Affordable Housing is a Balancing Act
Lessons from Indonesia

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Why?
Housing: The Intersection Between Public & Private Investment

Source: CAHF (with modifications)
How might we balance affordable housing provision?

A I R S

Affordability  Inclusivity  Resiliency  Sustainability
We need to address the root cause of **affordability** problem

Role of government:

**Correct market failures by closing the affordability gap**
Being **inclusive** is embracing different approaches for diverse target.

- **High-Income (20-30%)**
  - **Private Sector-Led**
  - **Middle-Income**
  - **Low-Income (30%-40%)**

**Inclusivity**

**Government Support**
- Close financial affordability gap
- Technical assistance to address resiliency

**Government Provision**
- Moving from substandard to livable condition
- Resettle away from unsafe locations
- Adequate shelter is the goal, not housing ownership

**Being inclusive** is embracing different approaches for diverse target.
Informed decision-making in planning and financing for resiliency

Disaster Resiliency

- Structural Integrity: 11% Healthy, 89% Structural Component
- Statistical information and graphical representation of resiliency components

Climate Resiliency

- Healthy Component: Healthy 67%, Location Safety 92%
- Data-informed quality control mechanism for resiliency planning
- Embracing passive design strategies anticipating extreme climate events

Resiliency
Sustainability is a long-term game

Green transformation in local building practice

Empower local governments with capacity building

Planning tools for better-informed housing strategies

Guidelines for Green and Energy-efficient Housing

South Sumatra

Sustainability

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Sustainability
Affordable Housing and Buildings as Renewable Energy Power Grid

Solar roof-top (RSPV) on subsidized housing:
Address renewable energy target and reduce utility cost

Interdisciplinary and inter-sectoral collaboration
to address challenge & limitations

Potential investment cost to be financed by carbon credit
Indonesia Green Affordable Housing Program (IGAHP) TA

IGAHP Targets

<table>
<thead>
<tr>
<th>Year</th>
<th>Target</th>
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<tbody>
<tr>
<td>2024</td>
<td>100,000 Green Housing</td>
</tr>
<tr>
<td>2030</td>
<td>1 Million Green - Net Zero Ready Housing</td>
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<tr>
<td>2050</td>
<td>100% NET-ZERO Housing</td>
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WB Technical Assistance

Greening by improving Design Quality, Location, Density & Inclusion

- **Green & resilient designs**: for new housing construction, retrofits & urban densification
- **Sustainable & inclusive financial products development & piloting**: leverage private sector participation while catering the underserved
- **Housing location suitability** assessment to address urban sprawl
- **Scaling up green certification** for affordable housing
- **Unlocking Carbon Credit potential** through baseline study
Housing For All Needs
Investment by All:

AIRS Principle

Image Source: World Economic Forum
“Making Affordable Housing A Reality in Cities”, June 2019