Roles of PPPs in promoting adequate and affordable housing in liveable cities

Gulnara Roll, Secretary, UNECE Committee on Housing and Land Management
Mandate:
To improve housing, urban sustainability and land governance
Geneva UN Charter on Sustainable Housing

Supports the member States to ensure access to decent, adequate, affordable and healthy housing for all.

The **Charter** is an important tool to promote sustainable urban development and supports the **Sustainable Development Goal 11** on cities and human settlements.

**UNECE endorsed the Charter in April 2015**
UNECE STUDY
“SOCIAL HOUSING IN THE UNECE REGION: TRENDS AND CHALLENGES”

The study commissioned in response to concerns among the UNECE countries about the lack of housing affordability after the Global Financial Crisis
100 MILLION PEOPLE

in the UNECE region

spend more than

40 %

of their disposable income on

HOUSING
CHALLENGES OF ACCESS TO ADEQUATE AFFORDABLE HOUSING

Observed waiting lists for social housing are breaking historical records. Examples (2012-2014):
- England 1,800,000
- France 1,700,000
- United States of America 5,300,000
- Russian Federation waiting period 20 years
- Ukraine waiting period 90 years.

Homelessness in the UNECE Region has increased markedly

There is a sizable shortfall in net new housing output
THE NEED IN AFFORDABLE HOUSING IS THE MOST CRITICAL IN LARGE METROPOLITAN AREAS WHERE HOUSING MARKETS ARE HEATED

London
354,000
(Greater London)

Paris
550,000
(Ile-De-France)

New York
347,500
(New York City)
HABITAT III REGIONAL REPORT on HOUSING & URBAN DEVELOPMENT for the UNECE REGION

Towards a City-Focused, People-Centred & Integrated Approach to the New Urban Agenda
KM 2: Trends & Patterns of Urbanisation & Demography

- Rural population static, very large proportion of urban dwellers – 70% and more
- Trend to urban concentration and agglomeration – super-cities in clusters
- Countervailing trend with some cities shrinking
- Tendency to sprawl in both types of city
- Rapidly ageing population (West, Central & Eastern Europe and Russia) but Central Asia growing young population
- Migration is a key issue – successive waves to large cities with increase in diversity, stagnation in cities elsewhere
KM 4: Living in Cities

- The **global financial crisis** has led to **more inequality**
- Urban concentration has increased demand in growing cities
- Trend to **privatization** & greater involvement of private sector with **social housing** decreasing
- Limitation **national authorities** in housing markets – process too fast
- Contradictory trends of closed communities & **shopping malls** AND reaffirmation of the importance of public space
- Many factors that support **equity in the city** also support **health and well-being** of citizens (housing, transport, energy, greenspace, reduction of emissions)
KM 6: Governance

• Since Habitat II increased importance of local authorities – growth of city networks
• Urban governance is de-centralised but wide variation in models
• National governments formulate policy & regulation – urban management is generally local
• Can urban governance limit urban sprawl in de-regulated markets
• The private sector plays a key role in urban transformation
• The digital revolution has brought opportunities and challenges
NEEDS IN PPP IN HOUSING AND URBAN DEVELOPMENT IN ORDER TO

• Increase construction and renovation of the existing housing and infrastructure
  o Through higher efficiency of using funds
  o Better access to infrastructure funding
• Make the renovation and new construction more adequate and more affordable
• Address emerging challenges – ageing, migration – through innovation and efficiency
• Improve quality of services
EXAMPLES OF SUCCESSFUL PPPS – REDEVELOPMENT OF DALLAS

“Pedestrian-friendly live, work and play urban environment” (Economist, 8 July 2014). “Dallas is a young city and ... one of the major things that people can take away from here is the...can-do attitude, the philanthropic endeavours that people step up to, the public-private partnerships that we’ve been able to enter in to achieve common goals,” he says.
CHALLENGES TO PPPS IN HOUSING AND URBAN DEVELOPMENT

• Existence of transparent legal and institutional frameworks for PPPs
• Adequate financial mechanisms to make the renovated and new housing affordable
• Addressing diverse interests of stakeholders: authorities, interest groups, communities
• Implementing an integrated approach through involving different sectors/addressing diverse needs
• Capacity of the authorities managing large scale contracts with private sector, especially in countries with transition economy. This is especially an issue of capacity of local authorities in those countries
• Additional costs for tendering and monitoring
NEXT STEPS

• Educating, building capacity
• Making knowledge on PPPs, including best practices, available
• Building on the leadership/political commitments
• Supporting governments efforts to developing needed institutional, legal and financial framework
• Step-by-step tailored to needs PPPs
Thank you for your attention!