Garden Cities in Africa

Keith Boyfield & Oni Oviri

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GARDEN CITY PERSPECTIVES 3

The International
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About the Perspectives Series

This is the third in a series of Garden City Perspectives: in-depth research and policy papers being published under the auspices of the International Garden Cities Institute (IGCI). Through this series our intention is to open up opportunities for diverse viewpoints to be expressed about the history, contemporary practice and possible futures for Garden Cities - and planned settlements more generally where relevant. It is a chance to look at Garden Cities in depth with reference to the latest academic and policy perspectives across a range of themes – housing, place design, health, economics, accessibility, social and cultural aspects, governance and more.

Through our authors' arguments we intend that the Perspectives series helps to promote knowledge, increase understanding, generate conversations – and at times perhaps challenge assumptions – about what Garden Cities are or might be. On that basis we ask our authors not just to analyse what is happening now from their different perspectives, but to recommend what they think we might do to make planned settlements better in future. The views of authors in this series are solely their own and do not represent the official policy position of either the IGCI or its partner organisations. We hope you find this and subsequent papers informative, stimulating and thought provoking.

Cover: A view of Angoche, Mozambique by Ian Berry, Magnum Photography, 2012.

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Are Garden Cities an appropriate response to the unsustainable growth of Africa's Megacities?

Keith Boyfield & Oni Oviri

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Introduction: Africa's Burgeoning Megacity

Lagos, Africa's largest metropolis is now classified a Megacity[i]. No one knows how many people reside in this labyrinth. In 1970, it was reckoned there were a mere 1.4 million; today estimates suggest it may be as high as 21 million and rising. That's equivalent to the entire population of Ghana.

While millionaires and a growing number of billionaires congregate on Victoria Island, in a city estimated to have a GDP of $50bn - making it Africa's seventh largest economy - no less than two thirds of Lagos's population live in overcrowded slums, prey to violence and disease. Makoko is one such sprawling slum where around 300,000 live in a teeming shanty town built on rickety stilts. No surprise then that Lagos is labelled the "mega-city of slums," with millions living in and around the lagoons with no access to roads, clean water, electricity or waste disposal.

This situation is simply unsustainable, particularly if future projections of population growth are only partially accurate. Not only is Lagos close to bursting point, but the pressures on its enfeebled infrastructure are exacerbated by the soaring number of births recorded to residents, and the mounting influx of people from rural areas looking for jobs and a better life.

Lagos vividly illustrates a dilemma coined by the economist J K Galbraith and common to far too many cities in Sub Saharan Africa. He dubbed it "private affluence and public squalor". What is more, this quandary is likely to worsen since, as the World Bank points out, Africa is rapidly urbanising and will lead the world's urban growth in the coming decades.

Africa is rapidly urbanising: the growth pains are all too evident

In 1950, no city in Sub Saharan Africa had a population with more than one million – it was and remains the least urbanized continent. Yet this demographic picture is changing, and fast. Over a quarter of the world's fastest growing cities are located in Africa. Already Cairo and Kinshasa have joined Lagos to reach Megacity status while Dar es Salaam, Johannesburg and Luanda are not far behind[ii]. By 2030, it is forecast that over half the population will be living in cities, and many of them in massive conurbations such as Lagos.

This remorseless growth rate means that infrastructure and public provision will come under even greater stress and risks total collapse. The explosive rate in the size of cities, vividly exemplified by Lagos, signals a crisis in conurbations. With people streaming in from rural areas these cities will be unable to cope with pressures on water, sanitation and food supply, not to mention education and healthcare. Furthermore, only 40 percent of urban dwellers in Sub Saharan Africa have access to proper lavatories – a proportion that has not changed in more than 35 years.

UN Habitat analysis indicates that over 60 percent of Sub Saharan Africa's urban population lives in slum conditions – far higher than the developing region average of 32.7 percent[iii]. The continent has experienced two decades of rapid urban growth yet without any offsetting economic growth (in sharp contrast to such regions as Far East Asia)[iv].

Makoko: a slum accommodating up to 300,000 from all over West Africa

Looking further ahead, Africa's population is expected to double by 2050, reaching 2.5 billion people. By 2050, UN Habitat predict Africa's urban population will reach 1.2 billion, with around half of them living in towns or cities, in sharp contrast to the present distribution of population.

African nations do build new cities. Oil rich Angola has witnessed the construction of a new city – Kilamba – located 27 kilometres outside the capital, Luanda, and built with a 3.5 billion dollar credit line from the Chinese government. Not surprisingly, it was modelled on a Chinese city. Kilamba currently offers 20,000 residential units for 100,000 - mainly middle class - occupiers who have access to schools, shops, crèches, and recreation areas. Meanwhile, Nova Vida, another smaller community, comprising 5,650 residential units accommodating around 28,000 residents, mainly civil servants and members of the armed services, has been built in two phases over the course of the last 16 years. However, these new developments are outside the reach of many citizens. Even a recent $3.5 billion social housing project built on the periphery of Luanda is way beyond the ability of the average Angolan to contemplate: to buy these units cost at least $84,000 yet the typical mean annual income in Angola is just over $4,000 [v].

The overall picture across the continent is one characterised by galloping population growth and a glaring lack of both housing and support services to cater for them. The proliferation of slums in Africa indicates a persistent government failure to either plan or foster the right institutional conditions for investment in urban development. Planning is notably absent and what planning has been undertaken tends to stretch back to colonial times.

This government failure in respect of meeting the mounting need for housing in urban areas is partly attributable to political factors. In reality, it is often beneficial to members of the political elite to cultivate politically instrumental patron-client networks and exploit rent-seeking opportunities [vi] since this is a crucial lever of power. Hence, urban underdevelopment persists and slums expand due to disjointed modernisation. Slums proliferate not least because people are unable to afford anything more than self-built shacks with inadequate materials and often no sanitation.

