



Republic of Namibia

STATEMENT BY

HONOURABLE DR. PEYA MUSHELENGA, MP

MINISTER OF URBAN AND RURAL DEVELOPMENT

ON THE OCCASION OF THE

OFFICIAL HANDOVER OF 54 HOUSES CONSTRUCTED

UNDER THE

MASS HOUSING DEVELOPMENT PROGRAMME (MHDP)

KATIMA MULILO, KATIMA MULILO EXTENSION 9 AND 10

SATURDAY, 17TH MARCH 2018 @ 09:00

- **Honourable Laurence A Sampofu, Governor of Zambezi Region;**
- **Honourable Lister Shamalaza, Chairperson of Zambezi Regional Council;**
- **Your Worship Cllr. Georgina Mwiya-Simataa, Mayor of Katima Mulilo Town Council;**
- **Honourable Regional and Local Authorities Councillors present here today;**
- **Esteemed Traditional Leaders;**
- **Representatives of the National Housing Enterprise.**
- **Senior Government Officials;**
- **Distinguished invited guest;**
- **Esteemed beneficiaries;**
- **Members of the Media;**

It is my greatest pleasure to be here today, on this special day which signifies another milestone in the government's quest to house the Namibian people. A shelter is a basic need and government would, thus, be committed to ensuring that our people have roofs above their heads.

I comment Madawa Investments for completing the 224 (185 during the commence-but-not-completed phase and 39 houses before the stoppage in 2015) houses on schedule despite being held up on the 17 houses by the Principal Agent. Equally, and in no uncertain terms, I would like to express my unqualified disappointment in the Principal Agent and other contractors in towns like Opuwo for taking ages to complete the much needed houses by our people. This inaction is denying our people the basic right to shelter and opportunities. If further derail government efforts to address socio-economic challenges.

Director of Ceremonies,

Let me now focus of the official handing over of some the houses that have been constructed under the Government's Mass Housing Development Programme in Katima Mulilo. I applaud Power Oyeno for completing

these houses on time and I urge other contractors to emulate this example.

Director of ceremonies;

Ladies and gentlemen;

As you are aware by now, the Mass Housing Development Programme was introduced as an intervention aimed at reducing the housing backlog in the country especially for the low income groups. In successive election campaigns SWAPO Party has underscored the importance of housing and undertook to prioritise provision thereof. Today, you are here to witness delivery on our promises. Today's occasion further attest to the realisation of one of the pillars of the of the Harambee Prosperity Plan, which further reinforces the framework provided for in the National Development Plans. Despite some obvious challenges that were and continue to be encountered during the implementation, Government persists in its commitment to provide affordable houses to all Namibians.

As you may recall, Government halted the implementation of the programme in 2015 with a view to address the identified challenges. After the appropriate remedial measures were taken, contractors went back to resume work at the various sites.

In total 224 houses are earmarked for Katima Mulilo Town, with 84 houses constructed in Bukalo Village. Today, we are here to witness the handing over of 54 completed houses.

At this juncture, I would like to urge NHE officials to be hard at work to ensure that the allocation and mortgaging process is completed and no houses must stand empty and become exposed to vandalism. The delivery of bulk services were it not available must also be promptly executed.

Director of ceremonies;

Ladies and gentlemen;

As a Government and nation, we have committed ourselves to provide housing and shelter that is not only decent but also affordable to our people. We have taken

note that most of the houses that have been constructed under the Mass Housing Development Programme are beyond the affordable level of most of the target groups.

In order to ensure that the houses are affordable to our people especially the low income earners, Cabinet has taken a decision that the categories of houses that are earmarked for low income groups must be sold at prices that are lower than the actual cost of construction.

With the approved discounted selling prices, a person who earns a salary of N\$ 2, 700 per month will now be able to afford a D1, which is being offered for sale at a reduced price of N\$ 70 000-00, The construction price of D1 house is N\$ 199 561-00, which is subsidised at 65%. The monthly instalment for this type of house will be N\$ 550-00. I implore everyone who have benefitted thus far under the Mass Housing Development Programme, Shack Dwellers Federation of Namibia's housing and sanitation programme and the Build Together Programme to honour the monthly instalments without any fail or delay because these funds needs to be revolve in order to benefit your fellow Namibians who are in need of shelter.

