

**BUILDING INNOVATION TO  
ACHIEVE 500,000 HOUSING  
UNITS BY 2016  
(DELIVERY AND  
INFRASTRUCTURE)**

## Why 500,000 houses, Why 2016?

- 18m houses currently needed
- Population growth rate 2½ - 3%
- Double by 2048
- 150,000 houses annually is a drop in the ocean
- At least the target of 500,000 houses is a realistic figure

## Who is to build it?

- Yes, Government can but will it?
- ~~N~~2.6 trillion in fuel subsidy one year
- ~~N~~525 billion/year need to achieve the housing objective
- The non-performance of the public sector in building houses in Nigeria
- Failing of succeeding Government to achieve their set targets
- Presumably the vehicle of delivering the 500,000 is the private sector

## Gross Requirements

- 150,000 houses annually at ₦3.5m/house.
- ₦525 billion needed to build them.
- 250sq mt of land is needed per house, less than 4000 hectares of land needed in total annually
- About 3.6 million people needed to build them
- Modest targets + requirements.
- Achievable.

## Who will buy the houses?

- ~~N~~720 billion at a factor of 1.5 times cost of construction need to buy the houses
- This includes: Taxes; cost of money; infrastructure; profit etc.
- Are there buyers out there
- A different panel yesterday has looked at the demand side of the equation and I agree with their conclusions

## Thrust of this submission:

- ✓ Is yes, we in the private sector can build 150,000 annually over the next 4 years. A realistic figure.
- ✓ Contrast with Government Vision 20-20 – 1 million houses/annual target
- ✓ Housing policy: similar with Vision 20-20 with states + LG building 100,000 – 200,000 unrealistic

## Building the houses for the easier part of the housing equation—simply five issues

**1**

Land

**2**

Skilled personnel, quality and quantity

**3**

Building materials availability and price and technology

**4**

Infrastructure

**5**

Social Housing as safety net

## Skilled Personnel

- A total of 350,000 men (and or women) may be needed
- Professional cadre – available
  - Artisans – some issues
- Get rich quick - Study in Oyo State
- USL Experience with Kano Bricklayers
- Government effort in generating employment amongst the young and hope for the future.
- Labour (General) - Available



## Building Technology

- Stick with the Tried + True
- Mass housing technologies from China etc and their irrelevance to our situation

## Building Materials

- ❖ Self-sufficiency in cement
- ❖ Internalize requirement – current problems with bricks, iron manufacturing, aluminum manufacture
- ❖ Importation
- ❖ Improvement in power supply + improvement in manufacture

## Problems of availability of land

- Land Use Act and its problem
- Land swap – 4,283 hectares
- New City developments
- Site and Services Allocation – Nasir El-Rufai example
- Solving problems of allocation and infrastructure
- Land auction

## Conclusion

- Inputs available
- Workers willing to work + skills largely available
- New processes may expedite land availability
- Power may expand internal manufacture
- 160 million need the houses
- Government to create the demand for them
- We can build 500,000 by 2016

**Thank you!**