Something must be done

Clearly something radical needs to be done otherwise overcrowding may trigger major unrest and civil strife. As we have seen only this year inadequate infrastructure can lead to serious landfalls and dreadful tragedies such as the recent disaster which left thousands buried alive in Freetown, Sierre Leone.

Governments will clearly need to initiate bold new schemes to deal with the pressures stemming from a rapidly growing population. One potential approach that offers attractions is the idea of creating new communities built on Garden City principles with a variety of employment opportunities. While it is possible to outline the ingredients for successful communities, in practice, it is of course far more difficult to realise this vision. What is more, such initiatives are only likely to help those in permanent, salaried work, but it is nevertheless a worthwhile initiative, and, over time, if funding is secured, these new garden communities could be extended to provide accommodation for those at the lower end of the income scale.

A faltering start has been made in some places, for example, South Africa, Nigeria, Kenya, and Gabon. This next section examines how these initiatives have fared, starting with the earliest Garden City community in South Africa, created a century ago.

Pinelands, Cape Town

Pinelands in Cape Town, South Africa, ranks as the earliest pilot scheme modelled on Garden City principles. The stage was set for this initiative a century ago yet controversially, this initiative - built in the wake of the First World War and the Spanish Influenza Epidemic of 1918 – was subsequently tainted by its links with the apartheid regime. But over the last quarter of a century this garden suburb has matured and blossomed with money now channelled into providing social facilities for residents of all racial and religious backgrounds.

As the International Garden Cities Institute has identified [vii], Pinelands was the first fully realised Garden City in Africa and only the third one ever created. Partly inspired by the realisation that poor housing and infrastructure had contributed to the devastating toll attributable to the Spanish Influenza Epidemic following the Great War, Pinelands was built on an 80 acre site, despite considerable local opposition at its inception. The development was the brainchild of a local business tycoon (and later government minister) Richard Stuttaford, who put his own money into ensuring the scheme was realised. There are parallels here with the British experience – Port Sunlight was built with money provided by William Leverhulme, the founder of Lever Brothers and Bournville was funded by the Cadbury family. The Garden City theme was realised by Albert J.Thompson, an architect [viii] who had worked on the inaugural city at Letchworth in England. Thompson is responsible for the master plan that created Pinelands.

Pinelands has expanded over time. A subsidiary dedicated to expanding the community was created in 1930 – named Pinelands Development Company – and this entity provided subsidies to help home buyers with 20 percent initial deposits. The company continues to reinvest profits in building further development, in conformity with Garden City principles. The aim is to provide better housing and social conditions for the residents. Pinelands proclaims that it is "dedicated to the development of entire suburbs, the construction of houses and public buildings and the nurturing of education equality through providing school halls to redress decades of disadvantage [ix]."

Examples from Nigeria

Albert J Thompson was based in South Africa between 1920-1927 while he worked on Pinelands, but later he was invited to move to Nigeria to work on a range of housing projects where he drew on the lessons he had learnt at Letchworth, Hampstead Garden Suburb and Pinelands. In Lagos he developed enclaves of colonial bungalows with piped water, drains, street lighting, recreational facilities such as tennis courts and, of course, a race course (albeit native Nigerians found it nigh on impossible to gain entry to the regular race meetings).

Pinelands, Cape Town

Thompson spent a total of five years in Nigeria, redesigning various parts of Lagos and working on design plans for the creation of new settlements, notably in Enugu, Warri, Sapele, Benin and Onitsha. As with Pinelands, many of these developments were built on segregated lines, the colonial administration allowed local communities to adopt de facto racial discrimination [x]. This policy was ubiquitous in the earlier half of the twentieth century, partly attributable to control over the social order and hierarchy (a fear of the races mixing) and partly because there was a fear on the part of colonisers that they may be vulnerable to a range of diseases –often water borne – common among the local population.

Yet few of these saw completion and Thompson's personal contribution and that of any serious town planning came to an abrupt end when the global Great Depression hit Nigeria with a vengeance in the early 1930s[xi]. The colonial government in Nigeria effectively ran out of money with the financial tap suddenly squeezed tight when the Depression bit. Indeed, no new roads were constructed over the next decade, nor was anything significantly achieved in any urban centres with respect to social, educational and medical services or in respect of water and sanitation.

Eighty years later, a concerted move was made by Babatunde Fashola, the Governor of Lagos (in office for two terms, May 29, 2007 to May 29, 2015) to renovate the conurbation's dilapidated infrastructure. Crucial to this initiative has been the introduction of local taxation which now represents the majority of Lagos state's income. An ambitious public transport system was launched including the Badagry Express way, linking Lagos directly to neighbouring Benin and a light rail system managed by Lagos Rail Mass Transit. Slums such as Makoko were partially demolished and a determined move was made to address the crime and traffic problems endemic to areas such as Oshodi. However, this strategy tended to simply reshuffle the distressed poor with new slums arising across the conurbation as people continued to flock into Nigeria's Megacity.

The developers' vision for Eko Atlantic City

Meanwhile, a massive new extension to Lagos, centred on Eko Atlantic City, has been launched. This project is truly ambitious. The developers are seeking to create a new business and financial district with a colossal extension of new housing provision for up to 250,000 people, but these plans hinge on the reclamation of areas of Victoria Island which have been subject to decades of remorseless marine erosion.

Lagos's colonial suburb

Lagos's city within a city is a public private partnership funded, on the one part, by Lagos State Government supported by the Federal Government of Nigeria, and, on the other, by a consortium of private backers led by South Energyx Nigeria Limited – part of the Chagoury Group of companies established by two prominent Nigerian born billionaires – the Chagoury brothers – who are of Lebanese descent. The success of the project hinges on the ability to generate a reliable electricity power supply network and, of course, consistent funding. This is a big ask in a country that has been buffeted by a wildly fluctuating currency and far too great a reliance on one key export: oil (see later section 9 on commodities' pivotal role in development).

