AR HOUSING CHARTER 31

Towards Housing for all; Land and Housing as Human Dignity

July 2015
- Between 400 000 and 500 000 Namibians live in “informal settlements” – NSA and the CLIP

- 800 000 Namibians live in debt with mortgage loans forming majority – IJG Namibia 2015

- Namibia recorded the second highest house price increase in the world in June after Dubai – FNB House Price Index 2015

- Windhoek is 21st most expensive out of 4 462 cities in the world | Rentals in Windhoek are 28% higher than in Cape Town | Windhoek IS THE 7TH most expensive city in the world | - Numbeo Living Expenses Index 2014

- NHE focuses on population earning more than N$ 5,000 a month, which is less than 13% of the total population. The backlog in this category is minor (4,000 houses) compared to the estimated backlog in the lower incomes (75,000 houses). In addition, banks are moving into this area as well, with consequently less need for the NHE to be active in this section. There is little on offer for the population with an income between N$ 3,000 and N$ 5,000 – IPPR 2012

July 2015
1. **INTRODUCTION**

1.1 There is a substantial imbalance between the demand for and supply of land and housing units in Namibia. Accumulated demand for residential housing on the one hand and the low supply of residential land on the other has severely pushed prices beyond the reach of the majority of the residents in the country specifically in urban areas. Overcoming the housing problem, hence, requires efforts in four main areas being: housing demand; housing supply; and institutional framework to ensure sustainability. Improving the conditions in these areas, in turn, requires the combined efforts of the government of Namibia, regional administrations, and private sector, and revolutionary youth volunteers, taking the view that overall development of the economy is crucial for the housing development in Namibia.

1.2 The importance of housing in Namibia and elsewhere relates to the multiple roles home and property ownership play in the economy and society. To an individual, housing refers not only to the fulfilment of a basic need for shelter, but also constitutes a significant part of the wealth of a household or individual, as generally Land is a means of production. In the broader economy, housing plays a significant role due to its backward and forward linkages to other sectors of the economy. These include the construction sector, financial intermediation sector and the retail sector. Notwithstanding the significant role and contribution of the housing sector to the economy, the social realm of it remains critically important (especially in the new focus on Poverty eradication) and must be managed for the benefits of the Citizens.

1.3 The most profound constraint in Land and Housing provision in Namibia is the mismatch between housing supply and demand. Although this seems to be a key concern for everyone in Namibian and abroad including the IMF and policy-makers, no one (especially those in government) is willing to take a radical policy decision to rectify this evil which manifests itself as a new form of colonialism in Namibia and against the citizens. Housing can no
longer be something that can be postponed indefinitely. Everyone recognise that addressing this persistent imbalance will not only unleash the full potential of the housing market and its contribution to the economy, but will also address the social aspects related to sustainable and affordable housing in the long run.

1.4 Nonetheless, the country still grapples with an acute shortage in housing. The latest official figure for the housing backlog shows that as of 2011, Namibia had a backlog of 100,000\(^1\), although it has been estimated to be about 400,000, and we believe that this figure has increased, and shall continue to increase unless real and tangible policy decisions are taken and **IMPLEMENTED** (our emphasis).

1.5 Furthermore, we continue to witness the mushrooming of informal settlements on the outskirts of our cities and towns, a sign that many Namibians have been excluded from accessing the formal housing market. These shacks were not present even in colonial times. The main challenge, as recent research on the Namibian housing market has revealed, is that houses have become unaffordable. In cities such as Windhoek, the issue of affordability is exacerbated by a continuous escalation of house prices due to a number of factors. Among others, demand has outstripped the supply of houses.

1.6 The shortage of serviced land, an increase in and inflated costs of building materials and speculation in the housing market by unscrupulous individuals, groups and agents are some of the factors pushing up house prices and therefore further compounding exclusion of the majority from formal and decent housing to the benefit of minorities and previously disadvantaged and in cohorts with some of the fortunate black elites.

1.7 Apart from the social implications of the high prices, increasing house prices could also pose a threat to financial stability. The threat to financial stability

\(^1\) BON Housing Project document
can materialise in as far as the increase in prices is not rooted in economic fundamentals, such as corresponding increases in household incomes. Thus this bubble may burst to the disadvantage of everyone. Certainly, the implications of the imbalances in the housing market are great, both from the social and financial stability perspective. Therefore, an earnest and vigorous intervention is needed yesterday.

1.8 Despite the fact that housing has been one of the main objectives of the past four National Development Plans (NDPs), the delivery rates have been below expectations, with a total current backlog reaching unimaginable proportions. This shows lack of seriousness, implementation and has caused a lot of animosity and discontent with many Namibians. The corrupt practices by those who are in councils and elites has also made it worse, and such discontent lack of action has given birth to the movement, Affirmative Repositioning well known as AR, who hold genuine intentions to restore the dignity of ordinary Namibians through access to housing.

