



**MINISTRY OF
HOUSING & URBAN
DEVELOPMENT**

RENEWED
Hope



**HIGHLIGHTS OF
STRATEGIC
DIRECTION,
ACTION PLAN,
PROGRAMS & MILESTONES**

AUGUST 2023 – JANUARY 2024



VISION

To create an efficient housing market where all Nigerians have a right to a secure, decent, and affordable home as a platform for active participation in economic development.

STRATEGIC FOCUS

The Ministry's overall strategy, action plan is centered around the three core pillars of the Tinubu Renewed Hope Agenda which includes (1) Growing the Economy (2) Lifting 100M Nigerians out of poverty and (3) Creating an enabling environment.

TARGETS & ASPIRATIONS

1. Affordable Housing for All:

Target: Increase the availability of affordable housing units across different income segments by an additional 50,000 per year.

Aspiration: Ensure that every Nigerian has access to decent, safe, and affordable housing.

2. Sustainable Urban Planning:

Target: Develop and implement comprehensive urban planning policies that focus on sustainable land use, infrastructure development, and environmental preservation.

Aspiration: Create well-planned and resilient urban areas that can accommodate population growth, promote efficient resource utilization, and enhance quality of life.

3. Slum Upgrading and Informal Settlement Improvement:

Target: Initiate urban & slum upgrading programs aimed at improving living conditions, infrastructure, and basic services in informal settlements.

Aspiration: Transform informal settlements into vibrant, integrated neighborhoods with access to essential services, while preventing the proliferation of slums.

4. Inclusive Housing Policies:

Target: Implement policies that promote inclusivity and address the needs of vulnerable and marginalized groups, including persons with disabilities, women, and the elderly.

Aspiration: Create housing solutions that cater to diverse needs and promote social cohesion, equity, and inclusivity.

5. Promotion of Rental Housing Market:

Target: Develop mechanisms to stimulate the rental housing market.

Aspiration: Foster a balanced housing market that provides viable rental options alongside homeownership, offering flexibility to residents.

6. Public-Private Partnerships (PPPs):

Target: Facilitate partnerships between the public and private sectors to increase housing production and urban infrastructure development.

Aspiration: Leverage the expertise and resources of both sectors to address housing challenges and enhance urban environments.

7. **Data-Driven Decision-Making:**

Target: Establish comprehensive data collection and analysis systems to inform housing and urban development policies and strategies.

Aspiration: Make informed decisions based on accurate data, leading to more effective and targeted interventions.

These targets and aspirations reflect a holistic approach to housing and urban development in Nigeria, with a focus on affordability, sustainability, inclusivity, and the overall well-being of urban residents. It's important for the Ministry of Housing and Urban Development to collaborate with various stakeholders, including local governments, NGOs, private sector, and communities, to achieve these goals effectively.

KEY INDUSTRY

PROBLEMS TO SOLVE

1. **Access to Land:** Access to land is a key factor in housing development. Land is the fundamental building block upon which all housing development is based. Without suitable and accessible land, it is virtually impossible to create new housing options or expand existing ones.

The availability of affordable land is directly linked to the affordability of housing. When land is scarce or expensive, the cost of housing units tends to rise, making it difficult for many individuals and families to purchase or rent homes.

In Nigeria, complex factors, including rapid urbanization, inadequate land administration, weak property rights, and a lack of spatial planning, hinder housing development. These issues result in legal disputes and inefficient land allocation.

2. **Access to Mortgage Finance:** Mortgage financing makes homeownership attainable for a broader segment of the population. It allows individuals and families to spread the cost of purchasing a home over an extended period, reducing the initial financial burden associated with buying a house.

In Nigeria, access to mortgage finance is inadequate and poses a significant challenge due to low-income levels, high interest rates, limited long-term financing options, inadequate property rights, limited adoption of a foreclosure law and a lack of credit information.

