



**Addis Ababa University**  
**College of Business and Economics**  
**Executive MBA Program**

***“Assessment on the Performance of Integrated Housing Development Program with Particular Reference to the Program’s Objectives: Focusing on Addis Ababa”***

*“Submitted in Partial Fulfillment of the Requirements for the Executive Master of Business Administration (EMBA) degree”*

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2014  
Addis Ababa

*Assessment on the Performance of  
Integrated Housing Development Program  
with Particular Reference to the Program's  
Objectives: Focusing on Addis Ababa*

## DECLARATION/CONFIRMATION

I Kidst Merkebu, declare that this research project, entitled “Assessment on the Performance of Integrated Housing Development Program with Particular Reference to the Objectives of the Program: Focusing on Addis Ababa” is my original work submitted for the award of the Executive Master of Business Administration (EMBA) degree at the Collage of Business and Economics of the Addis Ababa University. It has not been presented for the award of any degree or other similar titles in any other institution of higher learning to the best of my knowledge, and all resources used have been duly acknowledged.

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Advisor: Zewdie Shibre (Phd) Signature \_\_\_\_\_ Date \_\_\_\_\_

**ADDIS ABABA UNIVERSITY  
COLLEGE OF BUSINESS AND ECONOMICS  
DEPARTMENT OF MANAGEMENT  
EXECUTIVE MBA PROGRAM**

***Title: Assessment on the Performance of Integrated Housing  
Development Program with Particular Reference to the  
Objectives of the Program: Focusing on Addis Ababa***

BY: Kidst Merkebu

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## **ACKNOWLEDGEMENT**

First of all I would like to thank God for helping me to start and successfully accomplish this program.

I would like to thank my advisor Dr. Zewdie Shibre for his unreserved support, continuous assessment and advice. I would also like to thank my family members especially my husband Ato Tassew Bekele for his unreserved and encouraging support during my research project preparation and for handling family matters on my behalf. My gratefulness also goes to residents of condominium houses and staff members of AAHCPO for their willingness to respond to the questionnaires and interviews and share their experiences in the surveys. I would also like to extend my thanks to Ato Semie Ketema, Head of Housing Transfer and Financing Department of the Ministry of Urban Development, Housing and Construction and his staff members for their cooperation and support in providing the necessary documents and information and taking their times to complete the questionnaire and respond to interviews

## **ABSTRACT**

*This study assesses the performance of the Integrated Housing Development Program/Condominium Housing Construction Project in Addis Ababa City against its objectives. IHDP is complex and challenging program. It necessitates huge resources from the government; and also requires efficient resource management system. The houses being constructed are expected to be of low cost or affordable to the low income group and good quality. However, does the program achieve its objectives? The qualitative research methods specifically descriptive research method applied. Survey method was used to collect data. The target populations were condominium houses completed and transferred to beneficiaries within Addis Ababa. To select sample respondents from the target population's simple random sampling techniques were used. Although the government set low cost houses to low and middle income people but the results of my survey shows low income people were not benefiting from this program, due to problems in both registration and distribution process, increase in the price of houses due to poor workmanship and using poor quality materials. The survey result also shows that the houses constructed are of poor quality and fixed with substandard or poor quality materials. The other factor that makes the houses unaffordable to low income people was price increase due to delay i.e.it took from one up to one and half years to construct and distribute condominium houses. The other issue in construction and distribution of condominium houses is corruption. The government of Ethiopia is planning to continue the condominium housing construction project by itself using a single bank CBE. The government is involved starting from design preparation, awarding to contractors and distribution of houses to people. It also fixes prices of both inputs and houses. In general the idea of condominium houses is noble but its implementation has many problems.*

*Key words: IHDP, Condominium houses, low and middle income people, government objectives, affordability, quality*

# TABLE OF CONTENTS

ACKNOWLEDGEMNT.....	I
ABSTRACT.....	II
TABLE OF CONTENTS .....	III
LIST OF TABLES .....	IV
ACRONYMS and ABBREVIATIONS.....	V
CHAPTER ONE: INTRODUCTION .....	1
1.1    BACKGROUND/RATIONALE OF THE STUDY .....	1
1.2    PROBLEM STATEMENT .....	2
1.3    RESEARCH QUESTIONS.....	4
1.4    OBJECTIVES OF THE RESEARCH .....	4
1.4.1.    General Objective .....	4
1.4.2.    Specific Objectives .....	5
1.5    SCOPE/DELIMITATION OF THE RESEARCH.....	5
1.6    LIMITATIONS.....	5
1.7    SIGNIFICANCE/CONTRIBUTION OF THE RESEARCH .....	5
CHAPTER TWO: LITERATURE REVIEW .....	7
2.1.    INTEGRATED HOUSING DEVELOPMENT PROGRAM .....	7
2.1.1.    Condominium Housing History .....	7
2.2.    CONDOMINIUM HOUSING PROJECT PURPOSE.....	9
2.3.    KEY PLAYERS IN HOUSING SECTOR .....	10
2.4.    HOUSING STOCK .....	11
2.5.    HOUSING NEEDS/DEFICITS .....	12
2.6.    INTEGRATED HOUSING DEVELOPMENT PERFORMANCE .....	12
2.7.    RESOURCE MANAGEMENT .....	13
2.7.1.    Condominium Resources Management .....	13
2.7.2.    Financial Resource Management .....	14
2.7.3.    Benefits and Challenges of Financial Resource Management in Condominium Housing .....	16
CHAPTER THREE: RESEARCH METHODOLOGY.....	19
3.1.    SAMPLE DESIGN .....	19
3.2.    TARGET POPULATION.....	19
3.3.    SOURCE OF DATA.....	19

# TABLE OF CONTENTS

3.4.	METHODS OF DATA COLLECTION .....	20
3.5.	SAMPLING METHOD AND SAMPLE SIZE .....	20
3.6.	KEY INFORMANT INTERVIEW .....	21
3.7.	METHODS OF DATA ANALYSIS .....	21
3.8.	ETHICAL CONSIDERATIONS .....	21
3.9.	VALIDITY AND RELIABILITY OF DATA COLLECTION INSTRUMENTS .....	22
CHAPTER FOUR: DATA PRESENTATION, ANALYSIS and INTERPRETATION .....		23
4.1.	BENEFICIARIES OF THE PROJECT AND ITS IMPACTS ON LIVELIHOODS OF THEM.....	23
4.1.1.	Beneficiaries of the Integrated Housing Development Program .....	23
4.1.2.	Who Are Residing in The Condominium Houses? Did the Intended Low Income Earners Benefit from the Program?.....	24
4.1.3.	Allocation and Distribution of Condominium Houses.....	26
4.2.	MAJOR CONTRIBUTORS OF FINANCIAL RESOURCES, RESOURCE MAGNITUDE AND TERMS AND CONDITIONS TO BENEFIT .....	27
4.2.1.	Major Financial Resources Contributors, Resource Magnitude Collected So Far.....	27
4.2.2.	Budget Utilization: Office of Addis Ababa Housing Construction Project Office .....	28
4.2.3.	The Terms or Conditions for Register and Benefit.....	29
4.3.	CRITICAL PROBLEMS IHDP/GOVERNMENT AND MEASURES TAKEN TO ENCOUNTER THE PROBLEMS.....	30
4.3.1.	Repayment of Loans by Beneficiaries .....	30
4.3.2.	Problems Related to Corruption.....	30
4.3.3.	Problems Related to Poor workmanship, Inferior Quality and Rework.....	32
4.3.4.	Policy Related problems .....	36
4.4.	WHAT ARE THE GOVERNMENT’S FUTURE PLAN AND POLICY DIRECTIONS TOWARDS THE DEVELOPMENT OF CONDOMINIUM HOUSES .....	37
CHAPTER FIVE: CONCLUSION AND RECOMMENDATIONS .....		39
5.1.	CONCLUSIONS.....	39
5.2.	RECOMMENDATIONS .....	40
5.3.	RECOMMENDATION/SUGGESTION FOR FURTHER SUTDY IN THE SUB- SECTOR .....	40
REFERENCES .....		42
ANNEXES		

## **LIST OF TABLES**

Table 3.1: Target and Sample Population

Table 4.2: Income Groups and Ownership Type

Table 4.3: Ownership Type and Housing Topology

Table 4.4: Condominium House Owners by Gender

Table 4.5: Bonds Issued and Total Outstanding Loan up to June 30, 2014, in Birr

Table 4.6: Budget Utilization/Performance during the Fiscal Year 2007 -2011 (Birr in'000,000)

Table 4.7: Residents Rating on the Extent of Problems in Condominium Houses

## **ACRONYMS and ABBREVIATIONS**

AAHCPO	Addis Ababa Housing Construction Project Office
CBE	Commercial Bank of Ethiopia
GTZ	German Technical Corporation
IHDP	Integrated Housing Development Program
MWUD	Ministry of Works and Urban Development
MUDHC	Ministry of Urban Development, Housing and Construction
MoFED	Ministry of Finance & Economic Cooperation
MSE	Micro and Small Enterprises
PASDEP	Plan for Accelerated and Sustained Development to End Poverty
SPSS	Stats Practically Short and Simple
TVET	Technical and Vocational Education and Training
UNHABITAT	United Nations Human Settlement Program
UNDP-HDI	United Nations Development Program- Human Development Index

## CHAPTER ONE: INTRODUCTION

This chapter covers background or rationale of the study, problem statement, research questions, and objectives of the research, scope/delimitations of the research, limitations and significance of the research.

### 1.1 BACKGROUND/RATIONALE OF THE STUDY

Housing is one of the three most essential human needs. According to the United Nations Universal Declaration of Human Rights 1948 Article 25 (1): “Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, *housing* and medical care . . .” This implies that everyone has a right to live in a house that fulfills the minimum standards i.e., the house should be accessible; there should be access to safe drinking water, electricity, and etc. However, in Ethiopia most of the houses have no such facilities. According to Mekonen (2008), even in the capital city Addis Ababa, where 80% of the total housing stock is found, most of the housing units are old, dilapidated, and sub-standard, overcrowded and have no kitchen, toilet, and bathing facilities. Hence, they are not fit for healthy life.

Accesses to housing and affordability to the poor is also the major obstacle in the economic development of the country. Housing is still one of the major problems in Ethiopia. The existing housing stocks are slums that are characterized by poor standards, lack of basic sanitation, services, and infrastructure.

Providing house for low and middle income group is one of the components of Urban Development program in poverty reduction scheme. The government of Ethiopia initiated the Integrated Housing Development Program in order to reduce this shortage of housing and provide a house that meets the minimum standards (kitchen, toilet and bath facilities) to low and middle income people and achieve its target in reducing poverty. To this end, the construction of condominium houses is under way.

The word "condominium" comes from two Latin words meaning common ownership or control. It describes a legal form of ownership and not a type of building or residence (Hawaii Real

Estate Commission, 2009). As defined in the Encyclopedia Britannica “condominium is a multiple-unit dwelling in which there is separate and distinct ownership of individual units and joint ownership of common areas.”

In the *Condominium Proclamation Number 370/2003 of the Federal Democratic Republic of Ethiopia*, it defines it as a building for residential or other purposes with five or more separately owned units and common elements, in a high-rise building or in a row of houses, and includes the land holding of the building.

The concept of condominium is quite old. “Condominiums are derived from French collective property ownerships under the Napoleonic Code of 1804; the first statutory recognition of the condominium concept. It stipulated that properties could share a common building or plot governed by a housing collective, while the airspace and floor space within the individual units still be considered privately owned”, (Bennet, 2011: p250).

History of condominium housing in the United States of America was started in 1960s as stated in Bennet (2011),

*The severe housing shortage and the urban sprawl that occurred following the end of World War II created a “need for ‘more efficient use of land through high rise multi-family dwellings located in those areas where facilities for employment, education, recreation, and public services already exist.’ In addition, there was national interest in providing more affordable housing for a larger number of people. Americans, in common with most people, preferred to own their own homes, rather than rent, and to own a home in an area that might be financially out of their reach if they attempted to purchase a single-family dwelling. “This . . . spurred interest in traditional cooperative housing developments and resulted in the introduction into the United States of a new concept of apartment ownership by individuals. The first condos were built in Salt Lake City, Utah in 1960 by Keith Romney, the 'Father of the condominium (Bennet, 2011: p 254).*

In Ethiopia the concept of Condominium house as a separate form of ownership was not familiar until 2003. In 2005, the government of Ethiopia considering provision of houses as one of the major developmental tasks to reducing poverty and improving the livelihoods of slum dwellers; and thereby bringing sustainable socio-economic development, established a National Integrated Housing Development Program under the then Ministry of Works and Urban Development (MWUD) later renamed as the Ministry of Urban Development, Housing and Construction, (MUDHC, 2005 E.C).

The Integrated Housing Development Program (IHDP) is a government-led and financed housing provision program for low-and middle-income households in Ethiopia. Within the IHDP, specific projects are undertaken on either brown-field sites or slum areas that are cleared and residents re-housed. The common attribute of each project is that it has developed different typology of condominium housing: multi-storied housing units for several households where communal areas are jointly owned and managed (MUDHC, 2013).