1.9 Several initiatives are but not limited to:

a) Build Together Programme (BTP)

b) National Housing Enterprise (NHE)

c) Shack Dwellers Federation of Namibia (SDFN)

d) Central Government Initiatives

1.10 The above initiatives have been attempted to no avail. The situation continues to get worse, demonstrating the point that none of them is working, and some such as NHE has become a burden to society and indeed embarrassing to any patriotic and forward looking Namibians especially the youths, thus must be liquidated.
1.11 NHE was established in 1993, but by 2010, they have only built 8000 houses. AR applicants in one day are in Excess of 50 000.

1.12 The Shack Dwellers Federation of Namibia (SDFN) is a non-governmental savings organisation comprising about 620 housing groups (actual figure still to be verified), which assists its members to obtain land and infrastructure for housing purposes. The SDFN provides members with loans ranging from a minimum of N$8,000 to N$26,000, with the main determining factor of the loan value being the ability to repay the loan. The loans are repayable within a period of 11 years at an interest rate of 0.5 percent per month. However, in order to qualify for a loan, a member is expected to provide an advance payment equivalent to five percent of the loan amount. After the land is purchased by the SDFN, the individual members are collectively involved in clearing the land, as well as undertaking other manual labour during the construction phase. The Namibia Housing Action Group (NHAG) estimates that this helps to reduce construction costs by as much as N$705 per square meter.

1.13 The SDFN solicits funding from its savings schemes, the Central Government, local private companies and international donors. During fiscal years 2007/8 and 2009/10, Government allocated N$3.9 million to the SDFN, which steered the construction of 150 houses. Furthermore, additional funding of N$8.5 million has been allocated under the 2010/11 – 2012/13 MTEF for the construction of 215 houses. From the individual savings groups the SDFN recorded as much as N$7.7 million between 1998 and July 2010. Between 1994 and 2010, the SDFN has managed to construct 3,015 houses. The house delivery rate was very slow

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2 BON report Supra
during the earlier years due to limited funds. However, the financial boost from Central Government has improved the capacity of the federation to acquire land and construct houses. During the 2010 alone, the SDFN. Thus SDFN has done much better than then the glorified NHE, showing a cheap and easy way to the housing problem. It is however not properly or constructively capitalised.

1.14 Therefore holistically, wisdom and unity of purpose, in addressing the land problem is the way to go, and willingness from the high office should lead the way.

2. LAND DELIVERY IMPEDIMENTS

2.1 The government attempted an ambitious, state-led, housing plan, known as the Mass (mess) Housing program to arrest the housing backlog that is largely financed domestically. But as expected, due to poor planning, execution, greed, and corruption, this intervention hit a brick wall, and it has since been suspended, and correctly so in our views. It was made a cash cow for certain elites, politically connected, and few children’s of politicians.

2.2 Therefore since no effort went into the fundamental thinking about establishing it, it has been doomed before it commenced. To a good thinking individual, one can think that it was purposely established to benefit a few, as usual. It is now questionable whether domestic financing and/or government will be able revive and bail out the Mess Housing intervention. Thus corruption killed the dreams of Namibians who were hopeful of this project, a serious impediment in housing provision. However, even though Mass Housing may provide houses, those
houses are not affordable to a Namibian, due to their high costs and serious inflated building costs.

2.3 Another impediment is the various procedures applicable in the process of acquiring a property in Namibia, which also have a bearing on escalating property prices. Laws must be changed to shorten these unnecessary procedures. Land acquisition involves obtaining vacant land from local authorities, transfer of the title deed into individuals name by the Deeds Office, subdivision of land by a town planner, approval of layout by the local authority, Namibia Planning Advisory Board (NAMPAB) and the Township Board, assigning of coordinates by quantity surveyors, registration by the surveyor general and thereafter procurement of professional engineering services for land servicing. This process can take as long as four years and become costly due to administrative fees and professional charges. Approving bodies such as NAMPAB and the Township Board do not sit frequently which further drags out the approval period.

2.4 Several stakeholders, such as property valuators, developers and real estate agents, unnecessarily inflate house prices to rake in maximum profits based on the knowledge that there exists excess demand in the market and they are guaranteed to secure a purchaser for every property with an on-sale tag. These individuals must either be eliminated from the housing market, or be strictly regulated. Policy decisions and Legislation is the immediate solution.
2.5 Furthermore, fees charged by lawyers for handling property transfers further contribute to driving house prices out of reach of low-income households in particular. There is no reason why the Deeds office cannot have their in house lawyers or employees to take over this process. Zimbabwe is a perfect example on this aspect. The status quo must change.

2.6 Auctions, the main technique used by local authorities to dispose of land, are yet another factor contributing to the rising property prices. The auction procedure is used in two fold; Firstly by commercial banks to recover their cost in the event of defaults on mortgage loans, and secondly the town councils auctions off new erven on serviced land to recoup the cost of land clearing and servicing. The starting price is set based on the property valuation in case of the former, whereas for the latter it is determined by the cost of servicing per square meter. Depending on the financial standing of the bidders, the sale price could increase as much as ten-fold. As a result of this highest bidder arrangement, low-income households find it extremely hard to compete and cannot compete and hence to access land in Namibia, particularly Windhoek and other metropolitan areas which rely on the auction procedure.

