

Libyan Policy in the Field of Public Housing

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Abstract: *The paper addresses the evolution of the housing movement inside Libya during the past four decades (1970-2011) as well as the present situation. It also considers the stages of the evolution of housing policies in Libya. This includes most of the changes occurred in housing policies during the past which adopted by the state in the face of shortages, the acute deficit in the residential construction through the establishing of bodies and companies. The real estate banks, which took over the operations of the establishment of housing grouped units or through the granting of loans by granting commercial banks and then to the role of the private sector providing housing needs, have been examined. The study also talks about some important technical and social problems that have emerged as a result of the rapid growth and development in the public housing projects.*

Keywords: *evolution, housing, policies, implementation, development.*

1. INTRODUCTION

The provision of decent health housing is a strategic goal sought by most of the world communities where the availability of social housing represents one of the most important indicators of development in the economy and culture of countries. It is a mirror that reflects the extent of social and economic development of any society.

Libya has suffered, like the rest of the third world, a number of problems at various levels and sectors, including the housing sector in which the deficit grew in the late sixties to 150 000 units [1]. The most major cities like Tripoli and Benghazi were surrounded by the shanty dwellings (huts), as well as many of the rural and urban areas. This was due to the fact that all the country income had been so short during that period either as a result of non-oil discovery, or the miss use of the available fortune. So was the State's participation in the provision of housing for low-income citizens not to exceed 30% or even less, of the total required housing financial coverage. In that period the bodies, financial institutions and other commercial organizations did not have any role to participate in the financing of such housing projects. The private sector was the most active in the process of the construction, but also it was not able to meet the needs of the backlog in housing units.

2. STAGES OF THE EVOLUTION OF HOUSING POLICIES IN LIBYA

Housing policies passed, during the past four decades, through several stages, which were clearly reflected on the current housing situation in all its advantages and disadvantages; therefore, the evolution of housing policies stages could be divided as follows:

2.1. The First Phase (1962-1970)

This stage witnessed the beginning of implementing a number of developmental programs, including housing projects in certain fixed plans such as the first five-year plan which was prepared under the project "King Idriss housing project". The Ministry of Planning was established mainly to support and observe these projects. It also had to prepare what was known as the first generation of urban plans for the foreseen period (1968-1988). According to [2] this had been followed by the free-house distribution i.e. the government sought the poor, homeless and low income citizens and gave them the new modern houses as a gift. Moreover, the government provided further lands for construction to its employees, also the government encouraged the private sector in the field of real estate investments to sale and rent and/or even to own.

2.2. The Second Phase (1970-1984)

This period witnessed the regime change from the Royal to the Republican state, so at this stage the housing policy focused on the basis that the state is the sole guarantor for housing. What was accomplished during this period solely meant the intervention of the state in housing sector under the pretext of securing the necessary funding and facilitating the access to soft loans from the Saving Banks, Commercial Banks and Housing Association Corporations. As the earlier, a lot of contracts of thousands of housing units had been authorised and provided land for the construction of these units.

Investment real estate and saving banks had been introduced in order to give loans to low-income families which own the land for construction. Also some other non-specialized financial institutions such as the Social Security Fund and Real Estate Investment Company and others had been encouraged to get involved in residential construction.

According to [2] during this phase some of the legislations relating to housing and utilities had been issued for example Law No. (2) for the year 1981, and the establishment of the Saving Banks and Real Estate Investment and had been referred to the Ministry of Housing which mission was to support the movement of construction, reconstruction and encourage Real Estate Investment, as well as the Law of Urban Development No. 116 for the year 1972 and the issuance of Systems of residential subsidies and thereby the implementation rates reached their peak in 1974 to 6.7 dwelling per thousand citizen and dwelling per 1.35 family.

The construction of villages and the number of new residential neighborhoods such as Al-Nagela, Brega and Zintan and others was adopted in order to relieve pressure on the cities of Tripoli and Benghazi [3]. The villages and residential neighborhoods that had been built during this period integrated a lot of facilities such as roads, water, sewage, electricity, schools and hospitals, as well as entertainment venues and green spaces.

Agricultural housing was also considered during this period, which was designed to create housing for farmers on their farms and in land reclamation projects. The following table (1) shows the housing program for the Transformation Plan 1985 (Mahmoud, A, 1992).

