

THE ROLE OF LAND IN ACHIEVING ADEQUATE AND AFFORDABLE HOUSING

How can urban land management help improve access to decent and affordable housing for all those in need? With demand increasing far faster than formal supply in many countries at all levels of economic development, competition is forcing up land prices and the promotion of individual ownership has further inflated prices to the level that ownership is out of the question for many, even in middle-income countries, and rental costs are also increasingly unaffordable.

In 2019, I was invited by UN-Habitat to prepare a report on land-based finance for affordable housing in order to address this challenge. I invited Daniela Munoz Levy to join me in the study and it quickly became clear that approaching the issue through a financial perspective would not address the core issue of meeting diverse needs. While affordability is clearly vital, it is not the only consideration in an effective housing policy since housing also needs to provide good access to public facilities and employment opportunities. Another consideration is that housing made affordable through subsidies is vulnerable to being reabsorbed into inflationary land and housing markets, making it affordable only for a short time. The report therefore expanded over time to include other factors, such as long term availability.

The final report, which is being launched by UN-Habitat in September, reviews a number of policy instruments for managing urban land and housing markets that have been shown to provide adequate and affordable housing within the constraints of market-driven economic systems. The characteristics, strengths and limitations of each policy instrument in improving access to adequate and affordable housing are summarised, so that policymakers can make informed decisions as to what instruments may be applicable in different locations. A list of additional publications on each is also provided for those seeking additional information.

It is hoped that the report will provide a framework for evidence based decision-making so that land and housing markets can be managed more effectively in the public interest.

The side event will take place between 12.45-13.30 on 09 July.

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