2.7 The fact that participants at auctions are not properly filtered to balance the playing field does not help the situation. At some auctions, first-time buyers are forced to compete for erven with wealthy property developers. This procedure effectively guarantees access for high income households while shutting the door on those in the low income brackets. To make it worse, the municipality specifies the time period within which the house must be constructed and further requires that the final structure erected must be valued at between two and four times the
initial cost of acquiring the erven. This requirement puts further financial pressure on prospective house owners, some of whom already struggle to finance the land purchase.

2.8 There have been reported cases of people defaulting on erven payments and thus ending up unable to complete the house construction, which underlines the point. In addition, this procedure rakes in profits at the municipalities.

2.9 A further impediment which escalated land and house prices in Namibia is the Public Private Partnerships which municipalities are allowed to enter. These PPPs has become a cash cow for elites to milk the society through the sale of land. It has become a serious quick money schemes for individuals who get land for nothing and sell it at exorbitant prices. The recent example is that of what is termed as academia plots. It is not right that a plot (yes a plot) measuring 500 square meters is sold for over a MILLION in Windhoek.

2.10 Therefore, several Laws need to be amended and consolidated to rectify these impediments, and as usual AR is ready to workshop them and provide the solution.
3. **RECOMMENDATIONS AND SUGGESTIONS**

3.1 To address these challenges AR proposes the following solutions which are divided into two categories namely *long term* and *short term* and which in turn are based on specific themes:

**LONG TERM PROPOSALS**

**LAND TENURE SYSTEM IN NAMIBIA**

3.2 Brief background on the laws currently regulating the land tenure system in Namibia.

3.2.1 Land in Pre Independence Namibia was divided into "Commercial areas", and the Homelands or Bantustans (which were designed for BLACK PEOPLE ONLY). Homelands or Bantustans are the areas which after Independence came to be known as Communal areas. People in these areas do not have title deeds to their land. After independence the system in as far as ownership of land is concerned was primarily captured by Article 100 of the Namibian Constitution\(^3\) which provides that:

"Land, water and natural resources below and above the surface of the land and in the continental shelf and within the territorial waters and the exclusive economic zone of Namibia shall belong to the State if they are not otherwise lawfully owned." [Our Emphasis]

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\(^3\)The Constitution of the Republic of Namibia 1990
3.2.3 Article 100 properly interpreted means that since persons occupying communal land do not have a real right, they do not own the land and it therefore belongs to the State.

3.2.4 "Lawful ownership" in this case is therefore limited to those who have real rights and therefore own the land. In the absence of such real rights, the land belongs to the state.

3.2.5 Once a local authority expands its boundaries it follows that the land upon which the said boundaries have been extended shall now fall under the jurisdiction of the said local authority. For example, when the boundaries of the City of Windhoek were extended, land belonging to private individuals now fell within the boundaries and jurisdiction of the City.

3.2.6 This means that private individuals (i.e. Commercial farmers) are able to continue owning land in these areas (and negotiate better payouts) and the Municipality is only there to administer such land as opposed to Communal Land where the Land belongs to the state and private persons residing in such Communal areas are curbed from having any real right over such land.

3.2.7 The only way the municipality can take ownership of this land (commercial and urban land) is by either purchasing it or expropriating it in the public interest subject to just compensation as Article 16(2) of the Namibian Constitution instructs. This means that in terms of Article 16(2) compensation is peremptory and no expropriation or transfer of ownership of land to the municipality can be done without passing through the prescriptions of this Article.

3.2.8 As aforementioned, no one can own land within perimeters of Communal Land (we pause to state that black people were not allowed to own land before independence). This is alluded to by Section 17(2) of the Communal

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4 Section 3 of the Local Authority Act 23 of 1992.
Land Reform Act\textsuperscript{5} which in adherence to Article 100 of the Namibian Constitution provides that:

"No right conferring freehold ownership is capable of being granted or acquired by any person in respect of any portion of communal land."

3.2.9 We propose that the bar on the conferment of ownership in respect of any portion of communal land be removed and that rights conferring freehold ownership be created subject to processes prescribed by regulations that may be made by the Minister.

3.2.10 While the Communal Land Reform Act, authorizes the Minister to make regulations pertaining to compensation for customary land rights that have been terminated in the public interest (such as extension of the boundaries of a local authority) it is concerning that such compensation does not automatically and as of right include a right to compensation in respect of improvements. This is captured in Section 40(1) of the Communal Land Reform Act\textsuperscript{6} which provides that:

"no person has any claim against a Chief, a Traditional Authority, a board or the State for compensation in respect of any improvement effected by him or her or any other person on land in respect of which such person holds or held a customary land right or a right of leasehold under this Act, including a right referred to in section 28(1) or 35(1)."