- 3. Housing Construction Financing:** The high cost of housing and the need for substantial funding pose a formidable challenge. This is worsened by the limited government budget for housing and the nascent state of the mortgage market.

Real estate developers in Nigeria do not have access to sufficient levels of low interest construction to build affordable housing. The only institution that provides single digit interest rate construction finance is the Federal Mortgage Bank of Nigeria (FMBN). However, its capacity to do so on a large scale is limited due to its low capitalization.

- 4. Housing Quality and Standards:** Substandard construction practices and inadequate maintenance lead to housing units that fail to meet basic safety, structural integrity, and comfort standards, endangering residents. Although Nigeria has several standards and codes for building, enforcement is low, and this has led to a pandemic of collapsed buildings.
- 5. Affordability:** High cost of land, construction costs, limited access to credit, and low-income levels make decent housing unaffordable for the 80 percent of Nigerians who fall within the low- and medium-income segment.
- 6. Tenure Insecurity:** Tenure insecurity, prevalent in informal settlements, disrupts housing stability, leaving residents vulnerable to eviction, displacement, and arbitrary land use changes.
- 7. Inadequate Urban Planning:** Nigerian cities struggle with inadequate urban planning and land use management, resulting in congestion, insufficient transportation systems, and inefficient land allocation.
- 8. Infrastructure Deficit:** Urban areas face infrastructure deficits, including poor road networks, inadequate public transportation, water and sanitation facilities, and waste management systems.
- 9. Environmental Concerns:** Unplanned urban growth has led to environmental degradation, including air and water pollution, deforestation, and the loss of green spaces.
- 10. Lack of Enforcement of Regulations:** Lax enforcement of building and land use regulations contributes to the proliferation of informal settlements, substandard buildings, and uncontrolled urban sprawl.

PRESIDENTIAL PRIORITIES & DELIVERABLES 2023

The central thrust of the Hon. Minister of Housing Development's activities is the actualization of the Presidential Priorities and Deliverables 2023 – 2027 as outlined for the Federal Ministry of Housing and Urban Development

Priorities	Focus Areas	Ministry Deliverables
Priority 3: Economic Growth and Job Creation	Enhance Infrastructure and Transportation as Enablers of Growth	1. Rapidly reform the Federal Housing Institutions (FHA, FMBN) to enhance efficiency and capacity.
Priority 3: Economic Growth and Job Creation	Enhance Infrastructure and Transportation as Enablers of Growth	2. Establish National Social Housing Fund
Priority 3: Economic Growth and Job Creation	Enhance Infrastructure and Transportation as Enablers of Growth	3. Review and revise the Land Use Act in conjunction with the National Assembly and State Governments as well as set up the Land Reform Commission.
Priority 4: Access to Capital	Enhance Infrastructure and Transportation as Enablers of Growth	4. Establish a Mortgage Registry to facilitate property transactions.

PRESIDENTIAL PRIORITIES

& DELIVERABLES 2023

Priority 4: Access to Capital	Enhance Infrastructure and Transportation as Enablers of Growth	1. Construct at least 20,000 housing units yearly.
Priority 3: Economic Growth and Job Creation	Enhance Infrastructure and Transportation as Enablers of Growth	2. Establish private sector -led local building materials manufacturing clusters in each geo -political zone.
Priority 4: Access to Capital	Accelerate industrialization through Digital Economy, Manufacturing and Innovative Technology	3. Develop Fiscal incentives for private investors to manufacture local building components.
Priority 8: Anti-Corruption Stance	Improve Governance for Effective Service Delivery	4. Implement the personnel management policy framework of the Federal Government to promote accountability in service delivery.

The implementation of these deliverables would serve to fix the systemic problems that have hindered housing development over the years while also unlocking the immense capacity of the housing sector to stimulate economic growth, alleviate poverty and create jobs for Nigerians.