Achieving the IHDP objective i.e. construction of Condominium housing for low and middle income group requires huge resources investment. Teklewold Atnafu, Governor of the National Bank of Ethiopia (NBE) in his statement on the Capital Ethiopia Newspaper (2013), over the recently conducted registration of Addis Ababa City Dwellers for condominium houses mentioned that “the government needs 67 billion Birr to construct the condominium houses for all registrants (i.e. 858,000 registrants). This makes the condominium construction project as one of the biggest projects that the country is currently undertaking [in terms of financial magnitude]. In fact the condominium construction is second to the Great Renaissance Dam (GRD) which consumes USD 4.2 billion, roughly 80 billion birr.” This implies that stronger financial resource management is required to ensure that every cent of public money is spent on the intended purposes.

Resources that are needed in the construction of condominium housing include not only finance but also materials and human resources. These resources should be properly managed so that the government intention of availing affordable housing to the poor, one of the poverty reduction strategy is achieved.

## 1.2 PROBLEM STATEMENT

In order to reduce the massive housing demand both from current deficit and upgrading the existing slum areas, Ethiopia has been implementing an ambitious government-led low and middle-income housing program. This is in line with one of the 'Urban Development & Construction Industry' components of Plan for Accelerated and Sustained Development to End Poverty (PASDEP) which aims at reducing slums in Ethiopia's main cities by 50% through launching a national integrated housing development program that scales up Addis Ababa's initiative (*MoFED 2009/10*).

Accordingly, MUDHC established the IHDP to manage the condominium projects throughout Ethiopia. The Program is undertaken since 2006 in 55 towns located under five regions and the cities of Addis Ababa and Dire Dawa (*Tameru, 2009*). According to *MoFED (2010)* report, during 2004/05 – 2009/10, it was planned to construct 396,000 new houses and by the end of this period 213,000 houses had been built in various regions and City Administrations of which 72,000 were handed over to the beneficiaries.

With the implementation of IHDP the existing dominant housing topology is changed from single to multi-storey (up to G+4), (AAHCPO 2005:p3). High rise condominium houses buildings will improve the urban land use and supply of housing to great number of households and contribute to maintain the beauty of urban areas. It helps to achieve compact urban growth, densification of economically valuable urban land, regenerating deteriorated urban areas.

The IHDP is a large scale government investment which is entirely financed by public resources. It is financed by the regional states and city governments' own budget and through issuance of bonds to the Commercial Bank of Ethiopia secured under a Bond Agreement and paying back over five years (UNHABITAT, 2010). The government also avails land for construction of condominium houses. The program also involved construction companies and consultants, small and medium enterprise and daily laborers.

Methodologies and guidelines were drawn from Addis Ababa's experience of the program, and adapted to suit the regions (MUDHC). However, the IHDP has been suspended in the regions for a variety of reasons like: the condominium blocks have been described as „an eye-sore“ in the smaller low-rise provincial towns and demand has been low due to considerably lower purchasing power in the regions than in Addis Ababa (*UNHABITAT 2010*).

Basically, management of condominium entails financial, facility and property management. Finances required for construction, maintenance and operation of condominium houses initially generated by Commercial Bank of Ethiopia and later by individuals or group beneficiaries; and collection and disbursements are done by different bodies at different levels.

The objectives of the IHDP among others include availing of low cost houses to low and middle income people, creation of employment opportunities and improve images of the cities. Hence this paper tries to assess the performances of the program towards the achievement of its

objectives, and propose remedial measures/recommendations for fulfilling the Government's plan.

### 1.3 RESEARCH QUESTIONS

Among other things the research project will try to address the following questions:

- a) Who are major contributors of **financial resources**? What is the resource magnitude collected so far and the terms, conditions used to contribute, benefit and repay?
- b) What are the **critical** (financial, material resources, technical personnel and administration/policy) **problems/challenges** which face IHDP/Government and measures taken to encounter the problems?
- c) What are the **Government's future plan and policy directions** towards the development of condominium houses; and involvement private individuals and private financial institutions in financing, construction and administration of condominium houses?
- d) Who are the **beneficiaries** of the project; and what are the **effects** of the project on the livelihoods of the beneficiaries?

### 1.4 OBJECTIVES OF THE RESEARCH

#### 1.4.1. *General Objective*

The general objective of this research project is to assess the IHDP's performances in light of program's objectives, identify problems and propose possible options for better utilization of resources.

#### 1.4.2. *Specific Objectives*

- To examine the resource utilization aspects of the ongoing condominium housing construction projects in Addis Ababa by paying particular attention to selected sites,
- To study cost effectiveness of housing construction,
- To evaluate affordability of condominium housing for low and middle income groups.
- To examine availability of resources particularly financial resources for the construction of condominium houses.

- To investigate whether there are other alternative financing sources or strategies.

## **1.5 SCOPE/DELIMITATION OF THE RESEARCH**

Although the IHDP covers all the cities/towns in Ethiopia, this research project will cover resource management of the IHDP focusing on Addis Ababa. Even for Addis Ababa, it does not cover issues how individuals are managing their condominium houses and their common resources. It only focuses on how financial and other resources are managed and problems are handled institutionally. This is due to limitations to securing information at individual level; and pressure of time to conduct detailed individual condominium owner based studies.

## **1.6 LIMITATIONS**

The expected limitations include: Some of the IHDP staffs and residents of condominium houses are not willing to participate in filling in the questionnaires and giving responses to interviews. The overall affairs of the condominium residents are managed and guided by committee members drawn from the residents. In most cases, residents of the condominium houses shy away from giving comments and respond to interviews without the knowledge of the committees. They think that the information they give may be used for other purposes (may be politicized) and backfire against them even if the objectives of the questionnaire or the interviews are clearly defined. Time is also another constraint encountered during information gathering.

## **1.7 SIGNIFICANCE/CONTRIBUTION OF THE RESEARCH**

The government of Ethiopia is investing significant amount of resources to implement the big and ambitious project (condominium housing construction project). The program aims at achieving the targeted development projects i.e. housing supply for the low income population, mitigating urban slum expansion, increasing job opportunities for micro and small enterprises (MSEs) and unskilled laborers and improving wealth creation and distribution of the nation. It is done without conducting full-fledged socio-economic studies and analyzing financial implications as well as associated social and environmental impacts. This research project will try to assess the performances of the program towards the achievement of its objectives focusing on how the resources are employed; identify gaps and come with possible recommendations that

may be used as inputs by the government to improve its policy for achieving the objectives. This will lead to provision of better and affordable house to beneficiaries. Improvements in Government's policy will also allow private financial institutions to play roles in the housing sector.

## CHAPTER TWO: LITERATURE REVIEW

This chapter tries to highlight history of condominium houses, purpose of the condominium housing projects in Ethiopia, key players in the housing sector, assessment of housing stock, demand for housing, performance of the IHDP and resource management in condominium houses.

### 2.1. INTEGRATED HOUSING DEVELOPMENT PROGRAM

#### 2.1.1. Condominium Housing History

The concept of condominium is quite old:

*There is at least one record of the sale of part of a building, in ancient Babylon [modern Iraq], during the First Dynasty, nearly two centuries before the birth of Christ, and there is evidence of the use of the system among the Greeks, Egyptians, and others. It was during the Middle Ages, when walls were constructed to enclose cities in order to provide security, that building space became scarce in many European cities. This lack of space led to individual ownership of parts of a building, sometimes even individual ownership of single rooms, in cities such as Orleans and Paris (Bennett S. 2011:p250).*

As stated in annotated bibliography of Bennett S., that there existed an informal ownership of floors or parts of buildings in countries such as Austria, Switzerland, and Germany as early as the twelfth century, especially among the poorer citizens (Bennett, 2012).

As cited in Bennet's bibliography (2012), In the United States

*. . . the severe housing shortage and the urban sprawl that occurred following the end of World War II created a need for more efficient use of land through high rise multi-family dwellings located in those areas where facilities for employment, education, recreation, and public services already exist. In addition, there was national interest in providing more affordable housing for a larger number of people. Americans, in common with most people, preferred to own their own homes, rather than rent, and to own a home in an area that might*

*be financially out of their reach if they attempted to purchase a single-family dwelling (Bennett S., 2012:p254).*

The Graystone Manor, built in United States of America, Salt Lake City, Utah in 1960, was the first ever constructed condominium housing (*Condominiums and Cooperatives. n.d.*). It was adopted from the Caribbean housing cooperative: a form of property ownership under the Napoleonic Code. Since 1960's, condominiums continue to be an affordable form of housing tenure for Americans looking to manage their own property without the burdens of land ownership and high property taxes (*Condominiums and Cooperatives. n.d.*).

In Central and Eastern Europe (CEE) in the early 1990s privatization of government owned houses was the first step taken as transition measures from socialism to market economy. Large apartment buildings, built and maintained by the central government and rented to citizens were transferred to the condominium form of ownership (Rabenhorst, 2012).

Hence, condominium housing is a form of housing tenure that is affordable and provides an opportunity to own property in desirable areas, without the financial strain of land ownership in most part of the world including the United States of America, Europe, Africa, and etc.

In Ethiopia the concept of Condominium housing as a separate form of ownership was not familiar until 2003 (MUDHC, 2005 E.C.:p11). In 2005, the government of Ethiopia considering provision of houses as one of the major developmental tasks to reducing poverty and improving the livelihoods of slum dwellers; and thereby bringing sustainable socio-economic development, established a National Integrated Housing Development Program under the then Ministry of Works and Urban Development (MWUD) later renamed as the Ministry of Urban Development, and Construction (UNHABITAT, 2010).

As reported by UNHABITAT (2010), the Integrated Housing Development Program (IHDP) is a government-led and financed housing provision program for low-and middle-income urban households in Ethiopia. The program was launched in 2004 by the then State Minister Arkebe Oqubay, and later Mayor of Addis Ababa who was the driving force behind this program (UNHABITAT, 2010). His main goal was to construct massive low-cost housing units in Addis Ababa. As a starting menu, the City Administration of Addis Ababa, in collaboration with the

German Technical Corporation (GTZ) office, commenced the design and construction of a pilot condominium housing project in the neighborhood of Bole Gerji (*UNHABITA, 2010*).

As stated on MUDHC (2005 E.C.), analysis of the program indicated that the Integrated Housing Development Program is an ambitious program which was directly started to address the pressing low-income housing challenges throughout Ethiopian Cities without considering social setup, economic, physical, and environmental as well as resource (financial, material and human) management differences that exist in each city. As a result, constructions of all condominium houses which were started in various cities, except Addis Ababa, were suspended.

## 2.2. CONDOMINIUM HOUSING PROJECT PURPOSE

According to the *United Nations Development Program, Human Development Index (2012)* Ethiopia ranked 173<sup>rd</sup> out of 186 countries. With population of 86.5 million, Ethiopia is the second most populous country in Africa. It is urbanizing at annual growth rate of 3.76 per cent. Studies indicate that 40 per cent of the Ethiopian population lives below the poverty line. In spite of this, it has one of the lowest proportions (only 17.2 per cent) of urban population in the world (*UNDP-HDI 2012*).

As stated in the urban housing supply strategy about 67.2 per cent urban dwellers are in low annual income group (MUDHC, 2005E.C.). The overall unemployment rate stands at about 25 percent while urban unemployment rate is 17.5 percent in 2012 (IMF, 2013: p5). However, in cities like Addis Ababa, the unemployment rate is estimated to reach 24.2 percent followed by Dire Dawa Administration 14.9 percent (*Central Statistical Agency, 2014*). Studies indicated that of the total urban population, about 30 percent lives below the poverty line (MUDHC, 2005 E.C).

Housing has been universally accepted as one of the three essential human needs besides food and clothing. However, According to *UNHHBITAT (2010)* 80 per cent of the Ethiopian population lives in sub-standard slum housing that needs either complete replacement or significant upgrading. This indicates presence of massive demand for serviced, healthy and affordable housing. The demand for housing emanates from both the accumulated housing deficit and poor quality and of existing dilapidated Kebele housing stock that is beyond repair. These Conditions go from bad to worse due to existing Kebele regulations that prohibits

maintenance of Kebele houses and prevailing poverty and financial problems of the dwellers, (*UNHabitat 2010*)

The purpose of constructing condominium housing in Ethiopia is to enable low-income urban dwellers to acquire homes of their own, alleviation of urban poverty through the participation of Micro and Small Enterprises (MSE) and creation of employment opportunities in the construction sector which can absorb more labor force, changing the image of the city so as to meet international standards, transfer of knowledge and skill to the construction industry, promoting cost efficient housing construction technology, empowering citizens of the city through ownership of houses and tenure security, (MUDHC, 2005 E.C).

### 2.3. KEY PLAYERS IN HOUSING SECTOR

In order to achieve the urban development strategy through providing low-cost and affordable houses to all members of the society, the **government** is facilitating and supporting private house constructors, real estate developers and house construction cooperatives, (*UNHabitat 2010*). In addition, the government is currently a key player in the housing development and supply (MUDHC, 2005 E.C). It controls the majority of the rental accommodation and influences the supply of new housing through active involvement in material production and importation, land supply, and housing finance particularly for condominium houses. This justifies that the main actor in the condominium housing construction is the government aimed at achieving the main goal of addressing low and middle income group of the society through the construction of subsidized affordable houses. Addis Ababa City Administration, Housing Registration Directive No. 2 (2005E.C.) Amharic version defines low income group as person's monthly income and/or the total household monthly income of less than or equal to Birr 1, 200. Affordability is supposed to be realized by constructing the low cost condominium houses.

