



# HOUSING AT THE CENTRE

of the New Urban Agenda

H@C  
HOUSING AT THE CENTRE

**UN HABITAT**  
FOR A BETTER URBAN FUTURE



**Position paper, October 2015**

**UN HABITAT**

HOUSING & SLUM UPGRADING BRANCH

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# I. Introduction

The shift towards a predominantly urban world makes the process of urbanization one of the most significant global trends of the 21st century. The significant transformation that has occurred in recent decades has given greater understanding and recognition to the role of urbanization in development.

However, the issues around housing have not received sufficient attention within the urbanization process. Compounded by rapid population growth and remaining high levels of poverty, cities in the developing world are facing persistent challenges to meet their housing needs. Not only the lack of adequate housing is enormous, but in many countries the stock of vacant houses increases even when millions of people have nowhere to live. Housing affordability has become a global crisis with strong negative impact on the wellbeing of people and on the exacerbation of urban inequality. One of the worst global economic crises of last decades had housing at its epicentre, entrenched in a combination of aggressive financing and ownership models that stressed speculation over social welfare.

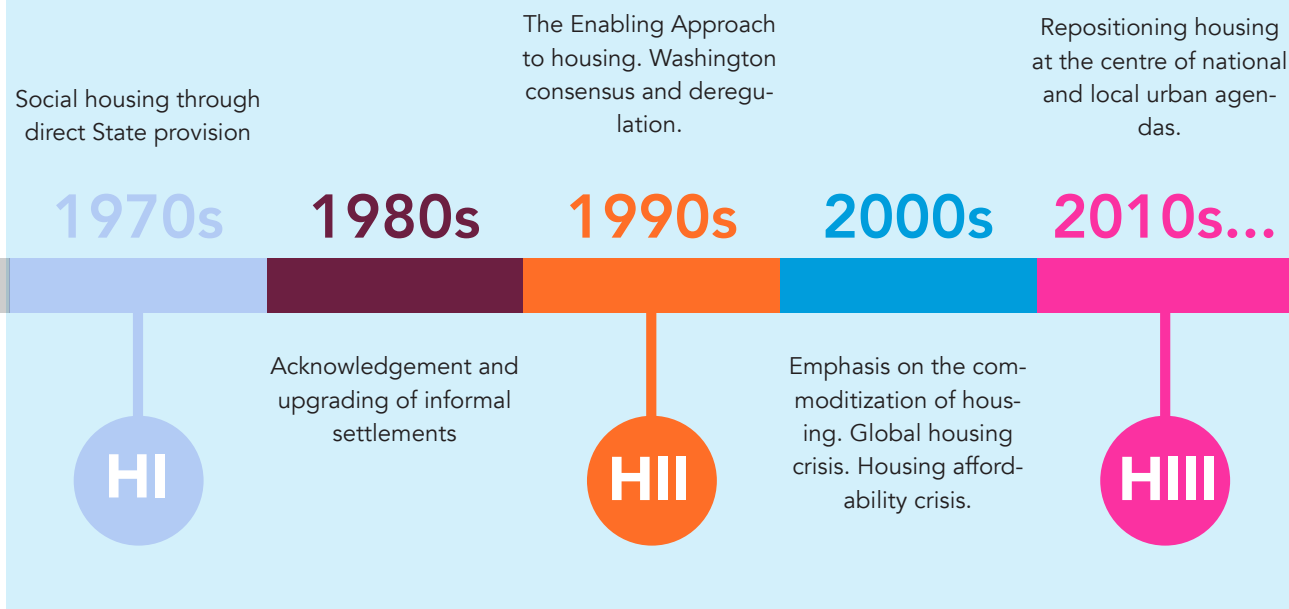
Clearly, a lot of what has gone wrong with cities is related in one way or another to housing. The way housing is being produced and consumed has shaped urban growth, regrettably, in many cases, by producing cities

that are fragmented, unequal and dysfunctional. The sustainable future of cities and the yields of urbanization will therefore strongly depend on facing and tackling the housing problems.

UN-Habitat is mandated to promote sustainable urbanization and adequate housing for all. At the core of the strategic direction of UN-Habitat's work is an increasingly accepted new vision of the role of urbanization in sustainable development. UN-Habitat has pursued urbanization as the engine of development, a transformative force which can potentially lead the world to overcome challenges related to sustainability, climate change, poverty, exclusion and inequality. With an emphasis on urban legislation, urban planning and urban economy, UN-Habitat has sought to develop an integrated framework for planned urbanization - the "Three-Pronged approach" – designed to better respond to the challenges and harness the opportunities of cities and human settlements.