3.2.11 Compensating someone for any necessary improvement is however left within the discretion of the relevant Minister. This is in accordance with Section 40(3) of the Communal Land Act which provides that:

"...the Minister, after consultation with the board concerned, may, upon the termination of a customary land right or a right of leasehold, pay to the person

\textsuperscript{5} No. 5 of 2002
\textsuperscript{6} ibid
whose right has terminated compensation in respect of any necessary improvement effected by that person on the land concerned."

3.2.12 This implies that the Minister is not under any obligation to compensate anyone for any improvement in the acquired land, and as Section 40(1) provides no one has the right of claim against the state if this materialises. It is noted that the government has adopted a Compensation Policy which purports to guide the Minister (Local Authorities) on issues of Compensation. We are however of the view that Section 40 (1) should be amended in order to ensure that improvements, made by those who have invested in the communal land, be compensated for and same should not be subjected to the discretion of the Minister. This will be in line with Article 16 of the Namibian Constitution in as far as just and equitable compensation is concerned.

Critiques of the Current Laws regulating the Land Tenure system

3.2.12 Here, we establish the shortcomings of the law as is in place now and the problems, issues and or concerns resulting from such law.

- In as far as the Namibian Constitution is concerned. We are disturbed by the fact that, apart from the right to property in article 16, housing is not regarded as a fundamental and inalienable right in chapter 3 of the Namibian Constitution. It is also disturbing that at the very least the issue of Housing is not addressed directly by the provisions of article 95 of the Namibian Constitution. We propose that the constitution be amended so as to entrench the right to housing as a fundamental right. We also propose that said provision reads as follows:

"(1) Everyone has the right to have access to adequate housing.

(2) The state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of this right."
(3) No one may be evicted from their home, or have their home demolished, without an order of court made after considering all the relevant circumstances. No legislation may permit arbitrary evictions."

[ We pause here to state that this will also be in line with the United Nations Istanbul Declaration on Human Settlements of 1996 which Namibia has never implemented unlike in countries such as South Africa ]

- Section 17 (2) of Communal Land Reform Act\(^7\), properly interpreted, means that no person in Namibia can take whole ownership or title in respect of communal land. This is problematic because it brings about the result that communal land cannot be owned and further, it can also not be alienated. A further problem with the current system is that land cannot be bequeathed to one's family relatives because it simply devolves back into the hands of the state (as represented by the Traditional Authority) upon the death of the person who had customary land right.

- Section 40(1) of the Communal Land Reform Act\(^8\) is problematic in that it relegates the right to compensation for improvements to mere privilege granted at the discretion of the Minister. This is not the case in the event that the State seeks to expropriate land from a private title deed holder.

3.2.13 It is embarrassing that our constitution does not entrench the right to Housing as a fundamental right and that we still have such utterly unjust, unfair and unreasonable provisions in our national laws. We are of the view that the above mentioned provisions amounts to differential treatment and is a continuation of the Odendaal plan which sought to marginalize the majority black people and offer protection to a few minority whites. This differential treatment is against the provision of Article 10 of the Namibian Constitution which states that all persons shall be equal before the law and that no

\(^7\) No. 5 of 2002
\(^8\) No.5 of 2002
persons may be discriminated against on the grounds of sex, race, colour, ethnic origin, religion, creed or social or economic status.

3.2.14 Lastly, the fact that Housing is not regarded as a fundamental right also deviates from Section 8 of the United Nations Istanbul Declaration on Human Settlements of 1996, (Habitat II) to which Namibia is a signatory. This section states that the Heads and States or Governments reaffirm their commitment to the full and progressive realization of the right to adequate housing as provided for in international instruments.

LAND OCCUPATION AND EVICTION

3.3.1 We propose the repeal of the Squatters Proclamation 21 of 1985 on the following bases:

i. It was not aimed and in fact it does not assist the achievement of the progressive realisation of the right to housing;

ii. It does not make provisions for considerations of all relevant circumstances before an order of Court is granted;

iii. It does not provide for a progressive framework within which disputes pertaining to land occupation and eviction can be resolved;

iv. Section 4(1) and (3) of the proclamation has already been rightfully declared unconstitutional by the Namibian Supreme Court;\(^9\) and

v. It was created by the South African administration which has since repealed similar legislation in the form of Prevention of Illegal Squatting Act No 52 of 1951 and replaced same with an act of parliament which

\(^9\) See the matter of Shanaika and others //Municipal Council of Windhoek and others
seeks to progressively realise the right to Housing in the form of the Prevention of Illegal Eviction from and Unlawful Occupation of Land Act 19 of 1998.