The other players are **real estate developers**. According to Tameru (2009), above 300 real estate developers were established in Addis Ababa over the last fifteen years. The level of development is varied according to the capacity of the developers. This kind of development is recent in Ethiopia and purchasers are required to make 30 per cent of the price of the house as down payment. Real estate developers currently operate only with high-income groups as there is little incentive to construct low-income housing.

The **housing cooperatives** also build houses collectively. Housing cooperatives have received varying levels of government support over the last 40 years, (MUDHC, 2005 E.C). The government was providing significant subsidy up to 60 percent on construction materials, land being allocated with no charge, and low mortgage interest rates. However, mainly due to their own internal problems and gradual reduction of the government's attention and subsidies their contribution towards housing development has become minimum (MUDHC, 2005 E.C).

**Informal unplanned** housing provision, as reported by UN Habitat (2010), constitutes a considerable proportion of the total housing supply. Informal housing is especially prevalent in Addis Ababa city expansion areas about sixty thousand informal settlers and the number is expected to reach around hundred thousand and it is the fastest growing supply method (MUDHC, 2005 E.C).

**Individuals** (formal) also construct houses with market prices constitute 25.3 percent of the total housing supply (UNHABITAT, 2010). Most of the houses constructed by individuals were financed by the individuals themselves that is without mortgage loans; hence their contribution to housing problem is minimal.

Similarly NGOs and governmental organizations are involved in the construction of housing for their employees as well. Involvement in the housing market by Non-Governmental Organizations (NGOs), both national and international, has been of small scale. While many NGOs operate in Ethiopia, few deal with housing and land issues (UNHABITAT, 2010).

## 2.4. HOUSING STOCK

When the government of Ethiopia nationalized urban land and extra houses under proclamation No. 47/1975, about 60 percent of the housing stock was transferred to government ownership. And two types of Government-owned rental units are established; the Agency for the Administration of Rental Houses, and Kebele Housing managed by Kebele Administration units, the smallest government administration unit, operating at the neighborhood level. According to MUDHC, still one-fourth of the total housing stock in urban areas is under the government ownership.

Of the total rented houses that are under government ownership, houses under Kebele administration accounted for 93% of this rental accommodation (UNHABITAT, 2010). These Kebele houses are old, were constructed many decades ago and little or no maintenance has been carried out. Some houses remain without access to water and electricity, and many of them do not maintain minimum standards of sanitation. The major reasons for Kebele housing stock to be of a low quality are no adjustment was made on rent price and the government inactive in the maintenance of these houses (MUDHC, 2005 E.C).

The other stocks of houses are private/owner occupied houses, these houses were of relatively low quality but they are of a higher standard than Kebele housing. They are not much deteriorated due to owners' greater attention to maintenance.

In general, of the total available housing stock 70 per cent need total replacement and only 30 per cent is in a fair condition (UNHABITA, 2010).

## **2.5. HOUSING NEEDS/DEFICITS**

As reported by the UNHABITAT (2010), the government estimated that the current housing deficit is between 900,000 and 1,000,000 units in urban areas, and that 70 per cent of the current housing stock is in need of total replacement. In Addis Ababa alone, 300,000 units are required to meet the deficit. According to Fortune News letter (2014), for the 40/60, 20/80 and 10/90 schemes, around 865,000 people have been registered and started saving through blocked accounts they opened at the CBE in connection with the recently conducted registration for second round condominium housing in Addis Ababa.

The housing deficit is set to increase concurrently with the foreseen high population and urbanization growth. To accommodate future growth, the Urban Sector Millennium Development Goals Needs Assessment (2004) predicted that to meet the Millennium Development Goals (MDGs) in 2015 requires a total of 2,250,831 units, which equates to a considerable 225,000 houses per annum.

In order to reduce this massive housing demand and upgrade the existing slum areas, Ethiopia has been implementing an ambitious government-led low- and middle-income housing program i.e. the Integrated Housing Development Program (IHDP) (UNHABITAT, 2010). According to

the Urban Sector Millennium Development Goals Needs Assessment (2006) the total costs for urban development for the period 2005/06-2014/15 are estimated at USD 6.3 billion of which the largest ticket item is housing that accounts for 56% i.e. USD \$3.5 billion (MoFED,2005).

## **2.6. INTEGRATED HOUSING DEVELOPMENT PERFORMANCE**

The IHDP is undertaken since 2006 in 55 towns located under five regions and Addis Ababa and Dire Dawa, (Tameru, 2009). As reported by MoFED (2010), during 2004/05 – 2009/10, it was planned to construct 396,000 new houses and by the end of this period 213,000 houses had been built in various regions and City Administrations. Of the houses constructed 72,000 were handed over to the beneficiaries. However, the IHDP has been suspended in the regions for reasons like: the condominium blocks have been described as „an eye-sore“ in the smaller low-rise provincial towns and demand has been low due to considerably lower purchasing power in the regions than in Addis Ababa (*UNHABITAT 2010*).

Recently, the government has started implementing a new housing project in Addis Ababa which is divided into four different categories based on payment modalities: 10/90, 20/80, 40/60 and housing association. The payment modality for the last one (housing associations) necessitates hundred percent upfront settlements, while the others incorporate 10, 20 and 40 percent down payment by individuals mixed with a long-term mortgage plan, (Ebisa, 2014). According to Ebisa (2014), majority of the people demanding houses focused on the former three alternatives. Registrations for 10/90 and 20/80 schemes took place from June 10 to June 28, 2013 followed by the 40/60 and individual housing construction associations.

## **2.7. RESOURCE MANAGEMENT**

Resource management “is the efficient and effective deployment and allocation of an organization's resources when and where they are needed. Such resources include financial resources, inventory, human skills, production resources, or information technology” (glossary.tenrox.com, n.d.).

### ***2.7.1. Condominium Resources Management***

One of the resources in the construction of condominium houses is land. As stated in the Constitution Property Right Article 40(3), land is a common property of nations, nationalities

and peoples of Ethiopia and shall not be subject to sale or to other means of exchange. All land is property of the national government and is leased, not sold, for development. The government introduced a lease system to administer land in most of the cities of Ethiopia however, privately owned land have major share in the land administration system (MUDHC, 2005 E.C.). Poor filing and registration system, and absence of sufficient and reliable information/data on urban land, it is becoming a barrier for the housing development program (MUDHC, 2005E.C.). As cited in UN Habitat (2010) and stipulated in Proclamation No. 272/2003, land is provided free of lease charge for low-cost housing or condominium housing project

Other major inputs in condominium housing construction are construction materials. According to Tameru (2009), the availability of alternative building materials and introduction of advanced construction technology is limited and, their cost constitutes 70 percent of the total construction cost. The other major input in this program includes finance. As stated by the Governor of National Bank of Ethiopia, the financial budget of this program is the second largest investment next to Abay dam construction.

### *2.7.2. Financial Resource Management*

**Financial Management** means the efficient and effective management of money (funds) in such a manner as to accomplish the objectives of the organization (Wikipedia). According to Maheshwari, (n.d), "Financial management is concerned with raising financial resources and their effective utilization towards achieving the organizational goals."

The Integrated housing development program/ Condominium housing construction is complex and challenging. It necessitates huge investment from the government; it may also require more costs due to delays, changes, and accidents. The houses being constructed are expected to be of good quality and low cost.

Besides the availability of land, finance is the other overarching resource in urban poor housing development and its availability and cost that matter most. Finance plays an integral role in housing production as it filters through the whole housing development process, from land acquisition to putting up the housing structure (Gumbo, 2005). Paradoxically, the country has very few formal financial institutions and they have over the years proved to be incapable to serve the urban poor (Peck and Yohannes 2009). The few commercial banks and private housing

developers are only providing financial services to the rich and government sources only reach a few urban poor.

According to Addis Standard News Letter (2012), the government has so far spent more than 15.4 billion Birr for building 207, 000 housing units nationwide of which 140, 000 are located in Addis Ababa and built at a cost of 7.8 billion birr.

Teklewold Atnafu, Governor of the National Bank of Ethiopia (NBE) stated that the government needs 67 billion Birr to construct the condominium houses for all registrants (Capitalethiopia, July 2013). This makes the current condominium construction one of the biggest projects that the country is undertaking [in terms of the amount of money]. The condominium construction will be second only to the Great Renaissance Dam (GRD) which consumes USD 4.2 billion, roughly 80 billion Birr (Capitalethiopia, 2013).

As per MUDHC's Urban Housing Supply Strategy Policy Framework (2005 E.C.), regional states and City Administrations should avail finance for construction of condominium housing for the poor. The fund will be collected from the home owners over a long term payment arrangement. In order to achieve these objectives different options as to source of finance, prioritize the beneficiaries and amount and time of transfer clearly stated.

According to UNHABITAT (2010), the condominium housing programs are financed by the regional states and City Administrations budget. The Regional State Governments and City Administrations issue bonds to the Commercial Bank of Ethiopia which is the major source of finance for condominium housing construction projects. Other source of finance is the down payment collected from condominium lottery winners (UNHABITAT2010), According to Ebisa (2014), one of the major changes observed in 2013 related to the grand housing program after its inception in 2004 is the requirement to deposit from 10 – 100 percent of the estimated cost of houses before entering into the lottery system to get houses. And also a 20 - 100 percent down payment form condominium housing lottery winners.

According to Addis Fortune (2012), the payment arrangements indicated that the total cost of a house built for the low income project is 76,615 Birr, of which the government will subsidize 50,544 Birr. The deposit that the buyer is expected to save with the CBE is only 4,495 Birr. The

rest of the money, amounting 21,576 Birr, can be obtained from a CBE loan with 17 years of servicing (Ebisa, 2014).

Until recently, people who won in the condominium housing lottery are expected to pay 20 percent of the total amount in advance (UNHABITAT2010), for the remaining amount beneficiaries enter into a contractual loan agreement with the CBE on the basis of monthly interest and principal repayments (UNHABITAT2010). Initially, interest rates for studio units were zero per cent and 2 per cent for 1-bedroom units, but the system has been changed and includes annual interest rates of 8.5 per cent for all units (UNHABITAT2010 :p19). The new approach to this program was that the project is supposed to be part-financed by the new home owners. Given their extreme poverty and lack of collateral, it is not clear how they will ever be able to repay their subsidized loans.

### *2.7.3. Benefits and Challenges of Resource Management in Condominium Housing*

The low level of domestic savings of the population, coupled with the shortage of external resources, has affected the availability of investment in the housing sector (UNHABITAT, 2010). As cited by UNHABITAT (2008:p18), the government is relying on considerable international support, given its own poor financial base. It is estimated that housing will take a full 56 percent of the total urban development bill in the next ten years, amounting to USD3.5 billion, (MoFED, 2005:p44).

At the prevailing income generation capacity of the low-income population, even houses of a minimum standard have simply been out of financial reach for the poor. Hence, the IHDP envisages

*...the utilization of housing as an instrument to promote urban development, create jobs, revitalize the local urban economy through MSE development, encourage saving and empower urban residents through property ownership, and develop the capacity of the domestic construction industry. (MUDHC, 2005 E.C.)*

The following are some of the IHDP practices in resources management:

According to UNHBITAT,

*the IHDP has tight costing and quantity surveying mechanisms that aim to minimize construction costs. The MUDHC are responsible for purchasing all construction materials, in bulk and therefore at low prices. Contractors are engaged on fixed-cost contracts, which reduce the burden of soliciting for, receiving, and choosing tenders for each job. The material requirements for each condominium block are calculated and the exact material quantities are given to contractors. This centralized system minimizes wastage, helps to keep records for material supplies and distribution, and enables any surplus materials to be used on other site. | (UNHBITAT 2010)*

The following are some of the challenges in resources management:

- The current financial approach underpinning the program is unsustainable. In order to continue the program and meet the ambitious completion targets, securing finance is necessary. Commencing projects requires considerable funding and capital outlay from city government finances, which are reported already stretched, (UNHABITAT, 2010:p40).
- The affordability of units for low-income households and the unsustainable financing of the program as a whole (UNHABITAT, 2010:p40) and an issue is at stake.
- The escalating prices of construction materials (*Tameru 2009.*) also raised the expenditures of the housing projects. In turn, this huge project has been considered as one of the reasons for the price increase of building materials,
- The huge expenditure has pushed the government to suspend new constructions, fearing the inflationary impact, according to Cities Alliance(2009),
- As cited by Gumbo (2010), the poor/low income people although they can win the lottery to take up government constructed condominium houses fail to pay up the 20 percent down payment and the houses are offered to the next person on the waiting list due to lack of finance.