Table1. Housing program for the transition plan from 1981 to 1985. (Source: General People's Committee for Planning, Tripoli, 1985).

Project	Complete	New	Total
Public housing	33962	20000	53962
Agricultural housing	5500	6000	11500
Public housing projects	1420	6200	7620
Integrated residential villages	3801	----	3801
New cities	-----	11500	11500
Housing lending and cooperation	11237	65000	76237
Housing investment	4032	37500	41532
Total	59952	146200	206152

The following table (2) shows the sources of funding for public housing during 1970-1995.

Table2. Sources of funding for public housing during the years 1970-1995.

NO	Sector	1970 -1995
1	Development budget	35%
2	Public sector	23%
3	The banking sector	23%
4	The private sector (individuals)	19%
Total		100%

Source: General People's Committee for Planning, Tripoli, 1985

In this period, unfortunately, the rates of housing were suspended after issuance Laws of Socialism, for example, Law No. (4) of 1978 on Real Estate ownership and Law No. (21) of 1984 on public benefit, and the disposition of the lands which caused paralysis in the role of the private sector and its negative effects on the low rates of implementation of housing units to this until nowadays.

2.3. The Third Phase (1985-2004)

During this phase the axes of housing policy had been changed, i.e. the State was no longer the sole guarantor for housing, but had become only the supporter, where the citizen himself played the role of the construction of his house and through what was offered to him support in the form of restraints mortgage lender or provide lands for building schemes through sales and distribution channels for state facilities. Also Donor Commercial Banks for loans had limited the role in financing of housing that had been constructed and the biggest beneficiary from the funding process were the families of the middle-income and high-income.

Also during this phase floundering, instability and mismanagement occurred in the state policies, such as the issuance of Law No. (14) for the year 1985 amending Law No. (2) for the year 1981 about the addition of other functions complementary to bank savings and investment of real estate, as well as Law No. (58) for the year 2004 about the dependence of the transfer of the bank on the General People's Committee (formerly) [2]. As well as the cancellation of the General Organization for Housing and the secretariat of the General People's Committee for Housing and then re-formed in 1995 under the name of the Public Authority for Housing which became responsible for re-plans and programs of short and long term where a program of 60 thousand housing units had been introduced and supported by capitalism legislation under a socialist rule and given unstudied opportunities in the tight confines of the private sector and funded by citizens' savings and lending rates of commercial banks.

According to [2] a plan associated with the mortgage lender targeted implementation of 50 thousand housing units for low-income people and groups of young couples, this had included the housing program for employees in the public institutions on the pattern-block neighborhood, such as the towns of new Brega, Ras Naluff, and the program of rural housing. During this period the decision No. (30) had been made for the year 2000 concerning raising the value of mortgage lending to 30 thousand Libyan Dinars, as well as the decision No. (115) for the year 2001 concerning the provision of 600 million Libyan Dinars in the General budget to be lent to the two categories of young people and low-income people but these resolutions had not been activated and resulted in exacerbating the problem further and befuddled the housing program scene in its entirety in Libya.

All this had created strange channels in Libyan society led to corruption and favour influenced directly on the Libyan economy and caused a significant decrease in the rate of implementation of projects, construction of the housing units where rates fell from 6.7 per thousand citizens dwelling to 2.3 per thousand citizens, which led to the increase in the cumulative deficit in the provision of housing units over time.

The policy that had been followed in this period led to an acute shortage of residential construction, which required from the state in present time to develop a comprehensive program to ensure coverage of the deficit in this important sector, which affected the lives of citizens and especially impaired case.

2.4. The Fourth Phase (2005-2011)

Despite marked improvement in oil revenues, the spending on the housing sector continued to decline and led to lower rates of the implementation and the widened gap between the supply and demand. It had caused pressure politically and socially that forced the former regime to prepare housing program urgently and impulsive to handle the increase in unit gap housing, where embarked on the implementation of the housing program with the beginning of 2008, where the following decisions were made.

1. Issuance of a number of economic legislation items for the development of the business environment and economic climate.
2. Establishing a Libyan company for creating and Urban Development, which was designed to provide 100 000 a plot of land.
3. Adoption of the implementation project of 396 054 housing units with facilities.
4. Issuance of the decision No. (20) for the year 2005 for (177,500) housing loan worth 40 thousand dinars per loan. Issuance of the resolution No. (1) for the year 2011, where the loans has no limited ceiling, which raise the value of the loan to 60 000 dinars per residential loan [2].