Towards Habitat III, UN-Habitat has concentrated efforts to re-establish the role of housing for the future of sustainable urbanization. With that aim, it is proposing the 'Housing at the Centre' approach<sup>1</sup>, which comes to position housing at the centre of national and local urban agendas. 'Housing at the Centre' aims to shift the focus from simply building houses to a holistic framework for

## Milestones in the Global Housing Agenda



**1976**

*Vancouver Declaration and Plan of Action*

**1980**

*Shelter, poverty and basic needs (World Bank)*

**1988**

*Global Shelter Strategy*

**1992**

*Agenda 21*

**1993**

*Enabling Housing Markets to Work (World Bank)*

**1996**

*Istanbul Declaration on Human Settlements - Habitat Agenda*

**2000**

*MDG  
United Nations Millennium Declaration*

**2001**

*Declaration on Cities and Other Human Settlements*

**2013**

*UN-Habitat Global Housing Strategy*

**Post 2015**

*SDG*

**2016**

*New Urban Agenda 'Housing at the Centre'*

### 4 | Housing at the Centre of the New Urban Agenda

1 In its resolution HSP/GC/25/L.6, the 25<sup>th</sup> Session of the Governing Council of UN-Habitat "Takes note of the 'Housing at the Centre approach', which positions housing at the centre of national urban policies and of cities, and encourages the United Nations Human Settlements Programme and member States to consider the implementation of the Global Housing Strategy, as appropriate, including through the design of tools and mechanisms to promote inclusive housing finance at the national and local levels to bridge the housing gap and to contribute to the progressive realization of the right to adequate housing for all."

housing development, orchestrated with urban planning practice and placing people and human rights at the forefront of urban sustainable development. At the national level, the goal is to integrate housing into National Urban Policies and into UN-Habitat's strategic thinking on planned urbanization. At the local level, the approach is to reinforce the importance of housing for urban planning and concomitantly to the development of cities and people. With the 'Housing at the Centre' approach, UN-Habitat will re-establish housing problems and opportunities in the international development agenda in an increasingly strategic manner vis-a-vis the future of urbanization.

### **Towards the New Urban Agenda for the 21st century**

The 'Housing at the Centre' approach builds on previous work UN-Habitat has been doing since the Vancouver Declaration for Human Settlements (1976), the 'Global Shelter Strategy for the Year 2000' (1988), the Istanbul Declaration and the Habitat Agenda (1996), and more recently in the framework of the 'Global Housing Strategy' (GHS). Since 2013, UN-Habitat has promoted the GHS as a collaborative movement towards adequate housing for all, based on the principle of inclusive and human rights-based cities as the foundation for sustainable urban development.<sup>2</sup> The GHS is designed to assist governments in the formulation and implementation of national housing and slum upgrading policies, contributing to increased awareness and political commitment on the important role of housing for sustainable urbanization.

The outcomes of prior summits, declarations and strategies have laid a solid foundation for sustainable urban development. The 'Housing at the Centre' approach draws on these grounds to re-establish housing as an important element of the New Urban Agenda for the 21st century.

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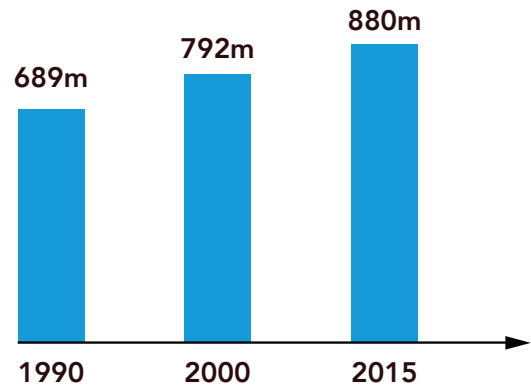


*Young men make bricks out of sand to build houses in Olumogbogbo-Ama settlement, Port Harcourt, Nigeria. © Wendy Bruere/IRIN*

<sup>2</sup> The Global Housing Strategy was approved at the 24<sup>th</sup> session of the Governing Council as Resolution 24/9.