- According to Addis Ababa City Government (2002 E.C.), on this lottery program, 30 percent of the houses were reserved for women, and the remaining 70 percent were given equally to both men and women who won in the lottery draw. Higher priority was given to women so as to help them with the acute economic problems they are facing and to improve their role and capacity in the society (Ezega.com, 2009), however, most of the winners face problems to pay the down payment.
- While the IHDP has the laudable aim of targeting the low-income sector of the population, unfortunately experience has shown that the „poorest of the poor“ are not benefiting from the IHDP due to inability to afford the initial down-payment and monthly service payments (UNHABITA, 2010). With regard to financing sources the program as whole will face problems of sustainability (UNHABITA, 2010).
- As started on UNHABITAT,(2010), the MUDHC are responsible for purchasing all construction materials, in bulk and therefore at low prices. Contractors are engaged on fixed-cost contracts, which reduce the burden of soliciting for, receiving, and choosing tenders for each job. However, As per the Federal Ethics and Anti-corruption Commission of Ethiopia (FEACC) on 7 September 2014 pressed charges against former official of the Addis Ababa Housing Development Project Office and another unnamed individual in connection with a suspected corruption offence in a procurement process. According to the charge, the higher officials of the Project Office approved the procurement of substandard sanitary goods that were meant to be used for the newly-built condominium houses in the City. According to the Commission, the Former Official had the information that the sanitary goods to be procured from the supplier were substandard and used his power to approve the procurement of the goods while knowing about their substandard nature. The Government lost 81,353,707 Birr to this corruption, it was learned, (Federal Anti-Corruption Commission News , 2014).

If these challenges left unaddressed, they will jeopardize the long-term success of the program and its ability to achieve its aims of slum reduction and prevention, economic growth, and improvement in the living conditions of the low-income population.

## CHAPTER THREE: RESEARCH METHODOLOGY

This chapter briefly describes the research methodology used in the study. It describes the sample design, target population, the data sources, methods of data collection, and methods of data analysis, sample technique, ethical consideration and validity and reliability of data collection instruments.

### 3.1. DESIGN and APPROACH

This research project tries to assess the performances of IHDP with particular reference to AAHCPO. Qualitative research method/survey has been applied for collecting data. In addition, quantitative method is used to compute and analyze data collected from the officials of IHDP and employees of AAHCPO and contractors on issues related to condominium housing project; as policy makers, planners, program implementers and residents of condominium houses.

### 3.2. DATA COLLECTION METHODS

Both observation and survey methods of data collection in selected condominium sites in Addis Ababa were used in the research project. Questionnaires prepared for this purpose were completed by residents and employees of AAHCPO and IHDP. In addition, interviews were conducted with officials of IHDP and contractors. Published and unpublished documents of IHDP and AAHCPO were used to substantiate the information with facts and figures.

Government, private construction companies, consultants and architects were selected as key informants based on their roles in the housing sector at Addis Ababa levels, which include the following:

- Housing Transfer and Finance officials at IHDP for their role in Policy making and overall direction of the housing development program;
- AAHCPO employees as implementers of the housing program
- Staff members of the Commercial Bank of Ethiopia as providers of condominium housing loans to beneficiaries and purchasers of bonds from the City Administration.

Individual interviewees were selected on the basis of the following criteria:

- Relevance of their position and knowledge to the condominium housing issues;
- Their stay on the job for at least six months;
- Willingness to provide information.

### **3.3. POPULATION and SAMPLE DESIGN**

The target populations were condominium houses constructed by AAHCPO and distributed to people through lottery system or any other means. In Addis Ababa 80,230 condominium housing units have been constructed and of which 52,548 houses have been transferred to beneficiaries so far. These houses are taken as target population for the study. Because it is difficult to get information about houses that are in process of construction. Cluster sampling techniques is used to select condominium sites from categories of condominium houses constructed and distributed to beneficiaries at various times i.e. respondents are selected from those condominium houses distributed before five years and above; and those distributed within the last five years.

### **3.4. SOURCE OF DATA**

In this research both primary and secondary data sources are used. The primary data is collected through a questionnaire to be filled by IHDP's staff and residents of condominium housing units and interviews/discussions with staff of organization that work on the issues. The secondary data sources are published or unpublished documents from the MUDHC, IHDP and AAHCPO. Journals, Magazines, Newsletters and Publications from other sources are also used.

### **3.5. SAMPLING METHOD AND SAMPLE SIZE**

The selection of the samples is based on cluster, stratified and simple random sampling methods. Using the cluster method, Condominium sites were selected based on the number of years they are occupied by beneficiaries. The sites were clustered into first generation i.e. houses constructed and transferred to beneficiaries during the period 2005–2008 (112 sites) and the second generation from year 2009–2012 (15 sites). In order to take into consideration changes made on the condominium houses and focusing on the recently constructed sites, four sites (two

from each group namely, Ras Mesfin Meda and Signal for the first generation and Semit and Hayat sites for the second generation) were randomly selected. Then blocks in the site were clustered by the number of floors i.e. three, four or five floors blocks. Following this, blocks within the cluster were randomly selected. Finally, houses in a block were again clustered according to their topology and respondents were identified according to types of residential complexes they own. Therefore the distribution of samples in each type of condominium housing units is based on the proportion to the total number of units in the site. Finally, respondents were selected randomly from each topology or housing types i.e. studio and from one-bed room up to three-bed rooms.

The sample size is determined using finite population formula after the condominium housing site is selected. According to the finite sample size computation the minimum sample size is 384 condominium houses and determined using the following formula:

$$n_o = N * X / (X + N - 1),$$

*Where,*

$$X = Z_{\alpha/2}^2 * p * (1-p) / MOE^2, \text{ and}$$

$n_o$  = sample size with finite population

$Z_{\alpha/2}$  = is the critical value of the Normal distribution at  $\alpha/2$ , 95%

MOE = is the margin of error 0.05,

P = is the sample proportion 50%, and

N is the population size equal to 52,548

(Table 3.1 below). All these are used because they are common choices. A sample size of 10% of AAHCPO employees from a total of 280 were randomly selected based on their place of assignment i.e. finance, purchasing and supplies, contract management, and design sub-processes. This is because size of the population is small.

Table3. 1 Target and Sample Population

<i>Target Population</i>		<i>Minimum Sample size</i>	<i>No. Questionnaires</i>			<i>Returned Questionnaires</i>	
<i>Description</i>	<i>Size</i>		<i>Distributed</i>	<i>Not Returned</i>		<i>No.</i>	<i>%</i>
<b>Residents</b>	52,548	384	384	No.	%	No.	%
				161	41.9	223	58.1
<b>Employees</b>	280	30	30	9	30	21	70

Source: Own Survey

From a total of 384 questionnaires distributed to residents, only 58.1% returned. Out of these, 15 questionnaires were found to be invalid. With regard to employees, 70% of the questionnaires were returned.

### **3.6. METHODS OF DATA ANALYSIS**

Mainly qualitative data analysis method was used in the study. Specifically, descriptive method was applied to analyze and explain the results of the interviews and discussion. In addition, statistical method of data analysis (frequency distribution system) was used to analyze data collected through questionnaires. An SPSS (Stats Practically Short and Simple) 15.0 version used to calculate the frequency of the data.

### **3.7. VALIDITY AND RELIABILITY TESTS**

The major data collection instruments to be employed in this research project were questionnaire and interview which were checked for validity and reliability by testing the questionnaire first with selected sample respondents and then modifying the questionnaire and interview questions on the basis of feedbacks.

### **3.8. ETHICAL CONSIDERATIONS**

A letter of introduction from Addis Ababa, University, College of Business and Economics, the Management Department was given to AAHCPO. Participants of the study were informed about the objectives of the study emphasizing that the data is used only for the intended academic purpose. The data was collected using questionnaire or interview techniques and was done with full consent of the participants. A statement that clearly indicated their participation is only in voluntary basis and they were advised not to include their names and address on the questionnaire. Also interviews with IHDP officials and contractors were conducted up on their willingness and full collaboration. Careful attention was given in respecting the rights, needs, and values of the participants; and maintaining confidentiality of the data and acknowledging sources of information.

## **CHAPTER FOUR: RESULT AND DISCUSSION**

This chapter discusses the results of the research questions distributed to respondents.

### **4.1. BENEFICIARIES OF THE PROGRAM AND ITS EFFECTS ON LIVELIHOODS**

The Government of Ethiopia aimed at solving the low-income housing problems, set an initial goal of condominium housing program; and in 2004 planned to: construct 400,000 condominium housing units; create 200,000 jobs and development of 10,000 micro and small enterprises (MSEs); enhance the capacity of the construction sector, regenerate inner city slum areas; and promote homeownership for low-income households (MUDHC, 2010). To achieve these goals, the Government established an Integrated Housing Development Program (IHDP)/commonly known as condominium housing program with the objectives of:

- ✓ Alleviating problems of housing shortages
- ✓ Realizing housing ownerships by urban dwellers
- ✓ Creating employment opportunities and reducing the wide spread unemployment in cities and towns
- ✓ Increasing incomes and thereby improving the living standards of the urban population, by promoting saving culture, strengthening the construction industry, and implementing large scale urban upgrading & renewal programs.(AAHCPO, 2005 E.C.)

#### ***4.1.1. Beneficiaries of the Integrated Housing Development Program***

As reported by MWUD (2010), during the period 2006/07 to 2009/10, it was possible to construct more than 151,043 housing units and to create 175 thousand jobs opportunities throughout Ethiopian cities/towns. In addition about 6 thousand small and medium enterprises participated in the program (IHDP). Within this period, it was planned to construct 192,500 housing units in Addis Ababa, of which a total of 80,230 housing units were constructed and distributed to beneficiaries. As per the responses given for interview questions by officials of Housing Transfer and Administration Agency, objectives of constructing low cost houses for low and middle income groups has been realized. As sample studies indicate (Table 4.2 below) 8.5% are estimated to be earning a monthly income of less than or equal to Birr 1,200. Similarly, 72.3% of the houses are owned by those who earn between 1,201 and 15,000; and 19.1% by

those by high income earners who get more than Birr 15,000 per month indicating that those with higher income groups also benefited from this program.

**Table 4.2. Income Groups and Ownership Type**

Income in Birr	Ownership Type									
	Rent		Bought		Relative/Friend		Resettlement		1st Owner	
	Count	%	Count	%	Count	%	Count	%	Count	%
≤ 1,200	5	5.4	2	12.5	2	100.0	1	33.3	8	8.5
1,201 - 5,000	18	19.6	5	31.3	0	0.0	1	33.3	46	48.9
5, 001 - 10,000	30	32.6	5	31.3	0	0.0	0	0.0	14	14.9
10,001 - 15,000	16	17.4	2	12.5	0	0.0	0	0.0	8	8.5
>15, 001	23	25.0	2	12.5	0	0.0	1	33.3	18	19.1
	92		16		2		3		94	

Source: Own survey

From the above sample study results (table4.2), one can generalize that the Program's objective of providing housing for low income group was not fully attained. Interviews conducted with some of the officials in IHDP indicate prevalence of problems in the first registration process. Clear registration criteria were set for applicants in Addis Ababa. However, some people who did not fulfill these criteria i.e. person who own a house and/or land have benefited from this program. According to interviewees, this was discovered later after the distribution of houses to individuals indicating that those who have the capacity to invest huge amount of money also benefited more relegating aside the targeted poor. Because there was not any established system to differentiate those who have houses in their names or spouses from those who have not. The second reason is corruption which has been the main challenge of the housing subsector. As a solution for these problems, IHDP is now strengthening its data registration, management and processing system. In addition it encourages people to give information about people who own a house/land and benefited from the ownership of condominium houses

#### ***4.1.2. Who Are Residing in The Condominium Houses? Did the Intended Low Income Earners Benefit from the Program?***

As Table 4.3 below indicates, out of the total 223 respondents 46.64% the houses are resided by first beneficiaries who received the house from the program; and 43.95% are tenants who rented the houses from owners; and 7.17% of the houses are sold out by beneficiaries or claimants.

In terms of benefits, it is evident that those who are living in their houses are benefiting from relatively better housing conditions. They have their own toilet and shower rooms, kitchen and bed rooms (except for studio types). Regarding availability of basic facilities, 68.2% the respondents complain that infrastructures like access roads and basic facilities/utilities including water and sewerage system were not constructed or not in good conditions when the houses were transferred to beneficiaries.

As per the arrangements made with the Bank, beneficiaries have to repay loans as scheduled. If they fail to do so, the Bank has the right to sell the houses on auction basis. Discussions with condominium owners, residents, and those who have direct access to condominium houses revealed that beneficiaries of the program who cannot afford to live in the houses rent it at higher prices. Alternatively, they live in other areas at lower prices and use part of the rent income to repay the loan; and make their living on the remaining. This implies that the program also helped beneficiaries to improve their living standards through additional rent income. IHDP has nowadays changed the image of the city from slums and dilapidated houses to a high rising buildings with better access to infrastructures i.e. roads and utility lines.

**Table 4.3. Ownership Type and Housing Topology**

		<i>Housing Topology</i>										<b>Total</b>	
		<b>Studio</b>		<b>1-Bed Room</b>		<b>2-Bed Rooms</b>		<b>3-Bed Rooms</b>		<b>Shop</b>			
		<b>No.</b>	<b>%</b>	<b>No.</b>	<b>%</b>	<b>No</b>	<b>%</b>	<b>No</b>	<b>%</b>	<b>No</b>	<b>%</b>	<b>No</b>	<b>%</b>
<i>Ownership Type</i>	<i>Rent</i>	21	9.42	51	22.87	15	6.73	9	4.04	2	0.90	98	43.95
	<i>Bought</i>	2	0.90	7	3.14	5	2.24	2	0.90	0	0.00	16	7.17
	<i>Relative/Friend</i>	0	0.00	0	0.00	0	0.00	2	0.90	0	0.00	2	0.90
	<i>Resettlement</i>	1	0.45	1	0.45	0	0.00	1	0.45	0	0.00	3	1.35
	<i>Ist Owner</i>	23	10.31	38	17.04	30	13.45	13	5.83	0	0.00	104	46.64
<b>Total</b>												<b>223</b>	<b>100</b>

Source: Own Survey

### 4.1.3. Allocation and Distribution of Condominium Houses

Basically, condominium houses are distributed for individuals who win lotteries and displaced from their houses for renovation/regeneration programs. Both groups are expected to pay 20% of the price as down payment and sign loan contract agreements with CBE for the balances. The criterion equally applies to both groups without any preferential conditions for those who have been displaced from their houses for renovation/regeneration purposes. If the displaced individuals who are living in Government owned Kebele houses fail to pay down payments, they will be transferred to another Kebele houses. This process still creates a slum/congestion in other parts of the city. There is also a possibility for expansion of squatter houses in the periphery of the city.

