COMPARATIVE ANALYSIS OF NATIONAL HOUSING POLICIES AND HOUSING SUPPLY SITUATIONS IN NIGERIA AND SOUTH AFRICA

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ABSTRACT

Often the disparity in housing situations of various countries are traced to corresponding differences in: the housing policy formulation process, contextual provisions of the policies, macro economic situation, and level of development. This paper evaluates the housing policies of Nigeria and South Africa in order to determine the level of housing provisions in the two countries. The study combined qualitative and quantitative research methods to realize the objectives of this paper. This expository research paper used content analysis approach to evaluate secondary source data from the two countries.

Comparatively, National housing policy of South Africa emphasized the working together of privately driven market and social housing provision in housing delivery while Nigerian housing policy focused only on privately driven market system. By maintaining a steady focus on tradeoff between privately driven housing market and social housing provision directly targeted at the low-income class South African housing policy has done better in expanding access to housing among the populace than Nigeria’s housing policy which tilts more towards attaining a privately driven housing delivery market system in which the government plays an enabling role. This implies that private housing system need to recognize the crucial complementary role of social housing in the attainment of efficient housing delivery and for housing policy to work for the poor in most countries.

Keywords: Housing policy, Housing supply, Social housing; Nigeria, South Africa.

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INTRODUCTION
BACKGROUND TO THE STUDY
A National Housing Policy (NHP) is an important document which sets out the regulatory and institutional frameworks through which the government hopes to solve the housing problems of her citizens in a sustainable manner. NHP is one of the vital tools of governance used for combating existing and unfolding housing challenges in secured societies, others being: land administration and management policy, land use and zoning laws, planning and physical development laws, just to mention a few.

Nigeria attained political independence in October 1960, ever since then provision of housing and its complimentary urban infrastructures to her teeming urban population remain a mirage. Agunbiade, 1983; Ajanlekoko, 2001; Oluwasola, 2007; Owei, 2007 (as cited in Okechukwu 2009) asserted that acute shortage of dwelling units and infrastructures has resulted in overcrowding, high rents, poor urban living conditions, low infrastructure services, deteriorating environment, increasing poverty and increase in urban crime waves and general insecurity.

On the other hand, South Africa gained independence in 1992 after long period of apartheid regime, but it seems to have made considerable progress in national housing delivery issues having developed to date some 60 Social Housing Institutions (SHIs) actively producing social housing in various forms for the low and medium income classes among other housing delivery efforts in the country (Social Housing Policy For South Africa, 2003).

This study aims at examining what has worked and not worked with respect to housing policies in other parts of the world within the above highlighted contextual issues in housing policies and their implementations. Lessons from other countries will be used to draw up a comparative analysis between the Housing Policies in Nigerian and South African and the housing situations with a view to posit practical ways to re-articulate housing policy of Nigeria in order to achieve better housing outcome for Nigerians in the nearest future.
Empirical and Theoretical Issues

Housing Policy represents the road map to housing delivery for all the citizens of a country. As such its formulation needs to be broad based with active participation and representation of all socio-economic classes in a nation. Furthermore, housing is one product whose consumption impacts upon the citizens’ lives in many ways. In Malaysia, housing and social services continue to be the priority of government programs aimed at improving the quality of life and contributing towards the formation of a caring society (Ezeanya, 2004). Assessing the impact of living conditions on human health, Robert Wood Johnson Foundation, RWJF (2008) assert that ‘where Americans live is at the core of their daily lives’. In view of the wide impact of housing upon the wellbeing of the citizenry, the formulation process of a housing policy which hopes to achieve its goal needs to include all classes of stakeholder in its discussion at on set.

All inclusive involvement of housing stakeholders in housing policy formulation will avail information at the onset as to the exact capabilities and likely impediment envisaged by each stakeholder group which may limit their ability to participate effectively in the policy when it is put into operation. In addition to the inclusive involvement of all stakeholder groups at the formulation stage, provision needs to be made for inclusionary housing practice. Inclusionary provision covers a wide range of subsidies and social housing. Gonzalez (2005) argued that recent shift in countries perception of subsidies in the housing sector is intended to: enhance the functioning of the markets and not to crowd them out, to foster access to credit markets, used as incentive and not hand-out; so that beneficiaries must contribute to the solution to their housing problem according to their economic possibilities and recent forms of subsidies are transparent and directed straight to targeted beneficiaries. Irrespective of the campaign for private market forces driven housing policy, social housing of which subsidy remains a vital component is still a highly favored feature of the housing policy of most nations that have recorded mentionable housing delivery achievement in history.