## 6 out of 10

people expected to reside in urban areas by 2030

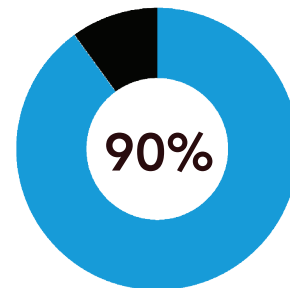


## 880 million

people are currently living in slums in developing countries

## 90 percent

of urban growth by 2030 will take place in Africa, Asia, Latin America and the Caibbeam



## II. Why do we need Housing at the Centre?

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*“For too long we have put the economy and jobs at the centre of city planning and development. People are what make cities and they would follow the jobs. It is now necessary to think about people’s needs and aspirations, including where they will live, and put them at the centre of city development”.*<sup>3</sup> (Dr. Joan Clos, Executive Director of UN-Habitat).

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Housing has been regarded as one of the most daunting challenges of urbanization, particularly conspicuous in view of the unprecedented proliferation of slums and informal settlements, manifested in cities as a result of inefficient policies and a chronic lack of adequate and affordable housing. Despite the significant efforts of some countries to improve the living conditions of 230 million slum dwellers in the last decade, the net growth of slums continued to outpace the improvement. Over 880 million people are currently living in slums in developing countries cities, up from 792 million in 2000 and 689 million in

1990<sup>4</sup>. The housing challenge the world is facing today is likely to persist with six out of every ten people expected to reside in urban areas by 2030. Over 90 per cent of this growth will take place in Africa, Asia, Latin America and the Caribbean. It is estimated that the struggle to obtain adequate and affordable housing could affect at least 1.6 billion people globally within a decade.<sup>5</sup>

The adoption of the 1996 Habitat Agenda marked a radical change in housing provision approaches, with governments assuming the role of enablers in housing development and backing away from direct delivery processes. However, the policies put in place in line with the ‘enabling approach’ have not led to the outcomes sought. Most governments have reduced their role in direct supply without providing enough input, planning and regulatory frameworks to allow other actors to step forward and provide adequate housing at the pace of urban population growth and at prices people could afford. With the exception of a few countries, resources and investments have been curtailed and the scope of state engagement reduced. Less government intervention in the majority of cases has resulted in fewer or no housing opportunities for the most poor and those living in vulnerable situations, such as youth, elderly, displaced persons and migrants, homeless persons and especially women in

<sup>3</sup> <http://unhabitat.org/affordable-housing-should-be-at-the-centre-of-cities-joan-clos/>

<sup>4</sup> The Millennium Development Goals Report (2015). United Nations, New York.

<sup>5</sup> McKinsey Global Institute (2014). A blueprint for addressing the global affordable housing challenge. MGI Report.



Settlement reconstruction in Nias, Indonesia. © UN-Habitat

these categories. At the strategic level, absentee governments and the weak performance of other actors created a gap and eventually contributed to housing overlooked as a priority in the international development agenda.

The growing urgency to provide adequate housing to millions of households and the need to do so in ways to guarantee a sustainable future for cities calls for a paradigm shift in housing policy and practice. UN-Habitat proposes that this shift, referred to as 'Housing at the Centre', comes to position housing as a priority in the public debate around urbanization, integrated within the framework of national urban policies and urban planning. 'Housing at the Centre' re-establishes the important role housing has in development, stimulating the economy, reducing poverty and promoting inclusion in cities, and will position housing issues on the international development agenda in an increasingly strategic manner vis-a-vis the New Urban Agenda. 'Housing at the Centre' departs from an understanding of housing as more than a roof and four walls, but the right to live somewhere in security, peace and dignity.<sup>6</sup> It not only takes into account the socio-developmental dimension of housing, but places people and human rights at the forefront of urban sustainable development.

'Housing at the Centre' becomes imperative given the emerging forms of urbanism that are producing cities as places of exclusivity, rather than opportunity. Cities, especially in the developing world, are growing fragmented, unequal and dysfunctional with the current models of housing production and consumption at the core of these processes. While the most common problem is the shortage of adequate housing, other important challenges lay in the poor quality and location of the stock usually far from job and livelihood opportunities, lack of accessibility and services, unaffordable costs and insecurity of tenure. Some countries have managed to provide

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<sup>6</sup> UN-Habitat promotes the right to adequate housing, recognized as part of the right to an adequate standard of living in international instruments including the 1948 Universal Declaration of Human Rights and in the 1966 International Covenant on Economic, Social and Cultural Rights. A number of conditions must be met before particular forms of shelter can



affordable housing at scale, regrettably however by often repeating the mass housing schemes, built on cheap and peripheral land, where people usually have limited access to services, jobs and opportunities. From slums to gated communities, from overcrowding to sprawl, from homelessness to the vacant houses, there is much evidence that housing is shaping cities worldwide despite regional, demographic, socioeconomic and cultural specificities. The resulting models are leading to social, environmental and financial costs far beyond what the majority cities can afford.