MINISTRY OF HOUSING
& URBAN DEVELOPMENT



MAJOR MILESTONES

AS OF JANUARY 2024



1. **COMMENCEMENT OF COMPREHENSIVE HOUSING SECTOR REFORMS:** To kickstart the historic reform of the housing sector in line with the Renewed Hope Vision, the Federal Ministry of Housing and Urban Development composed and inaugurated four (4) Housing Sector Reform Task Teams on Tuesday, 16th January 2024 with 8 weeks' timeline to deliver on their assignments.

The teams are as follows:

- a. **Housing Institutions Reform Task Team** under the chairmanship of Adedeji Adesemoye. The Task Team is tasked with proposing recommendations that would help ensure that housing agencies under the supervision of the Ministry are optimized to deliver on the Renewed Hope Vision for the provision of quality, decent and affordable homes to Nigerians.

The Task Team comprises housing industry sector experts, stakeholders, agency representatives, professional bodies, and academia. Their primary mandate is to develop a robust framework for the reform of the housing sector. This includes a thorough review and facilitation of necessary legislative amendments of relevant housing industry laws including National Housing Fund (NHF) Act, 1992, Federal Mortgage Bank of Nigeria (FMBN) Establishment

Act, 1993, Federal Housing Authority (FHA) Act, 1973, and PenCom Act (to allow for increased investment in housing). The Team will also map out strategies for driving the nationwide adoption and passage of the model mortgage foreclosure law in the States.

The reforms and legislative amendments that the Reform Team will execute in collaboration with stakeholders and the National Assembly will be the most comprehensive set ever done in the history of Housing and Urban Development in Nigeria.

- b. Multi-Agency Project Delivery Task Team** under the chairmanship of Brig. Gen. PMO Reis (Rtd) OON. The Multi-Agency Project Delivery Team has the primary objective of producing recommendations towards ensuring that all housing agencies under the supervision of the Ministry work collaboratively together towards optimizing their strengths to deliver decent and affordable housing to Nigerians.

The Task Team comprises highly qualified and experienced professionals with expertise in housing development, urban planning, infrastructure, finance, and project management, amongst others.

Its scope of work includes developing a comprehensive strategy and roadmap for the construction of 50,000 new houses per year, and coordination of the efforts of the Federal Ministry of Housing and Urban Development (FMHUD), Federal Mortgage Bank of Nigeria (FMBN), Federal Housing Authority (FHA) and Family Homes Funds Limited (FHFL), to streamline processes and eliminate bottlenecks in housing development to increase the national housing stock, amongst others.

- c. Building Materials Manufacturing Hubs Task Team** under the chairmanship of Arc. Nuhu Wya is in line with the Renewed Hope Agenda to boost building materials manufacturing in the country towards ensuring economic growth, creating jobs, reducing dependency on imports, and lowering the cost of construction materials and housing delivery.

The Task Team comprises housing industry experts, representatives from relevant government agencies, academia, and industry associations.



Primarily, their job is to conduct a thorough assessment of the current state of the building materials manufacturing sector in Nigeria, including existing facilities, capacities, and key players. They are also to identify challenges and opportunities within the sector.

The result will be a blueprint that will ensure sustainable implementation of reforms for the sector and the establishment of building materials manufacturing hubs in each of the six (6) geo-political zones across the country.

- d. Land Reforms Task Team** under the chairmanship of Surv. Rev. S. Ugochukwu Chime. The Team is tasked with developing a blueprint that will aid sustainable implementation of much-needed reforms necessary for streamlining land administration and ensuring easy, cost effective and efficient access to land in Nigeria.

The Team comprises state governments, traditional rulers, relevant agencies, professional bodies, academia, stakeholders/sector experts to ensure buy-in and inclusivity. They are to draw from the extensive work of the Presidential Technical Committee on Land Reforms (PTCLR) which has been working for the past 14 years towards comprehensive reform including the establishment of a National Land Commission.



