



**REPORT OF THE STANDING COMMITTEE ON TRANSPORT,
INFRASTRUCTURE AND HOUSING ON ITS OVERSIGHT ON
THE MOTION OF THE URBAN POOR AND LANDLESS
CITIZENS IN ERONGO, KUNENE, OMUSATI, OSHANA,
OSHIKOTO, OHANGWENA, KAVANGO WEST, KAVANGO
EAST AND ZAMBEZI REGIONS**

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LIST OF ABBREVIATION

ALAN	- Association of Local Authority in Namibia
ARC	- Association of Regional Councils
BTP	- Build Together Programme beneficiaries
FLTS	- Flexible Land Tenure System
HPPs	- Harambee Prosperity Plans
LAs	- Local Authorities
MAWLR	- Ministry of Agriculture, Water and Land Reform
MURD	- Ministry of Urban and Rural Development
MHDP	- Mass Housing Development Programme
MULSP	- Massive Urban Land Servicing Programme
NHAG	- Namibia Housing Action Group
NDAWU	- Namibia Domestic and Allied Workers Union
NDPs	- Fourth National Development Plan
NHE	- National Housing Enterprise
NHIS	- Namibia Housing Information System
NSA	- Namibia Statistics Agency
OMAs	- Offices, Ministries and Agencies
RCs	- Regional Councils
SDFN	- Shack Dwellers Federation of Namibia
SDFN	- Shack Dwellers Federation of Namibia

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COMPOSITION OF THE STANDING COMMITTEE

Members of Parliament:

1. Hon. Alfeus Kaushiweni Abraham - **Chairperson**
2. Hon. Augustinus Tebele - **Vice Chairperson**
3. Hon. Paul Isaak
4. Hon Bennety Busihu
5. Hon. Ueutjerevi Ngunaihe
6. Hon. Christopher Likuwa

Secretariat:

1. Mr. Mwala Neo - Chief Parliamentary Clerk
2. Mr. August Mathupi – Legal Officer
3. Mr. Brian Riruako - Parliamentary Clerk
4. Mr. Sakeus Iikela – Information Officer

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1. INTRODUCTION

- 1.1 This report investigates the extent to which housing policies and programmes implemented by Local Authorities promote the delivery of affordable land and housing to the urban poor and landless citizens. Access to affordable housing is a fundamental human right, which the Namibian Government recognises through the National Housing Policy (2023) — a guiding framework for all stakeholders involved in housing provision, including the National Housing Enterprise (NHE).
- 1.2 It is further acknowledged that access to land for housing serves not only as an economic enabler but also as a critical means of alleviating poverty.
- 1.3 According to the Fourth National Development Plan (NDP4), Namibia faces a housing backlog of approximately 300,000 units, and the Government requires an estimated N\$76 billion to address this challenge.
- 1.4 However, the country's urban land provision has not kept pace with rapid population growth, particularly among the urban poor and landless citizens. This shortfall is evident in the proliferation of informal settlements and squatter camps across urban centers.
- 1.5 Namibia is a vast country, yet paradoxically, many of its citizens remain landless in both urban and rural areas. This is visibly demonstrated by the widespread informal settlements that characterize the outskirts of major towns and cities. Windhoek, the capital, is no exception — and similar conditions are observed in Swakopmund, Grootfontein, and Keetmanshoop, among others.
- 1.6 Government, in collaboration with Local Authorities including municipalities and town councils plays a central role in land provision through the implementation of various policies and programmes.
- 1.7 This report therefore seeks to examine the availability of urban land, the challenges impeding free and affordable land delivery, and the factors contributing to the persistent housing crisis affecting the urban poor and landless citizens.
- 1.8 In this context, the Committee also seeks to define and understand who constitutes the *urban poor*, drawing evidence from various presentations and stakeholder submissions. Urban poverty is understood as the condition of individuals and households living below a certain income threshold within towns and cities, with limited access to basic services and amenities. It reflects a combination of economic and social challenges rooted in industrialisation, the rising cost of living, social fragmentation, and inequality in access to urban resources.

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2. BACKGROUND AND PURPOSE OF THE OVERSIGHT VISIT

- 2.1 The National Council Standing Committee on Transport, Infrastructure and Housing was established in accordance with Rule 148 of the *National Council Standing Rules and Orders*, with the primary responsibility of addressing matters related to national planning, works and transport, urban and rural development, housing, and sanitation.
- 2.2 In line with Article 74(2) of the *Namibian Constitution* and Rule 149(1) of the *National Council Standing Rules and Orders (as amended)*, the National Council is mandated to deliberate on issues falling under the jurisdiction of relevant Offices, Ministries, Agencies, and Public Enterprises dealing with the above sectors.
- 2.3 During the November 2023 session, a motion highlighting the urgent need to provide land for the urban poor and landless citizens was tabled and subsequently adopted by the National Council. The motion was thereafter referred to the Standing Committee on Transport, Infrastructure and Housing for further investigation and follow-up actions.
- 2.4 The terms of reference of the Standing Committee as determined by the House are as follows:
- (i) To investigate the extent to which housing policies and programmers of Local Authorities promote affordable and land delivery in Namibia.
 - (ii) To consult the following stakeholders on the issue of affordable land delivery in urban areas:
 - a) The Ministry of Urban and Rural Development (MURD);
 - b) The National Housing Enterprise (NHE);
 - c) The Shack Dwellers Federation of Namibia (SDFN); and
 - d) Any other relevant stakeholders.
 - (iii) To determine the impact of the Flexible Land Tenure Act (2012) since its enactment.
 - (iv) To report its findings, conclusions, and recommendations to the House.
- 2.5 The oversight visits were conducted from 06 to 23 August 2024 in Erongo, Kunene, Omusati, Oshana, Oshikoto, Ohangwena, Kavango West, Kavango East, and Zambezi regions. The purpose of these visits was to provide Regional Councils and Local Authorities with the opportunity to present their views and perspectives on the motion regarding land provision for the urban poor and landless citizens.
- 2.6 Local Authorities were profiled and clustered based on their proximity to regional centre towns to ensure balanced consultation and representation during the oversight process.

