



3rd ASO Housing Exhibition and Conference, 11-12 April 2013



Communiqué

Preamble

Article 25 of the Universal Declaration of Human Rights recognizes the right to housing as part of the right to an adequate standard of living. It states that: *“Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control.”*

The Federal Government of Nigeria is currently implementing a National Housing Programme, including a Presidential Housing Initiative. The various state governments and agencies of government at different levels are also promoting housing schemes. However, homelessness continues to blight the lives of millions of Nigerians, especially in urban areas.

The 3rd Housing Exhibition and Conference, organized by ASO Savings and Loans plc, between 11 and 12 April 2013 at the International Conference, Abuja, provided a forum for stakeholders to address the political, economic, legal and socio-cultural dimensions of the challenge of delivering of affordable houses in the right quantity in Nigeria. The forum was attended by representatives of the different tiers of government, relevant ministries, departments and agencies, the academic community, and frontline actors in the housing sector, including researchers, civil society and financial institutions from Nigeria and other parts of the world.

Observations

The precipitants shared the commitment of ASO Savings and Loans plc to providing 500,000 houses by 2016 and noted as follows:

- An estimated 12-16 million housing units are required to meet the demand for houses in Nigeria. Hence, Nigeria has a huge market for investment in affordable housing.
- There is serious limitation to the resources available to stakeholders to provide the required number of houses to address the deficit.
- Lack of basic infrastructure - roads, water and electricity supply, etc. - all of which have to be provided by private developers, are contributing to high cost of buildings.

- The mode of implementation of the Land Use Act in the various states of the federation is frustrating the delivery of affordable housing to low-income citizens. For example, issues relating to the significance of certificates of occupancy (C of Os), in relation to other title deeds, some of which are rooted in cultures, remain unsettled.
- High costs of construction materials, over 60% of which are imported, constitute a major constraint to affordable housing provision.
- The majority of existing housing schemes do not enjoy basic infrastructure; ignore traditional architectural designs and building material; do not take advantage of emerging non-conventional technologies; and disregard local climatic conditions.
- Because housing development has overbuilt the market's upper end, targeting high-income homeowners to the detriment of low-income members of the community, the poor resort to building their own homes, neighborhood and cities, with huge informal settlements in Lagos, Abuja and other fast growing cities.

Recommendations

In response to the foregoing, participants at the conference recommended that:

- Innovative sources of financing mass housing schemes should be explored, including the huge funds lying in bank vaults in the forms of unclaimed dividends, dormant accounts, accumulated premiums from pension schemes, etc.
- Governments at all levels should provide an enabling environment for private developers either by providing the basic infrastructure or an opportunity (tax rebates) for the developers to recoup investments in infrastructural development.
- Governments should put in place appropriate policies and laws to accelerate the provision of mass housing, including policies to bring down the costs of construction. In this regard, the Land Use Act, amongst other relevant legislations, should be reviewed to address the bottlenecks it creates in title registration. To encourage infusion of capital to the mortgage banking/housing finance sector, and guarantee free entry and free exit for existing and potential investors in the sector, passage of the Foreclosure Bill into Law should be fast-tracked.
- Stakeholders should explore and invest in research, development and public enlightenment on the use of local material and innovative architecture (e.g. green construction) in housing construction. More support needs to be committed to generating data on Nigeria's housing challenges for better planning.

- Government should commit to training of artisans and craftsmen whose inputs are required to deliver durable and affordable housing. Government should strengthen professional associations and provide relevant practical training, and regulatory bodies to obviate the tragic effects of substandard building.
- ASO Savings and Loans plc, in partnership with interested stakeholder organizations, should, as a matter of urgency, produce a strategic framework for achieving the objectives of providing 500,000 housing units by 2013, which should set out the time frames, roles of partners and the expected milestones in the run-up to the target year.

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