3.3.2 In the premises, we therefore propose the following:

a) As stated above, the constitution should be amended in order to make provision for the right to housing as a fundamental right; and

b) The Eviction Squatters Proclamation 24 of 1985 should be repealed and same should be replaced by an act of parliament which seeks to regulate illegal evictions from and unlawful occupation of land in a manner which is aimed at the progressive realisation of the right to housing.

3.3 LAND AND HOUSING PRICE CONTROL BOARD

3.3.1 We are of the view that too much power is concentrated in the hands of property owners without sufficient checks and balances and that thumb sucking and market manipulation of property and rental prices must come to an end.

3.3.2 Seeing that housing is a basic need, we believe that the price of Housing and rental should be regulated in a similar manner that the price of petroleum products are regulated by the Petroleum Products and Energy Act 13 of 1990 and in the similar manner that the use and consumption of electricity in Namibia is controlled and regulated in terms of the Electricity Act 4 of 2007.
3.3.3 We shall therefore seek that an institution be established that monitors and sets the price of land and houses and the price of rent in Namibia. We propose that such institution be referred to as Property and Rental Control Board. Currently there is a Rents Ordinance 13 of 1977. This law was used by the apartheid government to regulate the rental prices among others. However it (the ordinance) seized to be used and applied in Namibia in 1991, being the last date that the Board which was in place functioned. No real reason exist why it was never implemented fully, leaving it the imagination of any understanding Namibia. The Ordinance requires amendments, but it is surely a must have in our economy.

3.3.4 Our view is that it can’t be correct that for example Municipalities take land from communal farmers at close to nothing and then as soon as it is transferred to the municipalities or to third parties it then become suddenly worth more than 10 times the value. The compensation for communal land rights should be subjected to being regulated by the aforementioned board. In the same vain the sale and renting of property should also be subjected to being regulated by the board.

3.3.5 We also propose that the said board should not only be the primary functionary in the determination of property and rental prices, but that the said board shall also be the primary custodian of all immovable property valuations carried out pursuant to private agreements as well as statutory prescribed valuations of immovable property in Namibia, within the agricultural (commercial), communal or urban land sectors.
3.3.6 We therefore propose the enactment of a separate act of parliament which makes provision for the establishment of a property and rent control board or alternatively that the National Housing Development Act 28 of 2000 be amended to make provision for the establishment of the aforementioned board.

3.3.7 The enactment of a separate act of parliament or the amendment of the National Housing Development Act 28 of 2000 together with the Rents Ordinance will then set out the functions of this board, the constitution of this board, disqualification and terms of office, regulate pricing of houses and rental prices. This will then deter the manipulation of property and rental prices.

3.3.8 It is our view that currently the closest we come to regulating the price of immovable property and rent in Namibia, albeit indirectly and insufficiently, is manifested in the following Acts of Parliament:

I. The Estates Agent Act 112 of 1976 in as far as Section 33(1) (b) authorizes cabinet to make regulations prescribing the tariff of fees at which estate agents may act. The conspicuous absence of the said regulations prescribing the aforementioned tariffs is disturbing. We propose
that cabinet immediately attends to the said regulations.

II. The Sale of Land on Instalments Act 72 of 1971, in as far as Section 10 creates a right in favor of a purchaser to accelerate payments and claim transfer of land. While this provision may reduce the interest payable on mortgage bonds as well as the period within which mortgage bonds can be settled we are of the view that it does not have a substantial and direct bearing on the price of immovable property.

III. Various statutorily prescribed immovable property valuations such as those envisaged by Section 70 of the Agricultural Bank Act 13 of 1944; Valuations in terms of Section 67 and 68 of the Local Authorities Act 23 of 1992 as well as valuations envisaged in the Agricultural (Commercial) Land reform Act 6 of 1995 and the Building Societies Act 82 of 1986. While it may be sound to have valuers in the determination of the prices of immovable property, we are of the view that the same should be extended towards the determination of rental prices and that the control and regulation of valuers should be placed under the custodian of the said Property and Rental Control Board.

IV. Specific provisions on rent payable in respect of sub leasing portions of farming units as envisaged
by Section 6 of the Agricultural (Commercial) Land Reform Act 6 of 1995 which clothes the Minister with powers to approve the amount payable in respect of rent. In this vain we recommend that the principle underpinning this section be extended towards urban rental agreements.

V. And the dormant Rents Ordinance 13 of 1977

3.3.9 The status quo in so far as Housing and rental Prices are concerned, deviates from the provisions of Section 9 of the Istanbul Declaration Habitat Agenda on Human Settlements to which Namibia is a signatory and which states that:

“We shall work to expand the supply of affordable housing by enabling markets to perform efficiently and in a socially and environmentally responsible manner, enhancing access to land and credit and assisting those who are unable to participate in housing markets.” (our emphasis)

3.3.10 Thus the Namibian government committed to regulate the land and housing prices, as well as the rent prices in order to ensure that it is affordable and allows for easy access for people who do not own land or houses and wish to acquire such immovable property.

3.3.11 Based on the abovementioned we propose the establishment of the aforementioned inclusive Property and Rental Control Board.