Active participation in the housing delivery system by all classes of stakeholders is necessary for a sustainable housing delivery situation to emerge in a country.

Aribigbola (2008) argued that “in housing provision, sustainable development explicitly relates to discussions of affordability, housing quality and issues of social equity and justice in terms of accessibility”. Aribigbola’s perceptions call for assessment of the
provisions of Nigerian National Housing Policy as intended to facilitate sustainable mass home ownership in Nigeria.

Numerous studies have shown that Land Market system has effect on affordability and functioning of urban areas (Omirin, 2003, Iseh, 2007, Karley, 2009, and African Ministerial Conference on Housing and Urban Development AMCHUD 111, 2011). It is worthy to note that land resource for whatever use does not have a substitute. Perhaps this lack of alternative resource to land can offer a good explanation on why people must devise various informal ways of accessing land for important uses such as housing within an accessible neighborhood in an urban centre. However, suffice to say that a good Housing policy framework needs to provide adequate access to land by commercial housing suppliers and private homeownership seekers.

The development of housing and its supporting neighborhood infrastructures is capital intensive anywhere in the world. Housing provision requires huge capital outlay which is often beyond the capacity of low income and medium income groups (Sanusi, 2003).

One of the primary objectives of many nations’ housing policies is to create sustainable housing finance market through which building funds can be accessed by all especially those in the previously underserved population. However, on one side the fund accumulation rate in a contributory housing finance system is strongly tied to the general wage level in the country. World Bank and International Finance Corporation (IFC), (2005) identified low purchasing power associated with poor wage levels in most developing countries including Nigeria as a key factor limiting accessibility to market oriented mortgages and housing. Robert Wood Johnson Foundation, (2008) confirms that "lack of affordable housing (And housing mortgage) affects families’ abilities to meet other essential expenses, placing many families under tremendous and constant financial strain”. The Housing Finance Roundtable in Andean Region (2004) emphasized sustainable housing market must be supported by a public – private partnership and a stable macroeconomic scenario. Affordability and accessibility parameters in a housing finance market system practically translate into the number of house ownership or property upgrading finance transactions concluded within a predetermined period of time. To be able to keep track of the affordability and accessibility performance rate in housing policy requires periodic assessment of the implementation of such policy.
Therefore the need exists for policy decision makers to have deeper understanding of the forces that influence and shape housing affordability of different groups within the housing market. World Bank, (1993) and UNCHS, (1996) while advocating the move among countries towards enabling market driven housing provision approach, added an important caveat “that it must be pursued within a framework that addresses those areas where the private and unregulated markets do not work” (UNCHS, 1996).

However, Global Strategy for Shelter (GSS) (1988) in providing “the framework for continuous process towards the goal of achieving adequate shelter for all by the year 2000 emphasized that “the goal of national housing policy should be to widen the range of housing choices available to all households so that they can adjust their shelter situation to their own needs and preferences. GSS (1988) preferred creation of variety of housing options for each socio economic group in a housing policy to having predetermined targets in terms of housing production. Conversely, where there is an absence of sufficient legal, tax, and regulatory frameworks, robust primary mortgage market, capital market that is ready and possess appetite for mortgage backed debt instrument to be offered in secondary mortgage market, the creation of variety of housing options becomes limited. However, developing countries that have properly fixed their Micro finance subsector can use it as pivotal finance institution upon which housing finance options particularly for the low income group can be created and run. Gonzalez (2005) averred that secondary mortgage market requires a robust primary market to develop. While robust primary mortgage market in turn requires a number of critical elements such as macroeconomic stability, marketability and liquidity of the housing market, a sufficient network of quality primary market lenders, product standardization across the industry and alternative credit enhancement options to overcome insufficient credit quality or lack of data. The market environment inadequacies in any of the above outlined economic and financial parameters means that the housing market will under serve certain areas.

To be able to keep pace in identifying those neglected housing areas in a private market system of housing delivery requires the existence of constant performance evaluation mechanism. However, there cannot be an evaluation system without an established yard sticks or parameters against which the statistical data collected over a specified period of operation of the housing policy can be measured.
The summary of the argument in this section is that measurable targets in the form of number of housing delivery for each socio-economic class over a stated time frame as well as the system of evaluating what was achieved and the methods of identifying the impediments to be resolved for future better performance are all vital ingredients necessary for a functional Housing Policy performance to emerge in a country.