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- 2.7 A total of twenty-five (25) Local Authorities and seven (7) Regional Councils attended the consultations. However, one Local Authority, Karibib Town Council and one Regional Council, Oshana Regional Council were absent. In total, one hundred and fifty-five (155) participants attended the oversight meetings.
- 2.8 The Standing Committee received twenty-five (25) written submissions, several of which were accompanied by PowerPoint presentations that were summarised through oral briefings during the engagement sessions.
- 1.9 Furthermore, the oversight visits also aimed to assess whether land and housing accessibility aligns with the objectives of the Second Harambee Prosperity Plan (HPP II), particularly its second pillar. The Government's commitment to scaling up the provision of affordable urban land, housing, and proper sanitation has been reaffirmed under this pillar, which seeks to consolidate and expand the gains achieved under the HPP I Social Progression Pillar. It also builds upon other long-standing housing initiatives undertaken by Government, its development partners, and resident communities.

The second pillar of HPP II focuses on four main goals:

Ensuring energy and water supply security,

Consolidating Namibia's position as a transport and logistics hub, and

Expanding information and communication technology (ICT) coverage across the country.

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3. OBJECTIVES

- 3.1 The Committee sought to investigate the extent to which housing policies and programmes of Local Authorities promote affordable land delivery for housing purposes.
- 3.2 The Committee engaged with key stakeholders directly involved in urban land and housing delivery. These included:
- a) Ministry of Urban and Rural Development (MURD)
 - b) National Housing Enterprise (NHE)
 - c) Shack Dwellers Federation of Namibia (SDFN)
 - d) Namibia Statistics Agency (NSA)
 - e) Build Together Programme (BTP)
 - f) Namibia Domestic and Allied Workers Union (NDAWU)
 - g) Ministry of Agriculture, Water and Land Reform (MAWLR)
- 3.3 The Committee also inquired into the impact of the Flexible Land Tenure Act since its enactment in 2012, with the aim of assessing its effectiveness in promoting affordable land security and ownership among the urban poor.

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4. METHODOLOGY

4.1 In fulfilling its mandate, the Standing Committee invited Regional Councils and Local Authorities to submit written or oral presentations addressing the motion under review.

4.2 As part of its stakeholder engagement, the Committee consulted the following institutions and organisations:

- Ministry of Urban and Rural Development (MURD)
- Ministry of Agriculture, Water and Land Reform (MAWLR)
- National Housing Enterprise (NHE)
- Association of Local Authorities in Namibia (ALAN)
- Association of Regional Councils (ARC)
- Shack Dwellers Federation of Namibia (SDFN)
- Namibia Domestic and Allied Workers Union (NDAWU)
- Build Together Programme (BTP)
- Regional Councils (RCs) and Local Authorities (LAs)

These consultations took place between 17 and 21 June 2024 at national level, followed by regional visits from 06 to 24 August 2024 in the identified towns.

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5. STAKEHOLDER WORKSHOP IN SWAKOPMUND

The stakeholder workshop served two main objectives:

1. To establish the underlying reasons why the urban poor and landless citizens continue to face barriers in accessing land for housing — a key economic enabler and instrument for poverty reduction; and
2. To review and analyse the existing policy and regulatory frameworks governing urban land and housing development.

The workshop also revisited Vision 2030, Namibia's long-term national development framework, which sets clear targets for the provision of adequate shelter. This is operationalised through the National Development Plans (NDPs) and Regional Development Plans implemented by Regional Councils. In alignment with the Millennium Development Goals (MDGs), these frameworks collectively aim to reduce poverty levels and increase access to serviced, freehold land.

5.1 MINISTRY OF URBAN AND RURAL DEVELOPMENT (MURD)

5.1.1 Officials from the Ministry of Urban and Rural Development (MURD) informed the Committee that over the years, Namibia has developed a comprehensive legal, regulatory, and policy framework to address urban land and housing challenges. The implementation of these frameworks, however, requires active coordination among various Offices, Ministries, and Agencies (OMAs).

5.1.2 Key legislative instruments cited include:

- (a) The Regional Councils Act, 1992 (Act No. 22 of 1992 as amended), which mandates Regional Councils to plan development and provide basic infrastructure and services, including housing and land servicing in settlement areas.
- (b) The Local Authorities Act, 1992 (Act No. 23 of 1992 as amended), which empowers Local Authorities to provide urban infrastructure and municipal services, and to administer housing schemes that meet residents' needs.
- (c) The National Housing Enterprise Act, 1993 (Act No. 5 of 1993 as amended), which established the National Housing Enterprise (NHE) to finance housing projects.
- (d) The National Housing Development Act, 2000 (Act No. 28 of 2000), which created the Housing Revolving Funds, such as the Build Together Programme (BTP).

