

## Research Article

# Maintaining Sustainable, Affordable, and Low-Cost Housing for Middle- and Low-Income Classes in Uganda

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This research article focuses on the challenges and strategies for maintaining sustainable, affordable, and low-cost housing for middle- and low-income classes in Uganda. The housing sector in Uganda faces numerous challenges, including high land prices, limited access to finance, and inadequate infrastructure. This article highlights the importance of providing affordable housing options for all income groups to promote inclusive sustainable development. The study also examines various policy interventions and best practices to ensure the availability of low-cost housing for the marginalized populations in Uganda.

## 1. Introduction

The housing sector in Uganda is facing a crisis as the demand for affordable housing continues to outstrip the supply. Middle- and low-income families are particularly vulnerable to the lack of affordable housing options as they struggle to find safe and decent accommodation within their budgets (World Bank, 2021). In order to promote sustainable development and reduce inequality, it is crucial to address the housing needs of all income groups, including the marginalized populations in Uganda. This research article aims to explore the challenges and opportunities for maintaining sustainable, affordable, and low-cost housing for middle- and low-income classes in Uganda.

Detached houses are the most common housing type in Uganda, followed by huts and tenements, which take 21.5% and 18.4%, respectively. Due to the rapidly increasing population in urban areas, the “sharing of rooms” dwelling type is considerably higher in urban areas compared to rural areas. The available mortgages are well above the affordability level for 99% of the population. The high costs of land, infrastructure, and construction materials are also major contributors to housing costs. In

Uganda, the private sector is the major housing provider, and the government therefore only needs to develop and implement appropriate housing regulations and standards to improve the housing conditions (Mukiibi, 2019).

Uganda's current urban growth and development is unsustainable. Kampala City and the new cities have a large informal sector of over 80%, with a high and increasing youth unemployment challenge, urban poverty, and inequality which affects inclusiveness. The rural sections have smaller economies and less capacitated local governments compared to the cities, thus facing particularly severe challenges (*National Low Income Housing Coalition, 2019*).

The current housing affordability crisis has shaped the population's wellbeing and socio-economic outcomes. Housing affordability is a key driver of health-related inequalities, and the continuous rise in the cost of housing is forcing people to make hard decisions about location and quality of housing. It is therefore important to provide a new framework for analyzing housing affordability's long-term impact on wellbeing and socioeconomic outcomes.

### *Research objectives*

- a. To understand the current housing challenges in Uganda
- b. Analyzing the socio-economic impact of inadequate housing

## **2. Review literature**

### *Overview of the housing situation in Uganda*

Detached houses are the most common housing type in Uganda, followed by huts and tenements, which take 21.5% and 18.4%, respectively. Due to the rapidly increasing population in urban areas, the "sharing of rooms" dwelling type is considerably higher in urban areas compared to rural areas. The available mortgages are well above the affordability level for 99% of the population. High costs of land, infrastructure, and construction materials are also major contributors to housing costs. In Uganda, the private sector is the major housing provider, and the government therefore only needs to develop and implement appropriate housing regulations and standards to improve the housing conditions (Ministry of Housing and Urban Development, 2020).

## *Key housing terms*

**Sustainable housing** seeks to meet the housing needs of home users without compromising the ability of future generations to meet their own housing needs. In Uganda, sustainable homes commonly take into account the local climate, available materials, and way of life (*National Association of Home Builders, 2020*).

**Affordable housing** emphasizes the financial ability of home users to manage the housing operating costs with ease based on their income levels. The average rent to be paid by a user should be at most 30% of their income. Beyond this rate, the housing cost is usually a burden to its user. Affordability is key in getting housing to low-income groups in cities. Making housing more affordable often improves people's access to additional resources, so they can afford housing they couldn't otherwise pay for. Uganda, being dominated by over 60% of youth whose average income is \$65 per day, demands that Public Housing Agencies (PHAs) provide affordable housing options such that even the lowest income earners can also independently afford their housing bills (*Global Green Growth Institute, 2016*).

**Low-cost housing** Building a low-cost house doesn't mean poor workmanship or substandard materials, but rather the choices made to get good quality while keeping the budget low. Low-cost housing emphasizes minimizing construction expenses to offer affordable upfront prices for the target home users. The low-income housing approach often targets the lowest-income segments of the population and focuses on building houses at a low cost. While it may provide an initial affordable solution, low-cost housing can sometimes compromise the quality of construction and long-term sustainability when considerations have not been rightly observed. Low-cost housing prioritizes reducing construction expenses to provide the cheapest possible housing options (*Habitat for Humanity International, 2021*).

