

Open Access Initiative & the Affordable Housing Investment Alliance

Affordable housing investment as action learning

The Open Access (OA) Initiative is a joint venture market systems intervention spearheaded by Centre for Affordable Housing Finance in Africa (CAHF), FSDAfrica Investments, FSDKenya, Reall and International Housing Solutions (IHS). These market facilitators have formed the Affordable Housing Investment Alliance (AHIA) to drive the OA Initiative.

The Vision

Affordable housing practitioners – developers, financiers and investors – share data and delivery experience into a central repository that becomes the full database of all investments into affordable housing in Africa, with a start in Kenya. Data and information sharing between the parties, and collaboration in the advocacy and engagement processes, will leverage the individual efforts of the parties to realise economies of scale in improving the enabling environment for affordable housing.

The Problem

Although data is fundamental to the investment decision, good quality, focused data relating to affordable housing is limited. Investors, developers, all highlight the difficulty of accessing data that gives an accurate picture of the affordable housing investment opportunity and its risks. Key data questions relate to the nature of the **product**, its composition and associated costs; the **process** followed, including steps, time and cost, the blockages that arise and the impact on affordability; details relating to **people**, the target market, their affordability, other financial pressures, housing needs; etc.; and then the **performance** of the investment, whether this is a worthwhile venture, how it might be improved.

The Solution

The Open Access approach asserts that when money is invested into a development initiative it should have a twin-objective of (a) achieving the immediate development output (i.e. the building or financing of houses) and (b) supporting broader market development. In order to achieve the latter, the sharing of data and information related to the investment experience becomes a condition of investment. Over the course of the investment, this data and information will be collected and then developed into useful outputs for sharing in the public domain.

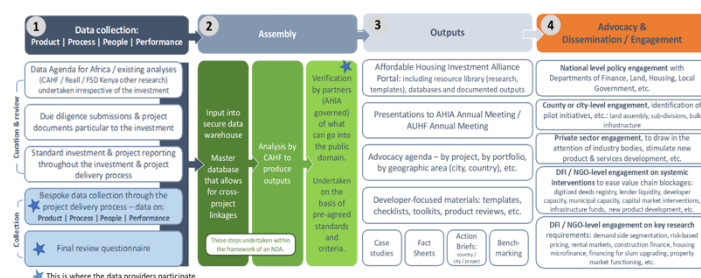
Open Access and its Principles

Open Access itself relates to the dissemination of research outputs, online, free of cost, with an open license for copyright. Seven principles govern the application of the Open Access concept.

1. Open Access participation as a condition of investment
2. Respect and support for commercial competitiveness
3. Limit the impact on investees and developers
4. Use existing material as much as possible
5. Real time / real data
6. Transparency of input data
7. Recognition and referencing of colleagues' work

The Implementation

The OA Initiative follows a process that involves four main steps: **data collection, assembly, the production and delivery of outputs, and then advocacy and dissemination engagement.** These steps will be championed by members of the AHIA through their investments.



The OA initiative is being piloted in Kenya, spearheaded by the IHS Kenyan Green Housing Initiative, but drawing in a wider array of players. This will be followed by a soft scale up to Nigeria, with the ultimate goal of reaching all of Africa's housing markets.

Expected Outputs & Stakeholder Benefits

Outputs will be produced on various levels, some will target participating developers, other DFIs and some the general public. To amplify usage of information at hand AHIA will produce a wide range of outputs, such as: Project Fact Sheets, Investment Fact Sheets, Action Briefs, Case Studies as well as a data dashboard. It is anticipated that these outputs will support actors along the housing value chain to:

1. support investments in overcoming blockages they face;
2. develop tools, frameworks, and baseline research to support both the investee and other market players in addressing the challenges that they confront in delivering affordable housing;
3. showcase the activities of market players engaging in affordable housing, demonstrating their focused attention on both opportunities and risks;
4. encourage greater investment into the affordable housing sector, given the clear attention to delivery risks, and the identification of niche market opportunities enabled through this effort.

The OA initiative is about market development. The intention is to build and support a more competitive environment in which a range of market players see (and can act on) opportunities to invest, while raising the bar on quality and long-term sustainability. Ultimately it can contribute towards an overall cost saving in the actual product and the time taken to achieve its delivery, benefiting the original data sharer, the investor, and the market as a whole. In a nutshell, OA asserts that sector players should not compete on how to access information but on how it is used to optimize resources.

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