5.1.3 Regarding affordability, the Ministry highlighted that the new National Housing Policy (NHP) aims to reduce construction costs by promoting innovation and research into alternative building materials. Incentives and subsidies for manufacturers of affordable materials, as well as for private developers participating in low-cost housing projects, are under consideration. The policy also emphasizes community-driven housing initiatives and flexible subsidy formulas to increase affordability.

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5.1.4 Local Authorities and Regional Councils are being encouraged to strengthen their institutional capacity and review local regulations to prepare for upcoming housing sector reforms. A key initiative in this regard is the Namibia Housing Information System (NHIS), developed in collaboration with the Namibia Statistics Agency (NSA). This system aims to provide reliable, up-to-date data on housing demand, affordability, and potential buyers, thereby improving housing allocation and investment planning across the country.

5.2 NAMIBIA HOUSING ENTERPRISE (NHE)

5.2.1 The National Housing Enterprise (NHE) was established by the NHE Act No. 5 of 1993 (as amended), with the core mandate of providing affordable and accessible housing to low- and middle-income Namibians. Its focus is on developing, financing, and constructing housing units that meet the needs of citizens who would otherwise be unable to access conventional mortgage financing.

5.2.2 In line with Section 3 of the NHE Act, the Enterprise provides financing options for homebuyers, particularly low- and middle-income earners who may not qualify for loans from commercial banks. The NHE serves both as a developer and financier of credit-linked housing for individuals earning between N\$5,000 – N\$20,000 per month, or a combined household income of up to N\$30,000.00 per month. Since its establishment in 1991, NHE has successfully constructed approximately 14,884 houses nationwide through its own projects and the Mass Housing Development Programme (MHDP).

5.2.3 Since 2017, NHE has played a key role in urban land servicing through collaboration with various Local Authorities under the Massive Urban Land Servicing Programme (MULSP). Through this programme, approximately 2,061 erven were serviced across three Local Authorities, Windhoek, Walvis Bay and Oshakati.

Additionally, NHE continues to participate in social housing initiatives aimed at providing rental and subsidised housing units for low-income and vulnerable groups. Notably, in 2019, NHE collaborated with the Government, Khomas Regional Council, and the City of Windhoek to implement the Informal Settlement Upgrading Project, which has delivered 634 housing units to date.

5.2.4 Despite these achievements, NHE faces significant challenges in fulfilling its housing delivery mandate. Chief among these are limited financial resources, compounded by inconsistent and insufficient funding from the central government and other sources.

5.2.5 Other challenges identified include bureaucratic and administrative delays in acquiring land, obtaining statutory approvals, and completing housing projects. Lengthy land acquisition processes and red tape at both national and local levels have hindered timely project implementation, thereby reducing the pace of housing delivery.

5.2.6 NHE officials also informed the Committee that the Enterprise continues to struggle with high levels of non-performing loans (NPLs) due to defaults by homeowners. This challenge has significantly affected NHE's financial sustainability, limiting its ability to reinvest in

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new projects. The situation is worsened by economic hardships, rising unemployment, and low household incomes, which contribute to increased loan default rates.

- 5.2.7 The rising cost of building materials and construction inputs — driven by import dependency, inflation, and limited local production capacity — further constrains NHE's ability to provide affordable housing. Frequent fluctuations in construction material prices make cost management and project budgeting particularly difficult.

5.3 SHACK DWELLERS FEDERATION OF NAMIBIA (SDFN)

- 5.3.1 The Shack Dwellers Federation of Namibia (SDFN) is a community-based network of savings groups committed to improving the living conditions of the urban poor, especially those residing in informal settlements. The Federation operates primarily through its technical partner, the Namibia Housing Action Group (NHAG).
- 5.3.2 Established in 1998, the Shack Dwellers Federation of Namibia (SDFN) has played a pivotal role in addressing housing challenges faced by low-income communities in Namibia. The Committee was informed that, the Federation currently coordinates approximately 1,046 savings groups with a combined membership of about 28,000 individuals, of whom two-thirds are women. With support from the Namibia Housing Action Group (NHAG) and in collaboration with Local Authorities countrywide, the SDFN has constructed more than 8,067 houses since 2000 at an average cost of N\$40,000 per unit. In addition, the Federation has upgraded or serviced 4,525 plots at an average cost of N\$12,000 per unit.
- 5.3.3 In recent years, the SDFN has expanded its efforts to include collaborative, bottom-up informal settlement upgrading initiatives, such as the implementation of the Flexible Land Tenure System (FLTS), which allows for incremental and diverse tenure security options for low-income residents.
- 5.3.4 Despite its achievements, the Federation continues to face constraints in acquiring affordable and adequate land for its members, who largely consist of low-income households residing in informal settlements.
- 5.3.5 The high demand for urban land and the revenue-driven land allocation practices of some Local Authorities have escalated land prices, making it increasingly difficult for SDFN to obtain affordable plots for housing development.
- 5.3.6 SDFN representatives further noted that some Local Authorities are reluctant to allocate land to the Federation. This reluctance often stems from concerns related to property ownership and service cost recovery under social housing schemes. Consequently, many Local Authorities prioritise commercial or higher-income developments, limiting land availability for low-income housing initiatives.
- 5.3.7 The SDFN also faces administrative bottlenecks, including lengthy approval processes for land acquisition. Given that the Federation relies on member savings, grants, and donations, its limited financial capacity restricts both the scale and speed of housing delivery. Even

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when land is available, the high cost of servicing remains a major barrier to expanding operations.