Erratic progress has so far been made with this ambitious project, which aims to transform Africa's largest conurbation. A sea barrier has been installed and the first high rise building opened but the faltering Nigerian economy has delayed the original timetable and the master plan remains largely unfulfilled. Bank funding to date has come from domestic banks, including FCMB, First Bank, Access Bank and Guaranty Trust Bank with support from BNP Paribas Fortis and KBC. But for this project to proceed to the next stage international investors are required since they will bring much needed confidence to bear on the overall scheme and ensure that at least some of it is built in the near future.

Questions have also been raised about the overall sustainability of this ambitious scheme. In his recent thesis for his Master's degree in Urban & Regional Planning at the University of Amsterdam [xii], Debayo Akesanju Kester argues that the masterplan along with its architectural style looks very outmoded in spatial design terms. Kester notes that: 'A predominant feature in the EAC project is its modernist planning

Retail development at Garden City Village

backdrop, with its high-rise glass buildings, wide roads, limited pedestrian paths and massive monuments in public spaces. While most major African cities still maintain their modernist structures and layout, many of the land-uses have gradually adapted to contemporary uses and may be considered inefficient by those who view the city as a commodity. The transformation is typically as a result of what most inhabitants in African cities consider as pertinent to their survival, where the need to earn a living trumps aesthetics and orderliness. Modernist planning principles emphasized a different type of cityscape, one in which buildings are designed efficiently to maximize land-use, roads are overwhelmingly appropriated for automobile use, activities are sparsely located and confined while street level activity is hidden or eliminated.' In this context, it is worth emphasising that Kester's criticisms mirror the earlier critique – over half a century ago - made by Jane Jacobs with respect to Robert Moses's inappropriate plans to redevelop Lower Manhattan, notably around the Washington Square neighbourhood [xiii].

However, with respect to this new city within a city the key question that remains unanswered is the pace of development and the size of the eventual complex? While the scope and ambition of the project is to be welcomed Eko Atlantic is clearly aimed at the country's prosperous professional classes. Little has been to date to tackle the mounting problem of housing the rapidly rising ranks of the poor.

Eko Atlantic Master plan

The Kenyan Experience

Downtown congested Libreville, Gabon

Another recent development which aims to provide a first class working and living environment is the Garden City Village in Nairobi, Kenya. The first phase of this development has already been built and homes sold out quickly. A second phase is close to completion with a business park also under development. Significantly, the developer's website stresses that, "The entire site has been planned with security in mind, the pathways and recreational areas which join the residential addresses are secure and well-lit" [xiv]. Violence and personal security are a real problem in Nairobi but not as bad as in some other cities such as Johannesburg.

As the name indicates, this development is built around a three acre central park, with a children's play area and a plethora of lawns and gardens. It claims to be Kenya's first integrated residential, retail and office (mixed-use) development. It provides over 400 apartments, duplexes and family houses along with a brand new shopping mall with 120 stores, one of the largest on the continent, and a range of entertainment and leisure facilities. Furthermore, a modern business hotel aimed at business people and a well equipped medical centre are also under construction. While Garden City Village is expressly aimed at the monied professional classes this development demonstrates that modern, purpose built communities can be delivered.

This development was funded by the International Finance Corporation (IFC), a member of the World Bank, together with Actis, a private equity fund that was spun out of the Commonwealth Development Corporation, originally the UK government's development finance institution. The lesson to be highlighted here is that new communities can be developed with capital backing for commercially viable schemes, particularly in major regional hubs such as Nairobi – and Lagos.

A typically impressive home in Muthaiga. Mua Park Road (7,792 sq ft) on the market in 2017 for KS 500,000,000 equivalent to £3,700,000

This chimes with historical examples. Ewart Grogan, one of the leading pioneers in Kenyan development in the first half of the twentieth century, was able to work with other high net worth individuals such as James Archibald Morrison [xv] and William Northrup McMillan [xvi] to develop the prestigious neighbourhood of Muthaiga in Nairobi, complete with country club, golf course and a residential estate of distinctive housing (many of which are now lived in by ambassadors from the US to Britain's own High Commissioner). Private investors pledged the capital for these exclusive developments that flourished in the inter-war years and remain exclusive to this day.

We are likely to see more such up-market schemes across the continent, perhaps behind gated communities to ensure security, but the crucial dilemma is how to expand the supply of housing and support services to the less well off?

A More Ambitious Programme in Gabon

Our fourth and final example is the ambitious plan to develop new housing in Gabon where, although the population is a relatively modest one and a half million, the country has one of the highest levels of urbanisation in the whole of Africa. Nearly 90 percent of them live in cities such as Libreville, the capital, and Franceville, close to the Congo-Brazzaville border.

According to a report published by the French Ministry of Finance in 2014, more than 75 percent of the urban population in Gabon currently live without a land title in dwellings with limited access to basic services. Urban growth is averaging around 30,000 new city residents per year, leaving a large gap between housing supply and demand.

In 2010, the country launched an ambitious strategy, centred on a $25bn Infrastructure Plan, aimed at transforming the provision of infrastructure and a wide ranging programme linked to providing a gamut of crucial services spanning transport, housing, education and medical facilities, water and waste management.

Spearheaded by a national infrastructure agency supported by specialist staff from the international civil engineering firm, Bechtel, initial progress was encouraging with the completion of 800 homes, 600 classrooms, 600 kilometres of roads and Gabon's first community wastewater treatment plant. One of the co-authors well recalls attending briefings given in Gabon by Bechtel's architects, who outlined plans to develop attractive new communities that would have won the blessing of both Ebenezer Howard, the pioneer of Garden Cities, and Jane Jacobs, the American writer who promoted liveable cities.

Sale proceeds from the country's June 2015's ten year, $500m eurobond were partly aimed at funding house construction. This was the country's third eurobond issue since 2007 and was six-times oversubscribed, but the drop in oil prices (see section 9) and subsequent internal debt crisis slowed the ability of the government to move forward, and so far the total number of homes that have been delivered to date is shy of 7000.

