed rate mortgages encountered by S & L's in the United States. The effects of inflation and high interest rates will be discussed later in the paper but it should be noted that it has not been possible to shield borrowers from the high volatility in inflation, real wages and real interest rates. Building societies have generally accommodated those borrowers who were willing to be counselled and encountered genuine difficulties, by restructuring their loan repayments.

Liquidity risk : Any housing finance system such as the building society concept which is based on short-term deposits is vulnerable to illiquidity that is why they have to maintain a minimum holding of liquid assets. This is often cited as the main reason why Commercial banks do not lend for housing but the success of the building societies in Zimbabwe refutes the seriousness of this risk. A feature which exists in other countries which reduces liquidity risk is the establishment of a sound secondary mortgage market as the maturity of the funding can be matched to that of the loan.

Cash Flow risk : This is sometimes referred as an interest rate risk as most risks relating to cash flows reflect forces which affect cash flows through changes in interest rates. Also included in this category are the impacts of inflation and exchange rate fluctuations on the principal amount due.

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The exposure of societies to this risk was evidenced by the effects of high inflation and high interest rates associated with the introduction of the ESAP Monetary Reforms.

Agency risk : The United States experience with S & L's points to the dangers of relying on Government deposit insurance and guarantees, and the resulting burden on the tax-payer if such guarantees ever have to be called up. The contingent liability of any deposit insurance scheme strongly supports the need for adequate supervision of all banks and deposit-taking institutions. Any investigation of the introduction of a secondary mortgage market in Zimbabwe, in particular the specialisation funding, origination and servicing, will reveal the importance of safe-guards against agency risk at each phase with such a fragmented system.

System risk : Nearly all the countries of Africa have experienced economic shocks to their financial systems that have generated system interventions resulting in Government intervention to support the system. For example, in the early 1960's there was a down-turn in the economy in the former Rhodesia and the volume of investment from the public decreased to such an extent that the Government of the day persuaded the societies, as part of the rescue measures, to consolidate and reduce their number from 8 to 3 by a series of mergers. System instability can be caused by over lending during boom periods followed by significant restrictions and tightening of loans during recessions. This reflects on the property market which can lead to high levels of loan arrears and even institutional failure. Concern always exists that if any one society encounters a liquidity crisis or a loss of confidence the crisis may spread to the whole movement. It is therefore important that supervision is effective and prudential and nature limits are strictly observed by all societies.

Political risk : Although in Zimbabwe we are fortunate in having relative political stability to keep the remote possibility of political upheaval has to be kept in mind in designing housing finance systems. The integration of the housing finance system into the broader financial market may be more able to withstand severe economic shocks than one that is segmented.

The Role of Government in Housing Finance.

5. Housing finance has been described as a key component of any housing strategy as it is clear that Government has an obligation to ensure that the right environment is created for the mobilization of savings and funds for housing. Another presenter on housing finance will be dealing with macro economic strategies so I will not attempt to deal with this

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aspect. In order to ensure maximum benefits to the people the Government has encouraged home ownership in Zimbabwe through the following measures :-

- a] the continuation of the public service and the 90/95% non-public service guarantee schemes for the building societies which were in existence prior to Independence;
- b] the preservation of the regulatory environment under which building societies are allowed to operate within a monopolistic [but rigidly controlled] segment of the financial market;
- c] the introduction of regulations permitting the building societies to issue Class C [tax-free] shares on the understanding that the proceeds are used for the provision of housing;
- d] the provision of loan capital to local authorities through the National Housing Fund and the General Development Loan to provide infrastructure requirements;
- e] the construction by Government of housing particularly in the smaller centres for public servants as well as the construction of flats and houses for rental and sale in the main centres; and
- f] perhaps the most important of all, is the borrowing of funds from international agencies as the World Bank and USAID for low income housing.

Generally, the Government has adopted policies which have encouraged an efficient legal system and confidence in the future. However, there is still substantial scope for Government to do more to promote housing as an economic, social and political priority. It should also encourage savings and the channelling of funds into housing through fiscal incentives. These opportunities will be discussed at the Workshop.

The Control of Building Societies

6. The activities of the societies are governed by the Building Societies Act [Chapter 189] and various subsidiary regulations. The original Act was adapted from the equivalent legislation in South Africa which in turn was modelled on the British concept. The Act has been amended over the years to give the societies wider powers and to change the statutory reserve requirement. Legal responsibility for registering and supervising building societies rests with the Registrar of

Building Societies, an official in the Ministry of Finance but the societies returns are also submitted to the Reserve Bank which exercises varying degrees of "moral suasion" over the activities of the societies. New societies applying for registration are required to demonstrate to the Registrar that they have available a minimum paid-up permanent share capital of only two hundred thousand dollars. This sum is totally inadequate under present day values and risks. Registered societies have to -

- * establish and maintain reserves as specified by the Minister; and
- * maintain a minimum holding of prescribed liquid assets expressed as a percentage of liabilities.

The legislation provides a number of other controls over the nature limits and activities of the societies. The societies are governed by boards of directors who are elected for phased terms of office.

Legal and Regulatory Constraints faced by Building Societies

7. Building societies derive their legal constitution and powers from legislation which is specific to them rather than from general legislation applying to commercial bodies or to banks. This legislation restricts their activities and the way they do business, but it must be borne in mind that some of the restrictions are necessary to protect the interests of depositors. The following is a list of the main constraints -

- * the maximum loan that can be granted for residential property is restricted to 75% of value of the property offered as security [without collateral, or an acceptable guarantee];
- * the acceptable collateral for advances is defined and excludes shares quoted on the stock exchange unless specifically approved by the Registrar;
- * the maximum repayment period for mortgages is fixed at 35 years;
- * mortgage loans on a first mortgage loans may only be granted registered against freehold immovable property as defined, or the hypothecation of a lease in respect of such properties;
- * societies can only lend to local authorities or parastatals with the approval of the Minister of Finance on such security as the Minister considers adequate;

- * their ability to raise funds or loans on the financial markets is limited to the issue of Negotiable Certificates of Deposit [NCD's] and then only with the authority of the Minister [who has fixed a limit of 20% of total deposits];
- * Prescribed ratios of residential mortgages to commercial lending. Advances against non-residential property is at present limited to 35% of all advances;
- * fixed term mortgages are restricted to a maximum period of 5 years with a loan to value ratio of 66 2/3% [restricted to 10% of all advances];

The Performance of Building Societies.

8. Prior to Independence the fortunes of the building societies and their liquidity varied with political, economic and drought conditions in the country and they faced strong competition from the POSB. They assisted with low income housing by making bulk loans direct to Government and the larger local authorities. They focused on low and medium density housing and only lent in a small way to low income borrowers where title was available. The World Bank Urban I site and service scheme provided an incentive for their entry to the provision of shelter for the low income groups by making available scarce foreign exchange for computerisation. Initially resources for the provision of superstructure was limited and relatively expensive. One society borrowed from the Commonwealth Development Corporation [CDC] to meet the demand for long term finance.
9. In the mid 80's it became evident that the demand for low cost housing was so acute that it could not be provided by the public sector alone and after negotiations between the Association of Building Societies and Government it was agreed that the societies should be allowed to compete with the POSB tax-free rates. The societies were empowered to offer Class C [Tax-Free] shares to the general public. In return the societies undertook to set aside a minimum of 25% of the proceeds of the shares to low income housing. By the end of 1986 building societies had opened their doors to the low-income sector and in practice the societies invested more than 25% in this sector. The tax-free shares proved to be very popular and during the period January 1987 to June 1992 the three societies advanced a total of \$224 million to 21 000 low income mortgagors. In addition, significant bulk loans were made to Government and Local Authorities for low cost housing. It is significant to note that the total amount advanced was substantially more than Government's own contribution to low cost housing over the same period. Local authorities were able to recycle development capital used for servicing land by the

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sale of plots and the societies assumed the responsibility of long-term cost recovery.

10. The World Bank Urban I Project presented its own set of problems with a lack of co-ordination between the main actors, high administrative costs, and an over-reliance on the concept of aided self-help construction which resulted in major headaches for the beneficiaries and the societies. The project, nevertheless, provided useful learning experience for all involved.
11. Up to August 1990 the societies suffered from various directives issued by the Reserve Bank which lead to disinvestment, for example, they were instructed to disinvest all funds owned by non-resident controlled organisations. In February 1987 the Reserve Bank made available redeemable fixed deposits to the societies as part of the re-cycling arrangements to compensate for the withdrawal of blocked funds. These measures resulted in reduced lending. During the period 1989 up until August 1990 the societies found themselves in a relatively comfortable situation with regard to liquidity and mortgage finance became more freely available. In August 1990, with the advent of the Structural Adjustment Programme the Reserve Bank made its first move to liberalise market interest rates and the banking system. This lead to a tightening of the monetary situation and greater competition for deposits.
12. Building societies faced a time lag and were only allowed to increase their mortgage and deposit rates in February 1991, but even then they were still unable to compete for deposits. The situation was further exacerbated by the major devaluation of the Zimbabwe Dollar [37% against the US\$] and the resultant jump in money market rates and bank overdraft rates which forced the monetary authorities to make a further adjustment to building society rates on 5 September 1991. The subsequent liberalisation of interest rates in the financial sector - except those applicable to building societies further aggravated the situation. With money supply severely curtailed by the Reserve Bank through its restrictive re-discounting policies, interest rates soared resulting in a massive outflow of deposits from the societies and the movement suffered an aggregate loss in excess of \$600 million up to the end of 1993. This caused the drying up of the main source of mortgage finance which had widespread repercussions throughout the economy affecting not only homeowners but the real estate sector, the construction industry and supplies of material.

