

HOUSING SECTOR

Fact Sheet

BACKGROUND

The contribution of the housing sector to Fiji's GDP increased from 4.2% in 2011 to 5.65% in 2018. The government's goal is to increase affordable housing options and increase the number of first-time homeowners and reduce the informal settlements. Good housing contributes to improved health, education and general well-being. In addition, a strong housing sector supports economic growth by creating jobs and stimulating investment. Given Fiji's vulnerability to natural disasters, climate resilient homes are critical to resisting and recovering from such disasters. In addition, the Housing Authority and Public Rental Board has done much to ensure that all Fijians have access to safe and decent housing. There are many programs that have made it possible for the most disadvantaged to have their own home. Authorities make housing more affordable by offering flexible payment plans and low interest rates.

CURRENT STATUS

The Fijian government aims to increase first-time house ownership rates and decrease informal settlements over the next decade through the IFC Public Private Partnership Project (PPP). The project aims to provide affordable and high-quality housing options for families in a modernizing economy. Six sites have been identified for the first pilot project, which is expected to supply about 3,000 climate-resilient, green, and category 5 cyclone-compliant housing units. The Ministry of Housing is implementing the Informal Settlement Upgrade and Formalisation Programme (ISUP) to provide long-term land tenure for those living in informal settlements. The MH currently has 48 Development Leases for ISUP, which will create 13 settlements in the Central Division, 21 in the Western Division, and 14 in the Northern Division. The demand for new houses in Fiji has increased, with an estimated annual demand of 1,600 new dwellings over the next 30 years.

CHALLENGES

1. *Informal settlements:* Currently, the lack of affordable housing is contributing to the growth of informal settlements.
2. *Land availability and development:* Housing provision is impeded by shortage of available zoned and serviced land for housing development ensuring consistent quality, meeting international standards, and navigating trade regulations pose significant challenges.
3. *Rural Housing:* The quality of the building stock in rural areas is often poor with the majority of houses unlikely to withstand strong winds and will be increasingly vulnerable to the effects of climate change.
4. *Climate resilient housing:* There is a lack of energy-efficient and climate resilient housing. Much of the housing stock is not built to a standard that can withstand the impacts of such natural hazards.

OPPORTUNITIES

1. *Mobilisation of private sector investment:* The Government recognises the need for private sector participation through both small- and larger-scale housing developments and Public Private Partnership (PPP) arrangements.
2. *Social housing:* Housing that is provided and managed by the state (i.e., public housing) or that of non-profit entities such as housing associations and community housing providers.
3. *Access to land availability:* Government is working with housing agencies to provide lots for people to build their homes.
4. *Legislative Reform:* Updating laws and regulations to reflect evolving housing demands and support sector growth.

FUTURE POLICIES AND STRATEGIES

- **Provide affordable, decent and safe housing options to all especially low-income earners:**
 - ✓ Explore strata title housing options and increase home insurance access for low-income households.
 - ✓ Continue targeted grants for low to middle-income first home owners.
 - ✓ Upscale private sector engagement in affordable housing.
 - ✓ PRB to explore rent to own scheme.
 - ✓ Improve rental market regulation and operations.

- **Development and Upgrading of Informal Settlements:**
 - ✓ Provision of basic services for informal settlements.
 - ✓ Facilitation of relocation of settlers as needed.

- **Sustainable Land Use for Housing Development:**
 - ✓ Implement effective land-use planning and zoning regulations.
 - ✓ Ensure appropriate land allocation for housing development.
 - ✓ Promote green house building practices to reduce environmental impact and improve resilience.

