

EGYPT HOUSING STRATEGY



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UN HABITAT
FOR A BETTER URBAN FUTURE

EGYPT HOUSING STRATEGY



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FOREWORD



Adequate housing, that meets the basic needs and requirements of citizens and promotes their quality of life, represents a global challenge considering increasing urban expansion. It is also considered an important part of the overall economic and social development process, and an essential pillar for the progress and advancement of nations.

Adequate housing has been recognized as a right to an appropriate standard of living in international treaties, including the Universal Declaration of Human Rights, in which Article 25 stipulates that “Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services”. The 2014 Egyptian Constitution affirms this right in Article 78.

The housing problem is considered one of the most urgent problems facing development programs in Egypt. This is due to the high rates of population growth, the rise in domestic migration from rural to urban areas, and the concentration of available public funding in construction of new housing units. Consequently, this caused difficulty in facing the population growth in urban areas and their requirements for services and facilities, leading to the emergence of slums and the influx of informal housing since the mid-seventies.

In 2016, the Egyptian Housing Profile was launched, which included diagnosis of the current situation and conducted a comprehensive analysis of the housing sector. The profile aimed at providing the necessary support to activate a comprehensive discussion based on a real understanding of the sector. The housing profile represents the base for the National Housing Strategy as it enables propositions for a comprehensive change in housing policies.

In completion with this effort, the Ministry was keen to take necessary measures to set a clear housing strategy for Egypt. This strategy represents a unified integrated vision that directs effectively the housing sector over the next twenty years. In addition, it will clarify the responsibilities of the various sectors and policy frameworks in a manner that addresses current problems and fulfills the aspirations of all Egyptians in obtaining adequate housing, while recognizing that the primary role of the government is regulation and empowerment.

The strategy is consistent with global and regional requirements, including the Sustainable Development Goals (SDG 2030), the New Urban Agenda, the Arab Strategy for Housing and Urban Development, the Sustainable Development Strategy (Egypt Vision 2030), and Egypt’s National Strategic Plan for Urban Development 2052. The strategy is also characterized by a great degree of implementation flexibility.

Through analyzing and studying the housing system, its challenges and the country’s attempts to address it, the strategy sets clear policies to deal with the housing problem through 4 main topics: topic of existing urban development areas, topic of the existing housing stock and vacant units, topic of challenges and problems related to the low-income housing, and topic related to the dimensions of sustainable development.

These policies are supported by a dimension of institutional and administrative sustainability, and the strengthening of the knowledge and information base. The strategy also clarifies the parties concerned with implementing the policies, responsibilities and roles, as well as the required types of interventions (legislative, financial, urban, etc.), and the spatial and sequential framework of each policy in order to achieve maximum return.

Prof. Dr. Assem Abdel-Hamid El-Gazzar
Minister of Housing, Utilities and Urban Communities
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FOREWORD

With the global increase in urbanization rates and the consequent increase in demand for housing and basic urban services, and despite the development of urban policies in many countries, the population of informal and poor areas in the world has increased from 725 million in 2000 to an estimated 889 million in 2020. This increase widened the gap between social groups in urban communities and elevated the vulnerability and deprivation of the poor. Hence, the issue of adequate housing topped international development agendas, in particular the New Urban Agenda and the Global Sustainable Development Goals, especially Goal 11: “make cities and human settlements inclusive, safe, resilient and sustainable, and to upgrade slums by 2030”. In 2013, the United Nations Human Settlements Programme issued the Global Housing Strategy to assist member states in supporting the right to adequate housing.



In light of the global strategy, the Council of Arab Ministers of Housing and Reconstruction - held in its thirtieth session in December 2013- decided to prepare the Arab Strategy for Housing and Sustainable Urban Development. The General Secretariat of the Arab League assigned great importance to the development of strategies and programs to achieve sustainable development in Arab countries, with the technical support of the United Nations Human Settlements Programme and endorsed the strategy in 2016.

Egypt was one of the leading countries that adopted the directions of the global and Arab housing strategies by drawing a road map towards achieving the goals of adequate housing for all. In 2014, Egypt started preparing the Egyptian Housing Profile as a first step to monitor and analyze the sector's components and challenges in Egypt. This was conducted with the participation of all governmental agencies, academic entities and representatives of relevant local communities. The profile was issued in 2016 in cooperation with the United Nations Human Settlements Programme.

It is with great pleasure and pride today that Egypt leads the Arab countries and many countries internationally by issuing the National Housing Strategy, based on international human rights agreements and treaties. This strategy came in light of the complex circumstances of the spread of the global COVID-19 pandemic, which once again stressed the importance of empowering the right to adequate housing □healthy and safe for all. Egypt has endeavored to ensure that the national housing vision is integrated with the sectoral national visions, Egypt's 2030 vision and the urban and economic development plans, to enhance the interrelationships between the sector and all relevant development and service sectors, and confirm the effectiveness and efficiency of the strategy. The strategy developed a unified integrated vision that could effectively direct the sector over the next twenty years with clarity and flexibility. The main driver of the strategy relied on supporting four main issues pertaining to residential areas, housing units, housing categories, and the sustainability of residential areas; in addition to a supportive dimension for institutional and administrative sustainability and knowledge enhancement.

We would like to take this opportunity to express sincere gratitude and appreciation to the researchers, team members, government partners, representatives of civil society and academic institutions for their effective participation in shaping the procedures and elements of the strategy. Special thanks to the Egyptian Ministry of Housing, Utilities and Urban Communities, and to the Ministry's Housing Sector headed by Eng. Nafisa Hashem for their pioneering and effective role in producing this strategy and empowering the right to housing. We hope that this constructive cooperation will continue in the future during the implementation of this strategy, and converting its most important outputs to programs and projects on the ground.

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INTRODUCTION

The Sustainable Development Goal 11, which is concerned with making cities and human settlements inclusive, safe, resilient and sustainable, seeks to provide all segments of society with safe and affordable basic housing and services. It also seeks to upgrade slums by 2030, and emphasize the role of the housing sector in keeping pace with rapid urbanization as well as empower social justice. In 2016, with the launch of the New Urban Agenda in Quito, the Agenda began its vision by stressing the importance of achieving the full right to adequate housing as a component of the right to an adequate standard of living without discrimination, and its effective role in bringing about sustainable urban development. To advance towards this goal, the Agenda committed to encouraging national and local housing policies to provide the right to adequate housing for all.

Subsequently, Egypt was one of the pioneering countries in the endeavor to integrate global visions into development and national frameworks, and to put global development goals in mind when formulating national goals “with Egypt's Vision for Sustainable Development 2030”. The Egyptian Ministry of Housing has also taken the first step - whose importance was emphasized by the Global Housing Strategy - to achieve an integrated and real understanding of the housing sector through the production of the “Egyptian Housing Profile” that was launched in 2016. The housing profile included an analysis of the housing sector in Egypt while focusing on policies and programs of affordable housing projects. Based on these analyses, and in light of the recommendations of the Global Housing Strategy, the Arab Housing Strategy, and Sustainable Urban Development 2030, the Egyptian Housing Strategy was prepared in an effort to create an enabling environment that increases the supply of affordable housing in Egypt.

The Egyptian strategy document adopted a participatory approach, which resulted in a document characterized by integrated dimensions, inclusive view of the roles of different actors, and how those roles are integrated to achieve maximum benefit from physical and spatial resources, and then direct those resources to achieve maximum social and spatial justice. This was clearly demonstrated in the governing principles, objectives, and long, medium- and short-term visions presented in the document.

Perhaps this comprehensiveness and flexibility in drafting the document is linked to the multiple roles of the housing sector and their strong connection to many sectors and issues at different levels. Therefore, the housing strategy is considered one of the most important documents affecting integrated development due to the pivotal role that the housing sector plays in creating sustainable urban development, and considering its close association with various developmental inputs such as the construction and investment sector, employment provision, optimal utilization of spatial resources, as well as environmental, social and economic outcomes related to the management of this sector. In this context, housing can be instrumental in enabling better living standards and economic development if it is planned and implemented in an integrated and effective manner. Accordingly, the Egyptian housing strategy has defined various sectoral roles and recommended integrating with multiple sectors to bring about change in the housing markets in Egypt, especially affordable housing. Hence, it is crucial to realize that the Egyptian housing strategy will be able to perform its function effectively only if coordination and integration with other economic, social and environmental development sectors are allowed, and considering the broader visions of integrated development.

As recommended by the Global Housing Strategy, the Egyptian housing strategy should play an important role in shaping the National Urban Policy. It should also have an effective role in integrating the vision of the housing sector with the various development sectors. Along with its relationship to multi-activity economic development dimensions, integrated urban planning at different levels, and management and governance of Egyptian urbanism.

The national housing strategy, as the pillar of the national urban policy, consists of groups of agreed-upon activities, which are formalized in the strategy documents and in the updates to those documents. It directs policies, planning and programming activities for investment, management and maintenance activities in the areas of housing and slum upgrading.

Housing strategies at the national and city levels cannot be separated from land use strategies and infrastructure strategies, including strategies for mobility and local economic development; all of which are integrated into the urban planning and management process. This process is a broad, participatory and inclusive process, which takes place within a supporting legal and regulatory framework.

References to the Housing Strategy Document

This document depend on many references, discussions and deliberations to reach the Egyptian national housing strategy, which takes into consideration the Egyptian reality and international experiences. The most important of these references are:

1. The draft document on Housing Policies and Strategies in Egypt prepared by the Housing and Utilities Sector with the help of Egyptian experts - the Ministry of Housing, Utilities and Urban Communities in cooperation with consultants during the years 2012 and 2013.
2. "Egypt's Housing Profile", United Nations Human Settlements Programme (2016), which was prepared to serve as an introduction and supplement to the housing strategy.
3. The policy document prepared by the World Bank and the US Agency for International Development in 2008, which contains recommendations for reforming housing policies and programs in Egypt. It provides serious recommendations on how to foster an efficient and accessible housing sector for all.
4. Recommendations and methodologies of the United Nations Human Settlements Programme on National Housing Strategies, especially as described in the "Global Housing Strategy: Framework Document"
5. New Urban Agenda, Quito 2016
6. Discussions and meetings with stakeholders of the housing sector and experts in Egypt, including the experts' meeting on the housing sector in Egypt (on 21 and 22 May 2014) and the Egyptian Urban Forum (from 14 to 16 June 2015, especially group discussions related to the housing field), both of which were organized by the United Nations Human Settlements Programme. In addition to meetings with experts which were organized by the housing sector of the Ministry of Housing, Utilities and Urban Communities in May and June 2015, and a meeting to discuss the final draft of the report in April 2018.
7. Recent legislation, especially Law No. 33 of 2014 establishing the Social Housing Fund, which was replaced by Law No. 93 of 2018 issuing the Social Housing and Real Estate Finance Support Laws.
8. Various documents for national housing strategies prepared for several countries in the Arab region.
9. Egypt's National Urban Policy – Diagnostic phase – 2017
10. Law No. 17 of 2019 concerning conciliation with some building violations and legalizing their conditions.
11. Law No. 148 of 2001 regarding real estate financing
12. Final report of the study on alternatives for loans for the purpose of completing the construction of housing units, finishing, restoration and improvement - Ministry of Housing 2014

The Need for a Housing Sector Strategy

A large number of housing-related laws and regulations have been issued since the 1950s, and numerous housing and land development programs have been launched, and a large group of institutions has been created that deal with matters related to land, housing production, its regulation and control. Over the decades, legislation, institutions and programs have evolved and changed their core. This required the issuance of a strategic vision that supports coordination and integration within the sector, or between the sector and other economic sectors, and which is based on an adequate understanding of the social and economic reality in Egypt. Such an understanding is especially necessary when it comes to housing needs and citizens' aspirations in accessing adequate housing.