13. At the end of 1992 the authorities permitted societies to issue NCD's up to a maximum of 20% of their total deposits and the movement raised in excess of \$224 million by this means up to June 1993. The measure greatly assisted the societies in managing their short-term liquidity and in contributing to their profitability but as the instruments carried high market related interest rates and were essentially short-term the proceeds could not be used for mortgage lending. During the financial year their investment in mortgage advances rose only marginally to just over \$2 130 million.
14. The financial year 1993/94 started off with a decline in inflation and interest rates which enabled societies to compete for savings and investments generally. The tax-free rate in particular enabled them to compete. The resultant inflows allowed the societies to resume their main stream business of mortgage lending but investment in mortgage advances grew marginally during the year by 3% to \$2 201 million. The problems of affordability were aggravated in June 1994 by the withdrawal by Government of the 3% subsidy on loans to borrowers in the high density areas resulting in an effective increase in the lending rate for this category. Fortunately, the ZW\$80 million first tranche of the USAID Private Sector Housing Programme Grant Funds was drawn during June 1994 with the societies matching funds locally and loans were made available at a reduced interest rate to eligible beneficiaries.
15. The final audited results of the majority of building societies for the year ended June 1995 still remain to be published, but the indications are that the flow of funds into shares and deposits during the year were favourable and enabled societies to approve commercial and residential loans totalling over \$770 Million to some 7 400 beneficiaries - an increase in monetary terms of over 71% over the previous year's figure of \$450 Million. Liquidity ratios are now at a high level and the balance of NCD's on issue at the end of June stood at nearly \$870 Million. Reductions were made by some building societies in the rates of interest charged on residential loans. No figures are available with regard to loans made to the low income sector but it is known that substantial funds were held on deposit pending disbursement under the USAID Scheme. The outlook for the future with regard to inflows is dependent upon the reduction in inflation levels and market interest rates.

Constraints on the Availability of Urban Land and Joint Ventures

6. Legislative amendments were promulgated last year which enable societies to participate in the overall construction and delivery system. It was hoped that greater private sector involvement in joint ventures with local authorities would

increase the number of new housing units under construction. Unfortunately, the societies have been frustrated by some of the local authorities as attempts to participate in large scale development schemes, particularly for middle income earners with larger local authorities proved fruitless. The backlog encountered at the Surveyor General's Department and the resultant delays in issuing title have also become a National problem and this is delaying the disbursement of large volumes of loans to beneficiaries in the low-income sector. The spin-off is also seriously affecting the local authorities who cannot recover their development costs.

Reform of the Financial Sector

17. The Minister of Finance, Economic Planning and Development has announced that he proposes to introduce a new Banking Act which will level the playing fields between the various financial institutions. I anticipate that the building societies will be exempted from this Act, but provision will be made for them to convert to a commercial bank, or possibly a mortgage bank. There is no reason why societies should forego their building society status in order to continue operating in a viable manner and to continue to serve not only their members but also the evolving needs of the general public of Zimbabwe. Any attempts to force societies to convert to corporate status and to register as deposit taking institutions which is also likely to involve the disappearance of their special protected tax-free mutual status is likely to result in their being obliged to operate more like a bank and to adopt more of a hard line banking approach to the recovery of the costs of the services they provide and their mortgage lending rates are likely to become more market oriented, particularly in respect of low income housing. The existing Building Societies Act needs to be further revised to remove some of the constraints to permit societies to undertake a wider range of functions related to their main stream business of providing housing finance.
18. While the existing definitions of building society and the nature limits which have been in operation have not presented any undue problems, they could be seen as being unduly restrictive in the long term and could constrain the operations of the societies in a competitive market. On the other hand, the complete removal of the nature limits could lead to the registration of a spate of new entrants whose business objectives are very different from the present societies. It is hoped that societies will be permitted to remain as mutual organisations and be allowed to retain their present tax-free status and the name building societies while at the same time their powers are broadened. It appears likely from comments made in the Press that the new Banking Act will empower the supervising authority, probably

the Reserve Bank to determine the prudential guide lines covering such matters as capital adequacy, whole and retail funding, liquidity reserves and systems. At the same time it is likely that banks which are not subject to the same restrictions as the building societies, apart from the prudential requirements will be free to enter the mortgage market. In South Africa, an incentive to this development was a reduction by 50% of the capital required for domestic mortgages. This may put pressure on some of the societies to build up the required reserve ratios. Looking ahead, this may effectively leave the building societies with two options :-

- a) to convert to company status and to raise the required capital by offers of equity shares to their members and the general public [this is likely to be an expensive option]; or
- b) to amalgamate with, or be taken over by one of the banks, [or even to acquire an existing bank] with existing surplus capital, or by the consortium raising additional capital by share or rights offers.

19. Generally the worldwide trend has been for building societies to convert to banks. In South Africa, virtually all the building societies have now disappeared, with the exception of two regionally based societies. In the United Kingdom, the societies still maintain their identity but have been allowed to diversify into the personal banking field. We need to consider what these changes will mean to the market place and to the availability of housing finance. If these conversions, or amalgamations occur in Zimbabwe, I can foresee that the following trends are likely to develop :-

- i] home loans for the middle and upper income groups will become much more freely available than at present;
- ii] lending criteria for this sector will become more flexible;
- iii] all institutions will strive to offer a package of financial services incorporating home loans, personal credit, instalment credit, credit cards, personal cheque accounts, limited overdrafts, savings, deposit, point of sale and money transmission services;
- iv] product innovation will result in a greater flexibility of products available to members and customers, particularly insurance related products.

20. The negative side effects of such a change, based on the South African experience, include -

- i] a switch from traditional banking skills to a sales focus:
 - ii] a weakening of control systems;
 - iii] lack of competitive experience;
 - iv] price wars driven by the desire of the traditional banks to build up market share; and
 - v] rapid expansion into high risk areas in order to solve high cost problems.
21. The most serious effect this will have will be the refocus of the restructured housing finance institutions into general commercial banking and into markets perceived to be more lucrative i.e. the middle and upper income groups. This will result in a move away from the "affordable housing markets" where the greatest need for specialist housing organisations exists.

Conclusion

22. The building societies have shown that they have the capability to mobilize savings and resources from the private sector: and of disbursing them to beneficiaries in the low-income sector and of recovering the loans. The societies cannot be expected to continue to cross subsidise the rates on loans to the low-income sector which are not covered by the USAID Scheme. It is important to consider how the enormous demand for finance can be met - the last estimate given by the Ministry of Public Construction was 66 000 units per year necessary to eliminate Zimbabwe's housing shortage by the year 2000, but this is likely to be revised at the Workshop. In most developing countries less than 10 - 20% of the annual investment in housing is covered by mortgage finance. Even with the generous assistance provided by USAID and the World Bank there is little prospect under the existing system of mortgage finance becoming available from local resources to cope with the demand. The scope of this paper, which is intended to provide a background to the nature and role of building societies, cannot cover discussion on the full range of possible solutions to the problem, but I intend to address a number of possibilities in my verbal presentation to the Workshop. These will include -
- a] the proposed introduction of a secondary mortgage market in Zimbabwe;
 - b] the prospects of non-aid funded off-shore borrowing for housing;

- c] acceptance of the fact that subsidies are an integral part of a shelter strategy and a key-component of structural adjustment, but it is desirable to separate subsidies from housing finance. The introduction of one-time cash grants towards downpayment for first-time home buyers in the low income sector has been suggested previously. This warrants further discussion and the possible linkage of subsidies to contract savings schemes.
- d] rationalisation of the home delivery and development constraints and the speeding-up of survey approval and issue of title;
- e] the introduction of tax-incentives and the removal of the current "perks" tax on concessionary housing loans;
- f] development of the rental sector;
- g] the use of flexible mortgage instruments such as index linked mortgages;
- h] the alternative concept of a joint venture project between Government and the building societies by establishing a Community Bank to provide finance to low-income households earning less than median income; and
- i] prospects for development of more community based low-cost housing programmes.

Research indicates that there is no universal best way of building a sustainable housing finance system as any system needs to be tailored to the special needs of Zimbabwe. However, a number of common characteristics are revealed in successful housing systems that are both efficient and stable in the allocation of resources for housing. These include the provision of incentives to manage the fundamental risks of housing finance that I have described, and the establishment of open and competitive markets in the basic functions of a housing finance system, namely, the mobilization of funds for housing and the efficient origination and servicing of mortgage loans.

18 September 1995

Note : [The views expressed in this paper represent those of the writer, and do not in any way reflect the views of the Association of Building Societies or any one of its members.]

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ZIMBABWE NATIONAL WORKSHOP FOR HABITAT II

THE GENDER PERSPECTIVE OF HOUSING - TO WHAT EXTENT IS IT REAL?

(Paper presented by R M Shambare (BSW (UZ), MBL (UNISA)) to the Zimbabwe National Workshop for Habitat II at Kadoma Ranch Motel, 26 - 28 September 1995)

1.0 INTRODUCTION - IDENTIFYING WOMEN'S HOUSING NEEDS

Good morning ladies and gentlemen. It is indeed a great pleasure for me to be at this conference which is deliberating on the all important issue of housing because the question of shelter and the need to have a roof over one's head is indeed a basic human right which should be available to every citizen of a country. However, all the countries the world over, regardless of their level of development and GNP per capita, the marginalised and impoverished members of society continue to be without adequate shelter if any at all. This is a serious problem which continues to present great challenges to all those who have the responsibility of providing shelter in society, especially central and local governments.

My presentation this morning is going to examine the gender perspective in housing and hopefully, the deliberations which will ensue will enable this workshop to determine whether gender is an issue in housing. Right at the outset, I would however like to propose that gender considerations are indeed very important when trying to meet the challenge of providing shelter for all during the next decade. This is especially so when one looks at women as a distinct group in society.

I would like to begin my presentation by examining the various roles of a woman in society, especially those who live in urban areas because the focus of the workshop is being placed on urban areas. A woman is the following:-

- a mother
- a wife
- a daughter
- a daughter in law
- a mother in law
- a grandmother
- a nurse
- a teacher
- a counsellor, social worker and spiritual guide
- a worker.