Indeed, the collapse in the oil price – Gabon's principal source of foreign exchange – and a general inability to fund both public and private housing development has left the country with an estimated housing deficit of 200,000, concentrated on middle and low-income earners, but with a surfeit of supply at the most expensive end of the housing market (rather like South East England). Plots of land remain relatively expensive with prices in the affluent embassy neighbourhood of Libreville reaching as much as CFA300,000 (€450) per sq metre.

Gabon's economic slowdown has wreaked serious damage to both construction companies and private developers with work stalled or abandoned on a number of projects. Meanwhile, government-sponsored social housing has also seen slow progress. In 2011, the government set a target of building 5000 houses a year over seven years, but to date as noted earlier only 7000 have actually been completed.

Tackling the Needs of the Poorest

Across the continent moves have been made to ameliorate housing conditions for the poor but these have proved largely disappointing. Government subsidy programmes have done little to promote wide-scale housing affordability, particularly with respect to the urban dweller. There are two main reasons for this shortfall. First, government subsidy programmes are often poorly designed because they lack the necessary targeting and monitoring criteria. Consequently, one finds that the subsidies offered are captured by the better off who can afford housing provided by the market, not those available through public sector housing units. Secondly, governments, in common with other housing developers, are confronted with the same weaknesses and structural limitations in the supply and demand value chains. As a result housing costs more to build because of the problems relating to finding land (with title), adequate infrastructure, affordable reasonable quality construction materials, and consumer as well as developer finance.

Furthermore, housing supply has been crippled by regulatory blockages, land hoarding and land cartels, and overlapping systems that clash; together these combine to disrupt the development of the formal urban sector. Consequently, rapid urbanisation has led to a significant increase in the proportion of Sub Saharan African land markets that are defined as 'informal' by the World Bank and other international agencies.

A potential way forward: Garden Cities that offer diverse employment opportunities

Based on this experience it is clear that more radical policies need to be adopted, centred on attracting a diverse range of capital sources including debt finance, pension funds, private equity funds, sovereign wealth funds and development banks such as the World Bank/IFC, African Development Bank (AfDB) and Islamic Development Bank (IDB) – to back imaginative new schemes. These need to offer to bring employment opportunities as well as a mixed spectrum of housing and retail, social and recreational resources in new neighbourhoods and communities outside the crowded and polluted conurbations that have sprung up with such speed over the last quarter of a century.

In the early part of the 20th century an English visionary, Ebenezer Howard, influenced by the growing social issues he was witnessing in England, notably overcrowding and its associated ills, founded the Gardens City Movement. Its aim was to reverse the large scale, seemingly uncontrollable migration of individuals from rural areas to cities, which were becoming increasingly crowded and squalid.

Howard believed that through developing a lattice of small Garden Cities there would be the potential to provide each with the economic opportunities and the amenities found in larger cities. In his view, each Garden City should aim to be self-sufficient and self-sustaining, providing accommodation for residents plus the means for these residents to create and develop industry and agriculture within the new city.

This vision could be applied to developing countries within Sub Saharan Africa if governments reformed their planning laws and created the conditions for institutional finance to play a role, particularly with respect to outside finance from private equity groups, sovereign wealth funds and development banks, such as the AfDB and IDB. A crucial barrier to moving forward is clearly the ability to attract sufficient capital to fund new communities. However, the creation of Garden Village in Nairobi demonstrates that success can be achieved through a combination of private sector finance from bodies such as Actis and the IFC.

Another key instrument that could fund new development is a local property tax. Many African countries, particularly in the Francophone sphere, have historically been hostile to local taxation for fear of giving away political power to opposition politicians in their regional strongholds and a general loss of patronage and control. However, some cities have managed to introduce a local property tax that has helped to improve local service delivering and the provision of basic services. Sierra Leone is paradoxically a case in point. While the country faces immense challenges (exemplified by this year's landfall collapse) the situation would have been even worse without the post conflict move to raise local taxation to meet pressing needs.

After the civil war in Sierra Leone, Freetown, the capital, along with Bo, Makeni and Kenema city councils adopted a simplified property valued on the dimensions of the structure, construction type, location and accessibility of buildings. "This equitable approach", write Dr Nara Montam and Mick Moore in a study on 'How Property Tax would Benefit Africa', "secured legitimacy for a newly re-established tier of government, while enabling the four local authorities to increase their income from property tax by 300-500 percent between 2007 and 2010"[xvi]. Significantly, following the introduction of this new property tax, local authorities launched extensive public education and awareness campaigns with radio programmes and call-in shows providing a useful platform for councillors, tax officials, local chiefs and religious leaders to explain to taxpayers the basis of the levy and how revenues would be spent on specific benefits such as water, sewerage, refuse collection and road maintenance.

Local taxes clearly have a role to play in funding and maintaining new developments and, in this regard, the Garden City model provides invaluable lessons in terms of the provision of a range of community services and benefits. Land value capture also provides a means of ploughing back capital into improving local services to create a win-win situation.

Creating new urban extensions and communities based on Garden City principles will not be easy, as the experience with Eko Atlantic City demonstrates, and delays are to be expected, but a start can be made. The prime objective is to ensure as many successful schemes as possible, by way of pilot projects, so that stakeholders have confidence in the ability of this model to deliver appropriate housing, backed by a diverse range of employment opportunities and associated physical and social infrastructure.

African countries need to diversify their economies. Much of Sub Saharan Africa has experienced a commodity-led boom over the last two decades. But this commodity boom has not been matched by a matching increase in manufacturing or services. Far too many countries are reliant on just a few key commodities, notably oil but also copper and iron ore in certain cases. The next section provides a discussion of these trends and the challenges associated with them. Declining oil and commodity prices coupled with depleted bilateral and multilateral aid flows has exposed the dependence of many African governments to external rents, so a fresh focus on incentives to generate domestic revenues is timely.

Commodity Trends and Africa's Challenges with relation to EU Access – the specific case of Kenya

The collapse and subsequent partial recovery of oil prices together with a sharp decline in mineral prices (copper, iron ore, gold, etc.) has stymied national government's abilities to fund and develop new communities. These fluctuations and steep falls in commodity prices are illustrated in the charts with respect to crude oil, copper and iron ore prices.

