



## AHI ACTIVITIES

Friend of AHI,

At the Affordable Housing Institute, we take risks. We make investments, pursue research concepts, and take on clients, always seeking to explore new ideas and approaches. Often, we find that these new ideas and approaches can be applied to many regions worldwide.

We have learned about post-disaster resettlement through our work in Haiti and our study of Zaatar, and we are now applying that knowledge to a new project in the Philippines. We have explored financial assistance for MEEs through the Aarohi Fund, and are expanding our financial products to include Capital Markets services for cities. We now seek to share some of that knowledge with you. In this quarter's update, we'll share not only our usual project updates about the new clients we're working with and the new concepts we're exploring, but also an in-depth look at a common problem in the global south: that of land tenure and property rights.

Take this information to read, absorb, contemplate, and, above all, discuss. When we spread awareness, we encourage others to take action. Join the conversation with @AHIBoston - we'd love to hear from you.

David A. Smith, Founder and CEO

## PROPERTY RIGHTS AND LAND TITLE IN HAITI

Many people living in developed countries may find it hard to imagine living without basic property rights and title. Whether one owns or rents property, it is usually clear, or at least simple enough to learn, who owns the land, and owners can easily prove their property status with legal documentation. Those who own property with formal title are also granted increased protections related to that ownership. They do not fear losing their land to someone more powerful and can improve the property with confidence that they will benefit from those improvements.

Worldwide, however, four billion people have no formal property rights or documentation, no permanent home, or no access at all to land. They lack the comforts and protections that come with formal ownership, such as access to utilities, protection of public safety services, and access to mortgages. The negative effects of insecure land tenure are often amplified in areas affected by disasters. Confusion over ownership can impede reconstruction, deter aid organizations, and prevent affected populations from resettling.

The impact of unclear land tenure and property rights has been especially evident in Haiti since the earthquake in 2010. Disaster recovery has been slow, due in part to lack of clarity and transparency about land tenure and property rights. Residents and humanitarian organizations alike are reluctant to rebuild, and banks reluctant to lend, without certainty about who owns the land used for construction. Families are staying in resettlement camps for years beyond original expectations, and those who leave often settle informally elsewhere.

While the earthquake brought Haiti's land tenure problems to the forefront of public awareness, these problems have plagued the country for years. After Haiti's agrarian revolution in 1804, its new leaders structured laws and regulations to accommodate smallholdings of the elite upper class and to disadvantage the rural lower classes. Rapid population growth and urbanization in the 1950s led many farmers to move to bidonvilles, or urban slum areas. In 1998, over 68% of urban residences in Haiti were informal, and 70 to 80% of those displaced in the 2010 earthquake were from informal neighborhoods. Responsibility for land management is divided between seven government ministries and two agencies, all of which have limited resources to train their employees and carry out their jobs. Each local government within the country has its own cadastre to register real estate and land records, and none of these cadastres are digitized. Many were destroyed in the earthquake, eliminating years of sales records.



The process for buying and selling land in Haiti is so complicated that a working group led by Habitat for Humanity published a two-part how-to manual (Part 1 and Part 2).

Access to land and clear title is the first step in the supply-side housing value chain. In our work at AHI, we look for solutions to both supply-side and demand-side blockages, seeking to solve problems that prevent governments and developers from providing housing and that keep residents out of quality homes. Unfortunately, even when solutions are found for most other steps, lack of secure tenure can be the death knell for a project. For example, AHI recently developed financial models to turn an internally displaced persons (IDP) camp in Port-au-Prince, Haiti into a permanent neighborhood. Despite having a sound financial model, and confirmed interest from a private investor, the project was halted prior to construction due to irreconcilable claims on the property's title.

While problems in Haiti exemplify many land tenure issues, nations around the world face similar challenges. For instance AHI is beginning research on forms of progressive tenure in India, and is working with a partner in the Philippines to support access to secure land tenure for families affected by Super Typhoon Yolanda in 2013. In addition, our ongoing Instant City research studies how to better design post-disaster responses by recognizing resettlement camps as potential cities.

## FURTHER READING

[Habitat for Humanity's Haiti Land Transaction Manual: A How-to Guide for the Legal Sale of Property in Haiti](#)

[Oxfam America's Land Rights, Land Tenure, and Urban Recovery: Rebuilding post-earthquake Port-au-Prince](#)

[USAID's Land Tenure and Property Rights Portal](#)

[AHI's Projects page](#)

CHANGE PEOPLE'S HOUSING. CHANGE THEIR WORLD.

# Affordable housing strategy in Vietnam

In the last two decades, Vietnam has experienced impressive economic growth, transitioning from one of the world's poorest countries to a lower middle-income country. Despite the government's commitment to pursuing growth with equity and to keeping the poverty rate low, rising socioeconomic inequality is a challenge, particularly in urban areas. To address increasingly unaffordable housing costs and establish proactive government practices, the World Bank has engaged AHI and other housing experts to develop a housing sector assessment and strategy roadmap for the Government of Vietnam. AHI's assessment seeks to enhance knowledge of the housing market that would enable policymakers to make informed decisions about new initiatives. The project team works closely with the sector's key stakeholders to explore constraints on housing affordability and production and to formulate potential interventions. The sector roadmap will provide Vietnam's government with several priority policy measures that the government can implement in the short-, medium-, and long-term. The project team expects to present the report to the Ministry of Construction and other Vietnamese government officials at the end of April.



# Post-disaster resettlement solutions in the Philippines

In November 2013, Typhoon Haiyan brought destruction and devastation to the island of Leyte in the Philippines. Residents of Tacloban's coastal districts were severely affected and are still struggling to recover. Despite government restrictions that classify much the coastal area as a no-dwell zone, many residents have informally settled there to take advantage of the area's proximity to downtown Tacloban. AHI is currently working with Catholic Relief Services (CRS) to develop a feasibility study for a potential relocation site, with proximity to livelihood opportunities and education, where qualified residents could gain land and home-ownership through a long-term payment program. AHI will use its value chain approach to develop solutions promising greater land security, safer and more resilient housing, and access to adequate infrastructure for Tacloban's most vulnerable residents, thus allowing them to take ownership of their homes and situations.



# Building municipal credit with AHI Capital Markets

Increasingly, cities in developing economies face challenges that restrict their access to capital to complete critical urban development projects, such as affordable housing and infrastructure needs. Rapid urbanization and population growth exacerbate housing challenges, and decentralization of government increases cities' responsibilities without increasing their funding. External capital providers often regard emerging cities as high-risk investments, a view that leaves cities without access to capital. This January, AHI expanded its portfolio of innovative financial products with the new Capital Markets (CM) program, which will target cities in the Global South with visionary leaders in stable liberal democracies. Through the Capital Markets program, AHI now offers services as a long-term advisor to help cities establish their creditworthiness, structure viable financial transactions, and ultimately attract capital from private markets. AHI CM will be led by Jeremy Gorelick, who brings strong financial expertise and experience leading the launch of Senegal's first municipal bond in Dakar.