The above ten roles are by no means an exhaustive list but serve to illustrate the fact that women are always expected and required to perform varied tasks in order to fulfil the many roles that are assigned to them by society. In order to perform the above roles successfully, one very important

component is availability and affordability of appropriate physical space as well as the accompanying services. Lets briefly examine what some of these space requirements would be.

1.1 Women as mothers

As any mother will tell you, society has assigned women the major responsibility for bearing, nurturing and socialising the younger members of our society. It is therefore important for a mother to have a home which is set in a safe environment free from both physical and non physical dangers. In other words, every woman wishes to house children where there is no overcrowding both within and outside the house to ensure adequate opportunity for the child to grow, play and learn without let of hinderance. The house has to therefore be of a sturdy build, well ventilated, with sufficient space for every family activity including play.

To go with the house, it is important that there is waste and disposal systems to ensure high standards of hygiene in order to prevent disease. Affordable and appropriate energy for lighting and cooking is also very important.

As mothers of disabled and or chronically sick children, women require specialised services within easy reach and at affordable cost within the community as close to their home as possible.

1.2 Women as wives

In addition to the needs described above, women as wives require privacy and an environment within which they can have a healthy family life. Entertainment facilities for not only children but for husbands and wives therefore become a necessity in order to provide legitimate and healthy relaxation facilities. Especially in the black community, women need sufficient space to enable them to accommodated many members of the extended family who come visiting for varying periods of time.

1.3 Women as daughters

Women as daughters, especially those from the black community, are required to looked after ageing parents who have specialised needs in terms of recreation and general living requirements.

1.4 Women as daughters in law

There are various traditional tasks such as hosting family gatherings (including ritualistic family gatherings) where the woman is expected to provide the physical side of things once the men have provided the necessary finance. Good examples are weddings or funerals where large numbers of people have to be fed and housed for a number of days within the family house. It usually is the sole responsibility of the mother, wife or

daughter in law that everything proceeds without a hitch. To be able to do so requires adequate appropriate physical space and services such as water, energy and waste disposal. (In present day Zimbabwe because of the drought and other factors, one is never assured of a continued supply of water or electricity at any given time. Imagine the trouble faced by women at a funeral where water and or electricity has been cut off and the woman of the house still has to ensure that everyone is fed on time and that all the required washing up is done timeously.)

The breaking up of the extended family system has taken out essential support services in times of family get togethers, especially family crises so that the woman of the house faces real problems in fulfilling her role as she has to do so with little or no support from the extended family. With the best will in the world, the daughters in law of a particular family in the urban areas of Zimbabwe tend to live in different suburbs so that offering additional living space as and when required becomes a physical impossibility.

1.5 Women as mothers in law

Imagine the life of a woman with grown children of both sexes living in cramped conditions having to cope with a daughter in law with her young family. Performing or observing all the traditional customs including the need to afford a measure of privacy to a newly married couple, especially in the black community becomes a real impossibility.

1.6 Women as grandmothers

Whether it is for pleasure or due to necessity, women need sufficient space and services to look after grandchildren, especially the young ones, in a safe and stimulating environment.

1.7 Women as nurses

Whenever a member of the family falls ill, it is the woman of the house who has to provide nursing care both within and outside the home. Availability of health services and sufficient physical space and community nursing services become very important especially in these days where AIDS victims have to be cared for at home on an increased basis.

1.8 Women as teachers

Society has assigned the major task of socialising and educating children to mothers and women in general. This means that community facilities have to be of a good standard and situated in easily accessible locations which are safe from harm both physically or otherwise.

1.9 Women as social workers

Women are frequently expected to give counselling services, social services and spiritual guidance. This role is usually performed on a long term basis and requires high levels of privacy - appropriate space in the house is therefore required. Sometimes women are called upon to give shelter to battered wives, teenagers who have fallen out of grace with their own parents and job seekers coming from the rural areas who are members of the extended family. The house has to therefore provide adequate and appropriate space.

1.10 Women as workers

In order to earn a living (either as wives trying to supplement the family income or as outright heads of households), women need employment opportunities close to home so that they are able to perform their other roles without too much stress. Proximity to home can be in physical terms or in non physical terms such as good and reliable transportation at affordable prices to overcome great distances.

Transport facilities which are adequate and efficient therefore become very important. Women also need community based facilities for childcare, education, health and entertainment so that by becoming workers outside the home, women are still able to perform most of their roles without too much difficulty at the physical, emotional or psychological level.

In describing the space and service requirements for women as a special group in society, I am not suggesting that men do not have a role to play in family life especially when it comes to housing. The point being made is that women have been assigned a whole host of roles by society which if not performed properly, would lead to societal problems. For instance, lack of adequate play space results in children playing on the road and this can prove to be very fatal when such roads have lots of traffic. Children without shelter tend to congregate around the mother or the woman instead of the father or the man in a family. Women's responsibilities and the needs for housing are therefore an important factor to be taken account of by any authority which is involved in providing housing for the citizens of this country, especially in urban areas.

2.0 CHARACTERISTICS AND DEMOGRAPHICS OF WOMEN

Although both central government and local authorities have the responsibility of meeting the housing needs of very citizen, someone has to pay for the cost of providing such housing and it is therefore most logical to expect the one who requires housing to pay for.

Before examining the capacity of women to meet the cost of their housing needs, it is important to understand who they are both in terms of their characteristics and demographics.

Data from the 1992 Zimbabwe National Population Census indicates that women constitute 51% of the total population of Zimbabwe. Of the total population, 57% are below the age of 20 years and generally speaking, these people are dependent in terms of securing shelter. Added to a highly dependent population in terms of age, 16% of Zimbabwe's population were economically inactive for some of the following reasons: retired, sick, old or otherwise. People in this category usually depend on women to ensure access to adequate shelter. As already discussed earlier on, women have the greater obligation for ensuring that such a dependent population has adequate shelter even if such shelter would be financed by men.

31% of Zimbabwe's population resides in urban areas and about 48% of the urban residents are women. 33% of all households in Zimbabwe are headed by women. On average, women in Zimbabwe have about 6 children while the household size ranges from 1 to 11 persons. Women aged from 15 years to 49 years head most of the households and the modal size for these households is 2, 3, and 4 persons.

The above statistic together with the foregoing discussion indicate that women have a very high responsibility for providing shelter compared to men. The question to ask is whether women are in a position to finance this responsibility given the level of their activity in the cash economy. Data from the 1992 census indicates that in general terms, more women have little or no education when compared to their counterparts. In fact, very few women have high levels of education when compared to men. This background makes it difficult for women to engage in high income level occupations as is amply demonstrated by the following statistics:-

Of the economically active population (i.e. active in the cash economy), 39% are women. On a national level, women make up about 23.6% of the paid labour force. The majority of women work for themselves (56.49%), unpaid family workers (73.7%) and unemployed (38.67%).

The 1992 census statistics make clear two very important points:-

- women carry a heavy burden in terms of ensuring the provision of adequate housing for those who are dependent on them;
- women do not have the economic means to carry out their roles and responsibilities as outlined in the section 1.0 of this paper.

3.0 AVAILABILITY OF HOUSING IN URBAN AREAS

The fact that there is a grave shortage of housing, especially for the low income groups has been well documented in the press and is evidenced by the following factors:-

- a) long housing waiting lists which continue to grow on a year by year basis for every urban centre in Zimbabwe;
- b) shortage of serviced stands;
- c) the ever growing number of squatter colonies and the increasing population of people living on streets;
- d) shortage of educational and health facilities whose overcrowding and understaffing has become a perennial problem;
- e) poorly maintained old housing stocks which are available for renting, clear examples being Mbare in Harare, Sakubva in Mutare and Rimuka in Kadoma;
- f) lack of utilities such as water, waste disposal, electricity - clear examples are the perennial sewage problems of Chitungwiza.

Enquiries at the Central Statistical Office indicated that there are no clear statistics to quantify the above problems at national level, let alone having statistics which indicate the absolute demand for housing based on gender. Given the big responsibility women have to ensure adequate housing for those who are dependent on them when compared to men, it becomes clear that at the strategic planning level, there is little consideration given to women's housing needs.

The above is supported by the fact that a brief survey of some of the major local authorities indicated that there was no readily available information on women who are:-

- on the waiting lists for housing;
- living in squatter colonies and living on the streets;
- owning or renting houses in the urban areas.

Such important statistical information would help to quantify the gender specific problems in housing and therefore lay a proper basis for effective long term planning. Current interventions in the form of housing projects and programmes are therefore designed in general terms, a situation which makes it difficult to ensure targeted improvement strategies and or monitoring progress being made in helping women to ensure adequate housing for those who are dependent on them.

4.0 PROBLEMS FACED BY WOMEN IN SECURING HOUSING FOR THEIR DEPENDENTS

Women face three major problems in trying to ensure adequate housing for their dependents:-

a) Insecurity of tenure

Married women who may be lucky enough to live in a matrimonial home do not always have security of tenure. In the majority of cases, such homes are purchased in the name of the husband only. There have been numerous cases where men sell the family home without the knowledge of their wife (wives) so that women experience tremendous difficulties with the children and other dependants when they are evicted by the new owners. Only on Monday, 18 September 1995, The Herald carried a story of a woman who was squatting outside her Hatfield home after being evicted when her fugitive husband sold the house without informing the wife. This husband is safely ensconced with another wife in Zambia. In another recent case, a woman who had greatly contributed to the acquisition of the family home through various informal sector activities found herself being evicted after the house had been sold without her knowledge by a husband who had deserted her.

Divorced, separated, deserted and widowed women do not have secure rights to the family home where either the husband and or his relatives dispose of such property without reference to such women. There is no law in Zimbabwe to protect the rights of women to the family home even in situations where they contributed to the purchase of the home or in situations where these women's names appear on the title deeds. In the latter case, women are subjected to such severe physical, emotional and psychological pressure that they are forced to let go of the family home without a suitable alternative for their children and other dependants.

b) Difficulties in accessing land and or houses

Because of their meagre financial resources, women find it difficult to secure land for erecting houses or to make outright purchases of existing houses. Most women are not engaged in paid formal jobs and tend to work in low paying occupations such as domestic service, petty trading and peasant farming. This means that the majority of women have low incomes and are not even in a position to prove that they have such an income in order to qualify for loan finance. This has meant that this section of our society has greatly missed on the post independence donor funded subsidised housing projects.