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Despite all these attempts and ambitious changes in terms of their components, the development program for the housing sector during this period was narrow and improvised in terms of the time period prescribed for the planning and implementation. Thus the implementation of housing projects and exacerbated the housing crisis and the emergence of rampant corruption and nepotism and mediation were delayed.

2.5. The Fifth Phase (2012- Up to Present Time)

Since the year 2011 up to now and due to the absence of the formal state the country has not experienced any political stability throughout this period and thus chaos has spread all over the sectors particularly in the housing and planning sector, where many haphazard construction abuses took place in and out the town plans.

The current chaos besides the complexities of the decision making, laws, regulations and procedures were made because of some implementation tools and supervision of the program of development of housing projects and facilities. Also some tools of implementation and supervision of the program of the development of housing projects and facilities have led to the weakness of the housing program. According to [2] all this has led to increase the size of the cumulative deficit in the balance of the existing residential buildings according to Population where the cumulative deficit for housing until the end of 2014 is 353 139 thousand housing units. The following table (3) shows the cumulative deficit residential accounts until the end of 2014.

Table3. *The cumulative deficit residential accounts until the end of 2014*

NO	Statement cumulative housing deficit is expected end of 2006	Housing units
1	The cumulative deficit for housing the end of 2006	305.101
2	Housing units required to meet the needs of the natural increase in the number of households expected in 2014	159.073
3	Housing units required to be provided to cope with irregular distribution and transportation needs administrative calculated by 2% of the required implementation	9.283
4	Total housing needs at the end of 2014 = 1 = 2 + 3	473.457
5	Deduction of housing loans granted during the period (2006-2010) of the total housing needs at the end of 2014 (5)	120.318
6	Total housing units to meet the needs of the cumulative deficit until the end of 2014 after deducting housing loans granted = (4) - (5)	353.139

Source: *The Ministry of Housing & Utilities report, Tripoli, Libya, 2014*

The following table (4) shows the estimated number of housing units to be implemented to meet the cumulative housing deficit during the period (2014-2033).

Table4. *The estimated number of housing units to be implemented to meet the cumulative housing deficit during the period (2014-2033).*

NO	Type deficit (cumulative)	Housing unit
1	The cumulative deficit for housing until the end of 2014	353.139
2	Potential increase in the number of Aloasr in 2033 (occupancy rate housing / family)	437.595
3	Ancient dwellings and dilapidated ramshackle and which require the replacement dwelling 1.5 out of every 100 houses of the existing housing stock throughout the years of the program.	357.586
4	Housing units required to be provided to cope with irregular distribution and transportation needs administrative calculated by 2% of the desired.	15.814
5	Total housing needs during the period 2014-2033	1.164.134

Source: *The Ministry of Housing & Utilities report, Tripoli, Libya, 2014*

Through what has been described above it could be seen that the housing policy in Libya in the past did not meet the required level of improvement and did not witness stability in its application which resulted in instability of the political system and floundering administration in the country.

In order to bridge the huge gap in public housing it very much requires expansion in real estate loans and direct commercial banks and the Bank of savings and investment in real estate in lending activity limited and middle-income families. It is also important urged non-specialized institutions such as the Social Security Fund, the General Authority for endowments and the role of cooperative societies be

more effective in the movement of housing construction as well as encouraging private sector companies and individuals to take part of their savings to reduce the deficit.

The housing sector has a close relationship with the fields of the sustainable development, which aims to improve the quality of life of individuals as it provides them with stability and a healthy and safe environment with basic services and facilities. Unfortunately, most of the Libyan cities lack all of these ingredients where green spaces are rarely and poorly distributed. Also mismanagement of sanitation or non-existent in a large number of cities, as well as visual distortions in both sides architecture and planning which reflected in the size and the shapes of the buildings and organize lines of the streets, and the emergence of slums. This indicates the existence of a missing link between urban planning and the issues of improving housing environment which led to the emergence of a lot of environmental problems, which in turn has increased the complexity and confusion of life in the Libyan cities [4]. Therefore, the role of the new housing policies must focus on some of the legislation that would achieve the sustainable development in housing. The Urban Planning has a role in improving the kind of life by linking housing needs with urban planning and linked to the requirements of sustainable environmental development, where the focus is on buildings eco-friendly taking in consideration dimensional of social, economic and environmental in design and implementation of public policy for housing and utilities.