**Research Methodology**

The study is an expository research in which content analysis and evaluation approaches are used to accumulate and analyze reliable and valid evidence on South African and Nigerian housing policy issues and housing situation outcomes. The research laid emphasis on collection, analysis and appraisal of plans, policies and programs that are related to: New Housing Policy and Strategy for South Africa (1994) and all its associated implementation documents, and the National Housing Policy of Nigeria, (1991) along with other related revision and implementation strategy documents.

Expository Research Technique explains a phenomenon by synthesizing information in existing write ups on the phenomenon (of interest) in a manner that brings out hitherto obscured realities surrounding the subject matter of the study (Rozakis, 2004). Expository research papers are a great way to present a lot of data in an organized and easy-to-use form (Rozakis, 2004).

Secondary data were collected on housing issues of Nigeria and South Africa in particular and generally on housing policies and their performances in other countries from: books, existing records, published works in form of annual reports, reviews, government documents, institutional publications, published academic papers on housing studies generally, and conference papers.

**COUNTRIES’ OVERVIEW, HOUSING POLICIES AND HOUSING SITUATIONS: NIGERIA AND SOUTH AFRICA**

**OVERVIEW: NIGERIA**

Nigeria is located on the Gulf of Guinea in West Africa and shares borders with Benin Republic, Niger, Chad, and Cameroon, The country has about 160million inhabitants (Nigeria Bureau of Statistics, 2009 estimate) and estimated GDP of $340billion. Its land mass is 923,769 square kilometers, made up of 909,890 square kilometers on land and 13,879square kilometers of water. Nigeria is Africa’s largest oil producer and the twelfth
largest producer in the world. It has significant natural gas reserves and its macroeconomic balances are impressive though largely dependent on crude oil production. Opportunities in telecommunications, tourism, and mining of minerals (including, tin, zinc, iron ore, kaolin, copper, coal, gold, and precious stones), power generation, road, water, and rail transport infrastructures are huge.

**HOUSING POLICY AND HOUSING SITUAUTION IN NIGERIA**

There is acute shortage of housing in Nigerian cities right from the onset of independence in 1960, both for the low income and medium income sub classes of the nation’s populace. The private sector housing production accounts for over 80% of the total national housing stock of 10.7 million in 2007 (Federal Mortgage Bank of Nigeria, 2007). In recent study of the housing finance sector in Nigeria, EFInA (Enhancing Financial Innovation & Access), and FinMark Trust (2010) averred that “Regardless of the policies, institutions and regulations which the Nigerian government have put in place since independence in 1960, there is still a dearth of housing especially for the low-income segment.”

The Nigerian government articulated a National Housing Policy (NHP) in Nigeria which was inaugurated in 1991 as a response to the national embarrassment of housing problems in Nigeria. Coming as a corrective response to the housing backlog of accumulation of failed housing policy measures, the 1991 policy sets out four main approaches to tackle the huge housing problem of the country. These approaches consisted of: (a) To encourage and promote active participation in housing delivery by all tiers of government; (b) To encourage greater participation by the private sector in housing development; (c) To strengthen institutions within the system to be more responsive to housing demand; and (d) To emphasize housing investments which satisfy basic housing needs. The ultimate goal however, was to ensure that all Nigerians would own or have access to decent housing accommodation at affordable cost by the year 2000 (Federal Republic of Nigeria, 1991, p.5).

The actual formulation of this important policy was based on the following issues:

1. Establishment of Institutional Framework for sustainable housing delivery;
2. Creation of sustainable long term housing finance system;
3. Evolving a system of participation and roles for: federal, state, and local governments in housing delivery including the Federal Housing Authority FHA, Federal Mortgage
Bank of Nigeria (FMBN), Primary Mortgage Institutions (PMIs) and States Housing Corporations and the private sector;
4. Addressing the problems of building materials and high construction costs; and
5. Expanding low income housing delivery.