Selection criteria and procedures tend to lack transparency and thus require a high level of assertiveness in order to obtain land or housing from local authorities. Because of their low levels of education, women tend to find official channels of obtaining housing to be rather unfriendly and unhelpful. For instance, women who would like to place their name on a housing waiting list has to prove that they are not married and usually, this information has to be provided to public

officials while standing in a queue at a counter which is placed in a very public place. Men are not automatically asked these questions.

c) High cost of construction

High building standards and expensive building materials have continued to create difficulties for the poor in general and women in particular when such people have been lucky enough to secure land for building. In quite a good number of cases, these people end up selling their stands to those who can afford to build.

Women lack skills to properly manage building projects cost effectively so that a lot of money can be lost when wrong materials have been purchased or when builders have to pull down sections of a building because they have made a mistake. Both cultural factors and low levels of education make women vulnerable to abuse by those who sell building materials and building services.

5.0 DRAWING CONCLUSIONS

This paper has amply demonstrated that the gender perspective of housing is a living reality for the following reasons:-

- a) because of their social roles, women have the greater responsibility for providing shelter for their children and dependants when compared to men. Even if men generally pay the purchase price, it is the women who have to ensure that everyone in the family is housed adequately.
- b) women do not have adequate social and economic means to ensure adequate housing for their dependants for several reasons.
- c) current housing policies and programmes do not make a specific effort to address women's housing needs - both local authorities and financial institutions say that they do not discriminate against women. However, various handicaps on the part of women puts them at a greater disadvantage when they are given the so called equal treatment with men.

6.0 RECOMMENDATIONS FOR IMPROVING THE SITUATION FOR WOMEN

In trying to address the problems women face when trying to secure adequate shelter for their children and dependants so that they can adequately perform all the roles assigned to them by society, the following are some of the issues that have to be tackled. By so saying, I am not suggesting that men have no housing problems - I am only suggesting that housing problems have a more poignant negative effect on women because they have the final responsibility of sheltering their children and their

dependants. It is difficult to imagine a father (unless he is without a wife) having to cope with children who have nowhere to play or having to queue up for medical attention when a child falls sick. The following are therefore some of the strategies which have to be adopted by those who have the responsibility and interest in providing adequate housing in Zimbabwe:-

6.1 Allocation of land and housing

Both central government and local authorities should adopt housing policies and procedures which are transparent, simple to understand and comply with. Policies and procedures should afford women maximum protection against being cheated out of the family home on the one hand, and on the other hand, all clients - especially women - should be afforded high levels of confidentiality in all matters concerning their efforts to secure housing. Public authorities have to ensure that every housing project sets aside a certain quota for women especially those who are heads of household.

Public authorities should have relevant training programmes which prepare public officials to become more gender sensitive when allocating housing.

6.2 Access to funds for building and or purchasing houses

Both public authorities and the private sector should implement strategies which facilitate women's access to loan finance. Specifically, housing co-operatives and group lending schemes should be strongly encouraged to obviate the need for providing acceptable proof of income. The peer pressure which would be generated by such strategies would ensure that loan defaulters are kept to a minimum.

6.3 Provision of appropriate community facilities at affordable prices

Childcare, educational and health facilities should be increased in all urban areas in order to save women time. Such extra time gains would enable women to increase their income generating capacity. Currently, a lot of time is spent by women queuing up in order to seek medical treatment or services for incapacitated family members.

6.4 Creating employment opportunities closer to home

Because of their educational and skills levels, women tend to work in the informal sector. Most urban areas in Zimbabwe were not developed to promote the informal sector. It is therefore very important for the public authorities to develop new strategies which make available appropriate work space at affordable prices for women working in the informal sector. Clear examples are the lack of well designed and well sited vegetable vending sites and the lack of vocational training programmes to promote entrepreneurship among women. Women lack business skills which would enable them to produce quality goods and market in an efficient way. Public

authorities should therefore provide training facilities for women who have to work in the informal sector.

6.5 Efficient public utilities

Public authorities need to make adequate provisions in terms of water, waste disposal, energy and roads to lessen the time consuming problems experienced by women to create a healthy living environment for their children and other dependants.

6.6 Improved statistics for planning

Data collection methods have to improve in order to show the true position of women's housing needs. All long term planning should be based on adequate and appropriate information in order to make interventions successful.

6.7 Setting realistic development standards

Public authorities have to review current housing and building materials standards which were based on British colonial standards in order to take account of Zimbabwe's socio-economic environment. Technological advances which have been made in the last decade makes it possible to lower standards without compromising safety and healthy standards.

HOUSING FOR AND BY THE DISADVANTAGED GROUPS
IN OUR SOCIETY

BY

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CITY OF BULAWAYO

KADOMA RANCH MOTEL

THURSDAY, 28TH SEPTEMBER, 1995

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1. INTRODUCTION

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 - 3.1. Government and Local Authorities (These should not be competing, but rather complementary).
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 - 3.6.2. Scale and Speed of Delivery :
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4. Key Strategic Issues (What should they be?)

4.1. Institutional Arrangements

4.1.1. Housing Powers :

- Should delivery continue through the Ministry of Public Construction and National Housing or should a Housing Corporation be created ?
- Should Local Authorities continue to provide and depend on Government whims to get cheap money for the disadvantaged groups' housing ?
- Need for clear roles and functions.
- Important checks and balances.

4.1.2. Individual vs. Collective Consumerism :

- Consumer protection
- Consumer empowerment
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5. What Should be the Overall Plan
- 5.1. Focus on Very Poor
 - 5.1.1. Recognise the special needs of disabled and infirm as well as the elderly.
 - 5.1.2. Recognise unemployed, vendors and those in informal sector.
 - 5.1.3. Rental tenure to be re-introduced in areas where the very disadvantaged are concerned.
- 5.2. Use of locally available materials like laterite, wood and thatch to name a few (i.e. the whole issue of minimum standards needs reviewing with a view to scrapping those that are a hindrance.)
- 5.3. Conservation of scarce resources by cutting dependence on foreign technology where it is not needed.
- 5.4. A thorough investigation be carried out on pre-fabricated material structures to enable squatters/unplanned settlements to mushroom in cases of unemployment or loss of homes by those that are thrown out of their houses by auctioneers.
- 5.5. Subsidies where possible should be made on land and construction prices.
- 5.6. Deferment of payments of stand prices where possible should be made.

- 5.7. Interest rates for housing should be lowered to be manageable by the low income earners.
- 5.8. Co-operatives should be further encouraged.
- 5.9. Unplanned settlements/squatting should not be discouraged but should be planned to enable up-grading in future. Up-grading could take stages beginning with stand-pipes, pit latrines and orderly prefabricated structures. Zoning should remain to control sprouting of these anyway and everywhere. In fact they should be in line with the Master Plan requirements, i.e. to be allowed where Master Plan development projects housing development.
- 5.10. All housing actors in the country should work together as they are already doing to enhance further housing production.
- 5.11. Serious consideration should be given to setting up a body - something like a housing corporation - to formulate, co-ordinate and implement housing policies, including the sourcing and disbursing of housing finance as well as construction in cases where Local Authorities have no capacity to construct.

6. Conclusion

INTRODUCTION

1. Broad Definition of the Disadvantaged Groups

A definition of the disadvantaged groups as it relates to housing should encompass the low income earners (approximately 80% on local authorities housing waiting lists) the unemployed, the disabled and infirm (what is called in Canada and elsewhere in the world the special needs groups), the vendors and those employed in the informal sector. It also must include those who in other countries rely on Public and Social housing schemes. People with very little or no collateral when it comes to borrowing housing finance from money lending institutions as well as those who cannot raise capital to build the very minimal or adequate dwelling.

As already stated above Local Authority Central Registry Housing waiting lists show that the queues get longer and longer. In Bulawayo the Director of Housing and Community Services' report of June 1995 indicates that by the end of that year people on the waiting list were 24 110 and of those nearly 80% were in the disadvantaged groups category, i.e. earning a \$1 000 per month and less. (see also Pie Chart). The Executive Director of Housing People of Zimbabwe advised the Directors of Housing and Community Services' forum in February 1995 that"the number of units required to house the urban population in need of shelter by the year 2000 is estimated at 660 000. The level of delivery needed to meet this backlog is 84 000 units per year. However the current delivery level is only 14 000 units per year. An annual deficit of 70 000". (1)

Diana Auret in her recent publication places the figure of people without adequate housing in the country at an estimated 1.5 million.(2) She goes further to indicate that a third of the world's urban population live in informal housing or 'squatter' settlements and that currently 110 000 people are living in squatter settlements in and around Harare alone.(3) Reports of squatter settlements are abound from the rest of the country. Most of the towns and cities country-wide report backyard illegal settlements. Examples are shanties of Mbare in Harare, Iminyela/Mabutweni in Bulawayo and Sakubwa in Mutare.

- (1) Munzwa, K. (1995)
- (2) Auret, D. (1995) p.1
- (3) ibid p.1

This scenario as any Director of Housing and Community Services in Zimbabwe would tell you represents a serious shortage of accommodation for our urban population especially the disadvantaged groups. The problem as already been indicated manifests itself in the form of shanties, slums and informal settlements.