Hence, it is necessary for Egypt to adopt a comprehensive knowledge-based housing vision document that defines clear and constant strategies, and clarifies the responsibilities of the various actors in the housing sector, while understanding that the government is one of these actors and that its main role is regulation and empowerment. In fact, the housing sector strategy falls under the system of comprehensive reform and the subsequent development of public policies, regulations, and laws. This means that this strategy, as a new policy approach in Egypt, must be flexible and able to respond to changes that occur over time. Not only should the strategy and its components evolve through learning by doing, but there are a number of information gaps that must be addressed, and a number of studies that must be undertaken to find out the feasibility of different approaches. Hence, the components of the proposed strategy must be developed and reviewed periodically.

Legal and Constitutional Principles

The Constitution of the Arab Republic of Egypt, which was amended in 2014, refers to the right to housing in Article 78:

“The state guarantees citizens the right to adequate, safe and healthy housing, in a manner that preserves human dignity and achieves social justice. The state is committed to developing a national housing plan that takes into account environmental particularity, ensuring the contribution of self and cooperative initiatives in its implementation, organizing the use of state lands and providing them with basic facilities within the framework of comprehensive urban planning for cities, villages and a strategy for population distribution. All in order to achieve public interest and improve the quality of life for citizens and preserve the rights of future generations. The state is also committed to developing a comprehensive national plan to address the problem of slums, which includes re-planning, providing infrastructure and facilities, improving the quality of life and public health, and ensuring that the resources necessary for implementation are provided within a specified time period”

Egypt is also a signatory to the Universal Declaration of Human Rights (1948), as Article 25 (1) of it stipulates the following:

“Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.”

01

The Housing System in Egypt and its Challenges

1.1 THE IMPORTANCE AND OBJECTIVES OF THE HOUSING STRATEGY IN EGYPT

Since the 1950s to date, institutional organizations, procedures, laws and programs related to the housing and urban sectors in Egypt have fluctuated, multiplied and changed, and frequently irrespective to policies and procedures in other sectors. These conditions resulted in complicated problems, inefficient use of resources, inconsistencies during executive procedures, and disparities in the ability of different social groups to bear the burden of adequate housing. Consequently, Egypt is in need for a strategy with an integrated vision that outlines desired directions, clarifies responsibilities of various sectors, and defines policy frameworks in a manner that addresses current problems and secures adequate housing to all society groups.

The most important reasons behind the persistence of housing challenges in Egypt include the continuous change of procedures, laws and programs related to the housing sector, in addition to the failure of some housing policies and programs to achieve their desired objectives. Therefore, a clear and integrated housing strategy was needed; one that reflects the country's vision in addressing the housing sector in Egypt and achieves the desired social, economic and urban goals.

Developing a housing strategy for Egypt aims at setting a unified integrated vision that effectively directs the housing sector over the next twenty years. The strategy's goals and objectives must be clear, consistent and continual over time. However, the strategy must allow for a great deal of flexibility regarding practical implementation and takes into account execution experiences and changing circumstances. This document has accordingly been developed to be presented in a way that is clear and accessible to all society groups, to render the following purposes:

- Clarifying the Egyptian government's vision regarding the housing sector and its interconnections with other sectors.
- Clarifying to all groups of the Egyptian society the government's vision and approach towards facing the challenges of the housing sector, acting as a confidence-building document and a means for stakeholder engagement.
- Raising the level of awareness of the central and local authorities regarding the objectives of the housing sector and defining the responsibilities, roles and interactions required to achieve these objectives.
- Providing a mechanism to link and integrate strategies of the housing sector with other sectors of the economy (such as industry, land development, services, infrastructure, and financing) and defining the responsibilities, roles, and interactions required to achieve these objectives.

- Enabling all parties involved in the housing sector to develop clear long-term plans that support the national sectoral strategy, and thereby raising its efficiency and performance. Moreover, it enables those parties to become partners in facing housing challenges in Egypt and contributes to the accomplishment of common objectives.
- Achieving social justice in housing policies and offering assistance to the poor and disadvantaged groups.
- Achieving economic efficiency in terms of housing costs and achieving sustainability through the utilization of resources by the private sector.

1.2 QUANTITATIVE AND QUALITATIVE CHALLENGES OF THE HOUSING SECTOR IN EGYPT

The housing problem is considered one of the most persistent issues facing development programs in Egypt. The high rate of population growth, the increase in migration from rural areas to cities, and the directing of available public funds to support the construction of new housing units, all these factors made it difficult to cope with the increase in population in urban areas, despite governmental efforts made to meet the needs of these areas regarding basic services and facilities. This led to the emergence of informal areas and the influx of informal housing since the mid-1970s.

At the beginning of the 1960s, the housing problem in Egypt intensified with the issuance of several laws to reduce housing rents to benefit poor groups. This led to the reluctance of the private sector to invest in low-income housing rental units. Consequently, the state had to bear the burden of providing housing for poor society groups. The main causes of this problem can be summed up as follows:

- Inadequate laws regulating investment in the housing sector in general, and low- and medium-income housing in particular. This curtailed the country's ability to optimally direct public and private investments to attract and integrate social and economic returns.
- The continuous decrease in the area of land available for construction due to the settlement of the population on an area not exceeding 4% of the total area of the country. This consequently led to a significant increase in construction land prices and urban sprawl on agricultural land at an annual rate reaching about 60 thousand feddans.
- Incapability of the economic capacity of the majority of medium- and low-income Egyptians to access adequate housing, especially in light of the social inclination that supports ownership and the weak demand for rental housing.

Therefore, when establishing housing policies, it is necessary to take into account (a) the provision of lands suitable for construction and needed basic services, (b) the study of the social and economic aspects of the targeted groups in housing programs, (c) developing an integrated strategy for establishing new urban communities, and (d) developing existing deteriorated low-income areas lacking maintenance processes. The process of defining specific frameworks for the housing policy faces a number of fundamental issues. Some of these issues relate to the process of assigning roles between the state and the private sector, whereas other issues are related to tenure arrangements for the acquisition of housing units. The housing policy includes a number of tools that the state depends on to manage the housing problem, whether directly or indirectly. Among the most important of these tools are the establishment of new urban communities as well as launching social and cooperative housing projects. New urban communities offer construction lands at reduced prices compared to those in existing cities; while social and cooperative housing has an important role in providing adequate housing for low-income individuals.

Consequently, Egyptian housing initiatives focused more on housing provision programs than on forming comprehensive housing policies. Over the past thirty years, the government has built more than 35% of all formal housing units. During the same period, private sector production accounted for approximately 65% of total production. Concurrent with the work of the formal sector, the informal housing production provided more than 60% of the total housing units. Moreover, there is currently a large number of closed, unutilized or vacant units that are not inhabited due to families living abroad or living in another residence. The government attempted to address such shortcomings and imbalances in the existing housing market through focusing on the introduction of new rental contracts.

Consequently, and considering the continuous population growth, the governmental sector bears the greatest burden in facing the continuous increase in demand for new housing units for low-income groups, in addition to the replacement and/or renewal of old inadequate units.

1.3 DIMENSIONS AND CHALLENGES OF THE HOUSING SYSTEM IN EGYPT

1.3.1 Socio-Economic Housing Categories

Income has been the most common factor in the classification of housing categories. In the 1960s, housing levels in Egypt were classified according to family income as follows: low, middle and upper-middle income levels. This also reflected on the classification of housing units according to area and finishing type. Mainly, housing challenges are concentrated in the low-income group, as higher-income groups have the financial capabilities to acquire the appropriate housing unit either through ownership or through rent. These challenges can be summarized in the following points:

- Inability to afford the cost of housing due to low and irregular income.
- Acuteness of unmet needs for specific groups of the population, mainly limited and low-income groups.
- Increase and prevalence of informal housing versus formal housing.
- Unidentified housing needs due to the lack of accurate data on housing categories and their needs.
- Social problems due to rising rates of population growth and unemployment.
- Discrepancies between mechanisms of generating new job opportunities and providing housing, especially in some new cities in Upper Egypt. This is evident in the low rates of settlement compared to high rates of growth of economic activities in these new cities.

1.3.2 Entities providing and financing housing

The entities responsible for providing and financing housing in Egypt are as follows:

- Individuals providing housing for themselves or others via their own means.
- Cooperative associations providing housing units, lands, and loans (such as the General Authority for Construction & Housing Cooperatives or the Housing and Development Bank).
- The government, localities, and governorates.
- New Urban Communities authority (NUCA) (subordinate to the Ministry of Housing, Utilities, and Urban Communities) funded by the State budget, cooperatives, the Housing and Development Bank, or other entities.
- Housing and Development Bank.
- Housing and Development Companies (business or private sectors).
- Institutional bodies such as industrial zones and higher education facilities, which provide housing for their workers and employees.
- Private-sector real estate investment companies.

The most important challenges facing the governmental sector in providing and financing housing are as follows:

- Housing units provided by programs and projects of the Ministry of Housing such as Social Housing (and previously the National Housing and Youth Housing projects) are often unaffordable and inadequate for the targeted low-income groups, as well as insufficient for the large demand on such units.
- Inadequate assessment of the actual size of supply and demand.
- Ineffective subsidy delivery to the targeted groups for several reasons pertaining to the real estate financing system (the most important of which is the unsuitable bank conditions for the categories eligible for support).
- The tendency towards ownership rather than leasing: This has always represented an imbalance in the Egyptian housing market.
- Obstacles in managing the rental system.
- Poor distribution of housing units among Egyptian families: the upper high-income segment of society, despite constituting the smaller segment, owns a large housing surplus, in contrast to a lower income group segment living in inappropriate housing conditions.
- Imbalance in the production of housing units between the different governorates, where construction is carried out according to the availability of land and governorates' needs. Provision of housing units in large urban centers is often considered, whereas governmental housing provision decreases significantly in rural governorates, particularly in remote governorates and in Upper Egypt.