## *Benefits of Affordable Housing in Uganda*

**Balanced economic development.** Affordable housing encourages a healthy standard of living for home users due to reduced housing expenses. These create room for Uganda to develop other important sectors of the nation rather than spending on sustaining its citizens' housing needs. Through low-cost housing, a diverse investment of funds in other income-generating economic sectors is greatly established.

**Increased settlement homes for the increasing population.** The current population of Uganda is 49,336,701 as of Thursday, January 25, 2024, based on Worldometer elaboration of the latest United Nations data, equivalent to 0.6% of the total world population, with an annual population growth of 3%, having over 1,200,000 Ugandans born every year. This constant population growth continuously creates competition for land space and increasing demand for housing. With an average income of \$65 a month, over two-thirds of Ugandans live in substandard housing (*World Bank, 2019*).

**Increased favorable refugee settlements.** The availability of affordable housing has helped Uganda to effectively host the rapidly growing numbers of refugees and other disadvantaged Ugandan citizens in various communities. Uganda, being recorded as Africa's largest refugee host, settles over 1.5 million people, 57% from South Sudan, 32% from the Democratic Republic of the Congo, 3% from Somalia, and 3% from Burundi. Uganda's open-door policy is one of the most progressive in the world, with its hosted refugees granted freedom of movement, the right to work, land, and access to the same services as Ugandans. However, these have been accompanied by critical funding shortages, education, protection, and livelihoods (*Urban Land Institute, 2016*).

### *Sustainable solutions for affordable housing*

According to Uganda's Sustainable Goal 11, the government seeks to make cities and human settlements inclusive, safe, resilient, and sustainable by 2030. This is to be achieved by providing access to adequate, safe, and affordable housing and upgrading slums. With over two-thirds of Ugandans living in sub-standard housing, the country's housing need is great (*United Nations, 2015*).

### *Construction of houses using environmentally-friendly and affordable building materials*

Building materials highly influence the level of housing rates. Uganda's population, being dominated by unemployed and under-employed youth, requires low-cost expenses in construction. The housing standards, when low, should, however, seek to serve social and health comfort to home users. Houses built with expensive building materials target a high class of home users, which usually accommodates a small percentage of the country's population. Iron sheets (62%) followed by thatched roofs (37%) are the most common roofing systems/materials in Uganda, and 57% of all dwellings have brick walls, and 39% are made with mud and poles. The use of affordable and available building materials that can pose negative impacts on the health of home users and the environment at

large must be observed to promote sustainability in housing, for example, the use of paints or carpets of low or no-VOC (volatile organic compounds) (*Habitat for Humanity International, 2021*).

### *Community involvement and participation*

The struggle to solve housing problems is not an exclusive public or private sector responsibility, but rather a product and responsibility of a collaborative partnership not only of the public and private sectors but also of the community. This is because people both influence and are influenced by sustainable development in quite complex ways. Their attitudes, skills, and knowledge are key determinants of our development path and future prosperity. Desired outcomes in Uganda's housing development depend on the active involvement of all stakeholders but mainly on the Government as a leader in its planning and coordination (Biwott, 2019).

### *Creation of Housing policies and laws*

To ensure sustainable development through providing access to adequate, safe, and affordable housing and upgrading slums, the Government of Uganda and all development actors should institute policies and programs that take into account future population changes. This is the major and general enabling role the government plays in the context of the provision of affordable housing or rather the housing sector at large. Housing plays a big role in the national economy of countries. It is therefore mandatory for governments to provide an enabling environment for the provision of housing, especially by making sure that housing policies and laws exist (*Oxfam, 2018*).

### *Accessibility of financial services*

To fight the major housing concerns in Uganda, all people must have access to and use a broad range of quality and affordable financial services, which helps them ensure their financial security. In effecting this, a Presidential Initiative on Wealth and Job Creation (Emyooga) was launched in August 2019 as part of the broad government strategy targeting to transform 68% of homesteads from subsistence to market-oriented production with the overall objective of promoting job creation and improving household incomes. The ultimate objective of the Emyooga programme is to facilitate the socio-economic transformation of households from subsistence to the money economy and market-oriented production. This will help to step up direct support to communities through the establishment of specialized funds/Emyooga-specific Apex SACCOs at the Constituency level covering 149 districts country-wide.