- 5.3.8 The slow implementation of the Flexible Land Tenure System (FLTS) by Local Authorities further contributes to the lack of secure land tenure for informal settlement residents. Without secure tenure, beneficiaries face the risk of eviction, discouraging long-term investment in housing improvement.

5.4 BUILD TOGETHER PROGRAMME (BTP)

- 5.4.1 The Build Together Programme (BTP) is one of the Government's flagship initiatives aimed at reducing the housing backlog by providing affordable land and housing to low-income earners who cannot access traditional mortgage financing.
- 5.4.2 Launched in 1992, the programme targets individuals earning below N\$3,000 per month, offering low-interest housing loans typically ranging between N\$40,000 and N\$80,000 to support home construction, improvement, or purchase.
- 5.4.3 Between its inception and 2013, when it was temporarily suspended following the introduction of the Mass Housing Development Programme, the BTP benefited nearly 42,000 households. However, after budget allocations declined post-2013, participation dropped significantly — with only 13 out of 57 Local Authorities responding to requests for project identification reports. Since 2020, only Aroab and Karasburg have received financial support from the Ministry to continue implementing the programme.
- 5.4.4 Despite its early success, the programme faces several challenges, including limited funding, administrative inefficiencies, and loan disbursement delays. Officials reported that the loan amounts offered under BTP no longer align with the actual cost of housing, rendering the programme less effective in addressing current housing needs.
- 5.4.5 For instance, constructing a Core 5 housing unit now costs approximately N\$250,000, far exceeding the loan cap of N\$80,000. Economic hardship has also led to poor loan repayment rates, undermining the revolving fund model intended to sustain the programme. The lack of recapitalisation from central government further hampers its continuity.
- 5.4.6 Additionally, Local Authorities' reluctance to allocate land to BTP and other social housing initiatives continues to impede implementation. This reluctance is partly due to unresolved issues surrounding property ownership and cost recovery. Nevertheless, the Committee noted that the BTP remains a vital component of Namibia's national strategy to reduce the housing backlog and improve living conditions for low-income citizens.

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5.5 ASSOCIATION OF LOCAL AUTHORITIES (ALAN)

- 5.5.1 The Association of Local Authorities in Namibia (ALAN) reported that most Local Authorities lack the necessary technical and human resource capacity, including architects, surveyors, and town planners, required to effectively manage and implement land servicing and housing development projects.
- 5.5.2 Furthermore, many Local Authorities face infrastructure constraints, such as outdated equipment, inadequate road networks, and limited service delivery capacity, which collectively hinder large-scale land servicing and affordable housing development efforts.
- 5.5.2 It was illustrated that, for example, a portion of land that would cost the Development Workshop of Namibia (DW) less than N\$200,000 to service could cost a Local Authority as much as N\$3 million, due to the legal requirement to procure professional services through competitive bidding. The challenge in meeting land servicing targets arises when Local Authorities must develop new townships. For instance, a township may require N\$100 million to service, while the government provides only N\$8 million, leaving a substantial funding gap that the Local Authority must bridge.
- 5.5.3 The Association of Local Authorities in Namibia (ALAN) emphasised that while supporting private sector participation in service provision is essential, there must also be recognition of the financial limitations faced by citizens. One proposed solution is the provision of state-supported professional services. Similar to how lawyers provide pro bono services as part of their social responsibility, the State could support Local Authorities by providing critical services such as town planning and surveying. This would enable financially constrained Local Authorities to develop land more affordably and ensure broader access to serviced land and housing.
- 5.5.4 To address these challenges, the Committee was informed of the need to explore foreign funding options, while reducing bureaucratic barriers that hinder access to such funding. ALAN representatives noted that if the government were able to fully service land, Local Authorities would be better positioned to allocate it to beneficiaries at minimal or no cost.

5.6 HIGH COST OF LAND SERVICING

- 5.6.1 The high cost of land servicing in urban areas was consistently identified as a major factor contributing to limited access to land and housing. By law, Local Authorities are mandated to establish housing schemes, but their capacity to do so is severely restricted by inadequate funding. Except for a few, such as the City of Windhoek, most Local Authorities rely heavily on government subsidies via the Ministry of Urban and Rural Development (MURD). However, these subsidies are often insufficient to meet the actual costs of land servicing.

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- 5.6.2 For context, government expenditure on housing provision since Independence has not exceeded 0.1% of GDP, far below the 5% GDP target established in the 1991 National Housing Policy. Due to inadequate central funding, many Local Authorities are compelled to sell serviced land at market rates to generate revenue. This practice inadvertently drives up prices, making serviced land unaffordable for low-income earners.
- 5.6.3 The average cost of servicing a standard 300m² residential plot exceeds N\$100,000, with costs varying based on terrain and soil type. Without access to credit or long-term financing, Local Authorities struggle to undertake large-scale servicing projects. Consequently, they sell serviced land primarily to high-income, bankable clients to recover costs.
- 5.6.4 ALAN further noted that although initiatives such as the Targeted Intervention Programme for Employment and Economic Growth (TIPEEG) sought to reduce land servicing costs, many Local Authorities continue to sell serviced plots at market value, as this remains one of their few reliable revenue streams. Similarly, under the Build Together Programme, Local Authorities were required to provide land at no more than N\$10,000, yet some charged up to N\$40,000. This discrepancy undermines the programme's effectiveness, as beneficiaries with loans capped at N\$80,000 struggle to build decent housing. The Committee also observed a general reluctance among Local Authorities to support initiatives such as Build Together and the Shack Dwellers Federation of Namibia (SDFN).

