

# PROGRAMME FOR THE PROVISION OF LOW-COST LAND FOR HOUSING

16 April – 15 June 2019

## Since inception in 2018, the programme has:

- Planned and pegged more than **800 residential erven** in Karibib, Okahao and Oshakati;
- Initiated the **sale of these erven** at development costs and without profit, at N\$ 10,000 to 17,000 per erf;
- Registered more than **800 low income residents** that are in the process of paying off their erven by deposits into the local project revolving funds;
- Established three project revolving funds, jointly managed by the Town Councils and DWN, where more than **N\$ 2 million** have been paid, by donors and residents.

## The revolving funds

The first three projects of this programme, implemented by Development Workshop Namibia (DWN) and the Namibian Chamber of Environment (NCE), are now fully underway. The layouts were planned and approved by the respective councils and two (Oshakati and Okahao) were pegged by the land surveyor. The third layout (Karibib) is being pegged from 24-27 June.

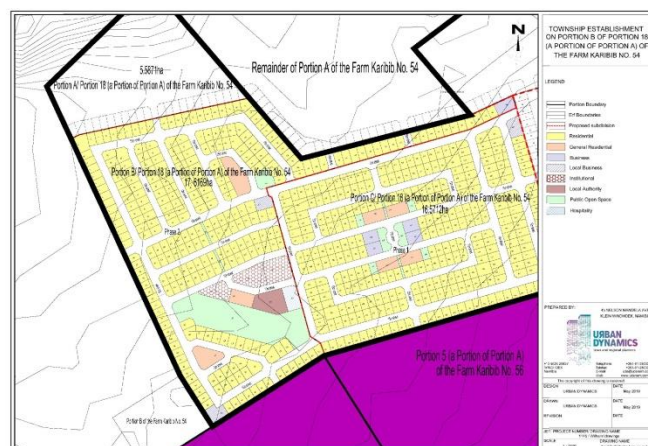
The projects are managed financially through local FNB bank accounts. These are Town Council/DWN joint bank accounts that need two signatures for any transaction, from both Council and DWN.

All these accounts have received initial donor funding: Oshakati N\$750,000, Okahao N\$250,000 and Karibib N\$250,000. In parallel with the planning and pegging of the project areas, more than 800 beneficiaries have been selected and registered.

Only low income and first time land and home owners are eligible. When people register, they must sign and submit all necessary documentation that will allow the project conveyancer (ESI

Attorneys) to register the title deeds. These documents are:

1. A letter of intent that states the conditions of the purchase
2. A Financial Intelligence Act form
3. ID
4. Marriage certificate (if married)



A new layout, comprising of 305 erven and produced by project partner Urban Dynamics, has been approved by the Karibib Town Council and is being pegged by the project's land surveying partner (Strydom & Associates) from 24-27 June.

By signing the letter of intent (issued by the Town Councils), the beneficiaries agree to pay off their erven within 8-12 months (depending on the town). In all three towns, the beneficiaries are now paying first instalments into the local FNB project bank accounts.

Over the last two months beneficiaries of all towns have already paid more than N\$ 700,000 into those accounts. Together with the existing donor funds, this allowed for the first payments to the service providers, such as town planner and land surveyor.

Any payment from these accounts must be authorized by the respective CEO and DWN's executive director. A special online banking system

has been set for this purpose by FNB, in order to facilitate this process. As a Corporate Social Responsibility contribution, FNB has waived all deposit fees on these accounts.

The project accounts serve as transparent revolving funds as the donor money is recaptured by the sale of the erven and then available for the next development.

All project accounts are duly managed by DWN's chartered accountant and then audited on an annual basis. Donor funds are held and released by the Namibian Chamber of Environment, as an additional measure of transparency.

## Service providers

Due to the social objectives of the programme, all service providers work at minimal costs. The service providers currently include a town planner (Urban Dynamics), Land Surveyor (Strydom & Associates), Engineer (Lithon and Knight Piesold), conveyancer (ESI Attorneys) and project manager (DWN).

Through a common agreement, all service providers further agree to be flexible in terms of timing of the invoice. This means that invoices can be paid at a later stage of the project, depending on the availability of funds in the project accounts.

The revolving funds grow as more donor money is secured and beneficiaries pay off their erven. As the funds grow, the first payments are made for those service providers that provide considerable input right from the beginning, such as the town planner and land surveyor for example.

In the case of Oshakati, all materials for the water reticulation system have also been purchased. By August, the revolving funds of Karibib and Okahao are also expected to be sufficient to pay the contractors to build the respective water reticulation systems.

Final invoices can then be paid to the town planner, land surveyor and conveyancer after proclamation of the township and registration of title of the new erf owners.

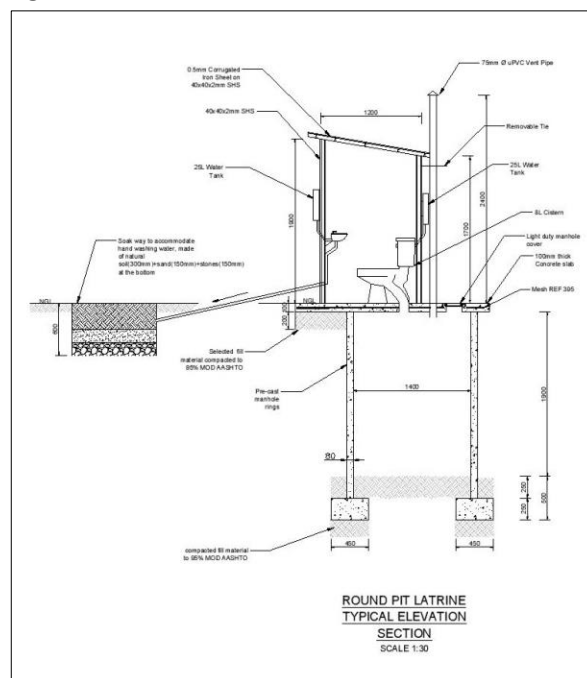
## What are the benefits to the town councils?

- The availability of low cost land reduces the pressure on town councils in terms of housing.
- While local authorities need to invest into bulk infrastructure to service additional residential areas, there are no direct costs for the local authority for these land development projects.

## Low cost urban sanitation

DWN pilot sanitation projects in Okahao and Oshakati, supported by the NCE and the GEF Small Grants Programme, showed that the most effective low cost sanitation systems are pit latrines, septic and conservancy tanks.

Based on these successful pilot projects, DWN is entering into a project collaboration agreement with UNICEF and UNDP. Through this agreement, DWN will support UNICEF, UNDP and the City of Windhoek (CoW) to implement a sanitation programme in Windhoek's informal settlements.



Detailed pit latrine designs (such as the one above) have already been produced by DWN and its engineering partner (Knight Piesold), and are currently being revised by CoW engineers. Designs as such will be distributed for free and guide residents in the construction of their own latrines.

The programme foresees to eliminate open defecation in those settlements. DWN's successful approach of the use of sanitation centres to showcase low cost toilet systems will be integrated into a broader approach called 'Community Led Total Sanitation', or CLTS.

CLTS combines effective awareness raising with the promotion of appropriate sanitation solutions. It has been applied on a national scale in Bangladesh for example, where open defecation has been drastically reduced. Bangladesh has a population of 180 million people, compared to Namibia's 2.5 million.