'Housing at the Centre' comes to restore the social dimension of housing. The commoditization of housing has strengthened the perception of shelter as a speculative financial asset, generating an artificial sense of wealth and an unsustainable cycle of debt which culminated in the housing foreclosure crisis and the global economic downturn of 2007–2009. Land and housing markets have reproduced this speculative practice in the urban domain reinforcing instead of attenuating socioeconomic and spatial inequalities. The challenges to create, preserve and improve affordable housing have grown across the globe. Indeed, this is one of the most critical problems of housing today with an increasing number of households in developing and developed country cities financially stretched by housing costs.

Housing at the Centre is needed. It will be instrumental for the New Urban Agenda to meet the growing needs of urbanization in a way that benefits all people. The momentum could not be better with the first ever worldwide Sustainable Development Goal to "make cities and human settlements inclusive, safe, resilient and sustainable" and targets to ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.<sup>7</sup>



Sabra Palestinian refugee camp, Beirut. © Claire Williot, IRIN.

be considered to constitute "adequate housing." These are: accessibility; affordability; availability of services, materials, facilities and infrastructure; habitability; location; cultural adequacy and security of tenure.

7 Transforming Our World: The 2030 Agenda for Sustainable Development. Finalised text for adoption (1 August). Goal 11. Make cities and human settlements inclusive, safe, resilient and sustainable. Target 11.1 By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.



*Pedestrians using escalator in Shanghai, China © Julius Mwelu/UN-Habitat*

# III. Housing at the Centre of National Urban Development

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*The 'Housing at the Centre' approach complements efforts recognizing the need for a long-term vision and commitment to housing sector development to be integrated into UN-Habitat's fundamental principles behind planned urbanization. 'Housing at the Centre' promotes housing policy and national urban policy blended in a context of increased importance on housing as an imperative for socioeconomic development and the sustainable future of cities.*

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Both urbanization and access to housing offer a unique opportunity for development. What is lacking is an integrated vision of housing within the framework of national urban development. Very few governments have planned for urbanization in advance, such as instituting policies to guide the growth of cities and territorial transformations, or guaranteeing the inputs needed for the provision of housing, land and infrastructure. The consequences are

evident in the various challenges following the rural-urban shift in most of the developing world.

UN-Habitat is contributing to bridge this gap, proposing a coordinated approach to planned urbanization and assisting governments to formulate and implement their National Urban Policies. The 'Housing at the Centre' approach complements these efforts recognizing the need for a long-term vision and commitment to housing sector development to be integrated into UN-Habitat's fundamental principles behind planned urbanization. 'Housing at the Centre' promotes housing policy and national urban policy blended in a context of increased importance on housing as an imperative for socioeconomic development and the sustainable future of cities.

Housing should be a central element of social and economic policies of a country. National and local authorities need to be at the helm of policy design, planning and implementation, not only to create a conducive environment for investors, public-private partnerships, the private sector and community initiatives. Where needed, governments should also directly intervene and ensure housing will be affordable, accessible and provided for all. Only with strong political will, commitment, investment and effective intervention coordinated at the realm of national urban policies and between different tiers of

governments will countries and cities be able to maximize the benefits of urbanization and provide inclusive housing responses at the scale needed.

The productive and economic benefits of housing cannot be undervalued and should be translated into a central element of macroeconomic policy. Urbanization spurs the construction of more houses with multiplier effects contributing to generate jobs, wealth and growth. In de-

veloped and developing countries alike, the housing and building sectors account for significant proportions of the national economy and constitute a key component of development and diversification.<sup>8</sup> Concurrently, greater consideration of housing in urban development, to the extent that it results in diversity, mixed use and business opportunities, will also contribute to the prosperous growth of cities.