It goes without saying too that the low income earners, under employed, unemployed, those laid off due to Esap, the elderley, the disabled (blind beggars, the paraplegics, and the other infirm) and a recent phenomenon of the street kids bear the most brunt. Zimbabwe has no programme, that one can refer to for the disabled except dependance on benevolent societies and individuals. As it is the rest of these people will die in institutions with no chance of ever owning a home. Unlike in other countries, especially in Canada where through the Canadian corporation the 'special needs' people are provided with adequate housing. The rest of the populace is encouraged to build homes and fit them with 'special needs' facilities for the disabled and the Government subsidises them.(4)

2. Current Government Policy Regarding Housing For and by the Disadvantaged Groups

Prior to independence in 1980, the standard plot size for low income housing was 50 to 200 m². Low income housing was then predominantly for rental purposes, with a few exceptions in the larger cities such as Harare, Bulawayo, Gweru and Mutare where some houses were on long leases a type of home ownership tenure. Government, through the then Ministry of Local Government and Housing, and Local Authorities were the major providers of housing, including servicing and superstructure construction. The private sector only participated in the provision of middle and high income housing where its investment was safe and there was collateral. The production of low income housing was then carried out by large building contractors contracted by Council to do the work. Other forms of housing construction such as aided-self-help, building brigades, co-operatives etc. were little used then.

(4) Robinovitch, J and Weber, D (1993)

The situation changed markedly at independence. In line with its election manifesto, government took a very strong interest in housing development, its stated aim being to provide every family in the urban area with decent durable and affordable housing. Because the housing were to be durable and aesthetically acceptable standards were set as follows:-

- (a) an expandable and detached four-roomed core house (two bedrooms, one sitting/dining room) with a minimum room size of 7 m²;
- (b) minimum plinth size of 50 m²;
- (c) minimum plot size of 300 m²;
- (d) walls constructed of either burnt bricks, cement blocks, or established solid blocks and coated with cem-wash ;
- (e) floor made of cement and smoothly finished, roofs of corrugated iron and asbestos sheets or tiles; and
- (f) all low cost housing suburbs in the urban areas were to be serviced with running water, sewerage reticulation, electricity, access roads and storm water drains.

Local Authorities also had an elaborate system of byelaws to back up the above standards.

In 1992, and after pressure from Local Authorities and housing agents, especially the Housing and Community Services Forum that existing standards were a strain on the disadvantaged groups and on affordability, the Government reviewed them. The plot size for low income detached housing schemes now range between 150 m² and 300 m² while the minimum plinth area has been reduced from 50 m² to 36 m².

The minimum size of expandable house has now been reduced from four rooms to a wet block plus one other room. Burnt farm bricks have been added to the list of building materials that can be used in low income housing construction.

As we shall see later, although these revised standards may help to reduce costs, they are likely to have only minimum impact on affordability: it is a question of too little too late. The new standards do not go far enough to reverse the present trends.

However, these changes are encouraging in that they do show that we are becoming responsive to the realities of the situation.

Whereas the above infrastructural costs accrue as a result of direct servicing of the individual beneficiary's stand/plot, one must add the costs of servicing public and social institutional sites in any layout, like :-

- (a) 1 primary school per 500 household - 6 hectares;
- (b) 2 secondary schools per 5 primary schools - 12 hectares each;
- (c) 1 place of public assembly per 1 500 people - 1.2 hectares;
- (d) 1 community centre per 10 000 people - 0.2 hectares;
- (e) 1 area administration office as needed - 0.5 hectares;
- (f) 1 police office as needed - 1 hectare;
- (g) 1 primary care clinic per 140 000 people - 0.7 hectares;
- (h) commercial facilities per 1 000 people - 0.3 hectares;
- (i) services (day-to-day needs) industrial - 0.6 hectares;
- (j) open space/recreational facilities - 10% of total land (in this case costs are added onto by extending the infrastructure across);
- (k) beergarden - 0.3 hectares;
- (l) public parking :- 1 bay per 3-metre shop frontage
- 1 bay per 20-metre hall seats
- 1 bay per 40 m² beergarden; and
- (m) sewage treatment works - 0.4 hectares per 1 000 people.

The cost of servicing all the above public and social facilities is shared by household according to plots being purchased, i.e. each plot purchaser is levied with proportionate cost of servicing public and social plots within a given layout.

Other additional costs are attributable to survey, these include cost of administration, paperwork in respect of general and layout plans, survey charges, legal and transfer charges as well as the cost of the intrinsic value of land itself.

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Due to the cost of infrastructure inputs discussed above the cost of serviced stand/plot ends up very high. In this regard it is estimated that in Harare the stand prices for 300 m² are around \$13 500, in Bulawayo the unsubsidized cost of servicing is nearly \$10 000 and that effectively places the price of stand at over \$10 000. Other parts of the country report similar prices. The prices include the intrinsic value of land which in Zimbabwe is quite negligible.

When the superstructure construction costs are added the price of the finished product is way above the reach of the disadvantaged groups. With the building standards to be maintained the prices escalate even further. Presently a two-roomed 'shell' plus bathroom and toilet in Bulawayo cost \$16 000 and a four-roomed plus bathroom and toilet is now nearly \$27 000. Most of the low income earners/disadvantaged groups cannot afford these costs. In fact loans raised by the very low income earners can rarely purchase the stand.

It will be argued below that the infrastructure and superstructure standards should be reviewed to allow the disadvantaged groups to build their homes without some unnecessary services which could come later. These could include, for example, the need to service every plot with water when a stand pipe for a number of households could suffice; use of pit latrines or V.I.Ps instead of water-borne toilet systems; not tarring of roads; removal of the burden of servicing social amenities from the poor and an entire revision of those standards with very little health connotations attached to them.

The Tenure System

On the tenure aspect, government in 1990 adopted a policy to promote homeownership for all the low income urban dwellers, the objective being to provide security of tenure to occupants of urban housing. Under this policy, 90% of all new houses were to be on homeownership and, at the same time, all existing houses were to be converted to homeownership, the first option being given to sitting tenants. Before the existing houses were converted to homeownership, it was a pre-condition that each house be supplied with electricity and was connected to clean piped water and underground water borne sewerage system. In addition, each house had to have its own toilet/shower before being converted to homeownership. Houses that did not meet the basic requirements could not be converted to homeownership, and therefore had to first be up-graded to meet the laid down requirements. This policy saw whole housing estates converted into beautiful suburbs.

As would be expected under the new policy, rented accommodation was reduced to the barest minimum and, as the private sector became more and more involved in low cost housing provision, rented accommodation virtually disappeared from the scene. The following table shows the rented housing situation in Gweru since the adoption of the homeownership policy.

Table I : Housing Statistics - 1980

	<u>1 room</u>	<u>2 rooms</u>	<u>3 rooms</u>	<u>4+ rooms</u>	<u>Total</u>
Rented Accommodation	816	7 253	249	859	9 177
Home Ownership	-	-	-	4 532	4 532
TOTAL	<u>816</u>	<u>7 253</u>	<u>249</u>	<u>5 391</u>	<u>13 709</u>

Table 2 : Housing Statistics 1995

	<u>1 room</u>	<u>2 rooms</u>	<u>3 rooms</u>	<u>4+ rooms</u>	<u>Total</u>
Rented Accommodation	816	-	-	-	816
Home Ownership	-	7 253	249	7 477	14 979
TOTAL	<u>816</u>	<u>7 253</u>	<u>249</u>	<u>7 477</u>	<u>15 795</u>

According to the above figures, rented accommodation units have reduced from 9 177 in 1980 to 816 in 1995. Going by the present trends, the numbers can only reduce further, and not increase.

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To achieve the above, Government marshalled delivery through Local Authorities using National Housing Fund, it sourced external loans through the World Bank, USAID etc. Delivery was undertaken directly by it through the Ministry of Public Construction and National Housing. Co-operatives, employer assisted schemes and joint ventures were encouraged. Recently Pay for your House now schemes are being encouraged.

Although the above may be haphazard one reads from it an unstated policy by Government of increasing housing stock in the country. Whether the disadvantaged groups benefit is another story and will begin to unveil as we go on.

3. Who are the Actors in Present Housing Delivery Processes to the Disadvantaged Groups? Are all doing their bit? (Current Processes)

As already stated in (2) above there are several actors in the housing field. Notably those with anything to do with housing for the disadvantaged groups are Government through Ministry of Public Construction and National Housing, Local Authorities, International Aid Agencies, Co-operatives, Employers and individuals through personal savings. In a rather crude manner unplanned squatter settlements and illegal structures can also be classified as current efforts that provide housing to the disadvantaged.

3.1. Current Processes a Critical Appraisal of the Processes

As already indicated above housing provided by most agents are not affordable by the disadvantaged groups. Firstly because of the issue of standards, which are still very high for the unemployed, the under-employed or lowly paid, the vendors, the elderly, the disabled and those irking for a living in informal sector.

The above groups have no access to credit as in the main they have no personal savings. If one has no personal savings, owns no immovable property it stands to reason that they have no collateral and as such have no access to credit.

Because of lack of employment or incomes Government finds it hard to raise sufficient fiscus to sustain housing for the disadvantaged which needs subsidisation.

Housing for the disadvantaged groups is therefore fiscally unaffordable. Hence the land invasions, i.e. unplanned settlements (squatting) discussed in (1) above.

In cases where Local Authorities, the Government and other agents have tried to reduce the burden to the poor by using innovative designs, e.g. match-boxes, 'shells' in Bulawayo and even lowering interest rates and other form of subsidisation, inflation has caught up and whittled away those gains and efforts.

A good example of the above is the effort by USAID to fund housing for people below \$1 200 in incomes at 14,5%. Even with stretching the loan repayment mode to include a lodger, most families will still afford a one-roomed house and what is more will not afford anything at all at lower salaries (see sample chart). Loan repayments for two and four-roomed 'shell' houses in Bulawayo have risen to around \$300 per month yet the interest is as low as 13% and land prices are subsidised and presently are sold at only \$5 000.

It goes without saying therefore that efforts have not even begun to tough the low income families and those in special needs groups. And as fate would have it these are the people endowed with large families. Whereas affordability theories tend to match the size of square metreage affordable with the size of family here one finds its the opposite, hence the over-crowding and subsequent backyard shanty structures as well as squatting.

Conventional housing delivery does not meet the requirements.