At the formulation of NHP in 1991, the country’s housing requirement was estimated at a total of 8 million units comprising of 5 million for urban areas and 3 million for the rural areas to cover up to the year 2000 A.D. The above given estimate translated into about 730,000 housing units to be built annually as from 1991 in order to realize the policy goal of housing for all in the year 2000. There was no doubt that the projection was a tall order going by the nations’ established pedigree in housing delivery in past years of nationhood. The extent to which this annual target was achieved was not documented before the 2002 amendment of NHP due to the absence of central data collection machinery in the housing system to track down housing starts and completion data from the various public sector institutional housing operators as recognized in the policy document (Eteng, 2002). However, it suffices to note that the NHP 1991 could only deliver in four years 17,000 out of 121,000 housing units assigned to it for production per annum. Ndubueze (2009) posits that “Given that the goal of the policy was supposed to be achieved by the year 2000, it could be argued that the end of that year marked the technical end date for the policy”. Ndubueze’s conjecture of NHP 1991’s theoretical termination date in 2000 seems to have been anchored on the fact that in 2002, the federal government set up the Presidential Committee on Urban Development and Housing (PCHUD). The work of PCHUD ushered in the existing New National Housing Policy (NNHP) 2002. Again, the goal of the New National Housing Policy was contextually similar to that of its predecessor as it promised to aid “all Nigerians to own or have access to decent, safe, sanitary housing accommodation at affordable cost with secured tenure” (Federal Government of Nigeria, 2002, p.7). The government accepted PCHUD’s recommendation for the government to pursue a housing program of constructing 40,000 housing units per annum nation-wide on the condition that it must be private sector-led with “government encouragement and involvement” (Federal Government of Nigeria, 2002, p.7). As part of a renewed resolve to grapple with the complex housing and urban development problems in Nigeria, the government in 2003 expanded the role of some existing key housing delivery institutions while it also created a new Federal Ministry of Housing and Urban Development (from Ministry of Works and Housing).
To provide an additional perspective into the history of housing policies in Nigeria and their performances over the 5 decades of independence, a summary of housing policies achievements is presented below in table 1

### Table 1: SUMMARY OF HOUSING POLICIES PERFORMANCES IN NIGERIA

<table>
<thead>
<tr>
<th>HOUSING PROG.</th>
<th>MAIN FEATURES / PROJECTIONS</th>
<th>MAJOR ACHIEVEMENTS/OUTPUT</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>National Development Plan (NDP-1) 1962-68</strong></td>
<td>Housing seen as part of Industrial Estates, land acquisition and Town Planning 24,000 Housing unit to be produced during the period.</td>
<td>Only 500 units were built before the Civil war broke out in 1967. Only 2.1% performance</td>
</tr>
<tr>
<td><strong>NDP-2 (1970-74)</strong></td>
<td>Housing became social and political Responsibilities. Federal and States Military Governments to build and rent housing at affordable prices. 54,000 housing units to be built comprising of 10,000 units in Lagos, and 4,000 units in each of the then 11 states capitals Housing units distributed according to socio economic groupings: 60% for low income, 25% for middle income, and 15% for the high income group Promised construction of additional houses for government workers Revived and expanded civil servants’ loans for private housing Increased government investment in local production of cement and other building materials as well as supplementary importation of cement for excess demand from new housing construction</td>
<td>Established Federal Housing Authority (FHA). FHA could not function until 1976 FHA presently have delivered about 55,000 housing units in about 80 estates nationwide and a land asset holding of about 11,000 hectares. FHA has spent over =N=32 billion on housing Developments and ancillary infrastructures.</td>
</tr>
<tr>
<td><strong>NDP-3 (1975-80)</strong></td>
<td>202,000 housing units to be built per annum; comprising of 46,000 in Lagos, 12,000 for Kaduna, and 8,000 units in the remaining 17 state capitals. State governments to directly build the prescribed no. of units the states while FHA was to provide infrastructure. FHA activities extended to the states for the first time. Created Ministry of Housing, National Development and Environment solely in charge of housing. Provided additional financing for FHA for effective take off of direct construction and development of housing estates in various states of the federation. In 1979, the civilian administration of Lagos State declared a Five – year state housing program for 50,000 units (1979-1983)</td>
<td>Actual completion = 37,650 units. Representing about (19%) successful performance rate</td>
</tr>
</tbody>
</table>

