Housing Indicators for the Sustainable Development Goals
February 2015

In 2000, countries from around the world came together to establish the Millennium Development Goals (MDGs). With the MDGs set to expire this year, the United Nations is undergoing a multi-year process to determine what will be included in the next global development agenda. Referred to as the Sustainable Development Goals (SDGs), this collection of ambitious goals and targets will form a framework to guide global development and set poverty elimination priorities for countries around the world for the next 15 years.

Adequate and affordable housing, including upgrading slums, continue to be prioritized in draft SDG frameworks because housing not only improves outcomes for individuals, but affects communities and the global economy at large. Demand for housing remains extraordinarily high in the developing world. Asia, for example, is urbanizing most rapidly and will need to absorb 120,000 new residents every day into its cities.¹ This translates into at least 20,000 housing units per day. Slums are the most visible indicator of poor access to housing and are expected to double in size by 2030. Affordable housing in the right locations though, can bolster economic mobility and ultimately drive GDP growth.²

Housing in the Millennium Development Goals

Even in 2000, world leaders understood that slums were growing and played a unique role in poverty eradication. They resolved, “by 2020, to have achieved a significant improvement in the lives of at least 100 million slum dwellers.” This target fell within the broader goal, “Ensure Environmental Sustainability.”

Although one could argue that this target — improving the lives of at least 100 million slum dwellers — has been met several times over, the absolute number of those living in slums has increased from 776.7 million in 2000 to 827.6 million in 2010, according to UN-HABITAT. Much of the progress in upgrading slums has been in Asia, specifically China, while Africa and others have lagged behind. The number of slum dwellers, and subsequently those in need of adequate housing, is expected to rise to nearly 2 billion in the next two decades.

Progress on the slum target has been measured by the “proportion of urban population living in slums” which is represented by the urban population living in households with at least one of the four characteristics: (a) lack of access to improved water supply; (b) lack of access to improved sanitation; (c) overcrowding (3 or more persons per room); and (d) dwellings made of non-durable material.³ Security of tenure is considered a fifth and essential defining

¹ http://mirror.unhabitat.org/pmsss/listItemDetails.aspx?publicationID=3225
² http://www.mckinsey.com/insights/urbanization/tackling_the_worlds_affordable_housing_challenge
characteristic of slums, but was not included in the monitoring of the target because secure tenure considers legality and, at the time, was “not as easy to measure or monitor, since the tenure status of slum dwellers often depends on de facto or de jure rights—or lack thereof.”

While this slum indicator has helped generate baseline data and, in fact, led to a revised U.N. definition of “slum” in 2002, it is limited in several important ways. Four out of five of these characteristics are physical in nature, leaving out important considerations of housing affordability or access to finance. Secure tenure data was also not widely collected from the beginning and it is unclear from the data collected how severe the housing conditions are; a household may lack one of the five defining characteristics or all five.

**Current Framework**

In June 2014, a U.N. taskforce called the Open Working Group on Sustainable Development (OWG) released a revised framework which includes input from 70 countries in the OWG as well as numerous public consultations with governments, civil society and the private sector. The report lays out 17 goals and 169 targets which reflect the current thinking around the new SDGs and has been endorsed by the Secretary General of the U.N.

This new framework includes a goal to “Make cities and human settlements inclusive, safe, resilient and sustainable” and a target stating “By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.”

Now that the Secretary General has presented his input, intergovernmental negotiations have commenced and will continue to meet monthly through July 2015, aiming to adopt a final agenda in late September 2015. While housing has remained in the Agenda thus far, there will undoubtedly be calls to narrow goals and prioritize targets. Given the dramatic growth of slums and the housing sector’s enormous impact on economies, asset building and individual well-being, it is clear though housing must remain a priority if we are to build a more sustainable and prosperous future.

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**Recommendations: Goal 11, Target 1**

These indicator recommendations are based on Goal 11, Target 1 of the current SDG framework which states “By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums.”

While Habitat for Humanity International firmly supports an ongoing focus on slums in the developing world, the SDGs are intended to be universal and transformative. Thus, efforts to measure the target above should be based on the following principles:

1. Ground indicator(s) in the specific language of the current target which includes access for *all* to adequate housing, not just those living in slums.
2. Include housing affordability in the indicator(s), to measure beyond the physical characteristics of a household and ensure the target remains applicable to both the developed and developing world.
3. Clearly establish that security of tenure will be disaggregated in Goal 11, Target 1 or specify that it be included in Goal 1, Target 4.

**Option 1:** Broaden existing MDG indicator, proportion of urban population living in slums.

- Measure existing elements (water, sanitation, overcrowding, durability and secure tenure) as well as affordability. This would require adding a sixth component to the current definition of slum.
- Measure beyond the urban population to account for all housing in a given country
- Measurements should be disaggregated by element as well as gender and age.

**Option 2:** Maintain current MDG indicator, but include a second indicator to measure housing affordability.

- This would not require changing the current definition of “slum,” but is a better representation of current target language and makes the indicators more universal.
- Measure beyond the urban population to account for all housing in a given country
- Measurements should be disaggregated by element as well as gender and age.
- Potential indicators for housing affordability might include: house price-to-income and rent-to-income ratios or percent of outstanding mortgages to GDP, among others.
Additional Recommendations on Bangalore Outcome Document and Sustainable Development Solutions Network Report on Indicators:

While Habitat for Humanity is focused primarily on Goal 11, Target 1 of the current Open Working Group framework, we have several additional comments and recommendations on other proposals.

Bangalore Outcome Document

**Target 11.5:** By 2030, significantly reduce the social, health, economic and ecological risks and impacts of disasters, environmental change and disease outbreaks by better designing and managing cities, protecting people in vulnerable situations.

- Indicator 11.5: Percent of cities with more than 100,000 inhabitants that are implementing risk reduction and resilience strategies informed by accepted international frameworks (such as forthcoming Hyogo-2 Framework).

We agree with the concept that disasters are increasing in frequency and intensity, especially in urban areas. However, the indicator takes a top down approach and without any mechanism for accountability. Habitat would like to see an indicator which will identify those strategies which engages local communities in the planning and holds the cities accountable for complying.

Further, an indicator that measures the reduction in the number of deaths, injuries and displaced people caused by natural disasters annually per 100,000 population must be included in the strategies.

**Target 11.a:** Prepare and implement a national urban and human settlements policy framework.

- Indicator 11.a: Presence of a national urban and human settlements policy framework.

The Global Housing Indicators tool, which was founded by Habitat for Humanity, World Bank, InterAmerican Development Bank, Cities Alliance and UN Habitat, should be used as a reference for this target. The GHI is the only internationally recognized set of policy indicators that allow for comprehensive interpretation of the housing sector from a city and country level. For more information visit www.globalhousingindicators.org
**SDSN Indicators Report:**

**Goal 1: End Poverty in All its Forms Everywhere**

- **1.3:** Proportion of population living below national poverty line, differentiated by urban and rural (modified MDG indicator)

Habitat is supportive of measuring urban within this goal and target.

- **1.5:** Percentage of population in rural areas with secure rights to land, measured by (i) percentage with documented or recognized evidence of tenure, and (ii) percentage who perceive their rights to land are recognized and protected.

This target should not be limited to rural land exclusively, but should measure percentage of entire population with secure rights to land. SDSN has noted that urban land can be measured in Goal 11, Target 1, yet this target is likely to only measure slums. Many live in urban areas, but don’t reside in slums. Not using the words rural or urban will take a more inclusive and expansive view.