



## Contribution for the Urban20 - South Africa, 2025 Social Inclusion and Equity

# Addressing inequalities and sustainable economic development in cities by supporting collective, non-speculative housing

*Collective, non-speculative forms of housing can help reduce inequalities, build solidarity, and advance more sustainable societies. The U20 provides a crucial vehicle to mobilise commitments to advance these forms of housing provision as an important strategy to achieve the G20 priorities.*

## Background

Housing is a key enabler for the SDGs and plays a crucial role in responding to the climate emergency, addressing inequalities, and advancing sustainable economic development. The current housing crisis is, however, not being adequately addressed by existing policy and financing mechanisms.

Collective, non-speculative forms of housing refer to forms of development and management of land and housing that are led by the residents and communities who will live in the housing units, and that ensure the social function of land and property through non-speculative mechanisms. Across the world, there is [extensive evidence](#) of **the benefits of collective, non-speculative housing**. They are:

- **Providing adequate housing at scale, reaching those with the greatest needs:**
  - The Brazilian programme Minha Casa Minha Vida – Entidades built [more than 62,000 units](#) for low-income families between 2009 and 2016.
  - Among the Philippines' social housing programmes, the Community Mortgage Program (CMP) has reached the lowest 30 per cent of the population by income: [138,871 households between 1989 and 2003](#).
  - Kenya's [Muungano has played a part](#) in delivering 7,000 homes, improved access to water and sanitation for 40,000 slum families, and secured land rights for communities occupying 140 hectares.
- **Delivering economic benefits and leveraging further resources:**
  - From Thailand to Argentina, housing initiatives include livelihood generation activities, revolving funds to support the creation of businesses, and networks to find employment, with as much as 60% of a family's investment being "[reinvested in social economic circuits](#)."
  - In Kenya, [Muungano's](#) project financing models have leveraged resources, often from the city or state, at ratios as high as 1:50, and delivered slum improvements worth US\$ 200 million.
  - [In Zimbabwe](#), by 2011, communities, despite the very adverse economic context, had saved more than US\$500,000, secured land for 15,775 families, built 975 houses with a further 1,122 under construction, installed piped water and sewerage on 2,454 plots and raised US\$600,000 in capital contributions to the Gungano Urban Poor Fund.

- **Enhancing communities' resilience to the climate crisis and economic shocks, including through building solidarity:**
  - In Mexico, collective housing initiatives that have used local materials have reduced CO2 emissions and have proven to be [up to 64% more ecologically friendly](#) than conventional housing.
  - During COVID-19, [a survey](#) demonstrated that only 13% of those living in Community Land Trusts had difficulties with housing costs, compared to 83% for those in an irregular land tenure situation (83%) and 62% for those with government subsidized rent or living in public housing.
  - In Thailand, people living in community-led housing projects [came together](#) during the pandemic to organize food drives and survival kits, which reduced daily household expenditure on food by about \$3.1 per family during lockdown.

## Proposal

To advance towards a commitment to support collective, non-speculative forms of housing production as a critical mechanism to advance the G20 priorities, U20 leaders should:

- **Identify collective, non-speculative forms of housing as a critical part of broader strategies to address G20 priorities** such as the just transition, employment generation or inequality reduction, highlighting policies and programmes advancing these forms of housing and promoting learning of best practices and innovation.
- **Call for greater multilateral and bilateral financial and technical support to advance collective, non-speculative forms of housing** that guarantees diversified, flexible sources of housing finance and corrects the current disproportionate investment into market-led approaches to housing provision.
- **Commit to review policy actions to support collective, non-speculative forms of housing production**, such as allowing incremental building, giving communities preferential access to public land, providing flexible funding or serving as guarantors for communities to access public finance.
- **Establish multistakeholder collaborations to develop effective finance mechanisms and partnerships.** Possible opportunities include:
  - Recognising revolving funds, collective savings and community-based work as forms of co-financing mechanisms for loans, grants and other financial tools.
  - Developing opportunities to provide flexible and unrestricted funding (including through philanthropic and social impact mechanisms) to adapt to communities' needs.
  - Working across different levels of government to manage subsidies for construction materials or accept social assistance grants and other forms of public support as mechanisms to reduce the cost of housing finance
  - Incorporating collective, non-speculative forms of housing provision into plans for financing infrastructure projects, climate adaptation and other large-scale financing mechanisms.
  - Investing in capacity-building as well as in addressing data gaps on the impacts and potential of collective, non-speculative forms of housing production.

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