5.7 HOUSING FINANCE AND CHALLENGES IN SETTLEMENT AREAS

- 5.7.1 The Regional Councils Act mandates Regional Councils (RCs) to manage settlement areas as if they were Local Authorities. However, it does not grant them the legal authority to sell land—creating a significant legal and financial gap. An amendment to the Act is currently under review by the Cabinet Committee on Legislation to address this. Due to the lack of formal property titles in these areas, financial institutions are reluctant to issue loans, as the land cannot be used as collateral. As a result, housing finance in settlement areas is limited to social housing initiatives such as the Build Together Programme and the Shack Dwellers Federation. In addition, in towns deemed “non-bankable” due to governance concerns, banks have withdrawn their services entirely, further restricting access to housing finance.
- 5.7.2 A further challenge identified is the mismatch between available housing products and affordability levels. Most housing developments target the middle-to-high-income bracket, leaving a shortage of affordable housing for the majority of Namibians, particularly low- to middle-income earners. This imbalance results in an oversupply of unaffordable housing and an undersupply of accessible, low-cost options.
- 5.7.3 These challenges are particularly evident in towns such as Outjo, Khorixas, and Karasburg, where banks have refused to finance housing projects due to low perceived creditworthiness. This has negatively impacted the implementation of the Mass Housing Development Programme in these towns. Additionally, unemployment in urban areas exacerbates the situation residents who obtain housing through social programmes often struggle to meet their living costs, contributing to increased urban poverty, social instability, and crime.

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6. FLEXIBLE LAND TENURE SYSTEM (FLTS)

6.1 OVERVIEW

6.1.1 The Flexible Land Tenure System (FLTS) represents a major innovation in Namibia's land management approach. It aims to improve tenure security for residents of informal settlements and low-cost housing areas by providing alternative, affordable forms of land ownership. The system serves as a practical mechanism to protect residents from eviction, while enabling them to invest in permanent structures and improve their living conditions.

6.1.2 Since becoming operational in 2018, the FLTS has been implemented in Windhoek, Oshakati, and Gobabis. The successful pilot at Gobabis' Freedom Square demonstrated the system's potential for nationwide adoption, with mainstreaming now underway across Namibia.

6.2 KEY PRINCIPLES OF THE FLTS

6.2.1 Introduction of New Tenure Forms:

FLTS introduces two innovative forms of secure urban tenure the Starter Title and the Land Hold Title which complement the traditional freehold system and can be upgraded progressively

6.2.2 Individual and Group-Based Rights:

Titles are held individually but managed within a collective land block, referred to as a "blocker."

6.2.3 Ownership Structure:

The land block is held under freehold by the Local Authority, a private entity, or a collective group of individuals.

6.2.4 Management by Associations:

Residents form associations to manage their block's affairs, promoting community governance and accountability.

6.2.5 Dedicated Land Rights Offices:

Rights registration and block surveys are handled by Land Rights Offices, ensuring efficiency, accessibility, and lower administrative costs.

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6.3 BENEFITS OF THE FLTS

6.3.1 FLTS benefits are:

- a) Enhances access to and affordability of secure tenure.
- b) Reduces surveying and registration costs, largely covered by Land Rights Offices.
- c) Specifically targets informal settlement residents and low-income households.
- d) Streamlines planning approval to the block level, enabling faster delivery of serviced land.
- e) Allows flexibility in planning, enabling architects and designers to collaborate with communities.
- f) Promotes participatory planning and design involving residents.
- g) Encourages community ownership of public spaces, fostering inclusive and sustainable urban development.

6.3.1 Additional Advantages

The FLTS makes secure tenure affordable by lowering initial surveying costs and promoting community-driven development. Its targeted approach ensures that low-income households benefit directly, while its streamlined processes accelerate land delivery and urban upgrading.

6.3.9 Implementation Challenges

Despite its potential, the rollout of the FLTS has been slow. Local Authorities cite capacity constraints and limited awareness as major obstacles. This delay affects complementary initiatives such as the Shack Dwellers Federation's informal settlement upgrading programmes, which depend heavily on tenure regularization for success.

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7. FINDINGS

7.1 Housing Policies and Programmes Promoting Affordable Land Delivery

- 7.1.1 To ensure that every Namibian has access to dignified shelter, the Government of the Republic of Namibia has developed several housing policies and programmes aimed at promoting affordable land and housing delivery. Access to land is recognised as not only a human right but also a key economic enabler and an essential tool for poverty alleviation.
- 7.1.2 The National Housing Policy (Second Revision, 2023) serves as the principal framework guiding all stakeholders in the housing sector. It outlines strategies and objectives to address Namibia's housing backlog, estimated to be between 300,000 and 700,000 units, and reaffirms government's commitment to ensuring that land and housing are accessible and affordable for all citizens.

7.2 Findings from the Regions and Local Authorities

The Committee conducted oversight visits to the Erongo, Kunene, Omusati, Oshana, Oshikoto, Ohangwena, Kavango West, Kavango East, and Zambezi Regions between 06 and 24 August 2024. The visits sought to assess the implementation of housing policies, the provision of affordable land, and the impact of relevant legislation such as the Flexible Land Tenure Act (2012).

7.3 Housing Delivery for the Urban Poor

- 7.3.1 Most Local Authorities have adopted plans and programmes aimed at ensuring that all Namibians have access to quality, affordable, and dignified housing, irrespective of their income level or employment status. Many Local Authorities aim to achieve this through initiatives that empower households by creating job and business opportunities, alongside the diversification of land and housing delivery mechanisms.
- 7.3.2 However, the high cost of land and insufficient funding for land servicing remain critical obstacles. Local Authorities also cited the lengthy and cumbersome town planning process and the minimum erf size restriction of 300m² as additional barriers. It was suggested that smaller erf sizes be permitted for ultra-low-income and unemployed citizens, to make land more accessible and affordable.