In order to place housing at the centre of national urban development, the following fundamental guiding principles should be considered:

- **Housing is inseparable from urbanization.** Housing policies and strategies at national and local levels should therefore be integrated into urban development policies and orchestrated with economic and social policies.
- **Housing is a socioeconomic development imperative.** Housing is a true support for survival making a substantial and prolonged contribution to socioeconomic development of people and cities. While housing provision is important for improving livelihoods, standards of living and welfare, it also accounts for a significant share of wealth and resources that can be an important source of economic growth, employment generation and a major component of the economic development agenda.
- **Systemic reforms, strong states and long-term policy and finance are needed to enable access to adequate housing for all.** National and local authorities should reassume a leading role in responding to housing needs and affordability constraints especially of the poorest segments of the population, being at the helm of formulating, regulating, implementing and monitoring policies. Finance for housing should be established and increased.
- **A simultaneous twin-track approach with curative (slum upgrading) and preventive (new provision) housing policies and programmes should be promoted** ensuring participatory and coordinated efforts of national and local governments, development finance institutions, the private sector and civil society.
- **Housing and slum upgrading policies should be accompanied by national strategies** with a detailed plan of action, time frame, and provisions for ensuring that resources are available to implement the actions proposed as well as indicators for monitoring and evaluating. These processes need to be guided by the human rights principles of transparency and accountability.
- **Human rights principles and standards are of outstanding relevance for urban development to lead to socially sustainable and inclusive cities.** Targeting the most poor and groups in vulnerable conditions is crucial if the situation is not to deteriorate, and interventions cannot depart from addressing the root causes that prevent their access to adequate housing.



Cape Verde - Cidade de Espargos - Bairro Informal Archada St Cruz © UN-Habitat

# IV. Housing at the Centre of Cities

Housing has not been appropriately integrated into urban planning practice despite residential land use often occupying the majority of the area of a city. In the last decades, a series of housing responses have emerged but they have also brought about new challenges. Urban growth in developing country cities has been marked by informal urban development, sprawl, spatial fragmentation and segregation, which in turn engender other forms of social exclusion, inequalities and violation of human rights.

Spatial inequalities are a mark of current urbanization processes. Low-income housing areas are commonly located too far away from livelihood opportunities, with limited access to infrastructure, transportation and other services. The lack of appropriate planning mechanisms and regulations including the spatial distribution of investments in services and infrastructure often result in more urban inequalities. Certain neighbourhoods benefit from better services and infrastructure than others. Housing segregation, gentrification and unaffordability are often reinforced by lacking or inadequate regulation and planning.

Access to land remains one of the most pervasive binding constraints to realizing the right to adequate housing. Location and affordability are perhaps the attributes

of housing most vulnerable to land markets. A number of national and local governments have postponed or abandoned reforms to the legal and regulatory regimes of urban land, and have narrow manoeuvring against the speculative and exclusionary practices of markets. Not only do policy makers neglect the importance of land as a major input of housing delivery systems, but by doing so, they also lose control over the production of urban space. Important aspects determining the affordability of housing, security of tenure and upgrading of slums are intrinsically related and rely on the improvement of land delivery systems.

The 'Housing at the centre' approach aims to strengthen the role of housing within urban planning practice. The approach aims to shift the focus from simply building houses to a holistic framework which coordinates the different phases and inputs of housing development within urban growth, upgrading and renewal interventions, especially within the main axes of UN-Habitat's new urban strategy: the Planned City Extensions and Planned City Infills.

By putting housing at the centre of city development and urban planning, UN-Habitat aims to shift the focus to the people, acknowledging that Human Rights-Based Approach adds value to urban planning by legitimizing pri-

orization of the interests on the most marginalized in society and their participation in the planning process. The creation and implementation of an inclusive urban planning process is a precondition in many national contexts for the fulfilment of human rights obligations in cities.

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In order to place housing at the centre of cities and urban planning practice, the following fundamental guiding principles should be considered:

- **Housing is an integrating element of urban planning.** Housing should therefore be cohesive to the different elements of urban development – land, infrastructure, finance and local economic development - and orchestrated with urban planning strategies for the extension, infill, in-situ upgrading and revitalization of cities.
- **Place matters and urbanization will not be inclusive without providing access to housing, services and livelihood for all.** Location and transportation are important attributes of housing as they determine the entry point for accessibility and opportunities in cities. Housing projects that encourage spatial inclusion of low-income and people in vulnerable conditions by locating affordable housing in central areas should be seen as a condition for a socially inclusive and environmental friendly urban development process. This includes promoting the upgrading of informal settlements and urban regeneration as key strategies to provide well-located and affordable housing in the core of cities and contribute to urban diversity and inclusion.
- **Urban planning and legislation should contribute to maximize affordability of housing and spatial inclusion.** Mixed land-use, planned



city extensions, urban in-fills and upgrading combined with better transport infrastructure and inclusionary zoning should contribute to improve affordability, location and accessibility of housing especially for the poor in vulnerable conditions. Legal mechanisms should be in place to protect people against forced evictions and guarantee security of tenure.

