The Integrated Housing Development Program: Identifying Strengths and Gaps

The Problem

Addis Ababa, the lead urbanizing city capital of Ethiopia, inhabits nearly 20 percent of the country’s total urban population (CSA, 2014). Rapid urbanization coupled with high population migration into the city have accelerated the housing stock demand beyond capacity. The housing sector that engages in supplying housing stock to the city’s residents has been in a long-standing strain. At the beginning of the year 2000, the city’s nearly 4 million inhabitants had a housing supply backlog of about 300,000 units. These numbers show the housing supply shortage in the city and are oftentimes characterized by poor conditions.

In Addis Ababa, housing supply is also most critical to the middle and low-income groups of the population. A number of factors fostered the poor housing supply conditions in the city. First, is lack of access to affordable land and the widely practiced market-oriented land management system (Tesfaye 2007).

Besides poor land management practices, lack of diversified housing delivery systems; the absence of a robust and affordable housing construction industry; and the absence of diversified housing financing system are all factors that continually shape the housing stock supply in the city. Particularly among the urban poor, limited access to decent and affordable housing has driven fast growing informal and squatter settlements in the city.

The Integrated Housing Development Program:

With its effort to address the housing demand gap in the early 2000, the government has interjected as one of the lead housing suppliers. The IHDP project is unique for the reason that it aims to supply housing to those underserved by the market. The IHDP program is also unique in that it is fully government led and financed. In addition to the role that the government plays, the integrated and holistic approach to addressing urban poverty makes the IHDP program unique. According to the UN-Habitat (2011), IHDP’s objectives are to:

1. Increase housing supply for the low-income population
2. Recognize existing urban slum areas and mitigate their expansion in the future
3. Increase job opportunities for micro and small enterprises and unskilled labors, which will in turn provide income for their families to afford their own housing
4. Improve wealth creation and wealth distribution for the nation
5. Promote savings (an objective recently emphasized in the past two years)

The IHDP program uses housing development programs as a way to initiate and promote urban development, including addressing urban poverty, unemployment, promote and build the capacity of the construction industry and promote micro and small-scale enterprises (MSEs).
Socio-Economic Impact

While the IHDP program has made unparalleled efforts to address the chronic housing supply shortage in the city, there are also several unintended or unforeseen impacts of the program. For low income families that deeply inter-depend on their social and economic fabrics for their daily-to-day survival, being uprooted from their social and economic connections causes strain in their lives.

Besides the social and economic impact of the IHDP program to beneficiary families, the program has impacted residents that previously resided on project locations. Despite efforts made to incorporate displaced families into the program, several families have failed to meet the criteria to qualify for it; hence, resulting in their displacement. Such circumstances recreate a cycle of poverty for some while providing opportunity for others.

Spatial Impact

In addition to economic and social impacts, the IHDP housing project have left a highly recognizable spatial footprint in the city of Addis Ababa. The massive nature of the condominium housing projects is arguable due to lack of integration into the existing urban fabric; hence creating stand-alone structures that impact the city’s landscape.

Environmental Impact

Condominium housing units have significantly improved the quality of life of low-income residents that previously resided in inner city slums. However, because the concept of condominium housing living arrangement is new to many, beneficiary family report challenges of environmental pollution (caused by littering), noise pollution and surging crime rates.

Women and Families

53% of the beneficiary households from the IHDP project in Addis Ababa are female-headed households. Beyond access to decent and affordable housing, the project improves the quality of life of female residents in several ways. Particularly, improved quality of life that arises from the provision of proper sanitation and cooking spaces impacts the quality of life of beneficiary women in a significant way.
Policy-making

IHDP’s policy design process is highly centralized at the federal government level. The disconnect between policymakers, program implementers and citizens creates a gap in initiating relevant policy decisions that cater to the needs of target groups.

Policy and Program Implementation

Policy and program implementation of the IHDP project involves several stakeholders at the federal level, the AACA, sub-city level and other governmental agencies. The program also partners with private enterprises at program technical design and implementation stages. Nevertheless, program implementation fails to leverage different inputs from stakeholders including citizen and civil societies groups.

Process inclusiveness

While the implementation process of the IHDP program is highly decentralized, program design and decision-making remains highly centralized. The program has also failed to integrate stakeholder participation at all levels of the program process.

IMPLICATIONS FOR PUBLIC POLICY

The study identifies four implications of the findings from this study to public policy. Table 1 below summarizes assessments of different aspects of the program process and proposes policy implications of the findings.

<table>
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<tr>
<th>Process Inclusiveness</th>
<th>Program Design</th>
<th>Program Implementation</th>
<th>Program Evaluation</th>
<th>Long Term Impact</th>
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<td><strong>Assessment</strong></td>
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<td>Highly-centralized policy-making and program design approach</td>
<td>Often program design does not involve target beneficiary groups</td>
<td>Decentralized implementation process</td>
<td>Lacks program evaluation as a learning tool to improve service delivery</td>
<td>Program has long term and lasting impact on the quality of life, socio-economic, environmental and spatial dimensions of the urban residents and physical spaces</td>
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<td><strong>Policy Implications</strong></td>
<td>Incorporate voices of various stakeholders</td>
<td>Connect program design: technical, financial and administrative processes with the actual needs of target groups</td>
<td>There is a need to connect program implementation to what is really on the ground through stake holder participation</td>
<td>Requires stepping back to learn from strengths and mistakes to improve service</td>
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Recommendations

This study proposes four main recommendations that are linked to the policy implications discussed above:

1. **Align policy and program design to cater to the program’s intended target population.**

2. **Engage the different stakeholders, including citizen groups, businesses and civil society groups into the program design and implementation processes.**

3. **Identify and address short-term as well as long-term impacts of the program on beneficiary and displaced communities.**

4. **Take time to evaluate and learn about the socio-economic, livelihood, environmental and spatial impacts of the program on existing and newly developed communities. This will prevent the recreation of new forms of urban slums in the city.**

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