7.4 Land Allocation Lists and Housing Backlog

All Local Authorities visited reported long waiting lists for land and housing across all income levels. The number of applicants continues to grow daily. However, the use of universal application forms—which are not tailored to specific income categories—makes it difficult for Local Authorities to accurately identify unemployed or ultra-low-income applicants. This lack of data segmentation hampers efforts to target and prioritise the most vulnerable groups effectively.

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7.5 Compensation Policy

- 7.5.1 Local Authorities are required to compensate landholders under the Communal Land Compensation Policy. However, some landowners, especially those with fruit-bearing trees, have been reluctant to accept compensation offers, preferring to sell or transfer land to relatives instead. The Policy provides compensation ranging from N\$960 to N\$15,000 per tree, depending on the tree's maturity.
- 7.5.2 In addition, the Policy stipulates compensation of N\$5,000 per hectare for cultivated land and N\$2,500 per hectare for grazing or uncultivated land, as well as N\$60 to N\$3,000 per metre for existing structures. These compensation rates, although essential for fairness, have slowed down town expansion and delayed development projects meant to benefit low-income and unemployed residents.

7.6 Land Delivery for Ultra-Low-Income Earners

- 7.6.1 The Committee learned that several Local Authorities have developed initiatives to cater to the socio-economic needs of low-income households, by prioritising the provision of communal services and serviced erven. Local Authorities appealed to government to avail dedicated funding similar to the Mass Housing Development Programme to accelerate land servicing and affordable housing delivery.
- 7.6.2 Such funding, if made available, would enable Local Authorities to fast-track the construction of affordable and quality housing, curb the rapid growth of informal settlements, and reduce illegal occupation of townlands.

7.7 Impact of Legislation on Land and Housing Provision

- 7.7.1 Local Authorities raised concerns about the rigidity of town planning regulations, which restrict certain planning activities to registered town planners only. This requirement significantly increases costs and delays the delivery of serviced land.
- 7.7.2 The process of land delivery—spanning Council resolutions, public advertisements for objections, Ministerial approvals, and the mandatory 10% reservation for public open spaces—was described as overly bureaucratic and time-consuming. Moreover, Local Authorities reported challenges in cancelling allocations for unclaimed or unused land due to procedural constraints.
- 7.7.3 Concerns were also raised about duplication and dishonesty in the National Housing System, where certain applicants benefit multiple times across different Local Authorities. It was further noted that the Deeds Office metadata system is currently offline, complicating verification processes.

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7.8 Impact of the Flexible Land Tenure Act (2012)

7.8.1 The Flexible Land Tenure System (FLTS), enacted in 2012, remains an innovative initiative designed to provide affordable and secure land tenure to residents of informal settlements.

7.8.2 The Act establishes new forms of urban land tenure applicable to both Local Authorities and settlement areas under Regional Councils. It supplements existing land tenure systems rather than replacing them.

7.8.3 The objectives of the Act are threefold:

- (i) To introduce simpler and more affordable alternative land titles.
- (ii) To provide security of tenure for residents of informal and low-income housing areas.
- (iii) To economically empower beneficiaries through formal land rights.

7.9 Meeting with //Kharas Regional Council, Ministry of Urban and Rural Development Staff and Namibia Housing Enterprise

7.9.1 Follow up visit Noordoewer and Aussenkher was preceded by extensive discussions with the //Karas Regional Council Management, MURD staff representatives from Windhoek and NHE officials. The aim was for the standing committee to gather more information as to why Aussenkher residents are not receiving better and improved housing infrastructure services.

7.9.2 The Committee was informed by the //Kharas Regional Council that the delays in development are the result of multifaceted challenges, including underfunding from the central government, uncompleted projects, vandalism of infrastructure, slow progress in land servicing, and complications arising from the land donation agreement by Mr. Dusan Vasiljević at Aussenkher Settlement. The agreement reportedly contains a 10% clause granting him the option to select a portion of the serviced plots, which continues to complicate implementation.

7.9.3 The engagement was followed by the ground visit to Noordoewer and Aussenkher for physical inspection of those settlements' infrastructures.

7.9.4 While onsite inspection, the Committee was taken through current existing infrastructure both new and old such as water and sewer reticulation systems, electrical networks, and a sewer treatment plant. The aforementioned infrastructure has been severely affected by vandalism and deterioration, resulting in further delays in development and the progression of housing initiatives within the settlement.

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7.10 Noordoewer Settlement

7.10.1 The Committee visited the settlement to assess housing conditions for its inhabitants and observed significant challenges, particularly affecting low-income residents and seasonal farm workers. A shortage of affordable housing, stalled government projects, and inadequate infrastructure remain key obstacles. The situation is further aggravated by the rapid expansion of the settlement, driven by a high influx of people seeking employment on the grape farms, which has intensified the housing demand.

Compounding these challenges is the lack of basic services and essential infrastructure such as water and sewer systems. In the absence of properly planned layouts, the installation of water networks, electricity, and sanitation services becomes costly, complex, and difficult to implement.