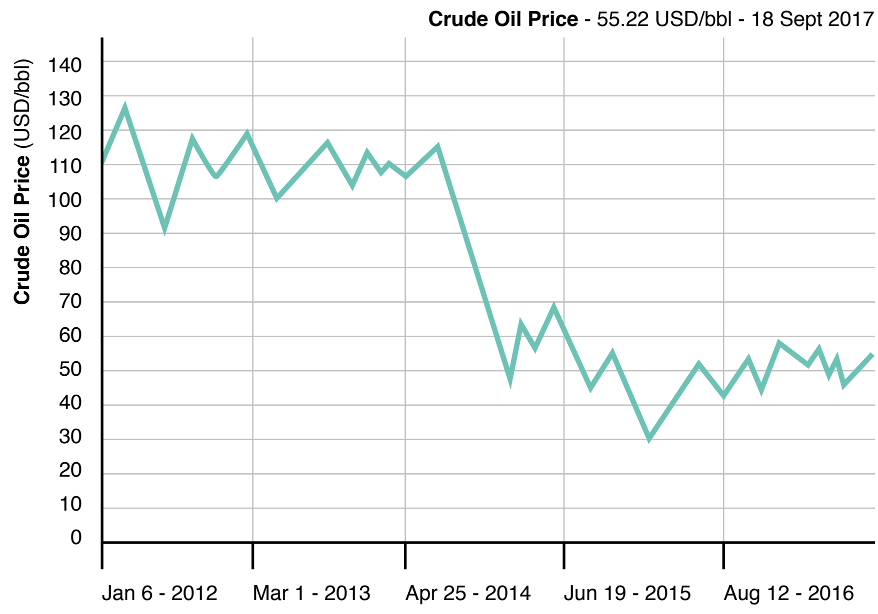
Developing countries can do a great deal to help reform their economies but they also need assistance from advanced economies, notably in Europe, not necessarily in the form of aid but more in terms of fair trade opportunities. EU nations need to relax their tariff and non-tariff barriers so that developing and medium range economies within Sub Saharan Africa can export more value added products and goods. This is a problem faced by Kenya, for example, since it faces stiff tariffs on goods such as refined tea and coffee which are produced and manufactured in Kenya – not Europe. After many years of negotiation, first started in 2002, a deal is still being negotiated with respect to an Economic Partnership Agreement (EPA) between the EU and the members of the East African Community (EAC). As things stand, poorer countries such as Uganda and Tanzania enjoy duty-free and quota-free access to the EU under an initiative called "Everything But Arms".

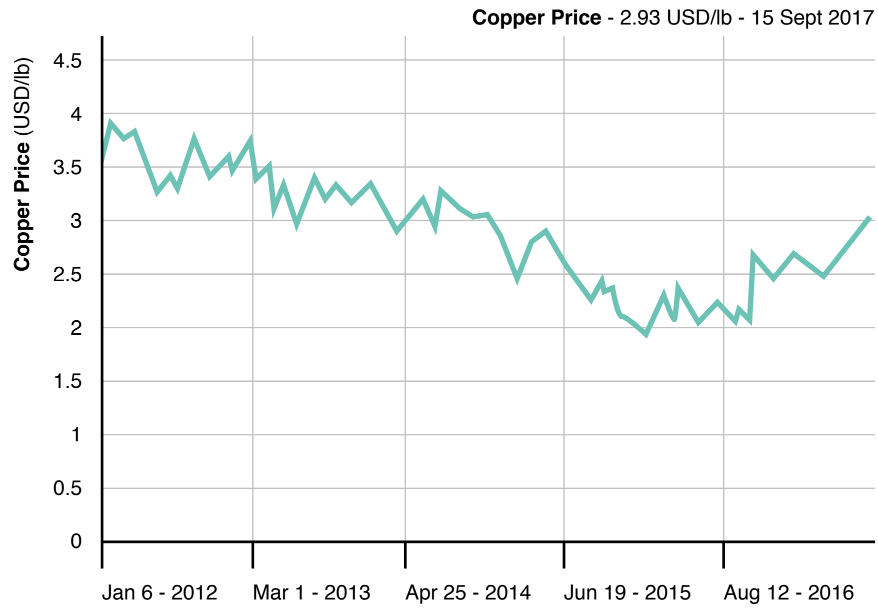
Kenya, is East Africa's largest economy and classified by the IMF as a developing country [as opposed to a least developed country (LDC), a classification that triggers significant trade advantages under "Everything But Arms"]. There is considerable scope, particularly in the agricultural and horticultural sector, as well as clothing and footwear, for the country's export performance to grow. Yet, while strong economic growth has been the hallmark of the primary sector: oil, gas, minerals along with agriculture and horticulture, this level of expanding activity has not been matched by the industrial and manufacturing sectors, which has lagged behind significantly. Services, however, continue to expand and Nairobi is home to the regional headquarters of many well-known professional firms – accountants, insurance brokers and risk advisers, law firms, etc.

