

Namibia: Law Banning Urban Land Auctions Coming

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Government has put in motion plans to change the Local Authorities Act and to ban town councils from selling land through auctions or tender processes that prevent many low-income earners from owning properties due to inflated prices.

Further changes would allow government to regulate all urban land under the town councils. The proposal is to change the sections of the Local Authorities Act Of 1992, which gives town councils the power to sell and lease urban land without consulting the line ministry. The Namibia Chamber of Commerce and Industry (NCCI) has welcomed the proposal saying it is time government introduces a system that allows citizens fair access to land.

"All immovable properties would not be tendered or auctioned anymore, instead there would only be private treaties. The urban land would be regulated by government through the line ministry," the Minister of Regional and Local Government, Housing and Rural Development Jerry Ekandjo said at the three-day annual general meeting of the Namibia National Mayor's Forum that ended in Windhoek yesterday.

Ekandjo says the suggested changes would be brought before the upcoming national policy conference. The proposals are that "non-Namibian citizens should only acquire land through leasing for a period not exceeding 30 years on a renewable contract."

Further, foreign nationals would be required to only sell back land to Namibian citizens. Ekandjo also revealed that Namibia had sent a team to Kenya, South Africa, India and Mauritius to analyse low-cost housing schemes in those countries and to use their findings as the basis for a new formula for the provision of low-cost housing in Namibia. Deputy regional and local government minister Priscilla Beukes headed the team. The proposed changes are a direct response to the public outcry over over-priced urban residential and business erven. If successful the amended legislation would compel town councils to sell land through private treaty. Unlike the highest bidder takes all condition of auctions and tendering, private treaty sales will allow more room for price negotiations. Moreover, the terms and conditions are usually pre-defined and suitable for targeted buyers, such as first time buyers. NCCI chief executive officer Tarah Shaanika welcomed Ekandjo's statement. The NCCI has been advocating for changes in how town councils sell land in the past.

"The current system now puts more and more land into foreign hands and eventually towns would be wholly owned by foreigners, leaving Namibians with no land. We must find a system where Namibians have fair access to land," Shaanika told New Era.

Ekandjo's comments caused a stir during the meeting with some of the town mayors complaining that stopping town councils from auctioning or selling urban land through tendering would deprive them of very lucrative revenue streams. However, Ekandjo stood his ground and reminded the mayors that the independence struggle was waged to repossess land, and yet the cost of land has become a highly contentious issue. "Local authorities auction land to their own benefit. This is not a

business; it is a service for the people you serve. Then you wonder why there are land grabs," Ekandjo said.