4. Key Strategic Issues (What Should they be?)

4.1. Institutional Arrangements

The Ministry of Local Government, Rural and Urban Development is the parent Government Ministry to Local Authorities, however, on housing matters generally, Local Authorities deal with the Ministry of Public Construction and National Housing, which administers the National Housing Fund (NHF), the Government agency responsible for financing housing development in the country. The same Ministry is also responsible for administering National Housing Policy and policy guidelines. Of late the Ministry has also become directly involved in the actual construction of houses in local authority areas even those local authorities with the capacity to build, whereas before it only concerned itself with those small local authorities without the capacity.

The implications of this new development have yet to be assessed.

There is however a school of thought that suggests it would be ideal for the Ministry to remain a facilitator and not get involved in construction. This school feels the Local Authorities and the Ministry should complement each other and not be competitors.

Without pointing a finger, it has been indicated that many a times borrowing powers have been granted to Local Authorities but the facilitator has failed to timeously provide the conduit for the money from Treasury. Questions are being posed whether this is the same money being used by the Ministry to construct housing when there are some Local Authorities with the capacity and standing building brigades ready for deployment but no money to utilise. Money from Government is vital as it is cheap and can be passed on to construct relatively accessible housing for some of the disadvantaged groups. It is felt that although some of the Ministry's housing is accessible to the latter group most of it is not and tends to benefit a better off group and mainly civil servants.

There is also the feeling that once the Ministry has built the houses it also gets involved in collecting money in areas of different local authorities jurisdiction and creates fragmentation in administration of those areas.

Another school feels the Ministry is right to get involved in construction and provide the leadership to local authorities. In fact others take it further to suggest a creation (at the risk of adding to the already existing parastatals) of a Public Housing Corporation to formulate, co-ordinate and implement housing policies, including the sourcing and disbursing of housing finance as well as construction in cases where Local Authorities have no capacity to construct.

The argument for that is that clear roles and functions of the actors can be drawn and mostly checks and balances be provided.

4.2. Individual vs. Collective Consumerism

There is also a feeling that when people struggle for housing as individuals their efforts take a long time to be rewarded because of lack of financial capacity and 'political' clout.

As such efforts being made by the Ministry to marshal the people together in form of Pay for Your House Now Schemes, encouraging co-operatives, employer assisted schemes and so forth. As a group it is felt the disadvantaged groups will enjoy consumer protection they do not get as individuals because of lack of collateral. They also experience consumer empowerment by pooling their resources together. Maybe there is reason to believe that 'Urgency', i.e. co-operatives could speed up the processes. In this vein a suggestion made earlier by this same writer to convert those local Non-Governmental Organisations with capacity into Housing Associations in the form of the British Associations could also yield some results.(5)

5. What Should be the Overall Plan ?

- 5.1. Focus on Very Poor :-
 - 5.1.1. Recognise the special needs of disabled and infirm as well as the elderly ;
 - 5.1.2. Recognise unemployed, vendors and those in informal sector ;
 - 5.1.3. Rental tenure to be re-introduced in areas where the very disadvantaged are concerned.
- 5.2. Use of locally available materials like laterite, wood and thatch to name a few (i.e. the whole issue of minimum standards needs reviewing with a view to scrapping those that are a hindrance.)
- 5.3. Conservation of scarce resources by cutting dependence on foreign technology where it is not needed.
- 5.4. A thorough investigation be carried out on prefabricated material structures to enable squatters/unplanned settlements to mushroom in cases of unemployment or loss of homes by those that are thrown out of their houses by Auctioneers.
- 5.5. Subsidies where possible should be made on land and construction prices.
- 5.6. Deferment of payments of stand prices where possible should be made.

- 5.7. Interest rates for housing should be lowered to be manageable by the low income earners.
- 5.8. Co-operatives should be further encouraged.
- 5.9. Unplanned settlements/squatting should not be discouraged but should be planned to enable up-grading in future. Up-grading could take stages beginning with stand-pipes, pit latrines and orderly prefabricated structures. Zoning should remain to control sprouting of these anyway and everywhere. In fact they should be in line with the Master Plan requirements, i.e. to be allowed where Master Plan development projects housing development.
- 5.10. All housing actors in the country should work together as they are already doing to enhance further housing production.
- 5.11. Serious consideration should be given to setting up a body - something like a housing corporation - to formulate, co-ordinate and implement housing policies, including the sourcing and disbursing of housing finance as well as construction in cases where Local Authorities have no capacity to construct.

6. Conclusion

Zimbabwe is making every effort to come up with new approaches to housing development intended to improve affordability, thereby increasing access to housing by people in the low income bracket, and the disadvantaged generally. It however, has had problems in that in its past policies it had tended to be reactive instead of being pro-active. What is happening now, this Conference and others on housing seem to be the beginning to anticipate and address the issues in advance.

In the above vein it would be in order to end this treatise on Housing for the Disadvantaged Groups with a thought from a Malaysian author Yeh :

"Each country must review its own options. Similarly, housing standards depend on financial and other resources available to the poor. Housing standards should be improved

for the whole urban population and not just for certain segments. However, three characteristics are desirable in all housing policies and programmes. They should:-

- (a) be flexible to cope successfully with changing social, political and economic circumstances;
- (b) they should be comprehensive and draw on all possible sources of low-cost housing, whether conventional or not; Finally,
- (c) they should be scaled to meet specific requirements of the poor, within their financial resources. Unquestioning attempts to emulate the apparent success of other and wealthier countries should be particularly avoided." (6)

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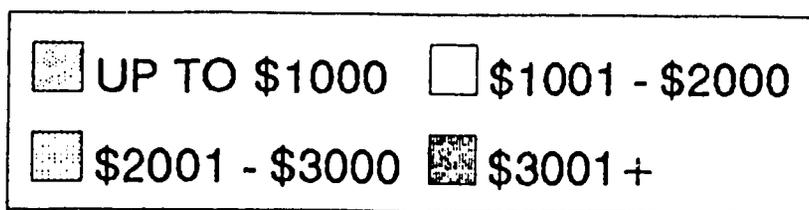
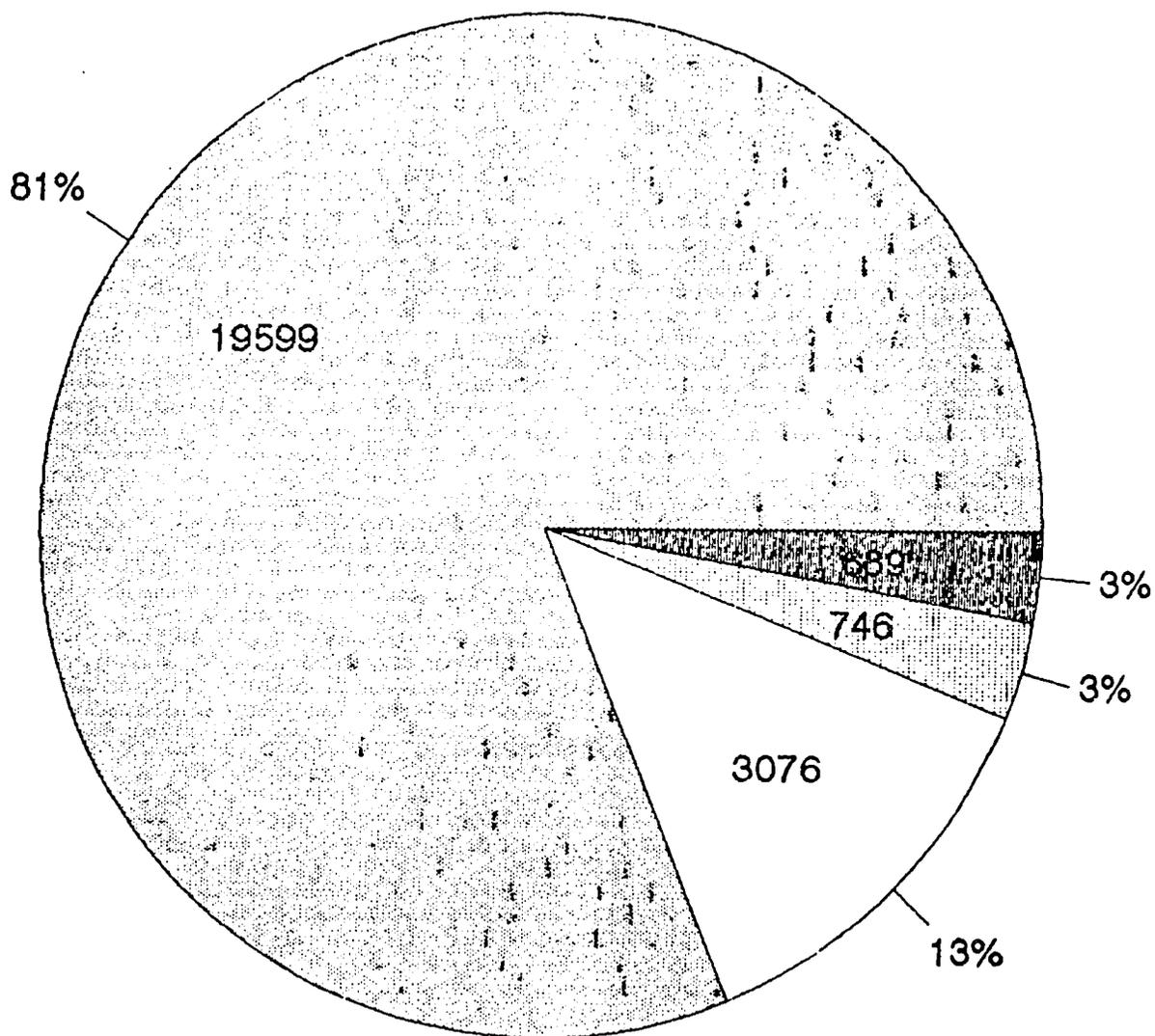
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ANNEXURE I

INCOME DISTRIBUTION OF THE 24110 APPLICANTS ON THE DHCS WAITING LIST

AS AT 30 JUNE 1994



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USAID/WORLD BANK : AFFORDABILITY SCHEDULE (LESS THAN TWO LIVING ROOMS) ANNEXURE II