3.4 HOUSING FINANCE

3.4.1 Our assessment of the Namibian Housing Financing Market has revealed that the financing of immovable property can generally includes but is not limited to the following;
I. Private Commercial Bank Financing which is arguably the most
dominant in Namibia

II. Various Statutory prescribed housing funds which are usually either
specific to certain Governmental Departments or institutions for
example the housing fund created by the Namibian Broadcasting
Corporation Act 9 of 1991 by virtue of Section 13(1)(C)(i)) or which may
be general for example the Housing Revolving funds Created in terms
of Section 8 of the National Housing Development Act 28 of 2000
(which is currently dormant) and other Housing Funds Established
pursuant to section 58 of the Local Authorities Act 23 of 1992.

III. Building Societies formed and registered in terms of section 3 and 4 of
the Building Societies Act 82 of 1986.

IV. The National Housing Enterprise (NHE) established pursuant to the
provisions of the National Housing Enterprise Act 5 of 1993 in as far as
it was established to provide affordable housing to the inhabitants of
Namibia.

3.4.2 In as far as banks are concerned our view is that interest rates are too high
and therefore un-affordable to most Namibians and the terms of the Loan
agreements are not only stringent, but are also usually aimed at protecting the
interests of the Banks (and banks only) at the expense of the purchaser.

3.4.3 For reasons not explained, it takes 240 months (20 years) to pay off a bank
loan in respect of housing, and no real sensible reason is provided, other than
the invisible hand of the financial market. The first seven years of such
repayment goes to interests payments. This has created a very lucrative
market for banks, and they have exploited it, to the disadvantage of the
general public.
3.4.4 We are reliably informed that prior to our beloved Namibian Independence, all houses in Namibia were financed by and through a building society, with an exception of a few which were in the hands of municipalities, and the body which was replaced by NHE.

3.4.5 With regard to building societies, we note that the Building Societies Act 82 of 1986 makes provision for the establishment of a National Building society. We therefore propose that a National Building Society be established such as the Zambian National Building Society which was established pursuant to the Zambian Building Society Act of 1968.

3.4.6 Therefore, a Namibian Building Society must be established, with a role to primarily provide for housing finance in Namibia. It must have very low interest rates, probably the same as the ones charged by the Shack Dwellers Association and the length of the loan must be limited to 10 years. We must seek a Namibian solution to a Namibian problem. Alternatively the banking section of Nampost as a government institution must be mandated or turned into a building society, with a purpose to continue with its saving component and to provide for housing finance.

3.4.7 Institutions such as pension funds, investment funds etc, must be by law directed to avail certain percentages of their savings (i.e 3 percent) to this institution to capitalize it. Government to also provide some capital to this institution to capitalize it properly. This shall be a developmental financing institution, just like DBN, with the sole purpose to provide for housing loans.

3.4.8 For those who already have bonds with banks or other financial institutions, they should be allowed to go to the building society for favourable financial terms. This in turn will minimise the impact of the reduction in house prices to those that already own houses. This will also force the banks to self-regulate themselves, as a consequence of the serious competitor in the market. Thus further regulation of the banks will not be necessary. The envisaged institution must be accessible to everyone, including the ultra and low income earners.
The modalities of its operations can be fully deliberated on, but it must be established.

3.4.9 With regard to the various statutory created housing funds we note that their existence has not done much in advancing access to housing in Namibia. By extension the same applies NHE, they must thus be abolished. We salute the government for what we hear that it intends to liquidate NHE.

LAND SERVICING BOARD

3.4.10 Town Councils are unable to supply urban serviced land. They lack both finances and expertise to service land. They cannot afford engineers, quantity surveyors and other professionals on their pay rolls who can assist them in servicing Land or to ensure that the correct prices on land servicing is charged. As a consequence, they rely on consultants to assist them with services such as determining the tender terms in respect of land servicing, and on tenderers to do the actual servicing. Thus the process of servicing land is entirely in the hands of PPPs, consultants and tenderers, who are exploiting the local authorities, and label servicing of Land as a very expensive process, which is not true.

3.4.11 To prevent this scenario from continuing, an institution must be established which centralizes all servicing of land in Namibia and which shall be empowered with its own expertise and its own machinery, equipment and manpower. It must service land itself, and if it goes on tender, it must do so at a price as if it was doing the work itself. Town Councils who do not have their own expertise will then also ask for advise from this institution where needed, and cannot be left at the mercy of consultants. And since the Land Servicing Board will employ and pay for the technical employees, such salary bills cannot be on the budgets of Town Councils.
3.4.12 This institution must be well capitalized, and it can be financed from levies and taxes such as part of the transfer duties, part of the rates and taxes, and new levies such as housing tax which may be introduced. Therefore just like the Road Authority that is solely responsible for building and maintaining national roads in Namibia, this board shall be solely responsible for servicing of urban land in Namibia.