Challenges facing the private sector could be summarized in the following points:

- Reluctance of the private sector to provide rental units due to the large profit gap between selling and renting units, the long rental return period, as well as the inadequate laws regulating the relationship between landlord and tenant. This trend is still persistent despite regulating renting by the issuance of Law 4 of 1996 and its amendment (Law No. 137 of 2006), as well as the increase in the number of rental units.
- Tendency to provide housing for the upper-middle and upper classes that have higher affordability and buying capabilities.
- Tendency towards ownership, and increase in the price of housing units in that category, lead to a significant surplus because of their unaffordability.
- Shrinkage in the role of the cooperative housing sector because of its reliance on limited public funding, as well as neglecting the sector's role in housing policies and programs.

1.3.3 Housing Legislation

Entities providing housing operate either under state legislation or general governmental or customary rules with varying degrees of commitment. In general, the housing legislative structure can be categorized as follows:

- Legislative laws and regulations.
- Civil or semi-organizational regulations.
- Informal regulations and processes.

The most important housing legislation includes a series of laws to reduce rent, including: Law No. 651 of 1995, Law No. 564 of 1955, Law No. 168 of 1961, Law No. 7 of 1965, and regulations for rent control, often restricting the Landlord-tenant relationship. Property owners failed to properly maintain their buildings due to the fixed and low rental value of units. This in turn led to the deterioration of the structural state of the buildings, the decline of their real estate value, and the decrease in their expected lifetime span. Consequently, the housing stock continuously deteriorates and decreases, leading to an increasing shortage. The owners' reluctance to maintain their buildings can be referred to lack of incentives as well as insufficient generated property income to carry out maintenance works. On the other hand, there is no sense of collective responsibility among tenants to maintain the shared parts of their residential building except when absolutely necessary. This is one of the main reasons behind the failure to activate the laws regulating the occupants' union of the Building Law issued by Law No. 119 of 2008.

The number of vacant units have also increased for several reasons. The most important of these is the lack of investment incentives for providing rental units. Moreover, uncertainty still prevails regarding the effects of the exceptional rental laws (Law No. 4 of 1996 and its amendment Law No. 137 of 2006), which were issued with the aim of facilitating evacuation procedures of rental units without resorting to courts. In addition, ownership of housing units is still considered a safe investment given the rapid increase in housing prices, as well as the societal perception of constant shortage of housing units. All of these units represent a stagnant housing stock and a large unexploited capital, especially in light of the scarcity of land designated for residential purposes within urban boundaries.

It can be noted that the rental housing laws issued during the second half of the twentieth century – often referred to as exceptional laws – had side effects of social, economic, and urban imbalances, which exacerbated the housing problem and urban degradation. This calls for the need to review the side effects of these exceptional laws, which were interrupted by the promulgation of Law No. 4 of 1996.

As such, the crucial problem is the inability of a large segment of society (low, limited income and lower-middle class) to bear housing costs. This problem does not seem to arise from the lack of resources, but rather is a problem that exists in certain segments of the housing market (especially low-income housing) and that the price of the required or offered tenure housing patterns, rather than housing supply, is the fundamental factor affecting the functionality of the housing market and the incompatibility between supply and demand in various housing categories.

To ensure the State's commitment to providing limited and low-income housing, the Real Estate Finance Law, No. 148 of 2001 was recently amended to be the "Real Estate Financing System", which regulates individuals' ownership of housing units that are suitable and appropriate to their economic and financial capabilities. The law aims to ensure that the real estate financing activity will continue to create financing opportunities for building and buying real estate and housing units to guarantee the State's commitment to providing low-income housing. It also aims to expand and simplify the scope of work and mandate of the Mortgage Finance Fund, by providing a great deal of flexibility with regard to setting conditions and rules for social housing, subsidy interventions, as well as setting standards for low-income housing projects and rendering financing mechanisms related to income. This has led to increasing the numbers of low-income beneficiaries from the real estate financing system and enabled the fund to acquire free land to be designated for the construction of low-income housing. Moreover, it provided a guarantee against the risks of lagging behind on paying installments to the financing agencies, through engaging insurance companies or specialized funds.

The state has issued Law No. 33 of 2014 regarding Social Housing, which has been replaced by Law No. 93 of 2018 (Social Housing and Real Estate Finance Support Law), whereby the Real Estate Finance Fund and the Social Housing Finance Fund were combined, aiming to achieve maximum possible benefits with the shortest and easiest ways, through addressing one administrative entity only. One of the most important law provisions is to secure a permanent self-sufficient source for financing ownership and rental housing units for the low-income group in the social housing project, without relying on the state's public resources, through a fund that has an independent budget to ensure that it plays its role. Further, allocation conditions and controls have been issued in order to ensure that subsidies are well directed to the entitled individuals.

Law No. 17 of 2019 concerning reconciliation of some building violations and legalizing their conditions is one of the recently issued laws aiming at preserving the housing stock. Reconciliation is determined according to specific legal and engineering aspects, taking into account preserving constitutional rights. The law aims to put an end to numerous problems associated with violating housing units, and eases their inclusion in the official housing market.

It can be concluded that housing in Egypt is currently suffering from structural imbalances in several dimensions, including:

- Imbalance in the geographical distribution of housing units, where the units are distributed according to the available land suitable for construction and the needs of the governorates.
- Disparity in the accessibility to private housing between the different segments of society, and the failure to deliver subsidies for those who are entitled to it for reasons related to the real estate financing system.
- Exaggeration in the value of ownership for low-income housing, accompanied by a decrease in the citizen's income against the construction costs of housing units, and in return the sharp decrease in the value of old rent due to the exceptional housing laws, which has negative effects on the housing market in the long run.

Thus, the main challenges to be faced by this strategy is:

- Trying to restore the spatial and social balance to the housing sector, through amending and introducing legislation for housing units' provision.
- Increasing production in line with housing demand, and thus increasing availability.
- Increasing subsidies for housing categories that cannot afford housing requirements, leading to stabilizing prices in the housing market in accordance with supply and demand mechanisms.

02

Strategic Issues of the Housing Sector

2.1 REFLECTION OF NATIONAL VISIONS AND PLANS ON THE HOUSING SECTOR

2.1.1 Sustainable Development Strategy (Egypt Vision 2030)

The sustainable development strategy (Egypt Vision 2030) aims to achieve Egypt's vision that draws on justice and sustainable development with a competitive and diversified economy that relies on innovation and knowledge, invests the genius loci, and promotes the quality of life and happiness for Egyptians. The housing sector is addressed through the urban development dimension, targeting a dynamic and interconnected plan that integrates historical and contemporary urbanism and architecture, as well as maximizing and balancing between the trilogy of energy, water, and land. The aim of the urban development dimension is to enable the expansion of urban areas, redistribute development and population to maximize the resource utilization, as well as renewing and upgrading informal areas and improving the quality of life. The strategy has introduced some particular programs for the housing sector in the urban development dimension, which can be summarized as follows:

Achieving balance between supply and demand in the housing sector

- Developing an integrated information system to manage the supply and demand for housing units.
- Introducing policies and legislation to encourage the incorporation of vacant and closed units into the housing market by increasing rent incentives.
- Introducing policies for encouraging the private sector to participate in low-income housing projects.
- Increasing the range and variety of housing support programs to suit different needs and income groups.
- Developing a legislative framework and implementation mechanisms to guide the land and real estate markets and achieve a balance in the housing system, taking into account different categories.
- Setting a mechanism to stimulate the role of housing cooperatives to support their projects and directing them towards new development areas, as well as strengthening monitoring mechanisms for implementation activities.
- Reviewing policies for allocating and transferring ownership of housing units as a mechanism for regulating supply and demand in the housing sector.
- Confronting issues of informal and unsafe areas
- Developing an integrated socio-economic framework to develop unplanned and informal

areas and provide job opportunities for their residents.

- Diversifying the sources of funding for upgrading projects by setting policies for economic incentives and directing social responsibility programs.
- Establishing a national mechanism to manage and follow up the delivery of foreign aid and international partnership programs.
- Developing a unified and comprehensive national database for unplanned, informal and unsafe areas in rural and urban areas.
- Raising the efficiency of implementing laws related to preventing the emergence of new informal areas by empowering implementation authorities with technical, technological and security means.

Maximizing construction capacity in new urban communities

- Implementing incentive programs for contractors to increase the quality and speed of construction, in addition to incorporating the legislative framework for these programs into relevant laws.
- Developing the role of the Contractors Union to implement programs regarding supporting the construction capacity of contracting companies.
- Establish a mechanism to control the market of construction materials to prevent monopolies and increase competitiveness between different companies.
- Improve the monitoring system of construction works to ensure compliance with quality standards and reduce corruption practices in tendering and supervising works.

Advocating green and sustainable building systems

- Identifying benchmarks and conducting comparative studies to determine optimal and appropriate approaches for implementing green building in new development areas.
- Upgrading building codes and establishing a legislative framework to legalize and implement green and sustainable building practices.
- Setting mechanisms and criteria for assessing the comprehensive environmental impacts of buildings and implementing a program to raise the technical capacities of human resources specialized in auditing and supervision.
- Issuing a law that incorporates binding standards to ensure sustainable and environmentally friendly structures.
- Implementing incentive mechanisms to encourage the private sector to invest in green and sustainable buildings such as subsidy programs and tax breaks.

The strategy developed an indicator to measure the housing gap, and the authority responsible for measuring it and its target will be the Ministry of Housing, Utilities and Urban Communities. The indicator is concerned with the gap between supply and demand in the housing sector as a ratio to total demand, which was estimated, at the date of the indicator's development, to be around 2.5 million housing units, representing about 12% of the total demand. The target is to lower the indicator to less than 8% in 2020 and less than 5% in 2030.

Two indicators were specifically developed for informal areas, the first of which is the decrease in the number of people in unsafe areas, which is targeted to reach 100% in 2030. The second indicator is the percentage of informal areas, targeted to reach less than 20% in 2020 and less than 5% in 2030.

2.1.2 Egypt's National Plan 2052

The National Strategic Plan for Urban Development 2052 is the framework in which all development sectors of the country participate through an integrated vision for Egypt. This vision has a spatial dimension clarifying the locations of urban clusters, as well as development poles/hubs and corridors based on the utilization of available resources and promising non-traditional activities. Accordingly, the plan designates the areas accommodating the expected population

increase, taking into consideration maximizing regional and international competitiveness. With regard to the housing sector, the national plan focused on the two following dimensions:

Upgrading of Unplanned, Informal and Unsafe Areas

The plan recommended gradually upgrading deteriorated and informal areas, while giving priority to areas of high risk and large population. These areas are dealt with through the opening of circulation axes, planning of outskirts areas within the urban boundary, and the redevelopment of central areas. These approaches are currently implemented by the Informal Settlements Development Fund.