### *Use of energy efficient fixtures and fittings*

Energy consumption is also a huge factor that affects sustainability, affordability, and the cost of housing. In Uganda, wood fuel and paraffin are respectively the main fuel sources for cooking and lighting in rural areas, with over 55.4% of electricity in urban areas. Other alternative energy sources such as electricity, biogas, and solar. Among these, solar as an alternative energy source has proved to be the most affordable renewable energy source even to the lowest income earners due to its cost-effectiveness in acquisition, installation, and use. Employers should collaborate with their employees to explore any innovative housing solutions. This could be a partnership with local governments to create affordable housing options, benefits, and working with nonprofits to alleviate housing pressures in the community (European Commission, 2023).

### *Success stories of affordable housing financing models in Uganda*

#### *The Marc Thorpe Affordable Housing Project*

Marc Thorpe Design, in partnership with Stage Six and Échale International, developed a plan for sustainable, ecologically responsible housing in Uganda to alleviate housing market issues. This sparked off with the introduction of construction using EcoBlocks. EcoBlocks, an innovative material by Échale International, comprise 90% compressed local soil and a 10% mixture of cement, lime, sand, and water. These act as thermal and acoustic insulators, are ecologically sustainable, and are more resistant than cement blocks. Following the EcoBlock innovation, the Kampala House, which was the first in a series to be built with Partnerships in Africa, was erected using these EcoBlocks. In addition to the innovation, a sustainable housing concept was incorporated in the Kampala House by having it all covered with a corrugated steel and wood roof that supports the solar array. Rainwater is collected in a large water tower near the building to provide a constant supply of water, especially in the drought seasons (Green Building Council Australia, 2018).



Fig 1. The Kampala House

### 3. Research Methodology

This research article employs a qualitative research methodology, drawing on existing literature, policy documents, and expert interviews to analyze the current state of the housing sector in Uganda. The study examines the factors contributing to the housing crisis in Uganda, as well as the potential solutions that can be implemented to address the needs of middle- and low-income families. Data collection methods include document analysis and interviews with key stakeholders in the housing sector.

### 4. Results

#### *High land prices*

One of the key challenges identified in the research is the high cost of land, which significantly impacts the overall affordability of housing in Uganda. This finding underscores the need for interventions to address land pricing mechanisms and explore alternative land tenure systems to mitigate this barrier.

#### *Limited access to finance*

The study highlights the issue of limited access to finance as a major obstacle for middle- and low-income individuals seeking to access affordable housing. This finding emphasizes the importance of

innovative financing mechanisms, such as microfinance or public-private partnerships, to increase access to housing finance for marginalized populations.

### *Inadequate infrastructure*

The research also identifies inadequate infrastructure as a critical challenge in the provision of affordable housing in Uganda. This finding underscores the importance of investing in infrastructure development, such as roads, water, and electricity, to support the sustainable development of low-cost housing projects.

### *Policy interventions and best practices*

The study examines various policy interventions and best practices aimed at promoting the availability of low-cost housing for marginalized populations in Uganda. Findings suggest that targeted government policies, such as subsidies, incentives for developers, and regulatory reforms, can help address the housing needs of middle- and low-income individuals in the country. Overall, the research highlights the complex challenges facing the housing sector in Uganda and provides insights into potential strategies and interventions to ensure the sustainable provision of affordable housing for all income groups.

## **5. Conclusion**

In conclusion, this research article underscores the importance of maintaining sustainable, affordable, and low-cost housing for middle and low-income classes in Uganda. The housing sector plays a critical role in promoting inclusive development and reducing poverty and inequality. By implementing appropriate policy interventions and best practices, Uganda can create a more equitable housing market that provides affordable options for all income groups. It is vital for the government, developers, and other stakeholders to work together to address the housing needs of the marginalized populations in Uganda. Sustainable, affordable, and low-cost housing seeks to offer all users social, affordable, and healthy homes. Handling the above housing issues empowers people to hold policymakers, government bodies, and private stakeholders accountable for their actions and policies. The housing industry in Uganda is therefore tasked to introduce affordable, eco-friendly, energy-efficient, socially friendly, and healthy sustainable forms of housing or improve the existing structures to meet the sustainable goals of housing.



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