3.4.13 A review of the land acquisition and registration process needs to be undertaken in order to streamline processes for timely land delivery. The NAMPAB and Township Board should be integrated into the proposed Land Servicing Board to only have one body. Furthermore, administrative and professional fees can also be reduced by shortening the layout approval process.

3.4.14 As said Board shall secure funding through for example; half of rates and taxes currently payable to town councils must go to this board, and the other half to be used to maintain the infrastructure by the town councils, and at the same time the Board shall be allocated sufficient land for purposes of servicing same. In order to ensure the effectiveness of this fund, we propose the following:

I. The fund should be adequately financed. We propose that moneys should be allocated towards the said fund. The source of such moneys may be collected in respect of half of rates and taxes; half of transfer duties; moneys appropriated by Parliament; moneys accruing to the Fund through the sale of serviced land; moneys paid to the Fund by the Authority in respect of the proceeds of the sale of any assets of the Authority; any capital gains made and interest or dividends earned on investments; any donation or grant made in respect of any project or programme; and any moneys received in respect of a loan obtained by the Administration.

II. Sufficient state land must be allocated to the Board. All Local Authorities must be compelled by Law, through amendment of the local
authorities Act, to allocate portions of land under its jurisdiction to the
Board for purposes of servicing;

III. The practice of servicing land through Public Private Partnerships must
be abolished; and

IV. Strict regulations should be prescribed to ensure that land is serviced
at a low cost and thereby prevent the escalation of prices pertaining
serviced.

3.4.15 We therefore propose the establishment of an institution with a primary object
of providing serviced land to the inhabitants of Namibia. This institution, that we
propose must be created as an independent institution such as or just like the Road
Fund established in terms of the Road Fund Administration Act 18 of 1999, which is
solely responsible for constructing roads in Namibia.

3.4.16 Once serviced land is made available by the Land Servicing Board, individuals can
then approach the Building Society to acquire finances to construct their own
houses, subject to the specific Local Authority's rules. The building society must
have products aimed at all income groups, including ultra and low income earners,
middle and high income earners.

3.4.17 The actual construction of houses can be left in the hands of entrepreneurs, (to
encourage youth entrepreneurship, and to allow for private sector growth) who can
negotiate with the individual land owners on the construction costs. However any
house building quotation must be subjected to and approved by the Property and
Rent Control board before it is submitted to the building society for Financing. This
will prevent overcharging by individuals, and will ensure equity and sustainability in the market.

OTHER ANCILARY PROPOSALS

3.4.18 A longer term solution would be to expedite the process of decentralisation in order to curb the influx of people into urban areas. This includes the revisit to the Land Tenure System, which should give people in the communal areas titles to their Land. In addition, there is a need to explore the possibility of establishing industrial and commercial hubs countrywide in order to relieve the housing pressure in urban areas.

3.4.19 Several auctions by local authorities have proved that land is auctioned off at artificial prices, which reduce the ability of middle and low income households to access the formal housing market. To that effect, auctioning of land for excessive gains should be prohibited as it leads to inflated prices.

3.4.20 Laws should be put in places to prevent the purchase of land by non-Namibians.
SHORT TERM PROPOSALS

IMMEDIATE AND CRITICAL SHORT TERM PROPOSALS

3.5 The first proposal is that:

3.5.1 Government together with AR and the entire Namibian Nation should commit to service at least 200,000 plots within three months.

3.5.2 This will be achieved as follow:

3.5.2.1 Youth Applicants will and are ready to provide free labour.
3.5.2.2 Young professional will and are ready to provide expertise (such Engineers, Architects ETC).
3.5.2.3 Construction Companies can be incentivised to provide equipment’s and some expertise etc. and any company that make such contributions can be given a certificate that can be used for tender purposes on government projects in the future (full details will be discussed here).

3.6 An executive order can be given declaring a certain week in August as a Land Servicing Week, which will enable Namibian individuals and Companies to contribute to servicing of Land as teams or individually in towns in which they reside, to maximise and accelerate the servicing. (this may be seen as not helpful by some, but it has worked and tremendously assisted in the construction of Ondangwa – Tsumeb railway).

3.7 There should be a resources Co-ordination and Mobilisation Committee, which will ensure that;

3.7.1 Donations from Companies, NGOs, Government Agencies, or any financial or technical pledges are fully utilised.
3.8 Government must allocate a certain portion of funds to this exercise.
3.9 Parliament should be recalled back to go discuss and approve the proposed amendments which will be agreed upon, and all parliamentarians (who are the representatives of the masses) should be encouraged to contribute at least 10% of their income to this noble cause.

3.10 All the people that will occupy this Land must be first time buyers, and must be verified accordingly.

3.11 This will address the housing crisis 100% in one go, and until it is tried, no one can say it cannot be done.

IN THE ALTERNATIVE

3.12 In order to avert land occupation by the 31st of July 2015 and in order to eradicate the lack of affordable housing being faced by Namibian people, the following proposals are hereby made:

3.12.1 All the applicants through AR must be allocated Land on or before the 31st of July 2015. AR has taken a step further, and has developed preliminary maps where land in different towns can be allocated to those applicants.