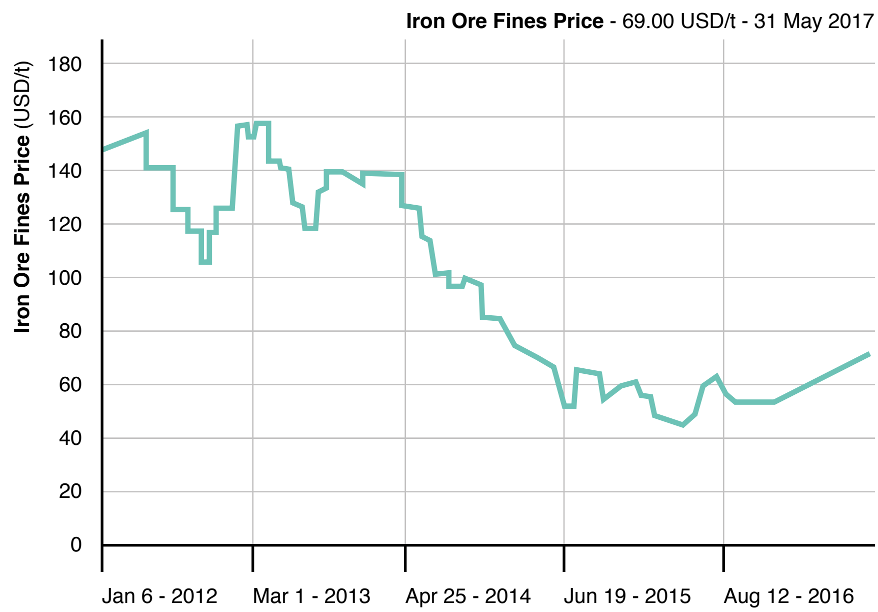
The EU's Common Agricultural Policy acts as a serious barrier for African exporters in the agricultural and horticultural sectors. Looking ahead, the onus must be on assessing the opportunities for value added processing and packaging of raw commodities grown in East Africa. This theme applies not just to agriculture, but also to other raw commodities such as oil, minerals and precious metals. The entire value added supply chain needs to be scrutinised. After all, unless more jobs are created in the valuable refining and processing tiers of production across East Africa, the greater the appeal for educated young people from the region to migrate – legally and illegally - to Europe, where many of these better paid jobs are currently found. The EU needs to be far more open to trade from the African continent since trade enriches everyone in the longer run.

A Fresh Approach

Governments across the continent of Africa appear to be willing to consider new approaches to housing their citizens. Shrewder political leaders appreciate this is a matter of urgency. So how best to proceed? It is worth emphasising that the creation of new







communities in the formal sector of housing requires the following critical prerequisites to be in place, namely:-

1. The creation of value chains that deliver housing through formal channels. This requires that land and property are titled, registered and meet building standards and regulation. Yet in practice only ten percent of Africa's land is registered and able to be marketed for rent or sale. Unless this glaring shortfall is tackled and resolved, no progress can be made.

2. As the World Bank points out, land tenure and administration systems complicate the function of land markets. Plurality of tenure systems are a characteristic of the continent's housing sector and this does much to discourage any market-based exchange of land: rights to control or transfer land are often unclear and tend to be subject to long drawn out disputes. Put simply, the housing market is only partially functioning in many parts of the continent. At its worst, land administration systems, such as a functioning land register, are incomplete or simply ignored when it comes to enforcing legal claims or landowners' fiscal obligation. This stymies the housing market since neither lender nor borrower can use housing as collateral.

3. Housing regulations and standards – many derived or merely maintained from the colonial past – add to the cost of housing. They can be criticised for being invariably outdated and unreasonably restrictive. They need to be reviewed and reformed.

4. Furthermore, building standards and regulations, particularly with regard to plot sizes and land use intensity, deters the efficient development of urban land; it also places additional burdens on infrastructure. To address these hurdles, a programme of radical consolidation and simplification is required.

5. A further challenge is the need to develop a more efficient and accessible system of mortgage finance. For many part of Sub Saharan Africa such institutions are still in their infancy. As The Economist notes 'affordable' mortgages in Africa typically have interest rates of more than 20 percent. [xviii]. This is simply way beyond most people' means.

6. A radical strengthening of the capital markets sector is required. Housing finance options for low-income groups are limited, indeed generally non-existent. Across the region, the majority of residents do not have formal savings accounts so are unable to obtain mortgages. In turn, this lack of institutional saving reduces the amount of finance available for lending institutions to develop consumer mortgages and other lending products. Consequently, the principal source of housing investment is from household savings and government investment, rather than capital markets. One of the repercussions of this state of affairs is that public investment in housing can crowd out-state investment in other public welfare sectors such as education, health and infrastructure. Furthermore, the lack of credit for development finance limits investment in domestic construction activities that could provide housing at scale.

7. How are new forms of capital to be attracted into the housing sector? Governments can do a great deal to make investment attractive – reforming land title regulation (see above), ensuring courts uphold property rights, and by offering attractive tax allowances and reliefs and offering grants for infrastructure. But the crucial aim must be to attract investors into viable schemes that offer commercial rewards for the risks involved. Identifying such opportunities is the first entrepreneurial step in attracting pension funds, private equity funds and other institutional investors into this emerging market.

8. Construction costs increase the cost of all types of housing. Housing units cost more because building materials are imported and there are relatively few domestic skilled contractors and development firms to build them on any sufficiently large scale. These crucial obstacles to a properly functioning housing market raise the costs of housing and force the majority of citizens into the informal sector. As The Economist reports, based on World Bank analysis, "In Malawi the least expensive formal house is almost 60 times more expensive than the typical informal alternative [ixx]'. Clearly, a concerted effort needs to be made to encourage the establishment of a skilled and competent construction sector through the establishment of

subsidiaries to large multinational concerns and a new wave of SMEs. A further challenge relates to developing complementary service professions —architectural design, construction inspection, property valuation and appraisal, title review and verification and title insurance—that in other parts of the world have expedited the value chains and reduced the marginal cost of housing construction and consumer finance.

9. Legislative reform on such matters as land title and planning must also be accompanied by a build-up in institutional capacity—for example, skills training, accreditation, and monitoring of standards so that any amended laws and regulations as written are consistently enforced as intended.

Conclusion: Are Garden Cities created by Special Purpose Vehicles (SPVs) a practical possibility?

Progress will take time. The challenges are immense and there are no miracle cures that are likely to be implemented in the short term. Delivery will be gradual given the vested interests firmly in place.

The complexity (economic, political, and legal) of a modern urban formal housing delivery system requires many enabling institutions to be in place simultaneously and functioning sequentially.

Again, improving capacity takes time. Legacies and practices of land use patterns, laws, zoning, governmental institutions, building practices, and finance markets all create obstacles for change and improvements.