The IHDP states that priority will be given to female in which only female applicants will draw lottery for 30% of the housing stock made available for distribution. In addition, they will be given equal chances with male to compete for the remaining 70% draw. The results of the draw posted on the Newspapers show that more women were on the list than men.

**Table 4.4 . Condominium House Owners by Gender**

Gender	First Owners	
	Count	%
Male	44	42.31%
Female	60	57.69%
Total	104	

Source: Own Survey

This is also confirmed by the responses of randomly selected sample households which accounted 57.7% female and 42.3% male (Table 4.4 above).

Condominium houses were distributed when they are about 80% completed, additional costs necessary for finishing purposes or cost of maintenance are born by the beneficiaries.

## **4.2. MAJOR CONTRIBUTORS OF FINANCIAL RESOURCES, RESOURCE MAGNITUDE AND TERMS AND CONDITIONS TO BENEFIT**

### ***4.2.1. Major Financial Resources Contributors, Resource Magnitude Collected So Far***

As per the interview conducted with the IHDP officials, the major financial source for construction of condominium houses are bonds issued to Commercial Bank of Ethiopia by Regional Governments or City Administrations. The bonds are expected to be paid within five years. The 2nd source is budget from the Regional Governments and City Administrations which is used to cover administrative costs like employees' salary, office equipment, shades, and other costs normally related to housing construction projects. The fund from the bond is used only for construction related expenditures and administrative costs are covered from the budget.

In responding to the same question, majority of Employees of Addis Ababa Housing Construction Project Office confirmed the above mentioned sources, but added owners contribution as a third source i.e., finance generated from house owners in the form of savings or down payments.

According to IHDP (as indicated in Table 4.5 below ) total finance secured up to June 30, 2014 for housing development program from selling of bonds including interest has reached Birr 31.33 billion (Birr 27.96 billion bond sale and 3.37 billion interest). Of this balance, significant amount (21.2 billion) has come from the sale of Bonds by Addis Ababa Housing Construction Project Office, followed by Regional Governments of Oromia, Birr 2.69 billion and Amhara, Birr 2.04 billion, SNNP Birr 1.36, Tigray Birr 1.13 billion, etc.

Out of the total bond sale of 31.33 billion, Birr 13.05 billion was repaid by Regional Governments or City Administrations; or the bank has collected the loan from beneficiaries or entered into contract with beneficiaries until June 2014. This leaves an outstanding balance of Birr 18.28 billion or 58.3%. With regard to payments, Amhara and Harari have repaid 100%, followed by Dire Dawa (92%), SNNP 76.6% and Tigray 75.2%. Compared to Regional Governments and other City Administrations the amount repaid by Addis Ababa City Administration was very low (31.1%).

**Table 4.5 Bonds Issued and Total Outstanding Loan up to June 30, 2014, in Birr**

Region	Total Amount of Bond Issued (1)	Total Interest (2)	Total Amount of Loan (3 = 1+2)	Total Amount Re-Paid	Total Outstanding Balance	Repayment in %
Oromia	2,136,000,000	559,933,518	2,695,933,518	1,865,893,511	830,040,007	69.2
Amhara	1,764,000,000	277,814,988	2,041,814,988	2,041,814,988	-	100.0
SNNP	1,100,000,000	248,231,788	1,348,231,788	1,031,147,555	317,084,233	76.5
Tigray	910,000,000	222,108,464	1,132,108,464	851,335,800	280,772,664	75.2
Harrari	199,000,000	33,586,488	232,586,488	232,586,488	-	100.0
Dire Dawa	280,000,000	76,938,781	356,938,781	328,778,355	28,160,426	92.1
<b>Sub Total</b>	6,389,000,000	1,418,614,026	7,807,614,026	6,351,556,697	1,456,057,329	81.4
AAHDP	19,400,000,000	1,846,710,722	21,246,710,722	6,610,961,283	14,635,749,439	31.1
40/60	2,175,000,000	109,586,882	2,284,586,882	93,929,346	2,190,657,536	4.1
<b>Grand Total</b>	27,964,000,000	3,374,911,630	31,338,911,630	13,056,447,327	18,282,464,304	41.7

Source: IHDP Unpublished Data

#### 4.2.2. Budget Utilization: Office of Addis Ababa Housing Construction Project Office

During the fiscal year 2007 to 2011 a total of Birr 15.9 billion budget was approved for Addis Ababa Housing Construction Project of which only Birr 8.9 billion or 55.89% was used for implementing the condominium houses This comprises Birr 7.6 billion Construction related expenditures and Birr 1.3 billion Administrative expenses. The period also accommodated a huge amount variation payment which, on the average, reached 44.14% the total budget allocated for the project (Table 4.6).

**Table 4.6: Budget Utilization/Performance during the Fiscal Year 2007 -2011 (Birr in'000,000)**

Year G.C.	Approved Budget	Total Costs					Total
		Salary & Working Capital	Construction	Infrastructure	Compensation	Administrative	
2007	1,429	680	1,308	23	10	713	2,021
2008	2,585	130	2,171	195	30	355	2,526
2009	1,500	68	1,481	175	51	294	1,775

2010	3,700	460	1,750	-	-	460	<b>2,210</b>
2011	6,700	43	863	66	-	109	<b>972</b>
<b>Total</b>	<b>15,914</b>	<b>1,381</b>	<b>7,573</b>	<b>459</b>	<b>91</b>	<b>1,931</b>	<b>9,504</b>

Source: AAHCPO Unpublished data

#### ***4.2.3. The Terms or Conditions for Register and Benefit***

To benefit from the housing development program/own a condominium house, the Addis Ababa housing Construction Project Office has set the following terms and conditions:

- The beneficiary should be at least 18 years old,
- She/he should not own a house/land and should not have sold a house/land before,
- lived in Addis Ababa for more than 2 years, and
- She/he should pay 20 percent or more of the price of the house immediately at once and sign a contract with CBE for the remaining amount. But, currently, due to change of policy, the registrant is expected to deposit monthly the minimum amount required depending on the topology of house they registered for, in a specially designated account with CBE until it reaches from 10%–40% of the estimated value of the house within two to seven years. (for example in 20/80 program for those already registered in the previous registration program should deposit monthly for three bed room Birr 685, for two bed rooms Birr 561, for one bed room Birr 274 and studio Birr 151 for five years). For the new registrant Birr 489 for three bed rooms, Birr 401 for two bed rooms and Birr 196 for one bed room for seven years and there is no studio type in this program.) (AAHCPO, 2005E.C.)

### **4.3. CRITICAL PROBLEMS IHDP/GOVERNMENT AND MEASURES TAKEN TO ENCOUNTER THE PROBLEMS**

The most critical resources required by IHDP/AAHCPO to implement the condominium houses are land, finance, construction materials and human resources. Of all these inputs, finance plays the leading role. This was justified by the Governor of NBE who once mentioned that the investment magnitude required to implement the IHDP is next to the Renaissance Dam.

As cited in UN Habitat (2010) and stipulated in Proclamation No. 272/2003, land is provided free of lease charge for low-cost housing. Hence, costs related to infrastructures including access roads, drainage system, water supply and electricity covered by the City Administration. Daily Laborers are recruited and employed by the contractor but AAHCPO assigns SMEs" according to the nature of the job. As this program requires huge amount of finance and involvement of many organizations and individuals, managing such resources have been the most challenging task for the government in the realization of the program.

#### *4.3.1. Repayment of Loans by Beneficiaries*

According to data collected 56.6 % of the first owners didn't pay full values of the houses. This means CBE has to collect payments from both beneficiaries and the City Administration. So far, the Bank did not foreclose condominium houses of loan defaulters; it only communicated or reported the case to Kefle Ketemas where the condominium houses are constructed. It is evident that Bank has to get back its money from the borrowers (Regional Governments, City Administrations and beneficiaries) in one way or another. However, before taking foreclosure measures on defaulters of condominium housing loans, the Bank has to discuss the issue with the Government regarding the social-economic, income and political impacts of the foreclosure measures. This creates financial constraints for additional construction projects.

#### *4.3.2. Problems Related to Corruption*

One of the challenges in financing of condominium houses is corruption. This has remained as a latent, but challenging component of the condominium housing system since the inception of the program. Employees of AAHCPO who responded in the questionnaire mentioned that corruption is wide spread in the Program due limitations or absence of proper control or organized financial management system and monitoring mechanism.

Condominium housing program requires a huge finance and involvement of many organizations and individuals. Hence, managing such huge investment is by itself a challenge for the government. Corruption manifests itself in different forms.

- a. Information released on different media by Regional and the Federal Ethics and Anti-corruption Commissions indicate that quite a significant number of employees,

businessmen, contractors, supplies have been alleged of profound corruption related to condominium housing. A number of them have been penalized for their wrong deeds. For instance, according to announcement made on September 07, 2014, by the Federal Ethics and Anti-corruption Commission of Ethiopia, the Government has lost 81,353,707 Birr due to corrupt practices involved in procurement of substandard sanitary goods for newly constructed condominium houses

- b. Concerning contractors, there are many corrupt practices observed in the condominium housing construction process. Contractors are supplied with materials necessary for the construction. During the transit of materials from store to construction site, at least three parties are involved namely, contractor, guard assigned from AAHCPO, and the driver. According to one of the interviewee, these people collaborated and took the materials to other places for personal use, but were discovered later.
- c. The other means of misappropriating materials is that during the process of issuing materials contractors are forced to receive defective or poor materials by store keepers (e.g. contractors collect at least four quintals of cement put in a plastic bag or improperly packaged cement which is a collection of dust). In this case the store people are saving the good once for their personal use.
- d. In the process of distribution, suppliers sometimes intentionally or unintentionally mix poor quality or defective materials. Once the materials are dumped in the construction sites, nobody bothers about quality or defectiveness. SMEs also supply steel doors and windows hollow blocks and prefabricated agro-stones, cobblestones; and also participate in construction works. If a particular SME assigned by the AAHCPO is not doing his job properly or produces poor quality materials, the contractors have no right to fire them, but report to AHCPO, if the contractor complains and request the office to fire then the issue will be politicized as this is against the government's policy objective of creating jobs for SMEs.
- e. According to previous arrangements made with contractors, contractors are required to cart away all scrap materials from the project sites up on completion of projects. However using this opportunity, contractors take useful materials together with scrap ones. They put it into pieces/cut it as they need it for their personal uses/and remove it from the site as a scrap. These are irresponsible and unprofessional output manifested

during the construction. For instance contractors cut reinforcement bars that are in excess into different pieces so that they can be used for constructing other buildings later and take away together with other materials as scrap.

- f. Due to lack of systematically compiled data , that give full information on houses not distributed to beneficiaries, lawless individuals break unoccupied houses, do maintenance or finishing works and start living without legally owning the houses and effecting payments. This is an open secret discussed in various local radio and television programs.

#### *4.3.3. Problems Related to Poor workmanship, Inferior Quality and Rework*

In general, most contractors working in the construction of condominium houses are beginners with low levels of construction skills and capacity to discharge their duties. Most small contractors join the condominium houses to get letters of work experiences and use the project as a stepping stone for other bigger works. Similarly, with the objective of creating job opportunities to the urban poor, SMEs are assigned without qualification and proper on-the-job training. The cumulative effects of these are manifested by poor workmanship on the buildings. Ato Tadele A. W/Ma, contributor to Reporter news letter (04 May 2013), said “If it were not for the dazzling paintings colorfully applied to the constructed condos, facts and figures of failed works would have been at the tip of the fingernail of everybody”. Also as stated in UN Habitat (2010), construction quality has been affected by micro and small enterprises who seek more and more profit by using cheaper substandard fixtures. According to AAHCPO's Communications Head Ato Kassa Woldsenbet, “The projects are given to small & micro enterprises (SMEs) and they, no doubt, have some limitations in doing these jobs, as is the case with many of our country's construction workers. We do not expect perfect works, but we train our workers to have better capacity before and after they are contracted to do the job.” (Fortune News Letter, Wednesday, October 08, 2014). The problem of substandard construction of condos emanates from the urgency of the government to satisfy the pressing citizen's demand for houses. Exploiting these opportunities, irresponsible and unprofessional Contractors and consultants continue producing poor quality houses. Therefore, poor workmanship is a problem in all the condominium houses, which causes wastage of both material and financial resources, and takes time for rework. It also affects price of the houses due to increased time/inflation/ and material usage.