The Committee inspected the elevated water tank at Noordoewer, for which N\$1.5 million had been allocated. However, the entire allocation was reportedly used for the tank's construction, with no funds remaining for related infrastructure. The unused balance was returned to the Ministry of Finance. During the current financial year, a new contractor has been appointed, and Namibia Water Cooperation (NamWater) intends to transfer operations to the //Kharas Regional Council. An additional N\$1.5 million was used for consultancy, pressure assessments, and procurement of equipment, although the available equipment remains inadequate for optimal operation.

7.10.2 The Committee observed that inadequate funding and a lengthy procurement process have significantly delayed the development of sanitation infrastructure in the settlement.

7.10.3 The contractor reported structural defects in the elevated water tank, including wall cracks and the use of substandard materials. Outdated electrical cabling and faulty fittings have contributed to water leakages and interruptions in supply.

7.10.4 It was noted that the water pump connected to the tank had recently been replaced as part of renovation works.

7.10.5 Regarding the sewer infrastructure, MURD allocated funds for consultancy services and cost estimates for the sewer reticulation system. However, the N\$6 million allocation can only service approximately 100 erven, due to high costs related to master planning, hard rock excavation, and design work, which typically takes three to four weeks to complete.

7.10.6 The Sewer Treatment Plant remains incomplete after the previous contractor abandoned the project. Limited budget allocations have caused delays, with funding spread over multiple financial years. Of the N\$12 million allocated since 2012, N\$6 million has been used. MURD has budgeted N\$4 million for 2025/2026 and N\$10 million for 2026/2027. According to the project engineer, completion is expected within one year, with 80% of the advance payment already disbursed.

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7.11 Follow-Up Visit to Aussenkehr, //Kharas Region

- 7.11.1 A follow-up visit to Aussenkehr in June 2025 was prompted by the Committee's observations during its initial visit in May 2025. The Committee had noted deplorable living conditions among grape farm workers. Many workers reside in makeshift shelters constructed from Orange River reeds, with poor hygiene and as the highly flammable material (reeds) are posing serious safety risks.
- 7.11.2 Due to the high demand for labour in the grape industry, Aussenkehr attracts thousands of seasonal workers from across Namibia. This population influx has created acute housing shortages and infrastructure pressures.
- 7.11.3 The Committee was informed about the controversial land donation made by Mr Dusan Vasiljevic, which includes exclusive rights under a donor clause entitling him to 10% of all developed portions of the donated land. The Committee's initial plan to meet with Mr. Vasiljevic for clarification could not materialise, as it was agreed that the //Kharas Regional Council would first engage with the donor to revisit his demands contained in the signed agreement, particularly his insistence on having sole rights to select portions from each developed and serviced piece of land he donated.
- 7.11.4 The Committee noted unnecessary delays in infrastructure development, despite the availability of central government funding channelled through the //Kharas Regional Council, which serves as the oversight body for such projects.
- 7.11.5 The Committee in the presence of MURD and the //Kharas Regional Council inspected government-funded projects, including water tanks, pump systems, and water network infrastructure at Aussenkehr and Noordoewer.
- 7.11.6 The contractor responsible for the 2014 water and sewer infrastructure explained that the project had been abandoned, leading to vandalism and the destruction of key facilities. This was compounded by the lack of community engagement during project planning.
- 7.11.7 Most infrastructure in Aussenkehr remains semi-serviced and non-functional, hindering service delivery.
- 7.11.8 During the follow-up visit, the Committee noted renewed government efforts to revive Aussenkehr, including the construction of a school and a health facility.
- 7.11.9 For these facilities to become operational and sustainable, reliable water and sanitation infrastructure is urgently required. The Committee stressed the need to expedite the completion of sewer and reticulation systems to ensure improved living conditions in Aussenkehr.

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8. Komsberg Farm Visit

- 8.1 The Committee visited Komsberg Farm, which situated near the Ariamsvlei Border Post in the //Kharas Region. The farm specialises in agricultural products such as grapes, naartjies and blueberries and employs a significant number of seasonal workers. The Committee was informed that Komsberg produce is primarily intended for export.
- 8.2 During the visit, the Committee engaged with the farm management regarding the provision of housing to staff members, with the intention that employees as tenants, take responsibility for maintaining the company's property. This includes keeping the premises clean and reporting any damages in a timely manner.
- 8.3 Komsberg Farm management informed the Committee that all both permanent and seasonal employees are provided with accommodation including seasonal workers despite the farm not making profit for the past eight (8) years.
- 8.4 The farm provides free housing for the full duration of their employment, including complimentary water and electricity. This initiative forms part of the farm's talent attraction and retention strategy, offering a competitive advantage in securing and retaining top talent, particularly for specialized positions that cannot be sourced locally.
- 8.5 A tour under the guidance of the farm management proved worthwhile as the Committee witnessed proper structures with amenities such as bathrooms, clean water, electricity, cooking facilities and recreation facilities.
- 8.5 Furthermore, Komsberg management highlighted several challenges faced by the farm, including the illegal occupation of its land by local residents who have erected reed-hut structures in the dry riverbed. These informal dwellings lack proper hygiene and sanitation facilities, posing health and environmental risks.
- 8.6 During the tour of the farm vicinity, the management informed the Committee about the alarming levels of poverty among the illegally settled families. They reported a high number of children going to bed hungry and not attending school. In response, the farm management has been providing charitable support, including clothing donations for underprivileged children, as well as basic necessities such as food and healthcare.