For the foreseeable future, Africa's housing stock and future demand is bound to remain largely informal. There simply are not the resources to radically change the current range of inadequate housing that spans slums to semi-formal structures. This is attributable to the plain fact that the majority of city dwellers simply do not have the incomes to afford formal housing schemes. What is more, it will take time to develop the required skilled human capital, finance and industry resources to construct the large stock of housing required. But other countries have succeeded in providing housing, for example, in Sarawak, Malaysia, from a very modest and unpromising start. [xx]

The incidence of poverty and the sheer extent of the informal housing sector across Africa require a raft of complementary initiatives to improve housing quality and affordability. Interventions may include investments in infrastructure including broadband access and services, land titling and transfer reforms, the strengthening of micro finance institutions (MFIs), a build-up of saving cooperatives and credit unions to provide additional consumer finance, a reduction of tax or tariff barriers and, crucially, earned amnesty and enumeration programmes to allow informal housing to become formal.

The World Bank, which has taken a lead in advocating market-based solutions to urban development in recent decades, acknowledges that tackling slums not only 'requires the institutions to manage land markets' but also 'investment in infrastructure and well timed and well executed interventions' [xxi].

This raises a crucial question with respect to the prospects for creating new Garden Cities and urban extensions in Sub Saharan Africa: how far will national and regional state governments agree to transfer the discretionary legal powers essential for the development of such communities to any Special Purpose Vehicles (SPVs) established to build and maintain them? This can be seen as a catalytic opportunity for accelerated progress, but it can also be viewed as the pivotal reason why many national governments will be reluctant to delegate these necessary powers with respect to planning, infrastructure and even local taxation, which provides such a deep well of patronage in the form of jobs, contracts, subsidised loans and tax breaks. After all, governments in developed OECD countries, most notably the UK, are themselves reluctant to adopt such strategies, so it ill behoves observers to criticise developing countries on this score.

By way of summing up and offering a set of guidelines for the future here are seven recommendations on how policy can be taken forward to create the urgently required housing and support physical and social infrastructure that Sub Saharan Africa needs now.

Seven Key Recommendations

1. Create Garden Cities and Urban Extensions through Special Purpose Vehicles (SPVs) established specifically to deliver

new towns. These may prove to be a highly relevant and attractive means for ensuring delivery of housing, infrastructure and jobs. SPVs are legal entities set up for a particular purpose that can be tailored to individual legal jurisdictions. They offer a routine model – easily replicated – that delivers new communities of housing with appropriate facilities and amenities. In this sense, it is a proforma mechanism which means that one does not have to reinvent a model to ensure houses and linked infrastructure are delivered. The purpose of the SPV is to produce a balance between the various interests in any proposed development so that the overall project delivers positive outcomes for all concerned. This is highly appealing because it is so flexible and can be tailored to the needs of individual countries and regions.

2. Such SPVs may also short-cut a range of political and bureaucratic barriers to delivery. This is what has been tried in Gabon, so far with limited successful outcomes because of an over reliance on oil as an export revenue earner, along with political sensitivities, but it is a step in the right direction.

3. More generally, across the continent, concerted initiatives must be made to improve the functioning of land markets and administration, Within Sub Saharan Africa, even the formal land markets are subject to numerous weak or missing links. Hence, it is critical to develop property rights, with particular emphasis on instituting less-costly titling systems (on this issue both Ethiopia and Nigeria have sought to introduce important reforms, reported on by the World Bank [xxii]). One option worth exploring is encouraging and supporting the funding of pilots that allow for judicially accepted division of land rights to be agreed that are short of formal land transfer evidenced by changes of title. This may prove particularly attractive to countries such as Tanzania, where all land has been under the ownership of the state since independence.

4. Focusing on informal settlements, the majority of housing in Sub Saharan Africa, targeted and incremental improvements in infrastructure provision along with leveraging informal sources of credit for self-built housing can significantly improve housing quality and reduce overcrowding.

5. In an African context there is clearly a need for flexible or incremental design and building standards and the inclusion of new and alternative building materials and techniques. Consistent and sustainable support for rental housing can improve its provision across income levels and varieties of dwellings.

6. As a matter of urgency, there is a need to reform the commercial lending sector to allow access to longer term sources of finance to develop a more competitive mortgage market. Targeted support for the expansion of finance for long term lending through mortgages and developer finance will improve the delivery of housing both to own and rent.

7. Encourage the development of alternative finance sources for the urban poor, specifically housing micro-finance, credit cooperatives, savings groups, and community mortgages. The expansion of micro-finance lending for small and medium enterprises has given more low-income groups access to relatively affordable finance and banking services. Housing micro-finance, though currently limited in its scope in Sub Saharan Africa, could be a way to bridge the gap between small, short tenor micro-loans and large, long term mortgages, with a loan product tied to construction material discounts or technical assistance.

Endnotes

[i] See http://www.bbc.co.uk/news/av/world-africa-41004638/lagos-the-megacity-set-to-triple-by-2050.

[ii] World Urbanization Prospects: The 2014 Revision, Highlights (United Nations, Department of Economic and Social Affairs, Population Division, 2014), http://esa.un.org/unpd/wup/Highlights/WUP2014-Highlights.pdf.

[iii] 'State of the World's Cities 2010/2011: Bridging the Urban Divide', UN Habitat, Earthscan Publications, London, 2008.

[iv] 'Urbanization as a Global Historical Process: Theory and Evidence from Sub Saharan Africa', Population and Development Revew, 38 (2), by S Fox, published 2012, pages 285-310.

[v] 'Why affordable housing in Africa is rarely affordable', The Economist, 7 September 2017.

[vi] 'The Political Economy of Slums: Theory and Evidence from Sub-Saharan Africa', Working paper Series 2013, no 13 -146, Sean Fox, Development Studies Institue, LSE, February 2013, page 3.

[vii] http://www.gardencitiesinstitute.com/resources/garden-cities/pinelands

[viii] Albert J.Thompson (1878–1940) , architect, had been employed with the architectural practice of Raymond Unwin and Barry Parker, working on Letchworth and Hampstead Garden Suburb. He lived in South Africa from 1920-1927 working on Pinelands and Durban North, and moved to work as a government town planner in Nigeria from 1928 to 1932.