To control quality and achieve the desired standards of houses eight consultants were employed under Addis Ababa City Administration. Despite their presence, most of the houses constructed are poor or very poor standard. To get direct information from beneficiaries regarding quality of houses, 384 research questionnaires were distributed to residents of which 223 were replied. 35% of the sample beneficiaries responded that the qualities of houses in which they are living are poor or very poor; and 47.9% good. On the other hand, 14.75% and 2.3% of them rated their houses as very good or excellent (). During the field visit we observed well finished houses in some sites particularly in the first batch of the condominium houses and confirmed from beneficiaries that these are houses constructed as samples or for show purposes.

With regard to quality of construction materials, 62% of the respondents rated as poor/very poor. Similarly, 59%, 57% and 50% qualities of kitchen and sanitary and common properties like stairs and common rooms were rated poor/very poor respectively. By poor quality we mean use of substandard mixes of cement, gravel and sand which eventually results to cracks, and/or use of substandard construction materials and finishing items mainly water pipes, electric cables, sewage line, door, windows and locks, sanitary items etc. which usually fail to operate immediately up on completion of the construction or shortly after they are put in use. Normally, suppliers quote prices for good quality or original materials. However, during provision of materials some suppliers, who have connections to consultants, contractors and others, supply inferior quality materials. As per the interview with contractors involved in the construction of condominium houses, contractors are paid only for their services, and all necessary materials except sand, selected material/backfill, are supplied by AAHCPO. The materials are supplied to contractors based on predetermined quantity depending on the level of construction i.e. earth work, slab work, etc. Contractors are expected to verify the quality/condition of materials when they receive it. Since the items supplied to the contractors are used for at least one block/four to five stairs/, sometimes it is difficult to check each and every item supplied to them. Also they cannot claim any defect after they received it. Hence, some condominium houses are fixed with poor quality/defective items, and problems emerge when people start using them. Maintenance and finishing works, which are the responsibilities of the beneficiaries, are always necessary as most beneficiaries experience malfunctioning of water pipes, electric cables, sewage lines, doors and windows also all houses were transferred without interior doors i.e. all bed rooms and the

kitchen have no doors. Data from sample responses indicate that on average households need to invest from Birr 2,000 up to Birr 60,000 or from 2 - 60% of the original costs of the houses for maintenance and finishing purposes. This is a lot of money for the urban poor.

The contractors also stated that, if any material is not sufficient enough to complete a particular work, the contractor should cover cost of additional materials needed. On the contrary, if the supplied material is in excess, it is considered as improper utilization/poor quality construction and the contractor may be dismissed from the contract. Hence, contractors are forced to utilize all what is supplied even if it is not sufficient or excess for the purpose. This results to misutilization of resources

**Table 4.7 Residents Rating on the Extent of Problems in Condominium Houses**

	<i>Excellent</i>		<i>V. Good</i>		<i>Good</i>		<i>Poor</i>		<i>V. Poor</i>		<i>Excellent – good</i>	<i>poor/ V poor</i>	<i>n.a.</i>		<i>Total</i>
	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>			<i>No.</i>	<i>%</i>	
Rate Quality of the House	5	2.3	32	14.7	104	47.9	55	25.3	21	9.7	65.0	35.0	0	0.0	217
Access to Basic Facilities (Kitchen, Shower, and toilet)	22	10.2	49	22.7	107	49.5	29	13.4	9	4.2	82.4	17.6	0	0.0	216
Infrastructure (Road & utilities) built	32	15.1	40	18.9	74	34.9	35	16.5	31	14.6	68.9	31.1	0	0.0	212
Quality of materials used for construction	6	2.8	10	4.7	64	30.3	97	46.0	34	16.1	37.9	62.1	0	0.0	211
Down payment or Monthly repayment System	15	7.4	25	12.4	65	32.2	10	5.0	1	0.5	52.0	5.4	86	42.6	202
Conditions of Common Properties	3	1.4	16	7.5	87	41.0	71	33.5	35	16.5	50.0	50.0	0	0.0	212
Quality of Kitchen Items	4	2.0	17	8.5	61	30.5	80	40.0	38	19.0	41.0	59.0	0	0.0	200
Items Fixed in Kitchen Working Properly	3	1.4	15	7.0	59	27.7	92	43.2	44	20.7	36.2	63.8	0	0.0	213
Sanitary Items Functionality	4	1.9	17	8.1	61	29.0	90	42.9	38	18.1	39.0	61.0	0	0.0	210
Quality of Sanitary Items	4	1.9	20	9.3	68	31.8	80	37.4	42	19.6	43.0	57.0	0	0.0	214

Source: Own survey

As per the arrangement made with contractors' poor workmanship and inferior quality outputs detected during construction time or before transfer to beneficiaries should be reworked and rectified by contractors or SMEs at their own expenses. This process delays delivery of housing units to beneficiaries which in turn results in a significant amount of financial loss.

The other problem/challenge in IHDP is delay in both construction process and transferring of houses to beneficiaries. One of the requirements in constructing low cost houses is building them in short time. As per UN Habitat (2010), time-saving construction on-site help to achieve the target construction time of between one and one-and-a-half years per condominium site. As time passes inflation affects cost of materials and labor. Construction delays are a major issue facing the program. UH Habitat (2010), stated that the productivity of the construction phase has not been as efficient as planned during the program's implementation thus far due to gross material shortages, lack of adequate infrastructure, and poor construction management are delaying completion by as much as a year on some sites. The delay in construction also causes delay in transferring of houses to the beneficiaries. The previous practices were that beneficiaries pay both down payment and monthly loan repayment only after receipt of the houses. All payments (bond plus interest) that come before the transfer of houses to beneficiaries are paid by the City Administration from its budget as per the agreement. This again creates problem for both the Bank and City Administration to raise another fund through bond issuance. The officials remarked that the Bank provides them always less fund than what they want. Delay in construction and transfer processes is also a problem in financing the program.

Rework and delay have an impact on cost of construction and price of houses to be transferred to beneficiaries. Delay is one of the problems in housing construction program. As reported on Voice of the Cities, Amharic Monthly News Letter, 01 No. 31 (Nehase, 2006 E.C.) The City Administration sometimes transfers condominium houses when 80 percent of the construction works are completed. In such cases, Lottery Winners have to wait for one or two years after the announcement. During these periods, costs of construction and finishing materials increase both to beneficiaries and the IHDP.

As per data compiled from the respondents more than 11% of the delays are associated to input supply. Similarly rework assumes more than 11% of total construction cost.

#### *4.3.4. Policy Related problems*

##### *1. Problems Related to Financing of IHDP*

But when it comes to condominium related housing developments, the Ethiopian Government position is to undertake the construction of condominium houses for low and middle income earners by itself including shouldering the burden of finance although beneficiaries are required to cover the cost after the construction is completed. The main source of finance is sale of bonds to the Commercial Bank of Ethiopia. Other banks be it government or private are not expected to involve in financing of the Project. This is a wrong premise which relies on a single Bank. CBE is a financial institution established to provide all finance related services and make profit. As government owned bank it has other obligations of financing other huge projects. In this regard it has limitation to finance single handedly a housing venture project which costs tens of billions Birr.

The other source of finance is savings by beneficiaries. This too has limitations as target beneficiaries are low and middle income earners who have meager income to support their livelihoods with little or no surplus to save. In addition, a lot has to be done to cultivate their staggering saving cultures.

##### *2. Limitation in Involving Private sector in the Construction of Condominium Houses*

The government is a sole promoter and implementer of the condominium houses starting from initiation of the project, preparing and approving designs, fixing of prices for all inputs and outputs, selecting contractors, consultants, training, organizing and assigning of SMEs, managing the implementations and transferring of houses despite the fact that the condominium housing project has been suffering from corrupt practices. With all these intricate problems, the Government does not seem to transfer or share some of the tasks to private sector.

##### *3. Setting of prices for construction inputs, construction works and houses*

It has become a common practice to hear the prices of houses today for the houses planned to be transferred to beneficiaries after five years. With this in mind the government fixes prices of inputs, unit rates for construction works and consultancy services.

#### **4.4. WHAT ARE THE GOVERNMENT'S FUTURE PLAN AND POLICY DIRECTIONS TOWARDS THE DEVELOPMENT OF CONDOMINIUM HOUSES**

According to Giddings (2007), a sound macroeconomic environment supported by appropriate fiscal and monetary policies holds the key to unleashing private sector capital and know-how for housing and urban infrastructure. As cited by Giddings (2007), "Perhaps the clearest lesson of the past 20 years is that housing finance does not work in unstable or inflationary environments.... Nor can housing finance be expected to be productive in a highly regulated or distorted housing market." This has led to lower levels of government borrowing and reduced interest rates, creating greater liquidity and an improved environment for the rapid expansion of private finance for housing and infrastructure (Giddings, 2007). Since Ethiopia is part of the sub-Saharan African countries, it shares some of these facts with the exception of lower levels of government borrowing and reduced interest rates, creating greater liquidity and an improved environment for rapid expansion of private finance for housing and infrastructure.

The government of Ethiopia started the IHDP in 2004. Then a decision was made by the Government to replicate it in regions without major design modifications; and without taking into consideration the social setup, economic status, developmental levels, environment, topographic, climate and weather conditions, etc. In particular no study of any kind was made and no attempts were made to modify designs. As a result houses are not appropriate to some localities were constructed. For instance houses with water boilers were constructed in Semera where the mean annual average temperature is 30°C; and Yirgalem Condominium Houses were constructed in the middle of the jungle. Because of this houses constructed in regions could not be distributed to beneficiaries; and in return the money could not be collected back as expected. After wasting significant amount of financial and material resources, the Government revised its condominium houses expansion policy and decided not to continue with the program outside Addis Ababa, but to only complete already started constructions. Regarding Addis Ababa, it decided to continue the program in a massive scale despite the policy limitations discussed under 4.3 above.

## CHAPTER FIVE: CONCLUSION AND RECOMMENDATIONS

Based on the findings of the study, the research projects presents the following conclusions and recommendations

### 5.1. CONCLUSIONS

According to the IHDP lot has been done towards achieving the objectives of the Condominium housing program, For example .in Addis Ababa alone, more than 80,000 condominium houses have been constructed and more than 175 thousand employment opportunities have been created under the program from 2007 to 2014. However, the research results indicate that some of objectives particularly those related to the objectives of owning houses by low income citizens; construction of condominium houses in the regional cities as well as raising the level of savings have not been fully attained for various reasons.

Of the most critical resources required by IHDP to implement the condominium houses land is provided freely for the construction of condominium houses. This is one of the reasons that make condominium houses relatively cheaper. With regard to finance more than Birr 31.billion has been secured from the sale of bonds to the CBE and from the budget allocated by the Regional Governments and City Administrations. Out of this sum, Addis Ababa shares Birr 21.2 billion.

During the implementation, AAHCPO has encountered a number of problems related to resources management. These include delay in approval of finance (both local and foreign currencies); delay in purchase and supply of materials and delay in transfer houses to beneficiaries. Corrupt means of purchase and supply of poor quality materials is a critical issue that deserves attention. According to the findings, most of the condominium houses have been constructed using poor quality or substandard construction materials and finishing items which, in most cases fail to operate immediately up on completion of construction or shortly after they are put in use.

According to the interview with IHDP officials and facts drawn form Table 4.4, CBE is the major financier of condominium houses. As Government Bank it has also obligations of financing other huge projects and to provide all finance related services. Because of this it takes

time to release the required fund for condominium houses. This coupled with long budget approving process, has contributed its share for delaying the construction of the houses.

As per the response to questionnaires and news from various media, corruption has remained an integral part of the condominium housing project starting from registration of applicants to transfer of houses. It also appears in different forms involving a number of organizations, individuals and government employees and officials resulting to losses of huge amount of finance and materials. In the construction process corrupt practices in purchasing poor quality materials for higher price, supplying less quantity or damaged items, collaborate and taking out materials for personal purposes. Poor workmanship is also another problem in the condominium houses caused by employing inexperienced contractors and unskilled SMEs. It causes wastage of both material and financial resources, and takes time for rework. It also affects price of the houses due to increased time/inflation/ and material usage.

The government is a sole promoter and implementer of the condominium houses; starting from initiation of the project, preparing and approving designs, fixing of prices for all inputs and outputs, selecting contractors, consultants, training, organizing and assigning SMES, managing the implementations, transferring houses.

With regard to future plans, the Ethiopian Government's position is to undertake the construction of condominium houses for low and middle income earners by itself including shouldering the burden of finance. With all the limitations, the Government still wants to make CBE as a major source of finance.

The Government has no plan to take itself out of the condominium houses construction business and leave to private sector (both financial and construction companies).

## **5.2. RECOMMENDATIONS**

In order to achieve the objective of affordable houses for low income people the government should support the applicants' registration process with information technology based system and should integrate this with the housing and land registration systems. This can filter the data and reduce the loophole in the distribution system.

Although the objective of constructing affordable houses to low and middle income people is a noble idea, it faces with a series of problems during implementations that create opportunities for few exploit financial and material resources. Delay in input supply and construction process, misutilization and wastage of resources, eventually result to increase in prices of housing units; or lead to production of poorer quality houses. Increase in price of housing units restricts the low income people from owning houses which are against the objective of providing affordable houses to low income people by the Government. Hence, it is important that a good control and internal audit system be implemented by IHDP/AAHCPO to track and minimize the misutilization of resources through corruption, wastages and delays.

