Institute: Urban management techniques

University of Oum El Bouaghi

Module: Initiation to town planning 2

Course N **05: Housing policy in Algeria from 1962 to 1990**

Mme: Guemini Nassira

**Housing policy: Definition**

Housing policy is defined as "a set of standards adopted by the state, the main objective of which is to develop the means and mechanisms of intervention in the residential market, and to ensure the overall balance between supply and demand in accordance with the standards of price and specific quantity. "[[1]](#footnote-1)

**The Algerian Housing Policies after the independence**

In the 1960s, the Algerian government stated that the housing units inherited from the French colonial administration were estimated to be around 1.7 million dwellings which were considered sufficient for the Algerian population at that time. The early housing policy was based on the idea that the dwellings vacated by the French would provide housing and aimed at the completion of building sites left unfinished by the French after independence in 1962. Apart from this they the authorities did not develop a new housing policy soon after. They used development guidelines from the Constantine Plan (1959-1963).

The plan of Constantine was an economic program designed by the French government in 1958 and which lasted for 26 months, aimed to construct two hundred thousand housing units in urban area and 110,000 housing units in rural area, allowing the provision to accommodate more than one million people. It was an attempt to improve the quality of life of Algerians living in selected urban and rural areas. However, the initiative did not achieve its objectives because of the Algerian revolution.

After independence, priority was given to the economic sector, while the housing sector was marginalised. The 1967-1969 housing plan aimed mainly at reconstructing villages damaged by the war and completing abandoned construction sites. Second, 4000 housing units were built in urban areas in the 1970-1973 housing plan. Third, the housing sector received 13.25% of the

national investment in the 1974-1977 housing plan.

Since 1975, the Algerian government executed the ZHUN (New Urban Housing Zones) housing program, which is an international housing model based on the concepts of prefabrication and standardisation. It was an attempt to solve the housing crisis and reduce the housing deficit in Algeria. The purpose of this policy was to construct a considerable number of new housing projects to solve the issues of social and physical environments. The objective, therefore, was to set and create new guidelines for designing new urban areas which meet the needs of occupants to increase their level of satisfaction. Accordingly, standardized multi-storey buildings (4–5 floors) with flats of 2 to 6 rooms were built in the cities.

However, the ZHUN housing programs were incomplete or poorly finished and deprived of their required facilities. Thus, it failed to solve the housing crisis. In addition, the ZHUN was not the solution for the housing crisis at that time, as the average household size was increased in 1977 to 7.7 persons per housing unit and the housing deficit reached 1,268,585 units in 1977 with a stock of 2,208,712 housing unit.

From 1979, changes were introduced in the modes of financing since the housing issue captured the attention of public authorities after the creation of the Ministry of Housing in 1977.

In the 80s, the economic trends and population growth (about 3,2% a year) increased the urbanisation process in the main regions, especially around the large cities. The pressing housing demand and the thriving informal settlements in the fringe of the cities made the question of habitat a major crisis. Consequently, priority was given to the housing sector. The percentage of investment rose to 16.5% during the 1980-1984 housing plan.

**Alternative approaches to housing provision in Algeria**

**T**he first five- year national plan 1980-1984 saw the initiation of new measures to insure the delivery of housing. This was to be guaranteed by creating an atmosphere of awareness and mobilization within the population. Public participation for completion of housing programs was necessary.

So, the government encouraged self-building and access to ownership and permitted the initiation of housing cooperatives and promotional enterprises.

Measures initiated to assist public and private promoters were:

* Setting out a housing program for each Wilaya.
* Increasing public participation in the design of houses.
* Augmenting government housing investment in rural areas.
* Reorganising the administrative process for acquisition of building permits.
* Establishing new technical guidelines for housing construction
* Setting up a policy for the allocation of new housing

**Housing cooperatives**

**I**n 1976, the government initiated a new socialist aspect of housing cooperation to provide new housing and promote home ownership. The purpose was to stimulate the population to create family provision, collective financing of construction and the creation of a harmonious housing environment.

Promoting housing cooperatives was to improve Algerian housing through the building of decent housing for either selling or renting.

**Public cooperatives**

**Public** cooperatives were initiated in 1976, when new conditions relating to the access to ownership were introduced to the advantage of people having funds in “CNEP” (caisse nationale depargne et de prevoyance)(national fund for saving and contingency).These people had the priority especially when buying a new house . CNEP was to evaluate their accumulated capital. In addition, the local authority will also take into consideration the family situation, and the possibility of owning another house.

This was a first step towards the introduction of cooperative ownership which, unfortunately, failed. Building programs were not completed because the final price of houses was higher than expected.

As a result, a new body was set up, the “Office national du logement familial” ONLF (National office for popular housing). It had the duty of building 150000 dwellings in cooperative programs for the first five-year national plan, but in fact only 17000were constructed. This led to the dissolution of the ONLF and the creation of another institution, **Enterprise pour la promotion du logement familial**, EPLF (Enterprise for the promotion of popular housing) in every Wilaya, in 1987.Twenty-eight EPLFs were accomplishing housing programs. These are financed by local authorities and through loans from banks and CNEP.

**Private cooperatives**

Emphasis has been made on the creation of private cooperatives which, indeed, have decrease the government investment and contributed to the reduction of the housing deficit. Private subscribers must show their financial resources and their technical guarantees related to building programs, respectively to the CNEP and the local authorities. These cooperatives are usually on small scale(20-200houses).

Financial support can come from promoter, who may be the employer firm, a public organisation, or any other institution willing to house its employees.

**Self-help-housing**

**G**overnment focused on this type of housing provision which required support from the authorities and administration. New procedures were launched to ease access to a construction permit, and loans from CNEP. In addition to urban self-help housing, the government provided housing to rural populations. More than 8000 self-help dwellings were built for small cultivators and homeless financed by the government.

Self-help dwellings regarded as socially and economically desirable in enhancing housing in rural areas, unfortunately did not succeeded in fulfilling its objectives. This was achieved through substantial increase in investment allocated to the construction of housing since 1970, and particularly between 1980- 1985. After 1986, due to the decrease in oil revenues, the government decided to to cut its housing investment and as a result encourage self -building.

**Access to home ownership**

In 1977, the government encouraged access to house ownership to reduce the government investments. Mortgage allocated to people who could not afford to buy a house. This form of home ownership encourages young married couples to increase their savings in CNEP to buy their homes. These savings will be allocated to individuals and cooperatives from the capital of CNEP. Further home ownership policy reduces management and maintenance costs. This policy also reduced the rent speculation because landlords used to let their flats and houses for very high amounts. Measures allow poor people to buy their homes within a period of up to 25 years. During the period from 1962 to 1990, the Algerian government completed 953,347 housing units in various forms.

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By the end of the 1980s and the 1990s, the new economic and political context drives the government to reducing public spending in general and housing subsidies in particular.

From 1990, within the framework of economic and political reforms, the government objectives are very limited as it only has the role of supervision, control of construction and finance low-income social housing.

1. AIT AMMAR, k. (2001) Le financeement de la construction de logement en Algérie, mémoire fin d'étude,. Alger: école nationale d'administration. [↑](#footnote-ref-1)