Establishing New Urban Communities

A group of new cities with different roles are to be established to absorb the expected increase and redistribute the population. This includes new cities around major urban centers, new towns as extensions of existing urban communities, and new cities as regional urban centers.

2.2 STRATEGIC ISSUES OF THE HOUSING SECTOR

Four main strategic issues can be identified for addressing the housing problem in Egypt:

- Issues of existing urban development areas
- Issues of existing housing stock and vacant units
- Issues and challenges related to low-income housing
- Issues concerning sustainable development dimensions

In the third section of this document, the policies concerning each of these strategic issues of the housing sector will be introduced, which together constitute the integrated strategy for the housing sector in Egypt.

03

Housing Strategy in Egypt

3.1 HOUSING SECTOR VISION OF THE MINISTRY OF HOUSING, UTILITIES AND URBAN COMMUNITIES

Guided by national visions and strategies, the Ministry of Housing, Utilities and Urban Communities operates within a framework of an integrated action plan that aims to serve all segments of society without discrimination. In this context, the Ministry, represented in the Housing and Utilities Sector, focuses on developing strategies and programs that are suitable for the needs of different groups as follows:

- Subsidizing low-income groups: This includes offering subsidies for citizens or housing units to enable access to adequate housing for all segments of society through real estate financing or delivering housing for limited and low-income groups.
- Supporting middle-income groups: Through a set of interventions aimed at regulating and balancing the housing market, as well as providing real estate and housing financing methods.
- Facilitation for high-income groups: By setting policies and legislations that regulate and facilitates the provision of high-income and luxury housing, as well as the distribution of appropriate lands to ensure integration and availability of land for essential services and facilities.

This is done within the framework of integrated development visions that ensure the sustainability of housing markets, focusing on the following:

- Developing radical solutions to the problem of unsafe areas.
- Upgrading unplanned areas and integrating them with the planned urban areas.
- Increasing the contribution of the housing sector to GDP growth.
- Creating direct and indirect job opportunities in the housing sector.

3.2 GUIDING PRINCIPLES FOR FORMULATING THE HOUSING STRATEGY

The housing strategy in Egypt is formulated through some directives and principles that contribute to the formulation of the strategy and define the policies used to achieve it as follows:

- All citizens have the right to obtain adequate housing as stipulated in the Egyptian Constitution of 2014 - Article (78), as well as in the Universal Declaration of Human Rights - Article (25,) and the State's commitment to help those who are unable to find housing, especially marginalized and disadvantaged groups.
- Social justice, equal opportunities, non-discrimination or marginalization, and the role of housing policies and programs in achieving social inclusion and creating dynamic spaces

that allow interaction of different segments of society.

- Community participation and effective partnership between public institutions, the private sector, the cooperative sector, non-government organizations and the civil society and its institutions.
- Close-fitting correlation with development policies and population distribution.
- Housing policies that support sustainable national economic development plans. This means the contribution of the housing sector in achieving effective economic development for present and future generations, while ensuring the right to obtain investment returns.
- Decisions and policies are based on accurate information, scientific methods, and essential and adequate studies of the housing market and its dynamics.
- Centralization of strategies and policies, and localization of programs and implementation.

3.3 HOUSING POLICIES

Housing policies are classified into four main dimensions, along with a supporting dimension for all policies according to the strategic issues mentioned in the Second Section.

The first dimension is concerned with developing and upgrading existing residential areas, especially informal and deteriorated areas that cause a number of social and economic problems, including areas of social or environmental hazard, or unsafe areas in terms of structural safety and the materials used in construction, as well as the spread of informal economic activities within them.

The second dimension is concerned with the housing unit in terms of its characteristics, pattern, and type of housing. It focuses on maintaining the housing stock, optimizing its utilization, utilizing vacant units, setting out necessary laws to augment them in the housing market, and organizing tenure.

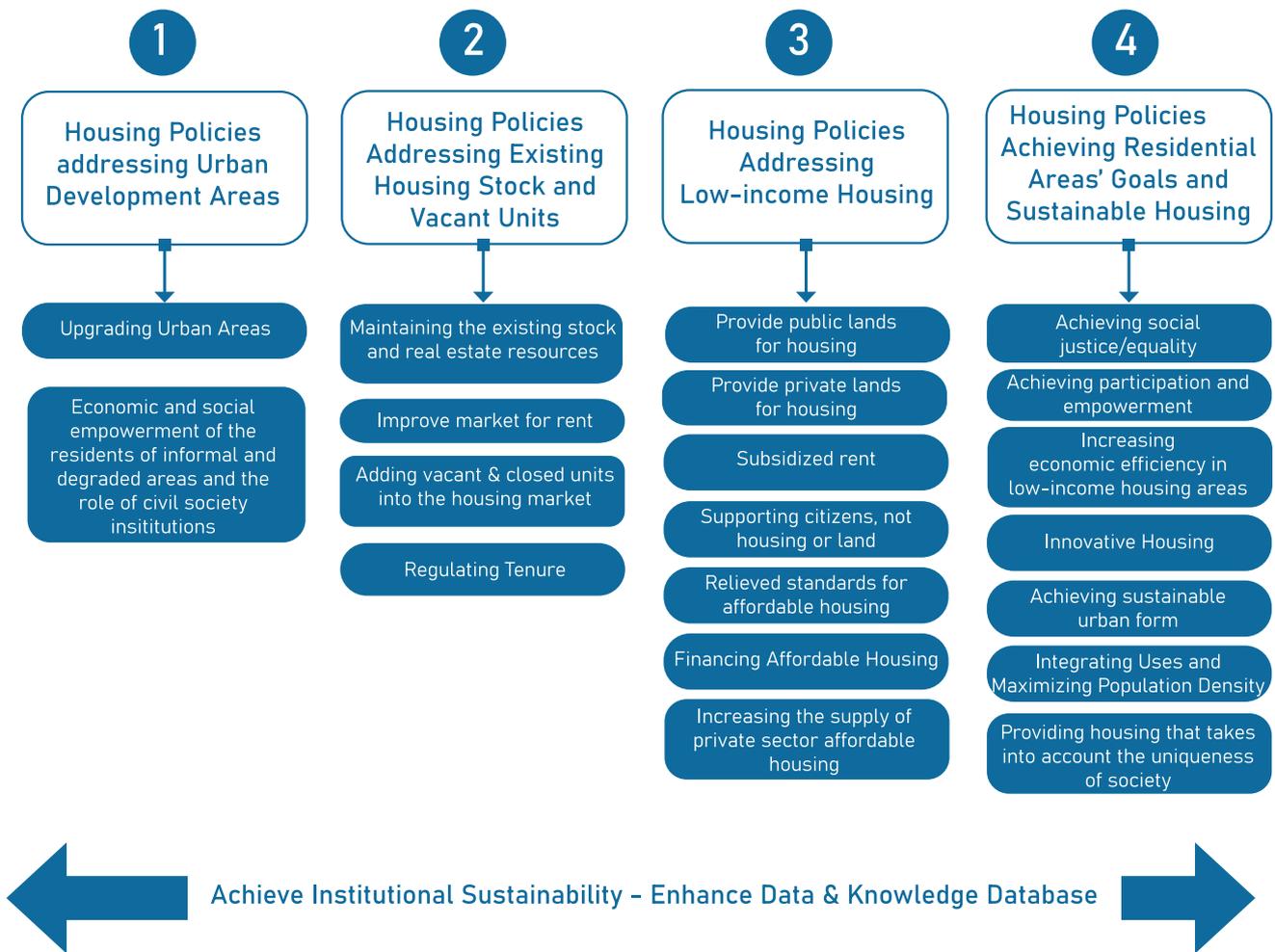
The third dimension is concerned with the policies of addressing the low-income housing group and supporting the low-income citizen through delivering public and private lands for housing, as well as delivering appropriate and affordable housing for vulnerable and marginalized groups.

The fourth dimension aims to deliver sustainable residential areas and housing units in a manner that takes into account all environmental, social and economic elements. The dimension also focuses on innovation and respecting local contexts in housing projects.

The supporting dimension is concerned with institutional and administrative sustainability, as well as strengthening the knowledge and information database to achieve the maximum return for all policies.

The following figure shows the main dimensions of the housing policies.

Figure 3.3-1: Main dimensions of Housing Policy



3.3.1 Housing policies addressing Urban Development Areas

Urban Upgrading Areas

This component focuses on the existing housing stock and the importance of improving living conditions and life quality, as well as inducing efficient social and economic development to deteriorated and informal urban areas. This would be achieved through extensive, comprehensive and integrated upgrading programs, whether at the spatial or sectoral levels, while keeping into consideration the development vision of the city as a whole (City-wide approach). This includes infrastructure improvement as well as delivering and improving absent or insufficient educational, health, transportation and other public service facilities. In addition, policies should incorporate introducing means for expanding businesses and expanding support for Small and Medium Enterprises (SMEs) as well as establishing SME clusters. Significant funds may be required for intervention investments (including for the purchase of land in some cases). In terms of benefit-to-cost analysis, it is envisioned that there will be tremendous economic and social returns to these investments, given the fact that the population affected by these investments may currently represent the majority of the Egyptian population, that is additionally increasing at a rapid rate. This component, therefore, requires a broader study of innovative financing frameworks for integrated urban development on the one hand, and effectively defining and aligning different actor roles of the public and private sectors at the central and local levels.

The current tendency towards shifting from the concept of developing specific unplanned areas

(and areas to be re-planned) to a more comprehensive citywide urban development concept is a distinctive step towards effective change in the urban management system in general and the conditions of degraded urban environment and deteriorated residential areas in particular. This vision is based on the consensual understanding of the importance of maximizing the added value of urbanization, its optimal utilization and fair distribution among all. To enable sustainable implementation of the concept of integrated urban development, it is necessary to set a participatory governance system in the light of a clear and interconnected central and local vision. This system should embrace the principle of engaging the private sector in the urban development system, within a partnership framework that regulates mutual economic incentives, to enable effective participation and fair distribution of the economic and social gains of development. Implementation procedures should take into consideration the use of up-to-date technical and investment mechanisms to integrate resources and partnership between public and private development sectors in order to achieve impact-based sustainable development.

Consideration should also be given in upgrading interventions to encouraging mixed-use development, diversifying housing levels and providing basic services and facilities. This will be elaborated upon later in the fourth dimension of the housing policies.

It is recommended to draw on the lessons learned from the country's urban development efforts over the past years regarding encouraging participatory mechanisms, as well as mechanisms that impact the livelihoods and practices of local communities, such as risk elimination mechanisms, enabling incremental development without the need for population displacement. When resettlement is inevitable, just and clear rights of the population should be recognized. NGOs and human rights organizations should also partake certain roles such as assisting in identifying cases of affected families in a specific area or building. It is crucial that partnership and participatory mechanisms be within clear and transparent legislative frameworks that reinforce the rights of all parties concerned.