47,200 units completed by Lagos State. 94% represents an excellent record in the annals of housing delivery History in Nigeria.
<table>
<thead>
<tr>
<th>National Housing Policy 1991</th>
<th>To produce 2,000 housing units yearly in each of the 19 states of the federation</th>
</tr>
</thead>
<tbody>
<tr>
<td>National Housing Program (1994-95)</td>
<td>Ensure all Nigerians own or access decent housing accommodation at affordable cost by the year 2000. 730,000 housing units to be constructed annually to meet the target of 8 million units required to offset the housing backlog by the year 2000. Encouraged and promoted active participation in housing delivery by all tiers of government. Strengthened institutions within the system to render their operations in a more manner to demand. Emphasized housing investment which satisfy basic housing needs. Encouraged greater participation by the private sector in housing development. Established National Housing Fund in 1992 with a take-off grant of =N=250 Million</td>
</tr>
<tr>
<td>National Housing Policy (2002)</td>
<td>121,000 housing units to be constructed for all income groups. Each of the 9 newly created states to have 5,000 units while the other 21 states were to share 76,000 housing units</td>
</tr>
<tr>
<td>State Housing Corporations, States Owned Mortgage Banks, and States Housing Ministries</td>
<td>Developed the mortgage finance market to increase sustainable long term housing mortgage finance and consequently expand homeownership opportunities for all Nigerians. Established and promoted participation of Real Estate Developers of Nigeria (REDAN) in housing delivery. Enhanced the enabling environment for State housing agencies to come into more active participation in affordable housing delivery. Enhanced the housing supply chain through creation of Real Estate Investment Trusts. Re-structured FMBN to facilitate long term funds for mortgages through secondary market operations in using capital market platform. Subsumed housing under the newly created Ministry of Housing and Urban development.</td>
</tr>
</tbody>
</table>

**NDP- 4 (1981-85)**

**National Housing Policy 1991**

No visible impact

**National Housing Program (1994-95)**

Only 1,014 units were completed

**National Housing Policy (2002)**

No visible impact till date. The country’s housing deficit is still estimated at over 14 million units.

HABITAT, (2005) estimated that aggregate residential mortgages in Nigeria constitute less than 1% of the country’s GDP.

**State Housing Corporations, States Owned Mortgage Banks, and States Housing Ministries**

The combined efforts of these institutions have yielded a total of about 3,705 housing units for low income, middle income and high income groups across all the states in Nigeria including Abuja FCT. SEARCH FOR INFORMATION ON LSDPC, ANHCOL, IMO, KOGGI, ETC.
<table>
<thead>
<tr>
<th>Source</th>
<th>Details</th>
</tr>
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<tbody>
<tr>
<td>FMBN</td>
<td>Floated maiden housing Bonds of =N= 100 billion in two tranches of =N= 5 million each. Proceeds used to finance purchase of Federal Government non essential houses in Abuja FCT areas by civil servants in line with monetization policy.</td>
</tr>
<tr>
<td>Over</td>
<td>Over 30,000 housing units acquisitions were financed.</td>
</tr>
</tbody>
</table>

**Sources:** NHP (1991), NNHP (2002), FMBN (2007), Pison Housing Company (2009), and (EFInA), and FinMark Trust, (2010).

**OVERVIEW: SOUTH AFRICA**

Southern Africa is located at the southern tip of the continent of Africa within the coordinates 29 00 S, 24 00 E. It has a total land area of about 1,219,912 sq km. South Africa shares common borders with Botswana 1,840 km, Lesotho 909 km, Mozambique 491 km, Namibia 967 km, Swaziland 430 km, and Zimbabwe 225 km. The climate is mostly semiarid; subtropical along east coast; sunny days cool nights. The country’s terrain consists of vast interior plateau rimmed by rugged hills and narrow coastal plains. The natural resources of South Africa include: gold, chromium, antimony, coal, iron ore, manganese, nickel, phosphates, tin, uranium, gem diamonds, platinum, copper, vanadium, salt, and natural gas. Agricultural products of South Africa includes; apples, citrus, banana, vegetables, etc.

The population of South Africa estimated to be 40.8 million people at independence in 1991 has grown to 48,782,756 (July 2008 national population estimate).

The erstwhile apartheid regime of South Africa neglected the black majority’s housing needs. As such most blacks were then forced to live in dehumanizing insanitary conditions. The Congress of South African Trade Unions (COSATU 2000) noted that, “While Africans make up 76% of the population, their share of income amounts to only 29% of the total. The apparent over skew of the national income distribution against the black at that time explains the poor living conditions of the black in pre independence South Africa. Whites, who make up less than 13% of the population, take away 58.5% of the total income” (COSATU 2000). Thus, Knight (2001) noted that at independence the urban housing deficit was estimated in the region of 1.3 million units in 1994, this figure estimate was reassessed to be about 3 million in 2001. South Africa’s housing future began at a meeting held in mid-1991. Upon attainment of independence; the new national government averred that “Housing the nation is one of the greatest challenges facing the Government of National Unity. The extent of the challenge derives not only from the
enormous size of the housing deficit and the desperation and impatience of the homeless, but stems also from the extremely complicated bureaucratic, administrative, financial, and institutional framework inherited from the previous government” (South African Department of Housing, 1995).