2. **ACTIVATION OF THE RENEWED HOPE NEW CITY DEVELOPMENT PLAN.**

The Federal Ministry of Housing and Urban Development has begun implementation of the Renewed Hope New City Development Plan. Here the Ministry plans to lead partnerships with the private sector, local and international investors, towards redefining the concept of cities in Nigeria and decongesting city centers and state capitals in line with the Renewed Hope Agenda of Mr. President.

The first phase of the New City Development Plan aims to deliver Renewed Hope Cities ranging from 1,000 housing units per site in one location in each of the six geo-political zones of the country and FCT namely: Abuja, Lagos, Kano, Borno, Nasarawa, Rivers, and Enugu States, while the remaining thirty (30) States will have Renewed Hope Estates each with a minimum of 500 housing units.

The Renewed Hope Cities will have inclusivity at their core: They will include Multi-Level Flats to cater to low-medium income earners; Terrace and Detached Bungalows and Duplexes for the high-income earners. The Renewed Hope Estates will have 1,2- and 3-bedroom affordable bungalows.

Overall, the Ministry aims to deliver under phase 1, over **100,000** homes from a mix of sponsors comprising the Federal Ministry of Housing and Urban Development's

budgetary allocation, the Federal Mortgage Bank of Nigeria (FMBN), and through Public Private Partnerships with reputable developers in the delivery of the new cities.

Ownership Options include Mortgage Loans, Rent-to-Own and Outright Purchase. At **25 jobs per unit**, the first phase of the project will create direct and indirect **2.5million (direct and indirect)** jobs helping to achieve the target to lift 100million Nigerians out of poverty.

ADDITIONAL NOTES/PROGRESS:

- **100K AFFORDABLE HOUSING DELIVERY MOU WITH REPUTABLE DEVELOPERS:** In December 2023, the Federal Ministry of Housing and Urban Development signed an MoU with a consortium of reputable developers for the delivery of 100,000 housing units under the Renewed Hope Cities and Estate Project. Under the PPP arrangement, the developers will provide financing while the Ministry provides off takers. The off-takers will be sourced from the over 4.5million subscribers to the National Housing Fund (NHF) Scheme being managed by the Federal Mortgage Bank of Nigeria (FMBN).

The Ministry will **approve the house designs, ensure the purchase prices are affordable** and that they are **started, completed, and occupied** by Nigerians.

- **68.1BN BUDGETARY PROVISION = N50BILLION SUPPLEMENTARY BUDGET + N18.1BN**

The Ministry was able to secure N68.1billion in funding for the Renewed Hope Cities and Estates. This comprises N50billion from the 2023 Supplementary Budget and B18.1billion from the 2024 Budget. Groundbreaking is set to begin in February in select locations across the country.

- **A DEMAND DRIVEN APPROACH:** To ensure prompt offtake of housing units and stop the prevalence of abandoned projects, the Ministry has adopted a Demand Driven Approach to Housing Delivery. This means identifying potential off-takers for projects before they are started.



3. **ACTIVATION OF THE NATIONAL URBAN RENEWAL AND SLUM UPGRADING PROGRAM TO IMPROVE THE QUALITY OF HOUSING.**

Slums comprise a wide range of low-income settlements and/or poor human living conditions, which include the vast informal settlements that are quickly becoming the most visual expression of urban poverty. They comprise multiple sub-standard housing units with weak build quality and often associated with poverty. According to PwC's analysis, 63.00% or twenty-seven million (27,000,000) of estimated total forty-two million (42,000,000) housing units in Nigeria as of 2019, are sub-standard.

Sub-standard housing units are prevalent in Nigeria as a result of deteriorated housing structures due to poor maintenance practices, poor construction quality or outright non-adherence to safety standards. The Ministry therefore recognizes that proactively reducing the existing slums and sub-standard housing units and guarding against future sub-standard housing is necessary in its agenda.

Under Phase 1 of the **National Slum Upgrading Programme**, the Ministry plans a total of 26 sites nationwide. This includes four (4) sites in each of the six regions of the country totaling twenty-four (24) and two (2) in the FCT. The key services to be provided at the identified sites will include water supply, solar streetlights, rehabilitation of access roads, construction of drainages and waste management and sanitation services amongst others.