Economic and social empowerment of the residents of informal and deteriorated areas and the role of civil society institutions

This policy coincides with the principle of achieving social justice and improving the quality of life for Egyptians. There is no doubt that the problem of unplanned and informal settlements has direct and evident impacts on the lives of Egyptians. Achieving this strategic goal does not only depend on empowering the informal area population, but extends to achieve their effective integration as an essential constituent of society, which contribute to its economic activity and are associated and interconnected with other social components.

Empowerment advocates providing programs, not only for upgrading the urban environment, but also for improvement of the economic and social aspects of the population, including literacy programs, training for skills or traditional crafts, as well as the provision of microcredit for productive projects. The contribution of civil society organizations (CSOs) is crucial and essential. It is expected that this policy will deliver the following important results:

- Admitting a large segment of the informal sector into the formal sector, which brings about multiple benefits for the informal area population and the State alike. Residents obtain legal tenure that enables them to settle down and carry on and allows them to invest in housing within the law and regulations. The State regains constitutional rights through such legalization processes.
- Involving CSOs in the process of economic and social empowerment of unplanned and informal area residents enhances effective engagement of these institutions, reduces the burden on governmental entities, and contributes to achieving social solidarity

3.3.2 Housing policies addressing the existing housing stock and vacant units

Maintaining the existing housing stock and real estate resources

This strategic objective is also associated with achieving economic efficiency, since each property has a life span which can be extended or shortened through various levels of maintenance, and thus achieving an extended life and better use of the property. Hence, better operation and maintenance of existing housing units is a key necessity which can be achieved by supporting Occupant Unions to become more effective, better technical inspection systems, increasing public awareness of the importance of maintenance, and subsidizing the repair and renovation of housing buildings.

The effectiveness of occupant unions can be enhanced through the committee formed by the ministerial decree of the housing and utilities sector to follow up on the implementation of the Building Law for monitoring and identifying obstacles. Moreover, the governorates' committees for decaying buildings need to renew and develop their approach in regard to identifying and prioritizing potential buildings that are in need of demolishing. According to the Building Law, the committee is composed of specialized engineering experts, including a faculty member (at least an associate professor) or a consultant in the field of structural engineering with at least 15 years of experience in the field of consolidation and restoration of buildings.

As for new lease contracts, it is important to designate a monthly maintenance fee that must be paid alongside the rent, as the new lease contracts are of limited duration, and currently do not obligate the tenant to pay monthly or periodic maintenance fees.

Achieving this strategic goal would deliver the following important benefits:

- Developing tools and mechanisms for inspecting and monitoring buildings' safety, and taking swift safety measures to repair them, protect property, and reduce collapses and structurally unsafe buildings.
- Reducing the demand for new housing, as the demand decreases by the amount of real estate and housing units that could be preserved and prevented from collapsing, and which, otherwise, would have created a new demand for housing units.
- Improving the living conditions of citizens, as maintaining real estate resources contributes to proper utilization of the property and housing units, thus alleviating the living problems of residents.
- Preserving societal values, as many of the buildings established in Cairo and the rest of the Egyptian cities, and even some villages, have significant cultural values, and are considered a cultural heritage of the nation and a value that must be preserved.

Law No. 17 of 2019, regarding building violations' reconciliation and legalizing their conditions, contributes to the preservation of real estate capital by legalizing the violation conditions in accordance with sound legal and engineering laws, and in turn resolving this persistent issue.

Improving Rental Markets

This policy aims at formulating more flexible and efficient rental housing markets in accordance with the new rental law, and by achieving a balance between the rights and obligations of the landlord and the tenant alike. Policy measures include updating typical contracts, simplifying procedures for registering a contract with minimal fees, reducing and clarifying imposed taxes, providing ways to resolve disputes away from court procedures, applying rapid eviction of tenants if necessary, and raising tenants' awareness. The adoption of an electronic system for registering rental contracts, as in Dubai for example, is one way to improve, as well as expedite the conversion of housing units subject to the old rental law into marketable units (either by ownership or according to the new rental law). In addition to the current efforts to convert fixed rental units, incentives and obligations can be developed to accelerate the transfer process.

Innovative mechanisms are required to encourage and endorse purchase, whether by the owner,

the tenant, or any other party. In the case of legalizing gradual rent increase, there will be a need to devise measures in favor of the poor in order to protect and support poor families looking for long-term rental contracts. Studies show that high and middle classes are not the only ones benefiting from old rental contracts, but also many low-income and even very poor families. This is a long-term and complex problem as it is a very sensitive issue. Hence, any attempt to expedite the reduction of fixed-rent housing needs to be carefully addressed, building on considered sub-sector awareness and a broad political consensus.

Stimulating Inclusion of Vacant and Closed Units into the Housing Market

This strategic goal seeks to achieve economic efficiency in resources utilization, as it is difficult to conceive the existence of this number of untapped closed and vacant units, which amounts to about 22.8% of the total number of housing units according to the 2017 Census. These units were established through large investments borne by owners as well as different State economic sectors. This goal can be achieved by offering incentives to owners for placing vacant units in the market and reducing building permits for unfinished units. This policy is closely interrelated to the policy procedures of improving the rental market, as well as to setting up loan and grant programs to encourage the completion and marketing of units at affordable prices, in addition to raising the demand for these units by poor eligible families. In this regard, it is proposed to activate the proposal of the Ministry of Housing approved in 2014 by the Council of Ministers, regarding developing alternatives to loans for the purposes of completing the construction of housing units, finishing, restoration and improvement. Other aspects of this policy include the expansion of the real estate tax system on the existing housing stock to discourage keeping units vacant and unoccupied. Moreover, encouraging the formation of rental property management companies and denying the issuing of operating licenses for unfinished properties are also needed to resolve this issue and eliminate its impacts.

This strategic objective could achieve the following:

- Raising the economic utilization efficiency of the existing housing stock to ensure adequate return on spent investments.
- Increasing the housing supply in a short period of time, without adding any investment burdens to the public or private sectors, as a large number of closed units may be available if owners were assured of regaining their units after the end of leases.
- Positive impact on transportation as a result of providing housing options to tenants allowing them to achieve their desire for matching housing and work opportunities, which affects traffic, the number of daily trips, and distance traveled.
- Decreasing the rent values as a result of the increase in supply.

Regulating Tenure

This component includes regulating the existing housing stock to facilitate granting and registering real estate title deeds, facilitating transfer of ownership in the secondary market, allowing the use of real estate as collateral for loans, and developing methods for spreading financing through real estate loans in the market. There are three subcomponents to this policy:

- Organizing and formalizing the title deeds of approximately 2 million government housing units built over the past 45 years, thus improving unit exchange, whether for sale or rent in the secondary market.
- Launching programs to grant land titles that allow selling of land plots to long-term building owners built on state land in informal settlements.
- Launching a national program to solve the issue of formal and informal unregistered private residential properties.

3.3.3 Housing policies addressing low-income housing

Providing State Land for Housing

This subcomponent is concerned with providing state-owned lands that are well located, close to housing projects, and include mixed income groups and mixed-uses; as well as small vacant sites that are located within built-up areas including the lands of public institutions and agencies and security agencies (especially the ones which current uses are inappropriate within the surrounding urban setting). It is also required to set project and design regulations for development projects that include mixed income groups, as well as contractual arrangements for the participation of private sector developers through public-private partnerships.

Providing Private Land for Housing

This policy focuses on developing legal, procedural, and regulatory tools that allow formal, profitable transfer of private lands in urban expansion areas which were identified for this purpose in the government's strategic plans prepared by the General Organization for Physical Planning (GOPP). These tools should include incentives that encourage landowners to avoid informal development and to produce small, affordable apartments. Hence, there will be a need for new legislation that makes land consolidation and readjustment feasible. GOPP has initiated preliminary work on this component, taking legislative and other steps to allow the creation of housing areas with eased standards for zoning and building. Hence, this type of housing can be allocated in urban expansion areas when preparing their detailed plans.

Subsidized Rent

It is crucial to develop housing solutions suitable for extremely poor families (e.g., those below the twentieth percentile in the income distribution) and for disadvantaged groups (the elderly, women breadwinners, the handicapped, etc.). The driving force of this component is basic rental subsidies (such as the voucher system) that eligible beneficiaries can use to choose between new rental units (e.g., units built within the Social Housing Program) or new formal, or (most probably) informal units built by the private sector. The Social Housing Fund offers a rental component for the benefit of the poor which can be used in the short term.

Subsidizing the Citizen, not the Housing Unit or the Land

The low-income segment below the poverty line cannot afford appropriate housing in the free market that is based on supply and demand. This necessitates supporting eligible segments of society that are the most in need for housing. There is difficulty in ensuring that subsidies are delivered to those who are entitled to it, as providing subsidized housing has been usually ineffective due to the ease of circumventing its regulations. Current efforts to develop the subsidies system are being implemented through the Social Housing Fund, which represents the financial vessel that subsidizes beneficiaries of low-income housing via its own resources.

This policy should include the following:

- Accuracy in determining targeted social categories: There is more than one method for identifying families with low incomes, which are those whose incomes fall below the poverty threshold, through regulations determined by the Ministry of Social Solidarity.
- Directing subsidies to the resident, not the housing unit, to ensure that the subsidy reaches its beneficiaries. This requires proposing and developing future housing policies on the basis of changing the subsidies' philosophy and mechanisms to provide them directly to the citizen (cash support), rather than to subsidize housing units or land. The Social Housing Fund has recently subsidized real estate financing by providing the citizen up to 40 thousand Egyptian pounds.
- The possibility of reducing subsidies in the future, where the resident is subsidized for a

specific period, after which the subsidy gradually decreases as the family's income increases. This achieves a kind of cooperation between the government and those who are entitled to subsidies in a participatory way, in which reliance or dependency on the government is not carried out at all stages.

- The continuous development and updating of the Social Housing Law aims to deliver subsidies for those who are entitled to it. The issued Social Housing Law No. 33 of 2014 has been replaced by Law No. 93 of 2018, regarding social housing and real estate financing support.

Eased Standards for Affordable Housing

It is important to produce “affordable housing” with alleviated procedures and standards to encourage self-built housing and small-scale real estate developments to reduce the emergence of informal housing. This type of housing can be allocated in urban areas, whether on private or state-owned lands.

Financing Affordable Housing

In order to make housing finance more accessible to broader segments of society, this policy requires a number of steps: (1) broadening the eligibility for social housing to include those without regular salaries, and (2) developing non-mortgage subsidy programs, especially for the very poor and promoting microfinance for housing. Simultaneously, government subsidies to housing programs must be fully enacted and included in the budgets of different entities, including indirect and hidden support (as in land prices and interest rates). Finally, government subsidies should be directed to those in urgent need and not to the middle-class housing units (families whose gross income exceeds a certain level, be it the 60th percentile of household income distribution). There is significant financing for the sector of affordable housing, and the goal is to find an efficient system for directing and managing this financing to ensure it reaches its beneficiaries and achieve maximum benefit.