HOUSING POLICY AND HOUSING SITUATION IN SOUTH AFRICA

In a demonstration of the government’s commitment to resolve housing problem, the Housing Policy and Strategy for South Africa (1994) acknowledged the need to build 338,000 housing units every year over the next five years in order to clear the existing deficit and continue to meet the need of the growing population. South African Housing Policy recognized the multi dimensional factors embedded in a housing delivery system and the multiplicity of stakeholders this is evidenced in the assertion that “There is no single formula for solving South Africa’s housing dilemma. It is only by mobilizing and harnessing the full diversity of resources, innovation, energy and initiative of individuals, communities, the State and the broader private (non state) sector, that the challenge can be met effectively”( Housing Policy and Strategy for South Africa, 1994 Section 4:1 para.4).

To demonstrate the importance of engaging all stakeholders in National Housing Policy formulation process, the Government of National Unity galvanized the opinions and white paper submissions on housing issues collated from non-governmental organizations (NGOs), and civil societies across the country. The government even went further to confirm the usefulness of the inputs received from these groups, when it said inter alia in section 5.2.8.1 (Housing Policy and Strategy for South Africa, 1994) that “……various Provincial Housing Fora played important role in facilitating the involvement of broader civil society in housing debate and in voicing the views of broader civil society on housing”. This paper wish to comment that, it is only on such platforms that the common man has an opportunity to air his views on a variety of housing issues as they affect his economic capacity in the political setting of most developing countries including Nigeria.

In articulating the national housing strategy for South Africa, the State inter alia set out to reconcile the following key factors: (a) Existing backlogs in housing requiring + - 200,000 households to be housed annually in order for the backlog to be eradicated over a period of 10 years; (b) New household formation requiring a further + - 350,000
households to be housed annually if the backlogs are not to increase; (c) The inadequacy of current State housing budget (new allocation) of + - R1.4 billion per annum (about 1% of total State budget) and the prospects of increasing State housing budget amount to 5% of total State budget every year; (d) + - 45 – 55% of households in need of housing, unlikely to be able to afford or access credit and therefore entirely depend on own (limited) resources and State subsidization to satisfy their basic housing needs (Housing Policy and Strategy for South Africa, 1994 Section 4:1para.1).

With the above listed conceptual housing issues in focus, the New Housing Policy and Strategy for South Africa, 1994 articulated the national housing goals in measurable terms when it stated that “Government’s goal is to increase housing’s share in the total State budget to 5% and to increase housing delivery on a sustainable basis to a peak of 338,000 units per annum, within a 5 years period, to reach the target of the Government of National Unity of 1 million houses in 5 years” (Housing Policy and Strategy for South Africa, 1994 Section 4:3para.1).

Institute for Housing of South Africa (2003) observed that “In the nine years since the inclusive elections of 1994, the South African government has created an international precedent in the housing field. It is widely acknowledged that, in this period, it has delivered more subsidized houses than any other country in the world. South Africa’s housing program is also one of the most diverse in the world, seeking not only to provide subsidized houses for upwards of 80 per cent of the population, but also to establish a viable market for low-cost housing units, and create sustainable human settlements for low-income groups”. However, by late 2002 practitioners were still dissatisfied, raising no less than 17 different most consistent problems’, and 35 separate ‘key issues and challenges”. How to resolve the identified problems, issues and challenges is a matter which presently engages the government’s attention in different new policy areas needed to support the New Housing Policy and Strategy for South Africa to attain its housing delivery goal.

In implementation, it took six years to reach this target; by September 2000 a total of 1 066 005 top structures had been or were being completed (Institute for Housing of South Africa, 2003). By May 2002 a total of 1 359 252 subsidized houses had either been built or were being completed, and a further 122 153 subsidies had been approved (Department of Housing, 2002c). Rust (2003) conclude that the completion of 1, 359, 252 subsidized houses and the approval of a further 122 153 housing subsidies in 8 years
period of inclusive elections of 1994 are phenomenal achievements, even in global terms. South Africa has set an international precedent.

