Housing and Urban Policies in a (Post) COVID-19 World
Lessons Learned

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Key Messages


2. Holistic and Inclusive: Housing Interventions can be a platform to achieve important inclusion and environmental objectives.

HOUSING AND URBAN POLICIES IN A (POST) COVID-19 WORLD NEEDS TO BE **SMART AND SCALABLE**

Fiscal budget required to eliminate the qualitative housing deficit in urban areas per program, Colombia*

<table>
<thead>
<tr>
<th>Program</th>
<th>Budget (USD)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Free Housing</td>
<td>44.8 billion</td>
</tr>
<tr>
<td>Upfront subsidies + CCF</td>
<td>35.8 billion</td>
</tr>
<tr>
<td>Upfront subsidies</td>
<td>24.6 billion</td>
</tr>
<tr>
<td>Home improvement subsidies (including structural strengthening)</td>
<td>8 billion</td>
</tr>
<tr>
<td>Home improvement subsidies combined with microloans (1/3 subsidy and 2/3 microloan)</td>
<td>1.8 billion</td>
</tr>
</tbody>
</table>

* Net present Value.
2,360,525 units with 1-5 sources of qualitative deficit.

HOUSING AND URBAN POLICIES IN A (POST) COVID-19 WORLD NEED TO BE SMART AND SCALABLE

Social vulnerability and poor quality housing, Peru

<table>
<thead>
<tr>
<th>Construction material</th>
<th>Households with High Vulnerability</th>
<th>Households with Low vulnerability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Walls, not of industrial material</td>
<td>57%</td>
<td>15%</td>
</tr>
<tr>
<td>Floor, not of industrial material</td>
<td>62%</td>
<td>12%</td>
</tr>
<tr>
<td>Basic services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Without water</td>
<td>46%</td>
<td>6%</td>
</tr>
<tr>
<td>Without sewerage</td>
<td>46%</td>
<td>6%</td>
</tr>
<tr>
<td>Without electricity</td>
<td>69%</td>
<td>14%</td>
</tr>
<tr>
<td>Overcrowding</td>
<td></td>
<td></td>
</tr>
<tr>
<td>More than one household per unit</td>
<td>33%</td>
<td>23%</td>
</tr>
<tr>
<td>More than 3 persons per room</td>
<td>48%</td>
<td>12%</td>
</tr>
<tr>
<td>Health</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cooks with non-industrial fuel</td>
<td>57%</td>
<td>22%</td>
</tr>
</tbody>
</table>
The estimation of the carbon footprint of a housing action allows to know the direct emissions generated by the extraction and manufacturing of the materials. This analysis does not consider the operational/use stage, which is the one with the greatest impact, and the most complex to estimate for all the variants.

In the construction of a housing solution, the step that generates the highest amount of CO₂ emissions is masonry. The aim is to reduce the consumption of materials with the greatest GHG impact in the sector, such as steel and the cement.
HOLISTIC AND INCLUSIVE: HOUSING POLICY CAN DRIVE BROADER URBAN POLICY

Population per square KM. of Built Area
Cities like Kinshasa and Hong Kong have similar population densities.

<table>
<thead>
<tr>
<th>City</th>
<th>Population per square KM. of Built Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kinshasa</td>
<td>40,167</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>44,922</td>
</tr>
</tbody>
</table>

But floor space is a more telling measure. Hong Kong’s buildings heights make the difference between crowding and livability.

<table>
<thead>
<tr>
<th>City</th>
<th>Population per square KM. of Floor Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kinshasa</td>
<td>19,618</td>
</tr>
<tr>
<td>Hong Kong</td>
<td>7,163</td>
</tr>
</tbody>
</table>
LESSONS LEARNED

GLOBAL: INFORMED BY INTERNATIONAL EXPERIENCES (BOTH SUCCESSES AND FAILURES)

1. While the Private Sector builds houses, there is a critical role for public policy, especially to make markets work for the poor.

2. Building Resilience into housing policy critical, especially in context of growing climate risks.

3. It’s more important to build with Communities than for them.
LESSONS LEARNED

THE PRIVATE SECTOR build homes but public sector can play a role in improving access to good quality housing, especially for the poor

Sales of New Housing Units in the first semester of 2020 (per million inhabitants)

**Colombia** 2,311
**Chile* (Santiago Metropolitan Area)** 2,131
**Panama** 1,930
**Australia** 1,351
**USA** 1,301
**Spain** 1,185
**Poland** 1,027
**Argentina** 680
**Ireland** 644
**Brazil** 604

* Santiago Metropolitan Area.

