

AT A GLANCE: HOUSING IN THE ASIA-PACIFIC REGION



1. Over 500 million people currently live in slums in the Asia-Pacific region, representing 60 per cent of the world's slum residents. Few have access to safe water or improved sanitation. Continued high urban population growth will define the region's low-income housing need over the next 30 years.

2. In rural areas, extreme poverty defines housing conditions for most low-income families. Of the 2.2 billion people living in rural areas, over 750 million lack access to improved water, and over 1.6 billion lack access to improved sanitation. Asia has the lowest sanitation coverage in the world.

3. Most poor people in urban areas region live in housing they build themselves, incrementally.

4. Poor housing causes disease, injury and death. Pneumonia and diarrhea are closely linked to living in the slums; together they kill 4 million children in developing countries each year. Poor housing also entrenches poverty, causes civil unrest, and stifles economic potential.

5. Low household earnings juxtaposed with high urban land prices — fuelled by the region's economic growth during the past three decades — make housing less affordable than in most other parts of the world: average house prices are 7-10 times average annual income.

6. War and violence displaced 2.7 million people from their homes in the Asia-Pacific region by the end of 2005.

7. The 2004 Indian Ocean tsunami left over 1.8 million homeless, and hundreds of thousands of people were displaced by the 2005 earthquake in Pakistan. Reconstruction from these and other disasters is ongoing, but many victims are still without adequate permanent housing.

8. Government policies influence, and in many cases define, housing options for the poor. Systematic corruption, regulatory schemes for construction and land-use, rental sector policies, and policies on eviction and relocation need improving. The continued focus on upgrading *in situ* slums is a positive trend. Many governments are concentrating housing resources on extending utility trunk infrastructure and formal tenure rights to slum households.

9. Formal housing finance is largely irrelevant to low-income families. Between 40 and 70 per cent of the people are too poor to afford a mortgage. Many cannot meet mortgage collateral requirements even if they can afford a mortgage. Micro-finance and community development funds provide increasingly important channels for low-income families to build and repair housing.

10. The total projected cost of upgrading slums is US\$35.2 billion or US\$619-US\$643 per person. The total projected cost of providing alternatives to slums for new urban residents over the next 15 years is US\$120.2 billion or US\$285-US\$829 per person.

11. Individuals, families, communities and non-governmental organizations throughout the region are finding their own housing solutions. These efforts could be strengthened exponentially with stronger links to land and financing markets, technical assistance, and a supportive policy environment.