Increase the Supply of Private Sector Affordable Housing

Private sector developers should be encouraged and motivated to take into account low-income groups within their residential product supply. Encouraging private sector participation in the production of affordable housing units is part of the Social Housing Fund's initiatives under public-private partnership arrangements. However, it appears that most real estate developers are greatly reluctant to target any category other than luxury housing, especially in new cities around Cairo. Tax incentives are needed to encourage the formal private sector to target the low-income housing market and to curb speculation. To protect consumers whose units are disposed of before implementation of the projects begins, the Ministry of Housing, Utilities and Urban Communities needs to set legislative means that compel real estate developers to fulfill their obligations. This includes paying guarantee amounts in case of non-fulfillment, as proposed in the Real Estate Investors Law that is currently being prepared.

3.3.4 Housing Policies for Achieving Residential Areas' Goals and Sustainable Housing

Achieving the Principle of Social Justice and Equity

This principle includes justice and equity in the distribution of resources among members of society to meet the needs of the population (proximity of housing to services and workplaces), and achieving balance in the different areas (work / services / commercial / housing) through:

- Advocating the concept of mixed-use development.
- Optimizing walking distances for services and enhancing their accessibility and distribution according to planning standards.

- Proximity and ease of access to workplaces at lower costs via public transportation and by reducing walking distances between housing and work.
- Easy access to all housing and services land plots.
- Street design supports various means of transportation appropriate to their capacities, including public transport and its stops, as well as light transportation options such as bicycles, with the safe separation of pedestrian and vehicle traffic.
- Diversification of housing options by providing various areas suitable for the growing family size.
- Availability of green and open public spaces.
- Ensuring safety from crimes in public spaces and streets and enhancing social interaction.

Achieving principles of Participation and Empowerment

- Participating in decision-making to access information related to legislation, regulations, activities, policies and programs, as well as in formulating and implementing sustainable development policies.
- Supporting local youth councils and similar entities, and encouraging their formulation.
- Encouraging cooperation between community leaders and civil society institutions, and between local governments and city authorities.
- Giving opportunities for residents to participate in the maintenance of their residential community, including maintenance of buildings and open spaces.

Increasing Economic Efficiency in Low-income Housing Areas

Cost reduction can be achieved by adopting more energy efficient alternatives, for example by designing streets appropriate for alternative transportation options (e.g., mass transport - bicycles) and to encourage walkability. Efficiency can be increased also by taking into account optimum building orientation and the use of local natural elements to create natural ventilation in urban spaces. Encouraging mixed-use increases the possibility of direct connectivity with different uses. Other measures include raising income levels in areas of low-income housing and providing job opportunities for its residents within or near the area.

Innovative Housing

Stimulating innovative approaches in the field of affordable housing and neighborhood design focuses on three main fields: (a) designing housing that achieves energy efficiency, using cheaper building materials, and utilizing more effective construction technology, (b) creating diversity in social housing spaces, delivering more dense plans for large residential blocks to ensure social involvement, and maximizing access to public transport, and (c) stimulating innovation in approaches and methods used to implement affordable housing.

Achieving Sustainable Urban Form

Important elements of a sustainable urban form include: green and open network axes, mixed land uses, and building and population densities. The function of relatively larger spaces is confined to buffer zones between districts or residential neighborhoods and areas of the main centers, while applying appropriate shading measures. Designing pedestrian paths to be as short as possible and narrow enough to provide shade, using shrubs or trees. Trees and vegetation can be used to reduce sunlight intensity, provide shade, and protect from dust and sand. Solar radiation and wind are considered the most important environmental factors affecting building

properties, and thus, require special considerations. Building forms differ according to function, yet must also differ according to climate regions. For example, the traditional building solution for desert regions use inner courtyards, as it reduces the solar radiation falling on exterior walls, while providing a cold space permeating the building and providing it with cold air in the summer.

Moreover, the presence of services and commercial uses integrated with residential uses within urban spaces gives vitality to the urban environment. The balanced distribution of these uses within the urban spaces contributes to motivating social communication and developing social and human relations. Social needs within the urban areas arise from the culture and traditions of society, therefore they generally differ from one region to another according to different cultures and civilizations. By reviewing the structure of urban spaces in the contemporary city, it is possible to define a set of characteristics and goals - that must be present in these spaces in order to effectively perform their role - as follows:

- Social and cultural integration that forms the basis of urban society.
- Providing recreational, mental and physical health facilities.
- Promoting economic activities along pedestrian paths and public spaces.
- Achieving environmental sustainability and human interaction with the surrounding environment.
- Utilizing spaces in economic and social activities.

Recently, the country shifted towards establishing sustainable and smart cities through fourth generation cities. These cities excel in meeting the needs of the population in all aspects of life through advanced technologies that save time and effort in obtaining services and providing all aspects of adequate housing (economic - environmental - social). Creating environmentally friendly and sustainable smart cities promotes innovation and delivers a sense of happiness and health.

Integrating Uses and Maximizing Population Density

The integration of uses has become one of the principles of sustainable urban form, through providing services and commercial uses within residential areas, in order to reduce traveling distances and decrease the reliance on vehicles for obtaining daily services. Reducing dependence on vehicles diminishes the negative environmental impacts of exhaust gases, maximizes the utilization of infrastructure, and achieves economic savings; additionally, it generates and maintains vitality in neighborhoods and urban areas and increases opportunities for social interaction. In addition, achieving high density is one of the principles of sustainable planning, which delivers an urban environment free of pollution and carbon emissions (low carbon city). However, high density represents one of the risks that threaten the environmental balance of urban communities due to their environmental, social and economic impacts. Accordingly, in order to achieve environmental balance and reduce carbon emissions, the green eco city must plan on higher building densities and lower population densities, through creating compact neighborhoods while generating green areas and buffer zones to reduce urban congestion.

Providing Housing that takes into Account the Uniqueness of different Societies

The design and the planning of the housing unit and the residential buildings should not only take into account the needs and requirements of the different social and economic housing categories, but also ensure the inclusion of the cultural context of each community and the uniqueness of its local environment. This might require changing the design of housing units, buildings, and the planning of residential areas according to the change of these characteristics for the single socio-economic housing category. A rural or bedouin society is different from an urban society in terms of its cultural and demographic characteristics. Even urban societies have large disparities between its small communities and larger metropolitan cities. The environment of societies varies between rural and urban environments (in the Nile valley and the delta, the

coastal and the desert), which requires responding to the characteristics of these environmental and social variables while designing and planning to ensure the sustainability of buildings and residential areas.

3.3.5 Supportive Policies

Achieving Institutional Sustainability

Institutional sustainability can be achieved in low-income housing through establishing companies and supporting cooperative and social institutions to launch economic housing projects. These institutions would be responsible for development, construction and maintenance of projects under the supervision of the New Urban Communities Authority. In addition, other private companies can also construct and maintain housing projects after their completion under the supervision of the Ministry of Housing. Financial aid for the residents of these areas (low-income citizens) is then offered to enable them to obtain a housing unit through cooperation with banks.

Examples of these entities are:

- The Social Housing Finance Fund, whose duties include financing, managing and establishing appropriate housing units, along with their commercial and vocational services in the Social Housing Program (which is currently responsible for providing low-income housing).
- The Low-income Housing Fund, which is responsible for financing the establishment and construction of low-income housing and providing necessary service facilities. In addition, it is responsible for providing financial, technical and administrative aid to institutions responsible for these projects, as well as offering recommendations and providing studies, proposals and requirements related to low-income housing.
- Units of the General Authority for Construction and Housing Cooperatives, whose tasks are to plan, distribute and provide infrastructure facilities to the lands they have purchased in new cities and allocated to cooperative societies, and to supervise and monitor them.

The sources of financing in low income housing areas are either autonomous through family savings, or dependent on banking institutions such as national investment banks, the Housing and Development Bank, finance companies, and the Low-income Housing Projects Account.

Furthermore, it is essential to put in place the necessary legislation to regulate institutional relationships of real estate investment among all stakeholders. A proposal is currently being prepared to enact a law regulating real estate development and encouraging investment in this field to increase its contribution to the building and construction processes, activate the role of the private sector, and attract Arab and foreign investments. This will be achieved through creating a balanced relationship between all stakeholders, whether investors or the group targeted to buy or rent the housing unit.

Building Capacities and Strategic Planning for the Housing Sector

Enhancing the capacities of government institutions and their employees to manage and direct the housing sector is needed, both at the national level (the Ministry of Housing, Utilities and Urban Communities, its affiliated entities associated with national economic planning, and in coordination with other ministries as required) as well as capacity building at the governorate and city levels. Over time, it is possible to consider establishing a qualified and independent national housing body.

Enhancing the Knowledge Base

This should be accomplished through the development of follow-up mechanisms, databases and research for the housing sector to provide policymakers with the necessary information, and also to deliver them to citizens and investors. Additionally, more effective institutional arrangements should be considered, including the establishment of the Housing Information Center or the Housing Observatory. Independent and adequate funding for these efforts is essential.

3.4 MECHANISMS, PLANS AND PROCEDURES FOR IMPLEMENTING HOUSING POLICIES

3.4.1 Housing Policies Addressing Urban Development Areas

The mechanisms, plans and procedures necessary to implement housing policies addressing urban development areas depend on classifying urban development areas and formulating a comprehensive strategy for upgrading urban areas in Egypt, the needs of each area, and then applying a comprehensive approach and strategy to upgrade those areas according to the following table:

Table 3.1: Housing policies addressing urban development areas

Policy	Interventions / Procedures	Range	Time frame	Types of Intervention	Responsible Entities
Upgrading informal areas , economic and social empowerment of their residents, and relying on civil society institutions	Define the main roles of entities & agencies concerned with urban development areas, while marking unsafe areas as a priority in light of the proposed amendments to the Building Law.	All Urban Areas	Urgent	Procedural, administrative and legal	Ministry of Housing, Utilities & Urban Communities (Informal Settlements Development Fund), Ministry of Local Development
	Identifying, defining and classifying urban development areas and formulating a comprehensive strategy for upgrading urban areas and improving quality of life based on international standards, while focusing on community participation.	All informal & degraded urban areas	Short-term	Administrative, urban and social	Ministry of Housing, Utilities & Urban Communities, Ministry of Local Development, Governorates and cities. Technical support provided by experts, academics, international partnerships and the civil society.
	Conducting a series of research studies to better understand the dynamics of informal housing.	All informal urban areas	Short-term	Legal, administrative and Financial	Ministry of Housing, Utilities & Urban Communities, and other related ministries. Technical support provided by experts, academics and the civil society.
	Limit resettlement in deteriorated urban areas and provide the best options to protect the rights of society.	Degraded & unsafe buildings & urban areas	Short and medium term	Administrative and Financial	Governorates, Informal Settlements Development Fund, NGOs
	Follow-up efforts to upgrade informal urban areas	All informal urban areas	Short-term	Administrative and Urban	Ministry of Housing, Utilities & Urban Communities (Informal Settlements Development Fund), Governorates & relevant infrastructure bodies.
	Start pilot implementation of participatory City-Wide development	All priority urban areas	Medium-term	Administrative, financial and Urban	Ministry of Housing, Utilities & Urban Communities, local units, with a combination of central government and donor funds.
	Survey priority projects and amend the comprehensive strategy to upgrade urban areas.	All existing urban areas	Long-term	Administrative, financial and Urban	Ministry of Housing, Utilities & Urban Communities (Informal Settlements Development Fund)
	Establish methods to recover part of the upgrading costs, as part of the local administration reform.	All existing urban areas	Long-term	Administrative, financial and Urban	Ministry of Housing, Utilities & Urban Communities, Ministry of Local Development & Ministry of Finance
	Upon follow-up, amend the legal framework and registration systems	All existing urban areas	Long-term	Legal, administrative, and financial	Ministry of Housing, Utilities & Urban Communities & Ministry of Justice

3.4.2 Mechanisms, Plans and Procedures to Implement Housing Policies Addressing the Existing Housing Stock and Vacant Units

The mechanisms, plans, and procedures necessary to implement housing policies addressing the existing housing stock and vacant units depend on conducting detailed studies and thorough surveys of the existing housing stock in new cities or existing areas, including informal areas, as well as developing legal and administrative procedures to deal with them according to the following table:

Table 3.2 Mechanisms, plans and procedures to implement housing policies addressing the existing housing stock and vacant units

Policy	Interventions / Procedures	Range	Time frame	Types of Intervention	Responsible Entities
Maintaining the existing housing stock and real estate Capital	Better operation and maintenance of the housing stock through the occupants' unions	The entire existing housing stock	Short and medium term	Legal, administrative and Financial	Ministry of Housing, Utilities & Urban Communities, Ministry of Local Development
	Establish companies for managing and maintaining real estate	The entire existing housing stock	Short and medium term	Legal, administrative and Financial	Ministry of Housing, Utilities & Urban Communities, Ministry of Local Development
	Activating the role of the real estate maintenance fund mentioned in the building code	The entire existing housing stock	Short and medium term	Legal, administrative and Financial	Ministry of Housing, Utilities & Urban Communities, Ministry of Local Development
	Provide loans with reduced interest for the purpose of maintaining real estate	The entire existing housing stock	Short and medium term	Legal, administrative and Financial	Ministry of Housing, Utilities & Urban Communities, Ministry of Local Development
	Activate the Reconciliation Law on Building Violations and Legalization of Status (No. 17 of 2019 and Executive Regulation No. 1631 of 2019)	Violating housing units	Short and medium term	Legal, administrative and Financial	Ministry of Housing, Utilities & Urban Communities, Ministry of Local Development
Improving the rental markets and Limit the phenomenon of fixed rent housing	Create a legal committee to advise on the necessary amendments to the old rental law	Residential units subject to the old rental law	Urgent	Administrative, urban and social	Ministry of Housing, Utilities & Urban Communities, State Council, Housing experts, Ministry of Justice and Egyptian Parliament
	Submit draft amendment template for legal review and approval	Residential units subject to the old rental law	Short term	Procedural Legal and administrative	Ministry of Housing, Utilities and Urban Communities and Egyptian Parliament
	Examine the best way to register rental contracts	Residential units subject to the old rental law	Short term	Procedural Legal and administrative	Ministry of Housing, Utilities and Urban Communities with the Ministry of State for Administrative Development, the Ministry of Justice, and / or the housing directorates in the governorates. A specialized company can be outsourced.
	Design public awareness campaigns	Residential units subject to the old tenancy law	Short term	Procedural Legal, administrative and financial	The Ministry of Housing, Utilities and Urban Communities contracts with a media company

	Prepare a pilot program for small and microcredits for finishing units, to be applied in specific areas, through Microfinance Institutions (MFIs). Model regulations should be drafted.	The entire existing housing stock	Short term	Procedural Legal, administrative and financial	The Ministry of Housing, Utilities and Urban Communities and Banks and NGOs specialized in microfinance and small and medium enterprises financing. Possible partnerships with the Social Fund for Development.
	Preparing criterion for providing small grants to eligible families for the rental of small units of their choice from both the primary and secondary markets. This should be part of an affordable rental program being conceived by the Mortgage Finance Fund.	The entire existing housing stock, in addition to the housing units subject to the old tenancy law	Short term	Administrative, urban and social	The Ministry of Housing, Utilities and Urban Communities, the Social Housing Fund and the Ministry of Social Solidarity
	Issue the amended law on the landlord and tenant relations	Residential units subject to the old tenancy law	Short-term	Procedural, legal, administrative and financial	Prime Ministry, Egyptian Parliament
	Establish a system for registering rental contracts in each governorate, starting with experiences in selected cities / governorates	Residential units subject to the old rental law	Short-term	Procedural, legal, administrative and financial	Ministry of Justice, local units, Private companies could be contracted
	Expand loan program for owners and leasing program for eligible families.	The entire existing housing stock	Long-term	Legal, administrative, financial and social	Ministry of Housing, Utilities & Urban Communities and Mortgage Finance Fund
	Conduct a review of early initiatives to form rental property management companies	The entire existing housing stock	Long-term	Administrative, financial and urban	Ministry of Housing, Utilities & Urban Communities
Reduce the number of vacant units and stimulate the introduction of closed and vacant units to the housing market	Conduct a rapid survey of a sample of vacant units in different types of representative areas (formal and informal) to understand why the units are vacant.	The entire existing housing stock	Urgent	Administrative, urban and social	Ministry of Housing, Utilities & Urban Communities through a social survey company or through the Central Agency for Public Mobilization and Statistics
	Coordination with the Ministry of Finance to assess the coverage and impact of the new real estate tax, especially the imposition of tax on vacant units.	The entire existing housing stock	Medium-term	Administrative, financial and urban	Ministry of Housing, Utilities & Urban Communities and Real Estate Taxation (Authority of the Ministry of Finance)
	Explore ways to create property management companies (It is possible to establish subsidiaries of banks that provide loans / grants to small rental units)	The entire existing housing stock	Long-term	Administrative, financial and urban	Ministry of Housing, Utilities & Urban Communities with the private sector and banks
	Perform an inventory of early curricula and surveys conducted in the short term.	The entire existing housing stock	Long-term	Administrative, financial and urban	Ministry of Housing, Utilities & Urban Communities with banks, especially with the Housing & Development Bank
Regulate Tenure	Legalize the existing housing balance to enable the acquisition and registration of residential properties	The entire existing housing stock starting with old public housing units	Short and medium terms	Legal, administrative and procedural	Governorates, especially the Department of Urban Planning and Development and the local committees, Ministry of Justice (Real Estate Registration Office), the Egyptian Survey Authority, the physical registry, landowners or holders.

3.4.3 Housing Policies Addressing Low-Income Housing

The mechanisms, plans, and procedures required to implement housing policies for addressing low-income housing depend on the country's cooperation with the private sector to create low-cost housing units and ensuring that those units reach their beneficiaries through some strict measures. A comprehensive study should also be conducted by the country and the authorities responsible for creating these units. These studies include the location of the residential area and the needs of the targeted group in terms of space and services in order to ensure the development of those areas and achieve the desired goals, as shown in the following table:

Table 3.3 Housing Policies Addressing Low-Income Housing

Policy	Interventions / Procedures	Range	Time frame	Types of Intervention	Responsible Entities
Provide state land for housing	Establish comprehensive standards, including the liberation of potential plots, for projects, services & mixed development projects.	State-owned land with good location	Urgent	Procedural Legal, administrative and financial	The Ministry of Housing, Utilities and Urban Communities through external contracting with consulting firms.
	Preparing participatory research studies to identify suitable public lands and preliminary plans for promising sites.	State-owned land with good location	Short term	Procedural Legal, administrative and financial	The Ministry of Housing, Utilities and Urban Communities, with the support of a consulting firm, in close coordination with the National Center for Planning the Uses of State Lands, the New Urban Communities Authority, and the Governorates.
	Conduct negotiations with the land-related authorities, and include the required procedures and modifications in the plans	State owned land with good location	Short-term	Administrative, urban and social	Ministry of Housing, Utilities, and Urban Communities and governorates.
	Commence the implementation of the first new experimental approaches.	-	Medium-term	Administrative, financial and urban	Ministry of Housing, Utilities, and Urban Communities, governorates and New Urban Communities Authority
	Survey early experimental efforts	State land with good location	Long-term	Administrative, financial and urban	Ministry of Housing, Utilities, and Urban Communities, governorates and New Urban Communities Authority
	Conduct a second stage of research studies to determine appropriate public lands and prepare preliminary plans for promising sites.	State land with good location	Long-term	Administrative, financial and urban	Ministry of Housing, Utilities, and Urban Communities in close coordination with the National Center for Planning State Land Uses, the New Urban Communities Authority, and governorates.
	Increase interventions	State land with good location	Long-term	Legal, administrative, financial and social	Ministry of Housing, Utilities, and Urban Communities
Provide private land for housing	Development of legal, procedural and regulatory tools for land plots added to the urban boundary	Urban expansion Plots within the urban boundary	Short-term	Legal and procedural	National Center for Planning State Land Uses, Ministry of Agriculture and Ministry of Housing, Utilities, and Urban Communities