SOURCE: Ministry of Housing, City and Territory, Colombia.
THE PRIVATE SECTOR build homes but the public sector can play a role in improving access to good quality housing, especially for the poor.

**Yearly Housing Sales, Colombia**

<table>
<thead>
<tr>
<th>Year</th>
<th>VIS</th>
<th>Non-VIS</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>57,5</td>
<td>57,5</td>
<td>112,2</td>
</tr>
<tr>
<td>2014</td>
<td>77,8</td>
<td>56,8</td>
<td>134,6</td>
</tr>
<tr>
<td>2015</td>
<td>85,7</td>
<td>63,7</td>
<td>140,2</td>
</tr>
<tr>
<td>2016</td>
<td>84,8</td>
<td>69,1</td>
<td>154,8</td>
</tr>
<tr>
<td>2017</td>
<td>96,4</td>
<td>57,5</td>
<td>142,3</td>
</tr>
<tr>
<td>2018</td>
<td>112,1</td>
<td>50,8</td>
<td>147,2</td>
</tr>
<tr>
<td>2019</td>
<td>126,1</td>
<td>51,2</td>
<td>163,3</td>
</tr>
<tr>
<td>2020</td>
<td>126,1</td>
<td>52,4</td>
<td>178,4</td>
</tr>
</tbody>
</table>

**Note:**
- VIS: Visita Inmobiliaria System
- Non-VIS: Non-Visita Inmobiliaria System

SOURCE: Ministry of Housing, City and Territory, Colombia, with data from Galería Inmobiliaria.
LESSONS LEARNED

THE PRIVATE SECTOR build homes but public sector can play a role in improving access to good quality housing, especially for the poor

The Case of Vacant Housing

- **UNITED KINGDOM** (2012): 1 million (350K+ for more than 6 months)
- **GREECE** (2011): 1/3 of the stock
- **CHINA** (2013): 65 million
- **BRAZIL** (2008): 5.2 million
- **ARGENTINA** (2010): 2.5 million
- **MEXICO** (2015): >14% of the housing stock

7% - 8% is considered reasonable
BUILDING **RESILIENCE** INTO HOUSING POLICY IS CRITICAL, ESPECIALLY THE IN CONTEXT OF GROWING CLIMATE RISKS.

HOUSING REPRESENTS BETWEEN 50% - 90% OF A FAMILY’S ASSETS.

↓

RECONSTRUCTION COSTS >10X WHAT PREVENTION COSTS.

↓

DISASTERS AND CLIMATE RELATED EVENTS CAN ERASE DECADES OF ACHIEVEMENTS IN POVERTY REDUCTION IN MINUTES OR SECONDS.
ARGENTINA: Community participation was an essential element for resettlement, new housing provision and public space design, enabling the urban transformation of de Barrio Padre Mugica and guaranteeing women’s property rights.

INDONESIA: The largest government-sponsored home improvement program in EAP revitalized local economies, creating jobs and empowering communities to ensure quality of all housing interventions.

INDIA: A reconstruction project in India showed the importance of incorporating the community in the process of clarifying land rights.

CHILE: Rental housing programs create income for local homeowners, improve the inclusion of minorities and increase the supply of good quality formal housing.
LESSONS LEARNED

IT’S MORE IMPORTANT TO BUILD WITH COMMUNITIES RATHER THAN BUILDING FOR THEM

Community participation in housing projects can cover several areas:

• Capacity building of community organizations for urban upgrading projects
• Identification of beneficiaries for land regularization, social housing, and resettlement activities
• Deciding on housing design and location
• Job creation and economic empowerment: Self construction, generation of local enterprises
• Community participation in design, implementation and monitoring of housing and urban upgrading activities
• Owner-driven reconstruction
HOUSING IS FUNDAMENTAL TO A GREEN, RESILIENT AND INCLUSIVE RECOVERY IN THE LAC REGION
CONCLUSION

HOUSING AND URBAN POLICIES IN A (POST) COVID-19 WORLD NEED TO BE:

1. Smart and Scalable
   Do More with Less.

2. Holistic and Inclusive
   Housing interventions can be a platform to achieve important inclusion and environmental objectives.

3. Global
   Informed by International experiences (both successes and failures).
THANK YOU!

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