PROGRESS

4. ESTABLISHMENT OF A NATIONAL SOCIAL HOUSING FUND (NSHF)

In line with Renewed Hope plan to ensure that all Nigerians including the NO INCOME, vulnerable and underprivileged groups have access to decent and dignified accommodation, the Ministry is working towards the establishment of a National Social Housing Fund (NSHF).

Subject to Mr. President's approval, the Ministry has identified possible sources of funds to include:

- I) Gains from the removal of fuel subsidy,
- iv) Profit after tax from pension fund administrator investments,
- v) Contributions from corporate bodies and institutions as part of their corporate social responsibility,
- vi) Public private partnerships,
- vii) international donor support,
- viii) Government allocation amongst others.

PROGRESS

To start off a solid footing, the Ministry is engaging a reputable and experienced consultancy firm with expertise in setting up the National Social Housing Fund (NSHF) that will review and validate our internal framework and lead in the drafting of an Executive Bill for the consideration of the National Assembly.



5. FORGING A PATH TO CREDIBLE, SCIENTIFIC, AND RELIABLE HOUSING DATA FOR PLANNING AND POLICY FORMULATION:

For years, Nigeria has grappled with conflicting and unsubstantiated figures regarding this crisis. The range of estimates, varying from 17 million to 28 million, has not only been a source of embarrassment but also a hindrance to effective policymaking and strategic planning.

Under the Renewed Hope Agenda for Housing and Urban Development, the Ministry plans to fix this national embarrassment by developing and implementing a mechanism to deliver reliable housing data to guide policy formulation. The Ministry has begun a strategic collaboration with the National Population Commission on housing data. The plan is to work with the Commission to design and implement survey instruments specifically tailored to address housing-related questions to arrive at the actual housing deficit during their upcoming population and housing census exercise.

The Ministry understands clearly that the housing deficit is not solely about the quantity of structures but also about the quality of living conditions. As such, the collaboration with NPC will aim to know whether the homes that Nigerians live in provide access to good sanitation, proper toilets, sufficient living spaces, a healthy environment, and other essential amenities.

Technical sessions with the National Population Commission have revealed that the Census Survey Framework matches the Ministry's housing data needs, and the conduct of the next census upon the approval of Mr. President will help to solve the housing data problem. Indeed, it is only through a thorough and comprehensive understanding of the housing deficit that we can devise effective strategies to addressing the housing shortage.



SHELTER AFRIQUE

Financing Affordable Housing for Africa

6. STEERING THE TRANSFORMATION OF SHELTER AFRIQUE TO SHELTER AFRIQUE DEVELOPMENT BANK (ShafDB)

In October 2023, the Hon. Minister of Housing and Urban Development, Arc. Ahmed Musa Dangiwa chaired the 42nd Extraordinary General Meeting of Shelter Afrique Development Bank in Algiers, Algeria as the AGM Bureau Chair.

The Hon. Minister was able to establish consensus and secure shareholders' approval of the revised company statutes. This feat made possible the transformation of Shelter Afrique to Shelter Afrique Development Bank (ShafDB). As a Development Finance Institution, ShafDB will have more financial capacity to support housing development in Africa.

Shelter Afrique (SHAF) is a Pan African housing finance institution established in 1982 by 44-African countries, the African Development Bank and African Reinsurance Company to catalyze delivery of affordable housing on the continent.

As of date, Nigeria's total capital subscription to SHAF is \$30.7million. The Nigerian Government committed herself to \$29.3 million subscription in capital shares three years ago, out of which it paid a tranche of \$9.4million in 2020; and another \$7.1million in June 2022; leaving a balance of \$12.8million. The amount was approved by former President Muhammadu Buhari for payment to strengthen Nigeria's position in the institution.