To solve the problem of poor workmanship, the government through its Technical and Vocational Education and Training (TVET) program should give formal and on-the-job training and to SMEs; and employ qualified contractors at prevailing prices instead of employing beginners at prices fixed by the government. The SMEs work should be evaluated and SMES should be upgraded based on performances

Financing of condominium houses should not be limited to CBE. Other government and private financial institutions should be encouraged to involve in the construction of condominium houses.

Prices of materials and works should be regularly revised to accommodate changes. Following this private construction companies and real estate developers should be encouraged to involve in the construction process. The Government should play its regulatory role.

### **5.3. RECOMMENDATION/SUGGESTION FOR FURTHER SUTDY IN THE SUB-SECTOR**

This study was able to highlight major resources management problems and challenges encountered the condominium houses. However, as the research was undertaken to investigate the benefits and challenges of resource management in IHDP-Addis Ababa, there are more issues which need technical knowledge and further studies including extent of corruption in the condominium houses; cost and befits of using similar design and typology in cities with different social set up, topography, and climatic conditions; quality and quantity of construction materials; as well as expected lives of existing condominium buildings.

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## Annex I: Covering Letter

Dear sir/Madam

I am undertaking a research project on the topic Integrated Housing Development Program-Resource Management to fulfill the partial requirements for the Executive Master of Business Administration (EMBA) degree, at the College of Business and Economics, Addis Ababa University. To this end, I kindly request you to complete the attached short questionnaire regarding the condominium housing which you were somehow involved in as an employee or contractor, etc. It should take no longer than 10 minutes of your time. Although your response is of the utmost importance to me, your participation in this survey is entirely voluntary.

Please do not enter your name or contact details on the questionnaire. It remains anonymous. Information provided by you remains confidential and will be reported in summary format only.

Should you have any queries or comments regarding this survey, you are most welcome to contact me telephonically at 0913-34-92-56 or e-mail at [kidmerkeb@yahoo.com](mailto:kidmerkeb@yahoo.com).

With best regards,

Kidst Merkebu

November 20, 2014

Addis Ababa

## Annex II: Research Questionnaire for Employees of AAHCPO

As an employee of Addis Ababa Housing Construction Project Office (AAHCPO), you are chosen as a respondent to answer this survey questionnaire on the condominium housing /Integrated Housing Development Program/. Your answers will provide/compliment the data needed for the study. Thanking you in advance for your cooperation, I would like to assure you that your answers would be treated with utmost confidentiality.

### Section A: Background Information

1. Your gender:      Male [  ]                      Female [  ]
2. Working experience in your current organization (Tick as applicable)
  - a) 1 - 2 years [  ]              b) 3 - 4 years [  ]              c) 5 years and above [  ]
3. Have you involved in the..... of condominium houses? (Tick as much as applicable)

Planning	[ <input type="checkbox"/> ]
Implementation	[ <input type="checkbox"/> ]
Coordination	[ <input type="checkbox"/> ]
Others (please specify)	_____.

### Section B: condominium housing related questions.

4. Who are major contributors of financial, material or other resources for the construction of condominium houses? (Tick as much as applicable)

Government budget	[ <input type="checkbox"/> ]
NGOs	[ <input type="checkbox"/> ]
Home owners	[ <input type="checkbox"/> ]
Bank loans	[ <input type="checkbox"/> ]
Others (please specify)	_____.
5. Please rank them according to the extent/magnitude of their contributions. Please write No. 1 to the first major contributor and 5 to the least contributor.

Government budget	[ <input type="checkbox"/> ]	Bank loans /(Bonds)	[ <input type="checkbox"/> ]	NGOs	[ <input type="checkbox"/> ]
Home owners contribution	[ <input type="checkbox"/> ]	others please specify	_____		

6. How do you rate the Integrated Housing Program towards meeting its objectives?  
Excellent [ ]      Very good [ ]      Good [ ]      Poor [ ]      Very poor [ ]
7. Main preconditions to benefit from the housing program (Tick as much as applicable)
- Should be resident of a City [ ]
- Should not have his/her own house [ ]
- Should deposit the minimum required down payment [ ]
- Others (please specify) .....
8. Are there individuals who are allowed to benefit from the program even if they cannot pay the down payment and the monthly contributions?  
Yes [ ]                      No [ ]
9. If the answer to question 7 is yes, what are the considerations?  
Please specify \_\_\_\_\_
10. Do beneficiaries or winners of lottery for condominium houses aware of the terms and obligations?
- Aware all of the terms and obligations [ ]
- Aware some of the terms and obligations [ ]
- Not aware of the terms and obligations [ ]
11. Are beneficiaries paying the down payment and the monthly repayment amounts? (Tick as much as applicable)
- Pay on a regular basis [ ]
- Pay irregularly [ ]
- Do not pay [ ]
12. What are the actions taken by the Office to clear the accumulated/arrears amounts? (Tick as much as applicable)
- Awareness creation through different media [ ]
- Send notification/warning letter [ ]
- Take action as per the agreement [ ]
- Others (please specify) \_\_\_\_\_
13. Please specify actions that IHDP takes to encourage beneficiaries to pay the required 20% down payment or measures taken if he/she fails to pay?
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

14. Are there gaps or missing elements in administering financial resources allocated for construction of condominium houses? Please Specify

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15. How does IHDP manage its resources, particularly financial resources?

Through a dedicated unit within IHDP

Award to Contractors/Architects and then follow-up its proper implementation

Outsource the resource management

Others (please specify) \_\_\_\_\_

16. How IHDP is going to solve this massive housing problem, is there short, medium and long term plans in solving the housing problems? Please Specify

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17. How will IHDP/AAHA try to continue with its plan?(Please specify)

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18. Is there any plan about the sources of finance to construct the condominium housing? Please specify \_\_\_\_\_

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19. Are there policies to be followed by IHDP in construction/distribution of condominium houses?

Yes

No

20. If your answer to question 18 is yes please state some of the policies.

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21. Are there any criteria set in distributing the condominium houses to beneficiaries?

Yes

No

22. If the answer to question No. 20 is yes, please specify some of the important criteria. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

23. Who is responsible to supply construction materials and employ workers and daily labourers?  
IHDP/AAHA [ ] Contractors [ ] Others (please specify) \_\_\_\_\_

24. How did IHDP ensure proper usage of resources? (Please specify)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

25. Did Small and Medium enterprises (SME) participate in the construction of condominium houses?  
Yes [ ] No [ ]

26. Did SMEs have sufficient training to produce the required materials?  
Yes [ ] No [ ]

27. How IHDP handles costs of poor/defective materials produced by these SMEs? Please specify \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

28. Is there a system for controlling/recording the cost of rework during constructing the condominium houses?  
Yes [ ] No [ ]

29. In your opinion what is the percentage of cost of rework to the total construction cost?  
Less than 10% [ ] 11 - 15% [ ] 16 – 20% [ ] More than 21% [ ]

30. Who will bear the cost of rework during the construction process?  
IHDP [ ] Contractor /SMEs [ ] Beneficiaries [ ] Others (please specify) \_\_\_\_\_

31. Was there delay in delivery of construction materials (inputs)?  
Yes [ ] No [ ]

32. In your opinion what was the percentage of delay in the delivery of inputs to contractors/SMEs?  
Less than 10% [ ] 11 - 15% [ ] 16 – 20% [ ] More than 21% [ ]

33. Who will bear costs associated with non-quality materials/delay and rework?

IHDP [ ] Contractor /SMEs [ ] Beneficiaries [ ] Others (please specify) \_\_\_\_\_

34. Are there system/mechanisms for the beneficiaries to request / claim for costs of major maintenance done on houses immediately after they received it?

Yes [ ] No [ ]

35. What is the average construction cost of condominium houses for

Studio Birr \_\_\_\_\_ 2-BedRoom\_Birr \_\_\_\_\_

1-BedRoom Birr \_\_\_\_\_ 3-BedRoom Birr \_\_\_\_\_

36. What is the average transfer cost of condominium houses for:

Studio Birr \_\_\_\_\_ 2-BedRoom\_Birr \_\_\_\_\_

1-BedRoom Birr \_\_\_\_\_ 3-BedRoom Birr \_\_\_\_\_

37. Do you think that the building can be constructed with lesser cost without compromising quality?

Yes [ ] No [ ]

38. In your opinion how do you compare the cost of condominium houses constructed by the government if similar house is being constructed by private/real estate developers?

More costly [ ] more or less similar [ ] lesser [ ]

39. Why there is difference in price , it is because:

Difference in quality of inputs (material, labour etc.) used [ ]

Government subsidy [ ]

Time difference in delivery of inputs [ ]

Insufficient supply of materials [ ]

Costs related to land not included in the transfer price [ ]

Other please specify \_\_\_\_\_

40. In your opinion is there a better alternative to achieve the IHDP's objective i.e. affordable house for low and middle income group, how?

Outsource to private contractors [ ]

Outsource to International Organizations [ ]

Others please specify \_\_\_\_\_

### Annex III: የሪሰርች ፕሮጀክት መጠይቅ ለነዋሪዎች

እባክዎ ለሚከተሉት ጥያቄዎች ይህን ምልክት (√) በምርጫዎ አጠገብ ባለው ሳጥን ውስጥ በማድረግ ወይንም መልስዎን በተሰጠው ቦታ ላይ በማስፈር ይተባበሩኝ።

#### ክፍል ሀ፡ አጠቃላይ መረጃ

1. በዚህ ክፍል ላይ የተጠቀሱት ጥያቄዎች ሰለእርስዎ ማንነት የሚጠይቁ ሲሆን ይህ መረጃ ለስራዬ በጣም ጠቃሚ ስለሆነ እንዲሞሉልኝ እየጠየቅሁ መጠይቁ ከተሞላ በሃላ በጥንቃቄ የምይዝ፣ ለማንም አሳልፌ እንደማልሰጥ እና መጠይቁን የሚሞሉት ፈቃደኛ ከሆኑ ብቻ እንደሆነ ላሳሱብዎ እወዳለሁ። በመጠይቁ ላይ የርስዎን ማንነት ወይም ስምዎን መግለፅ አስፈላጊ አይደለም። ስላደረጉልኝ ትብብር በቅድሚያ በጣም አመስግናለሁ።

2. የታ ወንድ [ ] ሴት [ ]

3. ዕድሜ

24 ዓመት በታች [ ] 31 - 34 ዓመት [ ] 51 ዓመት በላይ [ ]

25 - 30 ዓመት [ ] 41 - 44 ዓመት [ ]

35 - 40 ዓመት [ ] 45 - 50 ዓመት [ ]

4. የስራ ሁኔታ

ግል ድርጅት ባለቤት [ ] ጥቃቅን እና አነስተኛ [ ]

የግል ድርጅት ተቀጣሪ [ ] የመንግስት ድርጅት ተቀጣሪ [ ]

ሲቪል ስርቪስ ሠራተኛ [ ]

5. እባክዎ የእርስዎን ጠቅላላ የወር ገቢ በየትኛው መደብ እንደሆነ ያመለክቱ

1,200 ብር በታች [ ] 1,201 - 5,000 ብር [ ] 5,001 - 10,000 ብር [ ]

10,001 - 15,000 ብር [ ] 15,001 ብር በላይ [ ]

6. የሚኖሩበት ኮንዶሚኒየም ቤት ዓይነት የትኛው ነው፣

ስቴዲዮ [ ] ባለ 1 መኝታ [ ] ባለ 2 መኝታ [ ] ባለ 3 መኝታ [ ] ሌላ (እባክዎ ይጻፉት) \_\_\_\_\_

7. የቤተሰብዎ ብዛት (እባክዎ ቁጥሩን ይጻፉ) \_\_\_\_\_

**ክፍል ለ፡ ኮንዶሚኒየም ቤት በተመለከተ የቀረቡ ጥያቄዎች**

8. እርስዎ የዚህ ኮንዶሚኒየም ቤት የመጀመሪያ ባለ ዕድል ነዎት?

አዎ [ ] አይደለሁም [ ]

9. ለጥያቄ ቁጥር 7. የሰጡት ምላሽ አይደለሁም ከሆነ ቤቱን እንዴ አገኙት?

በክራይ [ ] ቤቱ ከደረሰው ሰው በግዢ [ ]

ከዘመድ/ ጋደኛ ለመኖርያ ተሰጥትዎት [ ] በሌላ መንገድ (እባክዎ ይጻፉት) \_\_\_\_\_

10. ኮንዶሚኒየም ቤትዎ የደርሰዎ በየትኛው ዙር ነበር?

1ኛ ዙር [ ] 2ኛ ዙር [ ] 3ኛ ዙር [ ] 4ኛ ዙር [ ]

5ኛ ዙር [ ] 6ኛ ዙር [ ] 7ኛ ዙር [ ] 8ኛ ዙር [ ]

9ኛ ዙር [ ]

11. በዚህ ኮንዶሚኒየም ቤት ለምን ያህል ጊዜ ኖሩበት?

ከ1 አመት በታች [ ] ከ1 - 2 አመት [ ] ከ3-4 አመት [ ] 5 አመት እና ከዚያ በላይ [ ]

12. ቤቱን ሲረከቡት የነበረው ዋጋ ምን ያህል ነበር (ካለ ብድሩንም ያካትቱት)?