3.12.2 Even if such land is not serviced, it must be allocated, and servicing can take place shortly but not later than 6 months from the 31st of July 2015.

3.12.3 To ensure order and to give town Councils an opportunity, anyone who has not yet applied for land, should be given an opportunity to apply for Land on the 31st of July 2015, and town councils shall be given a period of six months.
to consider and allocate land to those landless applicants. This will ensure order and continuity.

3.12.4 AR has mobilised applicants and indeed the youths to be ready to avail labour and professional services in respect of the servicing of Land. Thus should the town council not be able to service the land, the youths are ready to mobilise themselves and provide finances, which can be used to service the land.

3.12.4.1 In practical terms this means that, for example, if 500 land applicants are allocated un-serviced land in Kleine Kuppe, a quotation to service that Land will be obtained from reasonable individuals or Companies, and if it i.e costs N$ 10 Million to service those 500 plots, each individual will be charged an amount of N$20 000, for land servicing.

3.12.4.2 It must be understood that the youth are willing to pay reasonable costs for a piece of Land, it is just that the land is not available.

3.12.4.3 Should it happen that those allocated the land will pay for the servicing themselves, the Land should be allocated to everyone for free. However transfer of the un-serviced land should be made into the names of individuals prior to servicing.

3.12.4.4 This suggestion will alleviate the problem of Lack of Funds which town councils are always complaining about regarding Servicing.
3.12.5 Once the land is serviced, people should be allowed to access finance through the Building Society (which should be put in place within six months) to construct the houses, and the Property and Rent Control Board should by then be into place, to oversee that no one is overcharged.

3.12.6 The above should avert the 31st July 2015 land occupation.

3.12.7 For the Long term solution, i.e. amending laws to prevent ownership of foreign land by foreigners, changing the Land Tenure System, addressing access to commercial farms through acceleration of expropriations, and others, a period of 12 months with a cut of date of 31 July 2016 can be allowed, to allow everyone involved to have sufficient time to have their inputs.

3.12.8 The Namibian youths have embraced the ideology and concept of “It is not what your Country can do for you, it is what you can do for your Country” and are fired up and united in land, in Unity of Purpose, to propel Namibia to economic independence, thus have been volunteering their services through AR to this cause, and there is no doubt that they will continue to volunteer, for the betterment of this Country.

3.12.9 In as much as it is recognised that Namibia has political stability, we cannot find comfort in Stability without Prosperity. Radical programs must be developed. For long youth has been labelled as useless and drunkards, time has come for the youths to show their abilities, willingness and dedication to participate in the next cause of our independence, which is that of Economic emancipation.

3.12.10 Our leaders who most (if not all) has been revolutionaries and freedom fighters themselves knows better that no amount of security forces (police or military) is capable of killing a determined generation. They may stop a protest, but not a revolution. Thus efforts placed in trying to beef up security
agents can be channelled to the resolutions of this matter, and great leaders are not known for suppressing. South Africa had the biggest army in Africa, and was supported by the biggest army in the world (USA), but has failed to suppress or stop the revolution which was started by you, our leaders. Thus Inspector General Ndeitunga cannot suppress this revolution. Dialogue and solutions before the 31st of July 2015 will be judged by history as the best solution which was available on 31 July 2015. The people united under a common goal will always emerge victorious.

4. CONCLUSION

In conclusion we quote and rely on the words and prophesy uttered by our former President of the Republic of Namibia, His Excellency Dr. Hifikepunye Pohamba during an interview with the international news network organization, Al Jazeera, where he stated that:

"Yes people are not happy and when you talk about people not happy, what do you expect? They can react and then when they react, and this is where I talk about revolution, when they react and they react then those who have the land, they will not have that land, the people will take over the land."

We therefore propose the above mentioned recommendations and vehemently urge the Namibian Government to implement them in order to ensure the realization of affordable housing for all landless Namibians. These utterances were made in 2012, and the situation has since become worse. Only radical positions can arrest this untenable situation.

A resolution should be drafted to cement our proposals, and to communicate to the Nation the process on time, and avert the 31st July Land Occupation.
Let our government not have a chapter written about it, similar to the 1959 Old Location resistance, which propelled Namibia’s Liberation Struggle. Those who were in power then, thought they could use the police and armed forces to suppress the resistance, and history has taught us valuable lessons about that.

We have trust that our President His Excellency Dr. Hage Geingob with his team, (although we know that some in his team are fighting personalities instead of focusing on the issues) will hear this prayers and implement with immediate effect the changes agreed upon. As we emphasised, provision of housing has been in all NDPs to no avail. Urgent changes are the only solutions. Where there is a will there is always a way.

OURS IS AND REMAINS GENUINE