<table>
<thead>
<tr>
<th>HOUSING POLICY IMPLEMENTATION PERIOD</th>
<th>DELIVERY TARGET</th>
<th>MAJOR ACHIEVEMENTS/OUTPUT</th>
</tr>
</thead>
<tbody>
<tr>
<td>1994 - 1998. 338,000 housing units per annum for 5 years.</td>
<td>Goal to achieve 1 million housing units in 5 years</td>
<td>Average of 470 housing units delivered per day between 1st May, 1994 and 31st May 2002.</td>
</tr>
<tr>
<td>Total No. of Housing Units delivered = 1,066,005</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1994 - 2000</td>
<td>Total No. of Housing Units delivered = 1,359,252</td>
<td></td>
</tr>
<tr>
<td>1994 - 2002</td>
<td>Total No. of Housing Units delivered = 1,481,405</td>
<td></td>
</tr>
<tr>
<td>1994 - 2003</td>
<td>Total No. of Housing Units delivered = 1,500,000, and Reduced Poverty Level from 85% to 66%</td>
<td></td>
</tr>
</tbody>
</table>


Comparative Analysis of Nigerian and South African Housing Policies

<table>
<thead>
<tr>
<th>ISSUES</th>
<th>NIGERIA</th>
<th>SOUTH AFRICA</th>
</tr>
</thead>
<tbody>
<tr>
<td>FORMULATION PROCESS</td>
<td>Used politically appointed committee to articulate policy</td>
<td>Used multi (community, local, regional and federal) levels Housing Fora to articulate and incorporate housing opinions of the common man into the policy</td>
</tr>
<tr>
<td>IMPLEMENTATION ROLES</td>
<td>Federal Mortgage Bank of Nigeria is the sole (NHF) implementing body in Nigeria. The Primary Mortgage Banks, Private Real Estate Developers Associations of Nigeria (REDAN), States Housing Development Corporations and Federal Housing Authority (FHA) all access long term Housing Development finance</td>
<td>All tiers of government namely; Local, Rural, Metropolitan, Provincial and National governments were involved through concurrent powers in housing policy implementation under Section 5.2.1- 5.2.3, in the Policy document.</td>
</tr>
<tr>
<td>PATTERN OF ANNUAL HOUSING BUDGETARY ALLOCATION</td>
<td>Housing budgetary allocation figures fluctuates over the years.</td>
<td>Housing budgetary allocation has statistically significant relationship with the annual total State budget (5% of annual budget devoted to housing).</td>
</tr>
<tr>
<td>IMPLEMENTATION STRATEGY</td>
<td>Private Housing Finance Mortgage for new homes or for upgrading of existing building, and Real Estate Development Loans</td>
<td>Subsidy for land and basic services, subsidy for Housing development, inclusionary housing policy were all utilized simultaneously</td>
</tr>
<tr>
<td>HIGHEST HOUSING DELIVERY RATE EVER ACHIEVED</td>
<td>47,200 Housing Units out Targeted 50,000 Unit (97%) by Lagos State between 1979-1983</td>
<td>Average of 470 Housing Units delivered per day between 1st May, 1994 and 31st May 2002</td>
</tr>
<tr>
<td>APPROACH TO PERFORMANCE EVALUATION AND MECHANISM IN USE</td>
<td>Policy Implementation organs evaluate its Performance, FMBN, FHA, STATE HOUSING CORPORATIONS all feed the nation with reports on their respective achievements and challenges not an Independent Assessment</td>
<td>Use subsequent Housing Reviews, Debate, and Social Contracts (govt. Sponsored: Housing Policy Implementation Assessment Committee, 2002, and Housing Indaba in Cape Town, 2005)</td>
</tr>
<tr>
<td>STRATEGY FOR FUTURE CHALLENGES</td>
<td>Adopted Site And Services Approach to lower Housing Cost to increase affordability and accessibility levels</td>
<td>Formulated Inclusionary Housing Policy for South Africa to support and facilitate RAPID HOUSING DELIVERY in the Housing Policy Implementation process through: Tax Incentive, Land Incentive, Fast Tracking of Approval Processes, Development and Land Use Rights, Bulk and Link Infrastructure, Housing Suppliers’ Access to Government Housing Subsidies.</td>
</tr>
<tr>
<td>LEVEL OF SUCCESS</td>
<td>Has never achieved in any</td>
<td>Could not Achieve the 1st 5</td>
</tr>
</tbody>
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### Summary of Findings

This study has shed light on why the housing policy of a country affects the housing supply situation. National Housing Policy being an important document which sets out the regulatory and institutional frameworks through which the government hopes to solve the housing problems of her citizens in a sustainable manner, needs to be inclusionary both in provisional contents as well as in operational implementation. The number of options available for accessing housing within the policy frame work correlates with demand and supply sides stakeholders’ capacity to participate in the housing delivery system. It needs to be recapitulated that the wider the participation by all stakeholders in a housing delivery system, the better the housing outcome. Often the capacity of a country’s housing policy to be effective in tackling the national housing needs is predicated upon its ability to galvanize and synthesize the housing provision initiatives of all the housing stakeholders groups namely: private individuals, nongovernmental organizations (NGOs), corporate bodies, and all the tiers of the government.