እባክዎ እዚህ ላይ የብሩን መጠን/የመቶኛ ድርሻ ከቤቱ ዋጋ አንጻር/ይግለፁ \_\_\_\_\_

13. ቤቱ ስደርሰዎ የቤቱን ዋጋ ሙሉ ለሙሉ (100%) ከፍለዋል?

አዎ ከፍለዎ [ ] አልከፈልኩም [ ]

14. ለጥያቄ ቁጥር 12. የሰጡት ምላሽ ሙሉ ለሙሉ አልከፈልኩም ከሆነ በመቶኛ ድርሻ ሲለካ/

የከፈሉት የቤቱን ዋጋ ምን ያህል ይሆናል? እባክዎ እዚህ ላይ የከፈሉትን ገንዘብ መጠን/የመቶኛ

ድርሻ ከቤቱ ዋጋ አንጻር/ይግለፁ \_\_\_\_\_

15. ለቅድሚያ ክፍያ የሚያስፈልግዎትን ገንዘብ ከየት አገኙት?

ከራስዎ [ ] ከባንክ በተገኘ ብድር [ ]

ከአላጣ አበዳሪ [ ] ከጥቃቅን እና አነስተኛ የብድር ተቆማት ብድር [ ]

ከዘመድ/ ጋደኛ በተገኘ ብድር [ ] ሌላ (እባክዎ ይግለፁት) \_\_\_\_\_

16. የኮንዶሚኒየም ቤቱን የቅድሚያ ክፍያ/ ወይም ወርሃዊ የብድር ተመላሽ ክፍያ ክመፈል ነፃ ተደርገዋል?

አዎ [ ] አልተደረሰም [ ]

17. ለጥያቄ ቁጥር 15. የሰጡት ምላሽ አዎ ከሆነ ምክንያቱ ምን ነበር?

እባክዎ እዚህ ላይ ምክንያቱን ይግለፁ \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

18. የደረሰዎትን የኮንዶሚኒየም ቤት ጥራት እንዴት ይመዝኑታል?

እጅግ በጣም ጥሩ [ ] በጣም ጥሩ [ ] ጥሩ [ ] ደካማ [ ] በጣም ደካማ [ ]

19. ኮንዶሚኒየም ቤቱን እንደተረከቡ እና መኖር ከመጀመርዎ በፊት ቤቱ ጥግና አስፈልጎታል?

አዎ አስፈልጎታል [ ] አላስፈለገውም [ ]

20. ለጥያቄ ቁጥር 18 የሰጡት ምላሽ አዎ ከሆነ ጥገናው በጣም አስፈላጊ ነበር ወይ ማለትም ጥገናውን ባያካሂዱ ቤቱ ለመኖሪያ ያመች ነበር ወይ?

አዎ [ ] አይመችም [ ]

21. ለጥገናው ምን ያህል ብር አውጥተዋል? የቤቱን ጠቅላላ ወጪ \_\_\_\_\_% ወይንም ብር ያሆናል

22. ኮንዶሚኒየም ቤቱን እንደተረከቡ እና መኖር ከመጀመርዎ በፊት የተገጠሙ በሮች፣ የመጻጻጃ ቤት እና/ወይም የማድቤት መገልገያዎች፣ ወዘተ መጠገን ወይንም መቀየር አስፈልጎ ነበር?

አዎ አስፈልጓል [ ] አላስፈለገም [ ]

23. የማዕድቤት፣ የመጻጻጃ ወይንም ሌሎች ዕቃዎችን የቀየሩበት ምክንያት ምን ነበር? (መልስ የሆኑት ላይ በሙሉ ያመላክቱ)

ሰለማያምር [ ] በአግባቡ ስላልተገጠመ [ ] አገልግሎት ሰለማይሰጥ [ ]

ሌላ ቢገልፁልኝ \_\_\_\_\_

24. በኮንዶሚኒየም የሚገኘውን የጋራ ንብረት ለማስተዳደር የተቋቋመ ኮሚቴ አለ?

አለ [ ] የለም [ ]

25. በሕንፃው ላይ የአደጋ ጊዜ መውጫ አለ

አለ [ ] የለም [ ]

26. ከዚህ በታች ባለው ሠንጠረዥ ላይ ያሉትን ጥያቄዎች በኮንዶሚኒየም ቤቱ ላይ ሰለገጠመዎት ችግር የሚጠይቅ ሲሆን በምርጫዎ ትክክል ይህን ምልክት (✓) በማድረግ ይተባበሩኝ።

	ችግር አልነበረም	በጣም አነስተኛ	መካከለኛ ችግር	ከባድ ችግር
የውሃ ማስተላለፊያ ቱቦ ፍሳሽ				
ግድግዳ መሰነጣጠቅ				
በግድግዳ ውሃ ማለፍ				
በጣራ የዝናብ ውሃ ማሰጠፍ				
ቤቱ ሳይጠናቀቅ ማስረከብ				
በሮቹ፣ መስኮቶች እና ፍሬሞቻቸው ችግር ነበረባቸው				
ውሃ የሚያፈሱ ፍሳሽ ማስተላለፊያ እና መጻጻጃ ዕቃዎች ተገጥመው ነበር				
የዝናብ ወይም ሌላ ውሃ በበር ስር ያስገባል				

27. ከዚህ በታች ባለው ሠንጠረዥ ላይ ያሉትን ጥያቄዎች ስለ ኮንዶሚኒየም ቤቱ አጠቃላይ ሁኔታ የሚጠይቅ ሲሆን በምርጫዎ ትክክል ይህን ምልክት (✓) በማድረግ ይተባበሩኝ።

		እጅግ በጣም ጥሩ	በጣም ጥሩ	ጥሩ	ደካማ	በጣም ደካማ
1	ባጠቃላይ የኮንዶሚኒየም ቤቱን ጥራት እንዴት ይመዝኑታል					
2	ቤቱ መሰረታዊ መገልገያዎች ተሟልተውሉታል ለምሳሌ ማዕድ ቤት/ማብሰያ ቦታ፣ መጻዳጃ ቤት፣ መታጠቢያ ቤት፣ ወዘተ. . . ?					
3	ከመግባትዎ በፊት ውሃ፣ ሙብራት፣ መንገድ ወዘተ አገልግሎት በቅድሚያ ተዘጋጅቷል?					
4	በርስዎ አስተያየት ቤቱ የተገነባበት የግንባታ ዕቃዎችን ጥራት እንዴት ይመዝኑታል ?					
5	የቅድሚያ ክፍያውን እና በየወሩ የሚከፈለውን የብድር ተመላሽ የአከፋፈል ዘዴ ምችት ምን ይመስላል?					
6	በኮንዶሚኒየም የሚገኙ የጋራ ንብረቶች ለምሳሌ ደረጃ መወጣጫዎች፣ በረንዳ፣ የጋራ ግድግዳ፣ ወዘተ ይዘታችውን/ ጥራታችው					
7	የደረሰዎት ኮንዶሚኒየም ቤት አጠቃላይ ሁኔታ አርክትዎታል					

28. ከዚህ በታች ባለው ሠንጠረዥ ላይ ያሉትን ጥያቄዎች በኮንዶሚኒየም ቤቱ ላይ ሰለተገጠሙ መገልገያዎች ሁኔታ የሚጠይቅ ሲሆን በምርጫዎ ትክክል ይህን ምልክት (✓) በማድረግ ይተባበሩኝ።

		እጅግ በጣም ጥሩ	በጣም ጥሩ	ጥሩ	ደካማ	በጣም ደካማ
1	ማዕድ ቤቱ ላይ የተገጠሙ መገልገያዎች /የዕቃ ማጠቢያ፣ የውሃ ሀይል ማስተላለፊያ ቴሌዎች ወዘተ ጥራት					
2	ማዕድ ቤቱ ላይ የተገጠሙ መገልገያዎች /የዕቃ ማጠቢያ፣ የውሃ ሀይል ማስተላለፊያ ቴሌዎች ወዘተ አገልግሎት ላይ ያለ ችግር በተመለከተ					
3	በመጻፍ ቤቱ ላይ የተገጠሙ መገልገያዎች/ ገላ መታጠቢያ ትሪ፣ ፊት መታጠቢያ፣ ውሃ ሀይል፣ ቆሻሻ ውሃ ማስተላለፊያ ቴሌዎች፣ ወዘተ ጥራት					
4	በመጻፍ ቤቱ ላይ የተገጠሙ መገልገያዎች/ ገላ መታጠቢያ ትሪ፣ ፊት መታጠቢያ፣ ውሃ ሀይል፣ ቆሻሻ ውሃ ማስተላለፊያ ቴሌዎች፣ ወዘተ ተገቢውን አገልግሎት አሰጣጥ					

29. ከዚህ በታች ባለው ሠንጠረዥ ላይ ያሉትን ጥያቄዎች በኮንዶሚኒየም ቤቱ ላይ በርስዎ አስተያየት ስላጋገጠሙ ችግሮች መንስኤ የሚጠይቅ ሲሆን በምርጫዎ ትክክል ይህን ምልክት (✓) በማድረግ ይተባበሩኝ።

	በጣም እስማማለሁ	ስማማለሁ	አላውቅም	አልስማማም	በጣም አልስማማም
በጀማሪ የስራ ተቆራጫች መገንባቱ					
ባልሰለጠኑ ጉልበት ሰራተኞች መሰራቱ					
ጥራት የሌላቸው የግንባታ ዕቃ መጠቀም					
መንግስት በቂ የግንባታ ገንዘብ አለመመደብ					



**Section B: condominium house related questions.**

6. Are you the first owner of the housing unit?

Yes  No

7. If your answer to the question number 6 is No, how did you get it?

Rent  Bought

Provided to freely use by a relative/friend

Other (please specify) \_\_\_\_\_

8. When did you receive the condominium house?

Less than 1 year  3 - 4 years

1 - 2 years  5 years and above

9. For how many years have you been living in this house?

Less than 1 year  3 - 4 years

1 - 2 years  5 years and above

10. How much was the cost of the house when you received/buy it (including the Loan, if any)? Please specify amount in Birr \_\_\_\_\_.

11. Did you pay the total amount (100%) of the house?

Yes  No

12. If your answer to the Question 11 above is No, then what percent of the total amount did you pay? Please specify the amount \_\_\_\_\_.

13. Your source of money to acquire the house was,

Own source  Borrowed from Bank  Borrowed from relatives

Usurer  Borrowed from Micro and Small Enterprise (MSE)

Any other source please specifies \_\_\_\_\_.

14. Were you given a chance to be freed from paying the down payment or monthly repayments but still own the house?

Yes  No



23. Please state the problems you have you experienced when you received the house. Please Mark (√) in the box of your choice.

<i>Statement</i>	<i>Not a Problem</i>	<i>Minor Problem</i>	<i>Moderate Problem</i>	<i>Major Problem</i>
Leaking water pipes				
Cracks in the walls				
Water penetration through the walls				
Roof leaks				
Incomplete house				
Door frames which shake and faulty doors				
Leaking drains and toilets				
Water penetration through the floor				

24. These questions are general information about the condominium houses you are living in. Please Mark (√) in the box of your choice.

		Excellent	Very Good	Good	Poor	Very Poor
1	How do you rate the quality of the house you are living in.					
2	Does the house you are living in have access to some basic facilities like kitchen, shower and toilet?					
3	The necessary infrastructure like roads and utilities were built before you receive the house.					
4	Does the block have an emergency exit services					
5	How do you evaluate the quality of materials used to construct the house?					
6	The down payment and monthly loan repayment systems were convenient (if any).					
7	The conditions of common properties of the houses like stairs, common walls, etc.					
8	Are you satisfied with the house allocated to you?					

25. These questions are related to quality of the accessories fixed in your condominium house. Please Mark (✓) in the box of your choice.

		Excellent	Very Good	Good	Poor	Very Poor
1	How do you rate the quality of kitchen accessories/sink, water taps, waste and water disposal system, etc. / were they working properly?					
2	How do you rate the quality of shower and toilet accessories/were they working properly?					
3	How do you evaluate the quality of the doors and windows fixed in the house?					

26. In your opinion what are possible causes of defects in the house. Please Mark (✓) in the box of your choice.

<i>Statement</i>	<i>Strongly agree</i>	<i>agree</i>	<i>Don't know</i>	<i>disagree</i>	<i>Strongly disagree</i>
Use of emerging contractors					
Use of unskilled labour					
Insufficient building funds from the Government					

## **Annex V: Interview Questions**

1. In your view does the program attain its objectives in terms of availing better housing at reasonable payments for the low and middle income people?
2. Has IHDP conducted an assessment on the impact of the program?
3. Do you think that all of the condominium houses so far constructed have been distributed to intended beneficiaries as per the distribution criteria?
4. Do you hear complaints regarding the distribution of the houses to beneficiaries? Are there mechanisms designed for addressing the complaints?
5. Who are the major contributors of financial resources in this program?
6. Will the government continue to construct and deliver houses as per the current arrangements?
7. What steps will the Bank take if beneficiaries default to pay their shares on time?
8. What were/are major problems/challenges this program faces, especially in terms of financial resources mobilization, administration and utilization?
9. What measures were taken to resolve these problems/challenges?
10. Are there policies and plan to involve private organizations (both financial and construction companies) in this program?