Also housing construction or housing industry contains a lot of key elements which contribute to the growth and acceleration of the wheel of production for requirements of many sectors for provision materials such as cement, bricks, iron and others. Building materials industry is one of the most important industrial sectors that support economic progress through the provision of products to implement the housing and the rest of other facilities.

According to [5] building materials industry in Libya has received some considerable attention by the state where the industrial base expanded of this sector with the establishment of many factories for the production of cement and steel, tiles, bricks, glass and others. Also the private sector which was financed by banks or through self-effort played a major role in the production of many building materials, especially those that do not need to be big factories and high-tech. In spite of these attempts made by both the State and the private sector to create several factories, but the phenomenon of lack of construction materials in the local markets and high prices, especially cement and steel still exist in most cases. Therefore, more factories and building materials are needed in this stage for production of cement, steel, brick ...etc.

In all the countries of the Third World, the housing planning policy is not comprehensive and is more likely limited to what the state intends to do. In spite of many public housing projects built by Libya State, this was accompanied by several problems. This was as result of a lack sufficient study of most projects in terms of customs and traditions of the Libyan society, as well as considerations of climate and the nature and identity of the region. Also most of the models of public housing built were repeated in the most cities in spite of the differences in culture and some social customs as well as the nature and climate of the regions and this has led to the emergence of a number of problems in the residential projects.

3. CONCLUSION

In order to provide a healthy and decent housing program for the Libyan family and fill the current deficit in housing and strike a balance between population growth and needs of housing as well as available resources, it is advisable to adopt a long-term housing plans with taking in consideration the structural of the economic. It is necessary that the state and other public entities have to play key role in contributing to the construction of public housing. Also it is very important to increase public housing allocations in the national budget and encourage the private sector to participate in housing construction and investment. Determine the role of commercial banks and those specialized in finance and real estate investment in order to secure the necessary funds for mortgage lending program from various lenders.

Fulfil the requirements of the Libyan families in general, and low-income families that suffer from the housing crisis in particular by providing sufficient numbers of adequate housing, which take into account the requirements of the Libyan families of all aspects of health, environmental, social,

economic, and this can happen only by preparing legislation and necessary relevant procedures. Develop and conduct means and housing market mechanisms in order to ensure the overall balance between supply and demand and with respect standards price, quantity and quality.

Regulation measures land ownership and disposition is of the most important basics for housing is to provide land spaces. In order to provide the right place which adds favourable conditions in all respects social, environmental, economic and security. Establishing supportive legislation, of the system and institutions capable of managing the land in terms of the clarity of authorities and responsibilities and capacity of the implementation in the allocation of land for the purpose of housing and public services and utilities, as well as alternatives available to all segments of society is a must.

It is very significant that the state should adopt new housing policy on the right bases which can be done through reviewing all legislations relating to the past housing policy and benefit from the lessons and pitfalls of the past and previous experiences which can serve as a starting point towards developing a policy remedy of the past mistakes and address the crisis of the present and outlines the future milestones and establish new rules for systematic contracts in the completion and implementation of projects in which the private sector assumes to play the main role through the redistribution of risks and diversify sources of funding, in partnership with the public sector.

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Ezeddin Mohamed Shawesh, have over thirty-five years of experience as an Architect. I got my Bachelor diploma in 1980 on Architecture & Urban Planning from the University of Tripoli previously called Al-Fatah University. Soon after I graduated the University hired me as one of their Teaching Assistance. In 1987, I got my Masters of Architecture and Urban Planning from The University of Michigan, Ann Arbor, MI USA, additionally worked in a private office & at the UM as a Design Assistance. In 1996. I enrolled in a Ph.D. program at the University of Newcastle, UK. The program was on Planning and Landscape. Returned to Libya and continued as one of the university's faculty members. In my Years of experience, I held the architecture department at my University, got to be one of the curriculum writers members, funded my private business an office for (consulting, design, supervising and studies) and designed several buildings such as small airport, hospital, a museum, and other projects for the Ministry of Tourism, Libya.