

GOVERNMENT SUPPORT FOR LOW INCOME HOUSING IN KIGALI



Researchers: Bob Buckley and Sally Murray

Partner organisation: the Ministry of Infrastructure (MININFRA)



IN BRIEF

- » Affordable housing for the (majority) low income population, will be key to successful urbanisation in Rwanda
- » This study analysed the Government's draft Ministerial Instructions regarding government support for low-cost housing development
- » The researchers made specific recommendations to deliver affordability for occupiers and attractiveness for developers

Affordable housing for the (majority) low income population, which is liveable and well-connected to jobs and services, will be key to successful urbanisation in Rwanda. Currently, houses are both expensive and hugely under-supplied. IGC Rwanda was asked by the Rwandan Ministry of Infrastructure (MININFRA) to comment on their draft Ministerial Instructions, to give broad advice on how they could be improved.

The researchers offered broad and specific analysis of the Government's draft Ministerial Instructions. Their comments were based on a close reading of all relevant urbanisation/housing policies and studies for Rwanda, and international best practice. The researchers outlined principles for efficient and effective government support for low-income housing and made specific recommendations to improve guidelines.

The researchers suggested ways to optimise construction costs in line with low income people's willingness to pay and developers' willingness to invest; ways to better support densification and upgrading; and allow rental - not just owner-occupier - housing to be eligible for assistance; clearly distinguishing the roles of co-operatives, developers, and financiers; revising outdated expropriation fees, and upholding the government's right to expropriation where a large estate must be purchased from several individual land-owners; slimming down building codes, reducing the upper limit on plot sizes, and minimising cost-recovery requirements; establishing a budget with clear dispersion rules; and establishing a maximum 5-6 ratio of annual income to house price, to ensure affordability.

MININFRA provided detailed comments on the note and taken into account its recommendations.