We recognise that a large number of our people earn lower than N\$2 700-00 and cannot afford the houses that have been constructed and are being constructed under this current phase of the Mass Housing Development Programme. I want to assure these fellow Namibians that we will continue to work tirelessly to also attend to their needs in the next phase of the Mass Housing Development Programme and/or through other Government-supported housing development schemes such as the Build Together Programme and the Shack Dwellers Federation of Namibia.

And as you are aware, the Government through the Ministry of Urban and Rural Development has committed to ensure that at least 5,000 new houses are constructed per year, and at least 6,500 new residential plots are provided every year under the Harambee Prosperity Plan. In this regard, I hereby charge Local Authorities to prepare themselves to provide serviced land, because after the disposal of houses constructed under the MHDP Phase 1 is completed, we will engage in phase 2 of MHDP.

Director of ceremonies

I once again would like to make a call to the members of society who are involved in vandalising the houses to desist from such activities. Further, I would like to remind the owners that these long-lasting infrastructures require maintenance. I urge the community take ownership of guarding these houses until they are completed and occupied. Please do report acts of vandalism to the Katima Mulilo Town Council, National Housing Enterprise and the Namibian Police.

Director of Ceremonies;

Ladies and Gentlemen;

In addition to affordability, our aim is also to ensure that the houses we are building and delivering through the Mass Housing Development Programme go to the people who are truly without a decent shelter. It is equally important that the Programme is sustainable. It has come under my attention that the wider public is still questioning the criteria that are applied in the allocation of the houses therefore let reiterate the criteria. The following principles and conditions are applied:

- **Firstly, only first time buyers will be given the opportunity to buy the available houses;**
- **The selection of beneficiaries will be done on a first-come-first-served basis;**
- **No one person will be allowed the opportunity to benefit more than ones (that is to buy more than one house) under the Programme;**
- **Beneficiaries are prohibited from erecting any zinc structures or shacks on the land or around the house that has been sold them under this Programme;**
- **The house or property cannot change ownership for the next 10 years; and when this time based requirement has been met and the beneficiary opts to sell the house, the Government of the Republic of Namibia shall have the first option to buy back such house/property back;**
- **Beneficiaries are urged to honour their monthly mortgage payment because the Government needs this money to build houses for other needy Namibians;**
- **The social houses will be allocated and financed through NHE in line with the procedures or criteria of the Build Together Programme, the allocation and financing of credit-linked houses will also be**

facilitated by NHE and financed by Government in area that bank don't want to finance;

- **All the proceeds from the sale of the houses both Social and Credit-Linked Houses will be deposited into a revolving fund account**

Director of Ceremonies;

Ladies and Gentlemen;

The Government alone will not be able to address the housing shortage in the country. This requires a team effort in the spirit of Harambee, where the Government, the private sector and civic society are working together and pulling in the same direction. In this regard, Initiatives such as Public Private Partnership (PPPs) are commendable but only if the houses are affordable to our people, hence PPPs should be positively understood that the aim is not to make exorbitant profits draining the pockets of the poor. I therefore call for commitment from all of us as we engage in this noble assignment to uplift and build our country, the land of the brave. The private sector, especially the construction industry and banking sector, need to work with and support the Government's effort on housing by devising innovative ways of building

quality but affordable houses as well as to develop and offer affordable housing financing products, especially to meet the needs of the low income groups.

We have noticed with concern that apart from the low and ultra-low income groups, our men and women in uniform (NDF, Nampol, and Correctional Services) do not have decent accommodation. Therefore some of them will benefit from the MHDP and a portion of the houses will be allocated to them.

We have also recognized that our civil servants and other professionals are also struggling to find decent affordable houses despite the fact that they can afford to buy houses through their commercial banks. But the banks are declaring those areas “non-landing zones”. This is against the spirit of social progress, where the provision of services to all should be done without discrimination.

Director of Ceremonies;

I wish to take this opportunity to congratulate the beneficiaries who have been selected and whose dreams of owning a house have been realised today. I urge you to take good care of the houses that you will receive. Keep

them clean and use them to bring positive changes in your lives and the lives of your families.

Director of Ceremonies;

Ladies and Gentlemen;

It is now my pleasure to officially hand over the houses to the beneficiaries, and I thank you all for your kind attention!