

Policy Framework on PPP - Ministry of Finance PPP Unit (Affordable Housing Pilot Project)

Namibia currently has a deficit of affordable serviced land and housing. A limited supply of new property in urban centres has resulted in a sizable shortfall of formal housing.

The supply shortage has led to increases in house prices, especially in urban areas. Constrained supply and high prices of houses mean that many families that would otherwise be willing and able to afford formal housing are unable to do so, and are only able to find shelter in informal settlements.

The Ministry of Finance (Public Private Partnership Unit) and the Ministry of Urban and Rural Development have conceptualised a PPP pilot project initiative for development of 2,000 affordable housing units in Walvis Bay and Windhoek. The private developer, on a PPP structure, is expected to design, build and sell the houses to the end users. The Government will select a private developer through a competitive selection process, that will supply affordable housing units at the lowest price. A demand study will determine end user affordability in a particular town. The Government / Local Authority will provide serviced or easily serviceable land.

A Transaction Advisor (TA) is expected to be appointed soon. The feasibility study and procurement process will be finalised before April 2017. The private developer is expected to be appointed before July 2017

Investment Opportunity USD 44.4 million or NAD 600 million

The private sector is expected to provide 100% financing for the whole project.