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9. CONCLUSION

- 9.1 The workshop held concluded that the Government of the Republic of Namibia needs to increase funding allocations to Local Authorities and Regional Councils to effectively meet the national housing demand and reduce the existing backlog. The current allocation of N\$1 billion is insufficient compared to the estimated requirement of N\$3 billion.
- 9.2 Strengthening institutional capacity at both local and national levels is critical to enhancing the delivery of serviced land and affordable housing.
- 9.3 There is an urgent need to reform the existing legal and regulatory frameworks to address identified challenges particularly by revising the Compensation Policy for Communal Land and amending both the Local Authorities Act and the Regional Councils Act.
- 9.4 To make serviced land more affordable, Government should explore alternative financing mechanisms and consider state-supported services for land servicing. This will reduce Local Authorities' dependency on land sales as a revenue source and improve access to land for low-income earners.
- 9.5 Government should permit Local Authorities and Regional Councils to explore foreign and private financing options to supplement domestic resources for housing and land development. Streamlining bureaucratic processes will be essential to facilitate access to such funding and expedite project implementation.
- 9.6 Programmes such as the Shack Dwellers Federation of Namibia (SDFN) and the Build Together Programme (BTP) play a crucial role in providing affordable housing for low-income groups. Strengthening financial and logistical support for these initiatives will enhance their impact and sustainability.
- 9.7 Addressing broader economic challenges such as unemployment and income instability is essential to improving housing affordability. Economic policies promoting job creation and income stability will help reduce default risks and enhance the sustainability of housing programmes.
- 9.8 The decentralisation of decision-making powers to Regional Councils and Local Authorities will improve efficiency, responsiveness, and accountability in housing delivery.
- 9.9 There is a pressing need for increased funding and resource allocation to national housing development programmes, including those under the National Housing Enterprise (NHE) and the Build Together Programme (BTP), to effectively address the housing backlog and provide affordable housing to low-income earners.
- 9.10 A collaborative and coordinated approach involving all key stakeholders Government, Local Authorities, financial institutions, civil society, and community-based organisations is vital to achieving sustainable housing solutions nationwide.

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10. RECOMMENDATIONS

10.1 Comprehensive Housing Backlog Assessment:

The Namibia Statistics Agency (NSA), with the support of all Local Authorities, should consolidate waiting lists to accurately determine the national housing backlog. The implementation of the Namibia Housing Information System (NHIS) should be accelerated to enable data-driven planning and resource allocation.

10.2 Support for Community-Based Initiatives:

Community-driven programmes such as the Shack Dwellers Federation of Namibia (SDFN) and the Development Workshop of Namibia (DWN) should receive adequate financial and institutional support. These initiatives have demonstrated significant success in addressing housing needs for the urban poor.

10.3 Massive Urban Land Servicing:

The Ministry of Urban and Rural Development in collaboration with Regional Council, Local Authorities and other stakeholders must prioritise the Massive Urban Land Servicing Programme to ensure a steady supply of serviced land for housing development.

9.4 Affordable Land Pricing:

Local Authorities should sell serviced land at subsidised rates where government funding was used for planning and land servicing, ensuring affordability for low- and ultra-low-income groups.

10.5 Capacity Building:

Capacity at Local Authority level should be strengthened to reduce dependency on outsourced technical and professional services.

10.6 Accelerate Flexible Land Tenure Implementation:

The Flexible Land Tenure Act should be fully implemented and operationalised to provide secure, affordable tenure options for informal settlement residents.



10.7 Empowering Local Authorities in Housing Delivery:

The mandate of Local Authorities to directly participate in housing development through dedicated housing schemes should be reinforced.

10.8 Vertical Housing Development:

Government through the Ministry of Urban and Rural Development, and Local Authorities should explore vertical (multi-storey) housing developments as a solution to limited urban land availability and rising population density.

10.9 Model for Free Urban Land Provision:

The Ministry of Urban and Rural Development in collaboration with Local Authorities to develop a sustainable model for providing free or subsidised land to citizens who cannot afford to purchase land. The model should include socio-economic assessments to ensure sustainability and equity.

10.10 Clarify Availability vs. Affordability:

Namibia Statistics Agency should consider conducting research to determine whether Namibia's housing challenge primarily stems from a shortage of housing units (availability) or from the population's inability to afford existing housing (affordability).

Making this distinction will enable the formulation of more targeted and effective policy formulation.

10.11 Data-Driven Housing Planning:

Government housing projects should be guided by accurate, up-to-date, and comprehensive data, with the Namibia Statistics Agency playing a central role in data collection and analysis.

10.12 Addressing Funding Shortfalls:

Government should secure adequate and sustained funding for Local Authorities and key stakeholders such as the NHE. Partnerships with commercial banks and development finance

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institutions, supported by government guarantees, could provide additional capital for housing development.

10.13 Accelerate Decentralisation Implementation:

The full implementation of the Decentralisation Policy must be expedited to ensure that operational responsibilities are devolved to Regional and Local Authorities, while central government focuses on oversight and policy coordination.

10.14 Aussenkher Farm (Dusan Vasiljević) land donation:

The Ministry of Urban and Rural Development, in collaboration with the Ministry of Justice and Labour Relations, should revisit the nature of the land donation, particularly its legal status and attached conditions, to determine whether they are sustainable and aligned with the socio-economic realities of the Namibian people. The initiative seeks to address disputes and remove ambiguities related to the land donation, which, according to some, confers exclusive rights to the donor and may restrict participation by other Namibian entrepreneurs.

SIGNATURE

DATE



04/11/2025

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Honourable Alfeus Kaushiweni Abraham

Chairperson: Standing Committee on Transport Infrastructure and Housing