Furthermore, housing policy needs to provide for implementation performance monitoring mechanism. Such mechanism when correctly applied offers an early insight into the direction of the eventual housing outcome which allows for prompt shift in implementation strategy where necessary in order to maintain a good focus on the projected target delivery rate.

Although, South Africa is yet to isolate and digest the fundamental problems underpinning the key issues and challenges to her national housing delivery efforts, it has nonetheless evolved a broad based housing policy. It has also over the years developed additional housing related policies to work simultaneously with the New Housing Policy and Strategy for South Africa in interpreting several new areas resulting in a shift in emphasis from quantity to quality; a widening of access to housing both through rental and homeownership opportunities designed for different socio economic classes of the population.

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<th>Achieved</th>
<th>Source: Survey 2012</th>
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<th>Year</th>
<th>Annual National Housing Delivery Target of 121,000 housing units.</th>
<th>Total number of Housing units deliver to date under 500,000 units.</th>
<th>Years target of 1 million Housing Units but Surpassed Target in the 6th year (1,066,005 Housing Units in 2000). Maintained a steady increase in the number year after year. Total number of Housing units deliver to date over 1,650,000 units.</th>
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society; greater emphasis on beneficiary responsibility; and the recognition of new forms of secure tenure. So far South African government still maintains a good focus on the housing policy’s 338,000 housing units annual delivery rate target. 

In Nigeria, housing policies formulation and implementation processes seemed to have followed the departmentalization policy which is often associated with out of tune public administration style. Such approach does not promote innovative ideas in housing delivery. It limits accessibility and affordability options especially for the low income class. When affordability and accessibility are limited in a housing policy implementation process, it directly translates into low housing delivery rate and an escalation of national housing shortage which in turn fuels up the rate of urban sprawl and city slum formation.

**Conclusion and Recommendations**

**Conclusion**

On one hand, South African housing policy maintained a tradeoff between privately driven housing market and social housing provision directly targeted at the low-income class. On the other hand, Nigerian housing policy tilts more towards attaining a privately driven housing delivery market system in which the government plays an enabling role. However, the solution to a country’s housing needs will likely come faster when several avenues which allow wider participation by all housing stakeholders are utilized in tackling the problem rather than one or two approaches. South Africa has done better in this regard than Nigeria.

**Recommendation**

This paper has an underlining belief that the housing delivery system of Nigeria will perform better if variety of housing options are developed to increase: demand and supply sides participations within the system. It is on this premise that study offers recommendation in the following areas: Increased housing delivery collaboration among all tires of government, and expansion of housing delivery system participation entry points for both suppliers and housing consumers.

**Increased housing delivery collaboration among all tiers of government**

In order to evolve a more virile and result oriented housing policy, Nigeria needs to re-articulate her housing policy with a view to harmonise more closely the housing delivery
initiatives of federal and state governments. With ever increasing urbanization of human settlement areas in Nigeria, the local governments need to be assigned specific housing delivery functions in order to fill the existing gap by their non involvement in housing delivery. Being the closest form of government to the grass root of the society, it will have better outreach especially to those in the low income class. Prolong delay in carving out a statutory housing delivery role for the local governments in Nigeria stands in opposition to the realization of the first policy objective of formulating the national housing policy in 1991 which was stated as: To encourage and promote active participation in housing delivery by all tiers of government.

**Expansion of housing delivery system participation entry points**

The Nigerian housing policy document needs to be reviewed with a focus on adopting best practices in the areas of: increasing housing supply and consumption options both for homeownership and rental housing. It is also important to expand the inclusionary profile of the policy through a formal recognition of other forms of existing land tenures and land use rights. Continued retention of Certificate of Occupancy (C of O) as the only official valid land use title has an exclusionary impact on wider participation. It also opposes the realization of the second policy objective of formulating the national housing policy in 1991 which was stated as: To encourage greater participation by the private sector in housing development. Perhaps this a singular public policy decision which has the capacity to significantly increase housing supply and regenerate decaying housing stock faster than any other means without much cost responsibility to the government.
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