To enable us to pull our weight and gain maximum advantage we have written to Mr. President to graciously approve the payment of the outstanding shareholding of Nigeria totaling about \$12.8million USD. Currently the quantum of housing finance accessed by Nigerian developers and institutions far outstrips our capital contribution to the Company. Currently, Nigeria controls 15.24% of the Company issued shares which amounts to 19,755 shares and is the second highest shareholder after Kenya which has 16.25% amounting to 21,061 shares.

Available records show that SHAF has approved 54 housing finance loans totaling \$220.5million USD with 26 totaling \$117.6 million disbursed. As of date SHAF's current debt exposure to Nigeria stands at about \$45 million USD, with projects totaling \$29.5billion under consideration for further financing.

The Ministry is working to ensure that Nigeria gets maximum benefit from its participation

7. DIRECTIVE FOR THE REVIEW AND RE-SCOPING OF THE NATIONAL HOUSING PROGRAMME

The Hon. Minister of Housing and Urban Development directed a thorough review and re-scoping of the of the National Housing Programme with a view to ensuring that all housing units are completed and made available to Nigerians.

This was following inspections and engagements with the contractors, which revealed that the rising levels of inflation and the impact on the cost of building materials have significantly raised the cost of delivering on the contracts for the project which were awarded several years ago.

8. TECHNICAL COMMITTEE ON AFFORDABLE HOUSING DESIGN.

Objective: To produce affordable housing prototypes targeting different income segments with a focus on 80% of Nigerians within the no-income and low-income segments.

9. TECHNICAL COMMITTEE ON MAXIMIZING BI-LATERAL AND MULTI-LATERAL PARTNERSHIPS WITH HOUSING DEVELOPMENT FINANCE INSTITUTIONS.

Objective: To leverage affordable housing finance and technical expertise to drive Ministry's programs.

For several decades Nigeria has maintained partnerships and in some cases financial participation and commitment towards several housing development institutions without much to show for in terms of funds accessed and deployed towards housing development.

The Hon. Minister of Housing and Urban Development aims to change this narrative by defining actionable partnership frameworks that will lead to Nigeria maximizing these international partnerships.

Key Focus institutions include the following:

1. Shelter Afrique Development
2. World Bank
3. International Finance Corporation
4. United Nations Habitat
5. United Nations Development Programme
6. Reall
7. African Development Bank (AfDB)
8. Etc.

KEY MINISTERIAL DIRECTIVES TO MINISTRY DIRECTORATES & FEDERAL HOUSING AGENCIES**1. FEDERAL MORTGAGE BANK OF NIGERIA (FMBN)**

- a. Hon. Minister has directed them to complete digitization of FMBN's banking operations to improve service delivery to Nigerians.
- b. Hon. Minister has directed FMBN to upscale their operations and ensure they are aligned to deliver on the targets set in the Five (5) Strategic Action Plan developed in collaboration with KPMG. The plan

2. FEDERAL HOUSING AUTHORITY (FHA)

- a. Hon. Minister has charged the FHA to upscale their housing delivery from the meager average of 1,000 housing units per annum by going to the Capital Market, issuing bonds, raising concessionary financing and using their unique positioning as a government housing delivery agency.

3. MINISTRY DIRECTORATES

- a. **We are Here to Deliver Affordable Housing to Nigerians:** To ensure that all housing designs are aligned towards affordability for the low to medium income earners who constitute 80 percent of the population. To prioritize organic housing designs that can be built incrementally over time.
- b. **Zero Tolerance for Uncompleted Buildings:** Ministry must ensure that housing projects are properly conceived based on available budgeted funds, sited in viable places and upon timely completion are promptly off taken by Nigerians.
- c. **Government Properties Must Be Protected:** Federal Controllers of Housing must ensure that federal government projects are protected from vandals. Provision of security must be incorporated into the contract to ensure that even after project completion, the sites are protected and maintained to avoid cases of vandalisation leading to additional expenses.



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