* (Assumption is that any loan over \$27000 will provide at least two living rooms)

Inc. me	Repayment 30%	Add Lodger Allowance	Maximum Repayment	Maximum Loan	Add 5% Deposit	Maximum Purchase Price	Front End Costs	Total Savings Required
\$	\$	\$	\$	\$	\$	\$	\$	\$
4000	1,200	100	1,300	68,710	3,616	72,327	2,438	6,058
3900	1,170	100	1,270	67,125	3,533	70,658	2,422	5,954
3800	1,140	100	1,240	65,539	3,449	68,989	2,405	5,854
3700	1,110	100	1,210	63,953	3,366	67,319	2,388	5,754
3600	1,080	100	1,180	62,368	3,283	65,650	2,372	5,654
3500	1,050	100	1,150	60,782	3,199	63,981	2,355	5,554
3400	1,020	100	1,120	59,197	3,116	62,312	2,338	5,454
3300	990	100	1,090	57,611	3,032	60,643	2,321	5,354
3200	960	100	1,060	56,025	2,949	58,974	2,305	5,253
3100	930	100	1,030	54,440	2,865	57,305	2,288	5,153
3000	900	100	1,000	52,854	2,782	55,636	2,271	5,053
2900	870	100	970	51,268	2,698	53,967	2,255	4,953
2800	840	100	940	49,683	2,615	52,298	2,238	4,853
2700	810	100	910	48,097	2,531	50,629	2,221	4,753
2600	780	100	880	46,512	2,448	48,960	2,205	4,653
2500	750	100	850	44,926	2,365	47,291	2,188	4,552
2400	720	100	820	43,340	2,281	45,621	2,171	4,452
2300	690	100	790	41,755	2,198	43,952	2,155	4,352
2200	660	100	760	40,169	2,114	42,283	2,138	4,252
2100	630	100	730	38,584	2,031	40,614	2,121	4,152
2000	600	100	700	36,998	1,947	38,945	2,104	4,052
1950	585	100	685	36,205	1,906	38,111	2,096	4,002
1900	570	42	612	35,000	1,842	36,842	2,083	3,926
1850	555	57	612	35,000	1,842	36,842	2,083	3,926
1800	540	72	612	35,000	1,842	36,842	2,083	3,926
1750	525	87	612	35,000	1,842	36,842	2,083	3,926
1700	510	100	610	34,897	1,837	36,734	2,082	3,919
1650	495	100	595	34,039	1,792	35,830	2,073	3,865
1600	480	100	580	33,181	1,746	34,927	2,064	3,811
1550	465	100	565	32,323	1,701	34,024	2,055	3,756
1500	450	100	550	31,465	1,656	33,121	2,046	3,702
1450	435	100	535	30,606	1,611	32,217	2,037	3,648
1400	420	100	520	29,748	1,566	31,314	2,028	3,594
1350	405	100	505	28,890	1,521	30,411	2,019	3,540
1300	390	100	490	28,032	1,475	29,507	2,010	3,485
1250	375	100	475	27,174	1,430	28,604	2,001	3,431
1200	360	100	460	32,463		32,463	2,040	2,040
1150	345	100	445	31,404		31,404	2,029	2,029
1100	330	100	430	30,346		30,346	2,018	2,018
1050	315	100	415	29,287		29,287	2,008	2,008
1004	301	100	401	28,313		28,313	1,998	1,998
950	285	100	385	27,170		27,170	1,987	1,987
900	270	50	320	22,583		22,583	1,941	1,941
850	255	50	305	21,524		21,524	1,930	1,930
800	240	50	290	20,466		20,466	1,920	1,920
750	225	50	275	19,407		19,407	1,909	1,909
743	223	50	273	19,259		19,259	1,908	1,908
700	210	50	260	18,349		18,349	1,898	1,898
650	195	50	245	17,290		17,290	1,888	1,888
600	180	50	230	16,231		16,231	1,877	1,877

Notes :

- Maximum repayments on incomes below \$1004 calculated at 14.5% (\$14.17/\$1000) including Life and House Owners Insurance cover.
- Maximum repayments on incomes above \$1004 and loans under \$35 000 calculated at 18.5% (\$17.48/\$1000) including Life and House Owners insurance cover.
- Maximum repayment of loans of over \$35000 calculated at 20.% (\$18.92/\$1000) including Life and House Owners insurance cover.
- Front end charges based on a \$13 500 (Harare) stand and include :
 - Transfer and Bond Registration Fees \$790
 - Service Connection Fees \$900
 - Three months Life Insurance Premiums \$25
 - Plan approval fees at 1% of construction costs

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**OUR LIVING AND BUILT ENVIRONMENT
PLANNING AND MANAGEMENT FOR SUSTAINABILITY.**

(Local Authorities And Agenda 21)

(A paper presented at the USAID sponsored Shelter Review
workshop: Kadoma Ranch Motel September 28 1995)

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INTRODUCTION

The post World War II industrial boom and increased consumption in Western Europe and North America has resulted in widespread pollution and despoilment of the capacity of the planet to sustain life. Evidence of this lies in the impacts of human activity on the earth which include, among others, increased rates of soil erosion, ozone layer depletion, loss of agricultural land, increased water pollution, global warming leading to climate change and increased incidents of acid rain. Fears of the possibility of stock resources being exhausted has brought about the realization that the natural environment is virtually a closed system with fixed dimensions in terms of mass, energy and assimilative-regenerative capacity. There is a basic incompatibility between the growth oriented nature of established economic institutions and the fixed limits of the earth's resource stock which demands a reordering of world consumption patterns and international trade relations to achieve a balance between the stock and consumption.

The 1970's saw the international community rally together to address the problem of global environmental decline with the holding of the Stockholm Conference on the Human Environment in 1972 which resulted in the setting up of the United Nations Environment Programme. This conference, the first in history to focus directly on environmental issues, set in train a chain of events including the setting up of the World Commission on Environment and Development in 1983 and the holding of the first Earth Summit held in Brazil in 1992. The report of the World Commission on Environment and Development, "Our Common Future", published in 1987, recommended a change of direction in the development process if the destruction of the basis of life on earth was to be averted. The concept of sustainable development was introduced to the development planning lexicon by this report. This concept is a political philosophy which implies economic and social development where the basic needs of the day are met within the framework set by nature without destroying the ability of future generations to meet their basic needs. Sustainable development has also been simply described as development without destruction.

The worsening of the extent of global environmental problems and the increased desire by the international community to achieve sustainable development resulted in the staging of the largest environmental conference in history, the UN Conference on Environment and Development (UNCED) in Rio de Janeiro Brazil in 1992. A total of 179 governments came together at this conference and were joined by representatives of UN agencies, municipalities, business, the scientific community and those from NGOs and other local organizations. This conference was a culmination of years of consultations across interest borders through which governments consulted with NGOs, community groups etc in their own countries to formulate country positions before attending the conference.

The Rio conference had five main products:

1. The Rio Declaration on Environment and Development which defines the rights and responsibilities of nations as they pursue human development.
2. Principles to guide the management of Forests.
3. The UN framework Convention on Climate Change.
4. The Convention on Biological Diversity and
5. Agenda 21.

AGENDA 21.

Agenda 21 is a blue print and a global plan of action on how to make development socially, economically, and environmentally sustainable from now into the next century. While economic development is an imperative for continued creation of healthy societies the process has to be pursued in a manner that is less ecologically destructive than is currently the case. Agenda 21 recognizes population, consumption, and technology as the primary driving forces of environmental change and the fact that poverty and environmental degradation are undermining international attempts at creating healthy economies.

The document

- a) lays out a plan of action for the reduction of wasteful and inefficient consumption patterns in some parts of the world while encouraging increased but sustainable development in others;
- b) offers policies and programmes to achieve sustainable development;
- c) provides options for combating land degradation and that of the diversity of species of life;

d) deals with poverty, excessive consumption, health and education, cities and farms, community groups and NGOs. In terms of the agenda there is a role for everyone in a world where sustainable development is the guarantee to reversing both poverty and environmental destruction.

Through the adoption of Agenda 21 developed nations pledged to provide more funding to help other nations develop in ways with less environmental impact. The need for international cooperation in building expertise and capacity to plan and carry out sustainable development decisions was underlined in the document while governments the world over were encouraged to adopt national strategies for sustainable development with the widest participation of all concerned, including NGOs. Partnerships for such participation were to be forged with regional, state, provincial and local governments.

LOCAL AUTHORITIES AND AGENDA 21

Comprising forty chapters, Agenda 21 is divided into four sections: **social** and economic dimensions, conservation and management of **resources**, strengthening of the role of major groups in society and **means** of implementation.

While Agenda 21 places a lot of focus on solutions to the **environment** and development question of a global nature such as an equitable global economy and the need for changing consumer patterns it also highlights the need for local action.

Cities and local authorities are recognized as being particularly important to the implementation of Agenda 21 as it is estimated that up to 50% of the world's population will be living in cities and urban areas by the turn of the century. This is an awesome prospect given the fact that most of the world's towns and cities are experiencing increased air pollution, lack of clean water and sanitation and homelessness among their residents which are signs characteristic of the global environment and development crisis.

The document states that "So many of the problems and solutions being addressed by Agenda 21 have their roots in local activities and thus, the participation and cooperation of local authorities will be a determining factor in fulfilling its objectives. Local authorities construct operate and maintain economic, social and environmental infrastructures, oversee planning processes, and establish local environmental policies. As the level of governance **closest** to the people local authorities play a vital role in **educating**, mobilizing and responding to the needs of the public in order to promote sustainable development."

CITIES AND THE ENVIRONMENT

Cities are not closed systems. They interact with areas outside their boundaries to obtain the resources they require for them to function (eg energy, water, food and other services and goods). While most cities dump and treat their refuse within their limits this output side of the city's survival equation can and in the majority of cases does influence places far away from the city.