- **Sustainable Housing is a litmus test of Sustainable Cities.** Sustainable building design, climatic and cultural adequacy of housing must be considered for their impact in the urban environment, climate change as well as for their potential to improve the resilience of cities. Residential practices should be integrated into the wider urban systems in order to meet the challenges of energy consumption and risk mitigation.
- **Urban planning policies and programmes should be geared toward the progressive realization of the right to adequate housing for all** and contribute to efforts by countries to comply with their international obligations. Approaches that integrate people and draw on a more complete understanding of existing community dynamics should guide planning practice and housing responses.
- **A continuous, participatory and inclusive urban planning process should be the starting point for integrating housing into urban growth and development strategies** with the goal to increase density, improve urban efficiency, promote social mix, enhance productivity while providing an opportunity for social, economic and spatial integration.



*A woman applies mud to a new housing structure in Mahagi, DRC. © Zahra Molloo/IRIN*

# V. What is expected from positioning Housing at the Centre?

The future of cities depends on how well and how soon access to adequate housing will be provided for all. Positioning housing at the centre of national and local urban agendas will be instrumental for achieving this goal and promoting inclusion and equality of opportunities in the urban development process.

In collaboration and with the support of Member States and Habitat Agenda Partners, UN-Habitat expects the Housing at the Centre approach to lead to:

- **A paradigm shift** in the thinking and practice of housing development integrated to the national and local urban agendas and as a priority focus area within UN-Habitat's work.
- Increased **awareness and commitment** of governments and global actors alike to addressing the housing challenge harnessing on opportunities for concomitantly promoting economic and social development, sustainability and inclusion.
- **Strengthened government engagement and intervention**, beyond enablement towards a leadership role in housing responses for all and at the scale needed, and holding accountable obligations towards the realization of the right to adequate housing for all.
- **A renewed cycle of support and investments** from national governments, international development organizations as well as innovative cooperation schemes that can include the private sector and other actors.
- And, most importantly, result in a **significant and measurable improvement of housing and living conditions** for all, especially those living in slums and in vulnerable situations, while facilitating at the same time the role of housing as an important support for the overall development of cities and people.

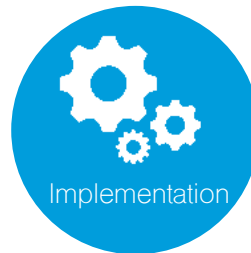
## IV. Next steps

This Position Paper is the first step of a process which UN-Habitat, as the United Nations Agency mandated to promote sustainable urbanization, will lead in preparation for Habitat III and the New Urban Agenda in collaboration with Member States and Habitat Agenda Partners.

As a starting point, this paper should contribute to raise awareness, political commitment and instigate a debate on how the 'Housing at the Centre' approach will be implemented on the ground. For UN-Habitat, this Position Paper sets a clear line of work and supports the continued efforts to promote access to adequate housing for all in the context of planned urbanization and the "Three-Pronged approach" to urban development. Concrete mechanisms and technical guidelines need to be developed based on lessons learned from across the globe, and especially drawing on examples of countries and cities which have already taken actions in the lines pro-

posed here. Placing housing at the centre of national and local urban agendas will depend on strengthened and coordinated efforts from national and local governments, as well as from other stakeholders. Roles and responsibilities, as well as actions to be taken will be discussed and agreed taking into consideration regional specificities, attributes and challenges.

Implementing Housing at the Centre on the ground is the next and most important step. UN-Habitat encourages national and local governments, Habitat Agenda Partners and other stakeholders to adhere to and to support the 'Housing at the Centre' approach and its proposed guiding principles. What comes next, towards materializing this approach, should be the result of a collective commitment to promoting the progressive realization of the right to adequate housing and building a future where cities will be places of opportunities for all.





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