Subsidized rent	Develop suitable housing solutions for rent that focus on the needs of extremely poor families and disadvantaged groups, which requires precise targeting	Affordable rental units from the existing housing stock or in new areas	Short-term	Procedural and financial	Ministry of Social Solidarity, Ministry of Housing, Utilities, and Urban Communities, Mortgage Finance Fund and NGOs
	Support the lower classes in society through direct support or social housing	All new housing areas	All new housing areas	Legal, procedural and financial	Ministry of Housing, Utilities, and Urban Communities, Mortgage Finance Fund, microfinance banks and NGOs
	Determine the targeted social segment whose income falls below the poverty threshold through regulations determined with the assistance of the Ministry of Social Solidarity	All new housing areas	Short and medium-terms	Legal, procedural and financial	Ministry of Housing, Utilities, and Urban Communities, Ministry of Social Solidarity, Mortgage Finance Fund, microfinance banks and NGOs
Support the citizen, not the housing unit or land	Provide support through the Mortgage Finance Fund, which represents the financial vessel that supports users of low-income housing and has its own resources	All new housing areas	Short and medium-terms	Legal, procedural and financial	Ministry of Housing, Utilities, and Urban Communities, Mortgage Finance Fund, microfinance banks and NGOs
	Prepare the amendment project of the unified building code, including texts of the articles to be included in the law.	Affordable rental units from the existing housing stock or in new areas	Medium-term	Administrative, financial and urban	Ministry of Housing, Utilities, and Urban Communities with law & construction experts.
	Distribute the law amendment and the texts of the proposed articles to relevant governmental and professional / civil authorities for review	Affordable rental units from the existing housing stock or in new areas	Medium-term	Administrative, financial and urban	Ministry of Housing, Utilities, and Urban Communities
Relieved standards for affordable housing	Issue the amended law and identify the initial sites for its application.	Affordable rental units from the existing housing stock	Medium-term	Legal, administrative and urban	Ministry of Housing, Utilities, and Urban Communities
	Prepare and approve local plans for the initial sites.	Affordable rental units from the existing housing stock	Medium-term	Administrative, financial and urban	Governorates and local units with advice and support from Ministry of Housing, Utilities, and Urban Communities
	Extend the range of support for social housing to all targeted social groups	Financing the social housing program units & new & existing units	Urgent over the short-term	Financial	Ministry of Housing, Utilities, and Urban Communities, Mortgage Finance Fund, microfinance banks and NGOs
Financing affordable housing	Development of support programs un-related to mortgage	Financing the social housing program units & new & existing units	Urgent over the short-term	Financial	Ministry of Housing, Utilities, and Urban Communities, Mortgage Finance Fund, microfinance banks and NGOs
	Promote micro financing for housing	Financing the social housing program units & new & existing units	Urgent over the short-term	Financial	Ministry of Housing, Utilities, and Urban Communities, Mortgage Finance Fund, microfinance banks and NGOs

Increase supply of affordable housing by the private sector	Encourage and motivate official private sector developers to take into account low-income groups in their products within the housing market	All new housing areas	Short and medium-terms	Legal and procedural	Ministry of Housing, Utilities, and Urban Communities
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3.4.4 Housing Policies Achieving the Goals of Residential Areas and Sustainable Housing

The mechanisms, plans, and procedures required to implement housing policies for achieving the goals of residential areas and sustainable housing to establish new housing areas and units, depend on modern scientific approaches that keep up the pace with technical development. Furthermore, taking into account the principles of sustainability in the social, economic and environmental aspects, as shown in the following table:

Table 3.4 Housing policies achieving the goals of residential areas and sustainable housing

Policy	Interventions / Procedures	Range	Time frame	Types of Intervention	Responsible Entities
Achieve the principle of social justice	Review urban planning guides to emphasize principles of sustainability and innovation	All new and existing housing areas	Medium-term	Technical and urban	Ministry of Housing, Utilities, and Urban Communities, General Organization for Physical Planning
	Establish regulations to deliver justice in obtaining suitable housing at an affordable cost	All new and existing housing areas	Medium-term	Financial, legal and urban	Ministry of Housing, Utilities, and Urban Communities and NGOs
Achieve the principle of participation and empowerment	Conduct meetings between community leaders and civil society institutions and between the experts in the city's council	All new and existing housing areas	Short-term	Financial and procedural	Ministry of Housing, Utilities, and Urban Communities and NGOs
	Support local youth councils and similar entities & encourage their establishment	All new and existing housing areas	Medium-term	Financial and procedural	Ministry of Housing, Utilities, and Urban Communities and NGOs
	Give opportunities for residents to participate in the maintenance of their residential community, including maintenance of buildings and open spaces, in exchange for usufruct (usage right).	All new and existing housing areas	Medium-term	Financial and procedural	Ministry of Housing, Utilities, and Urban Communities and NGOs
	Activate the law regulating real estate development	Ministry of Housing, Utilities, and Urban Communities	Short-term	Financial and procedural	Ministry of Housing, Utilities, and Urban Communities and affiliated entities
Raise economic efficiency of low income housing	Develop incentives and facilitations for using alternatives to reduce energy consumption	All new and existing housing areas	Medium-term	Financial and procedural	Ministry of Housing, Utilities, and Urban Communities and NGOs
	Develop the local economy to provide employment opportunities and raise economic efficiency in low-income housing levels	All new and existing housing areas	Medium-term	Financial and procedural	Ministry of Housing, Utilities, and Urban Communities and NGOs

Innovative Housing	Establish a housing and innovative design unit or develop the housing research sector as a center for exchanging information on innovation in housing projects, especially the affordable housing	All new and existing housing areas	Urgent	Procedural, administrative, financial and urban	The innovative design unit of the Ministry of Housing, Utilities and Urban Communities, in addition to the housing directorates of the governorates
	Study and analysis of innovative options for planning, financing, designing, implementing and maintaining the residential sector -especially affordable units- through various methods such as consultative sessions or competitions at the national and governorate level	All new housing projects	Short-term	Procedural, administrative, financial and urban	The innovative design unit of the Ministry of Housing, Utilities and Urban Communities, in addition to the housing directorates of the governorates
	Communicate and exploit innovation outputs from the curriculum of architecture departments, especially for national housing programs.	All new housing projects	Short-term	Administrative, financial and social	Ministry of Housing, Utilities, and Urban Communities with University departments
	Implement innovative designs in the social housing program and other government housing programs on an experimental basis.	All new housing projects	Medium-term	Administrative, financial, urban and social	Mortgage Finance Fund, governorates, New Urban Communities Authority, and Housing institutions in rural areas
	Evaluate the success of short-term actions and modify innovation initiatives.	All new housing projects	Medium-term	Administrative, financial and urban	Ministry of Housing, Utilities and Urban Communities and its affiliated innovative design unit
	Seek to expand the adoption of innovative solutions that have proven to be successful.	All new housing projects	Medium-term	Administrative, financial and urban	Ministry of Housing, Utilities and Urban Communities, General Organization for Physical Planning, Governorates and a new national housing authority
Achieve sustainable urban form	Review the business development plans and urban plans to ensure the integration of uses	All new housing projects	Medium-term	Administrative, financial and urban	Ministry of Housing, Utilities and Urban Communities and New Urban Communities Authority
	Integrate the use of open spaces in residential areas for economic and social activities when preparing detailed plans	All new housing projects	Medium-term	Administrative, financial and urban	Ministry of Housing, Utilities and Urban Communities and New Urban Communities Authority
Provide housing that takes into account the uniqueness of society	Include a study of local needs and social requirements within the design studies	All new housing projects	Short-term	Administrative, urban and social	Ministry of Housing, Utilities and Urban Communities, New Urban Communities Authority and Governorates
	Encourage the implementation of appropriate designs for the unique needs of society and conduct post-housing social studies	All new housing projects	Short and medium-terms	Administrative, urban and social	Ministry of Housing, Utilities and Urban Communities, New Urban Communities Authority, Governorates and the private and academic sectors

3.4.5 Mechanisms for Implementing the Supportive Policies

The mechanisms, plans and procedures necessary to implement housing policies in achieving the objectives of residential areas and sustainable housing in establishing new areas and housing units are based on modern scientific methods that keep pace with technical development, as well as take into account the principles of sustainability from the social, economic and environmental aspects, as shown in the following table

Table 3.5 Mechanisms for implementing the Supportive policies

Policy	Interventions / Procedures	Range	Time frame	Types of Intervention	Responsible Entities
Achieving institutional sustainability / institutional stability and capacity building	Coordinate with government agencies to ensure institutional sustainability / stability	Ministry of Housing, Utilities and Urban Communities	Short-term	Financial and procedural	Ministry of Housing, Utilities and Urban Communities and its affiliated entities
	Prepare courses to develop and enhance the capabilities and cadres involved in strategic planning to achieve the maximum benefit for the housing sector	Ministry of Housing, Utilities and Urban Communities	Short-term	Financial and procedural	Ministry of Housing, Utilities and Urban Communities and its affiliated entities
Improve the Knowledge Base	Develop monitoring mechanisms, databases and research for the housing sector to provide policymakers with the necessary information	Ministry of Housing, Utilities and Urban Communities	Short-term	Administrative and financial	Ministry of Housing, Utilities and Urban Communities and NGOs
	Establish a housing information center or a housing observatory	Ministry of Housing, Utilities and Urban Communities	Short-term	Administrative and financial	Ministry of Housing, Utilities and Urban Communities and NGOs
	Use external sources to conduct special studies and specific follow-up tasks	Ministry of Housing, Utilities and Urban Communities	Short-term	Administrative and financial	Ministry of Housing, Utilities and Urban Communities and NGOs

04

General Requirements for Implementing Policies in the Housing Strategy

Based on the previous sections and from the analysis of the existing situation of the Egyptian housing sector, and the global and national visions and trends related to the sector, it is recommended to act swiftly to adopt the main principles of the new Egyptian housing policy. This requires national consensus between the various relevant sectors and stimulating the implementation of the policy's recommendations. Hence, the strategy sets several operational considerations that would initiate the implementation of various strategic dimensions. These considerations can be summarized as follows:

4.1 DEFINING A MINISTERIAL WORKING GROUP TO ADOPT THE STRATEGY AND ITS MAIN DIMENSIONS UNDER THE LEADERSHIP OF THE MINISTRY OF HOUSING, UTILITIES AND URBAN COMMUNITIES

Due to the complexity of the housing issue and its significant social, economic and environmental impact, it is recommended to form a specific working group of representatives of the relevant ministries and private and societal sectors. Sub-working groups would then emerge to allow for the various recommendations of the strategic dimensions to be initiated.

4.2 SETTING PRIORITIES TO DEAL WITH THE STRATEGY DIMENSIONS AND HOUSING POLICIES

There must be societal and institutional consensus on the priorities of implementation and the identification of priority issues that must be addressed first, as they represent major problems for society; in addition to developing policies, mechanisms and procedures related to each issue. Identification of these priorities should be the principle that guides the policy implementation process in a manner that achieves efficient use of resources and maximizes the benefit to society and the poor groups. Subsequently, specific roles of each of the entities involved in achieving and implementing the policy and mechanisms should be defined, as well as the financial budgets of each entity.

4.3 DEFINING CRITERIA FOR EVALUATING THE POLICIES' IMPLEMENTATION AS WELL AS THE REVISION AND UPDATING MECHANISMS

Implementation procedures and follow-up mechanisms require the continuous updating of data on the housing sector, especially in informal housing areas and data on vacant units. Moreover, it requires continuous evaluation of the extent to which policies, mechanisms and procedures are solving issues and problems pertaining to the housing sector. Consequently, deficiencies in the application of policies and procedures in the institutional frameworks that apply them have to be identified, along with recommending potential solutions. This evaluation is conducted through criteria to measure the extent to which the policy has achieved the desired goals, as well as the satisfaction of the community or population segment related to that policy. Therefore, the strategy must also be appendixed -upon approval- with a performance monitoring and evaluation system, as well as mechanisms for reviewing and updating it.

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