Cities and towns can therefore not sustain themselves by drawing solely on the resources within their boundaries. It is clear that cities and towns can threaten environmental sustainability both locally and globally. It is imperative therefore that they be soundly managed and planned to ensure that the appropriate systems of governance, financing, political administration, environmental resource use, housing, and transportation are put in place to cater for the needs of their citizens and to make for sustainable livelihoods.

Sustainable urban life is predicated upon a number of factors including the following: housing for the poor, access to land, credit and affordable building material by the majority of the citizens, security of tenure, upgrading of slums, reduction in the use of private vehicles, reductions in distances to work, support for the informal sector and sound planning and prevention of urban sprawl. In working to achieve these it is critical that local authorities engage in as broad a consultation process as possible with their citizens. Failure to do so will result in unsustainable programmes or programmes the citizenry will resist. How many times have we read in the local press that residents associations are up in arms against their town and city councils over issues upon which there was no agreement?

A lot of local authorities in Zimbabwe have retained the paternalistic approach to development that characterized the colonial era. Residents, as a result, sit back and wait for councils to deliver services even when they do not pay for such services.

The majority of city governments in the third world do not have the power, financial resources nor the trained staff to provide their rapidly growing populations with adequate land, services and other facilities needed for a sustainable urban life. This usually results in the mushrooming of illegal settlements with substandard facilities a phenomenon not uncommon in Zimbabwe despite efforts to conceal these through the demolition of squatter camps and backyard shacks. The fact that these are mushrooming is evidence of a problem requiring attention.

Most town plans in Zimbabwe make no provision for relaxation and sprawl over huge tracts of land usually taking up productive agricultural land. Urban sprawl is environmentally unfriendly and increases costs of services such as water and sewage reticulation and transport to and from work.

Although by third world standards Zimbabwean cities and towns are clean and well organised, there is evidence of environmental problems characteristic of third world cities creeping in. Largely because of limited resources, local urban centres are beginning to show signs of failure to provide services to populations which are growing.

Squatter settlements are mushrooming all over pointing to a serious housing shortage. Every local authority reports of long housing waiting lists which seem to get longer each year. Water supply systems in some of the large centres are beginning to leak. Although these are repaired, the chances of contamination of water supplies are increased especially in those sections of the cities where there is no portable sewage system. A major concern is the failure by some towns to handle sewage disposal resulting in the pollution of water supply systems for large urban centres.

Urban sprawl has resulted in commuters travelling long distances to work in most of the country's cities and towns. Even with the use of public transport, pollution increases with the longer distances travelled to work. In a country like Zimbabwe which imports all its fuel requirements, the burden on national coffers for fuel supplies becomes enormous.

Although care had been taken previously to ensure built up areas did not encroach onto water courses and sources of ground water recharge, these have now been taken over for residential development through infills. Refuse removal is so erratic while some cities and towns have polluted their own drinking water sources resulting in roaring business for the bottlers of mineral water. Token efforts are made to provide adequate energy for domestic use in the majority of urban households. This results in urban residents invading the surrounding periurban areas in search of firewood thereby contributing to the problem of deforestation. Fuelwood vendors also travel long distances into the countryside to source preferred woodfuels. The list of environmental problems generated by our towns and cities is endless.

LOCAL ACTION

The need for consultation and encouraging the participation of local communities in the design and management of urban environments for sustainability cannot be overemphasised. Through such participation, mechanisms for reducing costs of services and the creation of towns and cities that serve the needs of their residents can be worked out and agreed upon. Continued reliance upon controls and regulations by both central governments and local

authorities to manage the development process in urban centres will not yield positive results. There is a need for marshalling all the abundant resourcefulness amongst residents of towns and cities. A lot of people officially recorded as unemployed in many urban centers are actually economically active in the informal sector. Maybe it is time this sector was officially recognised for its contribution and brought into the mainstream activities of town and city economies. Governments should not remain neutral or antagonistic in this process. They should instead promote those community based activities that residents can readily relate to. This can best be achieved through a broad consultative process involving all residents of towns and cities.

Agenda 21 recommends that by 1996 every local authority should have consulted its citizens and developed "a local Agenda 21" for the community. The establishment of local level institutions like neighbourhood committees in Zimbabwe is a useful starting point for such action. The use of these committees in planning urban development will set Zimbabwe on the course to work towards achieving the theme of Habitat 2, "OUR NEIGHBOURHOOD." The consensus emanating from broad consultations should lead to the "shaping of local programmes, policies, laws and regulations to achieve Agenda 21 objectives" while the consultation process would increase the peoples awareness of sustainable development. According to Agenda 21 the local efforts described above were to have been linked at the international level beginning in 1993/94 for information sharing. Agencies such as HABITAT were to collect information and disseminate it for the benefit of non participating communities while support for these initiatives was to come from a multiplicity of coordinating agencies operational in the area of local government.

LEGAL AND INSTITUTIONAL FRAMEWORK FOR LOCAL AUTHORITY ACTION

While decisions to achieve sustainable development are made at local level, it is important to acknowledge the fact that most urban, and for that matter rural local authorities operate on delegated authority from the centre. In this regard it is instructive to briefly analyse the institutional and policy environment within which local authorities operate in their attempts to address environment and development issues in Zimbabwe.

Traditionally, responsibility for environment and development in Zimbabwe has rested with central government. Local authorities, as the planning authorities, have had some authority for environmental management bestowed on them through various acts governing their operations eg the Regional Town and Country Planning Act, the Urban Councils Act and the Rural district Councils Act and attendant regulations which in a number of cases have to be read together with primary environmental acts such as the Natural Resources Act for reference. Urban local authorities also have delegated authority to supervise the implementation of the provisions of acts

dealing with air and water pollution within their boundaries with emphasis being placed on safeguarding human health.

While a lot has been achieved in implementing the provisions of the pieces of legislation referred to above most local authorities have faced problems resulting from the dissipated control over environmental matters in Zimbabwe. While control over the management of biophysical resources rests with the Ministry of Environment and Tourism, the Ministry of Health is responsible for air pollution control and the Ministry of Lands and Water for water quality. Environmental matters cannot and should not be handled in a piecemeal, uncoordinated manner because of the inherent synergism that characterise them. Solutions to environmental problems therefore need to be managed from one central place a role the Ministry of Environment and Tourism should play in Zimbabwe. The dissipation of responsibilities over environmental attributes in Zimbabwe leads to ineffective attention to problems due to there being too many centres to report to.

Zimbabwe's environmental legislation concentrates too much on protecting the biophysical environment. The country's economy has traditionally depended upon the agricultural sector leading to legislation that was meant to protect the resource base upon which this major activity depended. Closely related to this was the forestry and wildlife sector which is an important resource for the tourism industry. These areas also received close attention in the formulation of legislation. Environmental problems resulting from urban growth received very little attention the major concern being for human health. As a result, urban areas have developed in this country with little regard to the impact of such growth on the environment. The problems described above as characteristic of Zimbabwe's major urban centres now manifest themselves without appropriately designed legislation to control them. Where effective legislation had been designed as in the area of air and water pollution control the effectiveness of this legislation was watered down through the incorporation of exemptions from compliance for special activities which needed promotion for political reasons. The net result was that certain activities could discharge pollutants into the air and water courses having received exemptions which totally negated the good intentions of legislation. It has been argued that perhaps the reason for this was that the majority of the legislation guiding the environmental performance of urban based activities in Zimbabwe was fashioned on British standards which were not necessarily applicable to this country hence the need for exemptions.

The political environment within the country has also affected the manner in which environmental legislation has been interpreted and implemented. From independence in 1980 to date, the political lobby in the country has been uncertain about the best way to proceed in their quest to empower previously disadvantaged communities. Legislative provisions aimed at protecting the environment have

been waived to facilitate political expedience on numerous occasions putting local authorities, especially the officials, working with delegated authority in awkward situations. Working with delegated authority also leads to lack of action until approval is obtained from the centre. Zimbabwean local authorities have been controlled for a long time at times getting instructions on how to proceed with procedural matters.

THE WAY FORWARD

This paper has highlighted the fact that towns and cities are growing in the third world as the rate of urbanisation increases. This phenomenon is taking place in circumstances at times not geared to handle problems resulting from urban growth.

Legislative provisions in most third world countries were geared to managing rural development as most economies were driven from the exploitation of natural resources. Most local authorities still use legislation inherited from former colonial systems despite obvious inconsistencies with local socio-political and economic realities that demand the formulation of new policies that are in tune with such local conditions. Urban growth is therefore occurring in a poorly structured legislative and institutional environment. The serious environmental problems that have arisen as a result of this situation largely go unattended to. There are problems of contaminated water supplies, inadequate sewage disposal threatening peoples health, inadequate accommodation for the majority of the residents of cities and towns and inadequate transportation facilities. All this is happening in an environment where financial resources are getting scarce reducing the capacities of local authorities to respond effectively.

Political expediency usually supersedes economic and environmental realities with decisions made to satisfy hardly justifiable whims which compromises the positions and effectiveness of local authority staff.

Agenda 21 recommends an effective way forward. Governments and local authorities need to move away from positions where they dominate the decision making process in the development of urban centres and start involving citizens in this process. Such involvement of the people will ensure the creation of sustainable urban environments as it will facilitate the incorporation of locally generated and therefore understandable mechanisms for urban design and growth. Involving people in the design of their own localities also engenders a feeling of belonging amongst the people a phenomenon that is largely non existent in the urban areas of Zimbabwe where the majority of the population look forward to going back to some rural home at the end of their useful working lives. A start has already been made in Zimbabwe with the establishment of neighbourhood committees in all urban centres. What is needed now

is to make these committees functional and work towards the attainment of sustainable urban settlements.

It is also necessary for government to expedite the rationalisation of environmental legislation to allow for coordination from one central point. The mandate of the Ministry of Environment and Tourism needs to be broadened to encompass the whole spectrum of environmental attributes. Local authorities should then be given authority to supervise the implementation of the provisions of these statutes and report to one ministry unlike the current situation where they report to a plethora of ministries.

o.c./09-95.

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