[ix] http://www.gardencitiesinstitute.com/resources/garden-cities/pinelands

[x] R K Home discusses the tensions between town planning and the political realities of colonial rule. He focuses on the opposition of local colonial administrators to outside advice and the segregationist principles underpinning colonial rule. For further analysis see 'Town planning and garden cities in the British colonial empire 1910–1940', Planning Perspectives, volume 5, pages 23 – 37. See also by the same author 'Of Planting and Planning: The Making of British colonial cities, E & F N Spon, 1997. For a discussion of the French perspective see 'The experience and legacy of French colonial urban planning in Sub Saharan Africa in Planning Perspectives, volume 19, (4) pages 435-454.

[xi] See 'The Interplay of Town Planning and Colonialism: the contribution of Albert Thompson to Urban Development in Lagos, 1920-1945' by A Idowu in Analele Universitănii din Craiova. Istorie, Anul XXI, Nr. 2(30)/2016, page 114.

[xii] Emerging 'New cities' in Africa and socio-spatial inequality: A case study of the Eko Atlantic City project in Lagos, Nigeria http://scriptiesonline.uba.uva.nl/document/560594

[xiii] Jane Jacobs was the author of the watershed study, The Death & Life Great American Cities, published in 1961 by Random House, New York. Her ultimately victorious crusade against City Hall is vividly remembered in a documentary entitled 'Citizen Jane: Battle for the City', broadcast on BBC4 on 7 August 2017.

[xiv] See http://gardencity-nairobi.com/about/

[xv] Morrison was a Conservative MP for South Wiltshire between 1900 and 1906. In 1909 he inherited £11 million from an elderly uncle and a further £3 million from an aunt the same year. Some of this money was channelled into the creation of the Muthaiga suburb.

[xvi] William Northrup McMillan, originally from Missouri, backed a range of business ventures and donated substantial sums of money to promote educational and other public services in Kenya. During World War I he became a British citizen and received a knighthood for his wartime services.

[xvii] 'How Property Tax would Benefit Africa', Africa Research Institute Counterpoints, by Dr Narfa Monkam and Mick Moore, January 2015, page 6. www.africaresearchinstitute.org

[xviii] 'Why affordable housing in Africa is rarely affordable', The Economist, 7 September 2017

[ixx] 'Why affordable housing in Africa is rarely affordable', The Economist, 7 September 2017.

[xx] See 'Lessons from the Commonwealth – Sarawak: a Malaysian Economic Story' by Keith Boyfield, Commonwealth Exchange, July 2015.

[xxi] ''The Political Economy of Slums: Theory and Evidence from Sub Saharan Africa', Working paper Series 2013, no 13 -146, by Sean Fox, Development Studies Institute, London School of Economics (LSE), February 2013, page 19.

[xxii] 'Stocktaking of the Housing Sector in Sub Saharan Africa', World Bank, 2013.

Author Biographies

Oni Oviri has extensive knowledge and expertise in Public, Private and Third Sector Procurement, Supply Chain and Logistics Management.

She holds a Master's degree in Procurement and Supply from the Chartered Institute of Procurement and Supply; is MCIPS qualified; and is a Member of the Chartered Institute of Procurement and Supply. Oni currently lectures on Procurement and Supply to students studying for a degree in this field.

An avid entrepreneur, Oni is a Director of Sasare Associates, a consultancy advising on best practice Supply Chain and Logistics Management, and she is also an active shareholder in a recently launched beverages company importing specialised teas to the UK from Sub Saharan Africa.

Over the years, Oni gained significant business experience in her family's business focusing on property and urban planning, gaining experience through working extensively with construction companies in Spain acquiring and developing land. The family's property portfolio extended to developing properties in the UK with further ambitious propositions to construct and develop property in Nigeria, where her parents are from.

Her business experience has led her to work on a number of projects in a consultancy capacity, including projects focused on infrastructure development with a specific focus on Sub Saharan Africa. Oni is currently consulting on a project on the development of a Garden Suburb in Southern Nigeria to develop housing while simultaneously providing start-up industry capacity for the local indigenous population.

Keith Boyfield is an economist and author of more than 90 publications on public policy issues. He is a Fellow of several think tanks including the Centre for Policy Studies, the Institute of Economic Affairs, the Adam Smith Institute and the European Policy Forum, as well as the Kosciuszko Institute in Poland and the Euro Gulf Information Centre based in Rome. Keith has been an adviser to the European Commission and consultant to some of the world's largest companies and trade groups including Aon, the BBC, the British Private Equity & Venture Capital Association (BVCA), The Crown Estate, KPMG, Mott MacDonald Ltd and Thomson Reuters PLC.

He visits Sub Saharan Africa regularly, notably Gabon, Kenya and Nigeria. Keith was one of the organisers and a lead speaker – alongside Rory Stewart MP, Dfid & Foreign Office Minister – at The Great Lakes Trade Summit held in Kampala,Uganda,in July 2017.

He has contributed to The Financial Times, The Wall Street Journal, The Times, The Daily Telegraph, City AM, The Yorkshire Post and La Razon in Madrid. Keith is the Africa & Middle East Editor of The Journal of World Economics. He is also a frequent commentator on a range of international broadcast channels including Al Jazeera, the BBC and Radio France Internationale (RFI).

With Daniel Greenberg, Keith co-authored Pink Planning (November 2014) and three subsequent reports: A Suggestion for the Housing and Planning Minister (May 2015), A Convergence of Interests (May 2016), and Housing: Now is the time to seize the opportunity (February 2017), all published by the Centre for Policy Studies. He also co-edited, with Graham Mather, Britain's Unsolved Housing Dilemma (2001), published by the European Policy Forum. Keith is a founding partner of the International Garden Cities Institute (www.gardencitiesinstitute.com). He was educated at the London School of Economics.

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