**A place to live in dignity for all: Making housing affordable**

**Report of the Special Rapporteur on the right to adequate housing to the   
78th session of the UN General Assembly**

**Questionnaire**

For States: please share this questionnaire as well with your National Statistical Office and relevant Ministries to assist completing statistical sections relating to housing affordability.

Name of submitting entity, organization or individual: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Contact e-mail: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (contact e-mail will be deleted before the response is published)

**National law, policies and jurisprudence relating to affordable housing**

1. Does your country’s national law, including constitutional, housing or social protection law, refer to affordability of housing or provide any other guarantees to ensure a minimum standard of living? Or in its absence, are there national policies that refer to affordable housing or minimum standard of living? Please provide references and links to the respective key laws or constitutional provisions as well as policies.

Answer

Every Indonesian citizen has the right to adequate housing without discriminations. Article 28 H of Indonesia’s 1945 Constitution states: "Every person has the right to a prosperous life, both physically and mentally, **a place to live**, and a good and healthy environment, and has the right to obtain health services." Furthermore, Article 40 of Law No. 39 of 1999 on Human Rights states that every person has the right to a decent place to live and a decent standard of living.

The government guarantees the community's right to adequate housing through Law No. 1 of 2011 on Housing and Settlement Areas. It preamble states that the government is responsible for protecting all Indonesian citizens through the provision of housing and settlement areas so that people are able to live and inhabit affordable and decent homes in healthy, safe, harmonious, and sustainable housing throughout Indonesia. The law also explains the government's role in providing housing and settlement areas:

* Article 13, 14, and 15 state that the tasks of the Central/Provincial/District/City Government include facilitating the provision of housing and settlements for the community, especially for low-income communities;
* Article 19 paragraph (2) states that the provision of housing and settlements is carried out by the central government, local governments, and/or any person to guarantee the right of every citizen to occupy, enjoy, and/or own a decent home in a healthy, safe, harmonious, and orderly environment;
* Article 54 states that the Government is obliged to provide facilities for the construction and acquisition of housing for low-income communities.

The Minister for Public Works and Housing (MPWH) Regulation No. 35 of 2021 on Facilitation and Assistance for Housing Financing for Low-Income Communities has established various housing financing facilities as an effort to regulate housing affordability. The MPWH Decision No. 995 of 2021 sets the income and house price limits for obtaining assistance in housing financing.

1. Please explain if there is any official definition or criteria to assess whether a household faces housing costs above the level of affordability in your country.

Answer

Law No. 1 of 2011 on Housing and Settlement Areas (as amended by Government Regulation in Lieu of Law No. 2 of 2022) provides the definition of households that face housing unaffordability in Indonesia, which is referred to as ‘Low-Income Communities’ (*masyarakat berpenghasilan rendah* or ‘MBR’). MBR is defined as those with limited purchasing power which need government support to obtain housing.

The MPWH Regulation No. 1 of 2021 on the Criteria for Low-Income Communities and Requirements for Ease of Housing Development and Acquisition specifies the criteria for MBR based on income in relations with the ability to pay for the construction or acquisition of decent housing. The MPWH Decree Number 22/KPTS/M/2023 on the Income Level of Low-Income Communities and Limits on Floor Space for Public and Self-build Housing further determines the income level that would qualify a household as MBR, that is between IDR 7 – 10 million (approximately USD 472 – 675) per household, depending on their area of living and marital status.

1. Please share any important court decisions in your country that relate to the issue of affordable housing or enjoyment of a minimum standard of living, including important judgements on State policies or measures aimed at ensuring housing affordability. Please provide if possible a short summary of the decision and a link to its text.

(e.g. judgements by international, constitutional, supreme or high courts, rent control measures or rent freezes, access to housing subsidies, public or social housing, non-discrimination and equal access to affordable housing etc.)

Answer

In 2012, the Indonesian Constitutional Court published a judicial review decision[[1]](#footnote-1) (Decision No. 14/PUU-X/2012) regarding the right to adequate housing and the minimum floor space for homes that would qualify for MBR housing subsidies.

The judicial review application was submitted by the association of housing development companies for MBR, to review Article 22 paragraph (3) of Law No. 1 of 2011 on Housing and Settlement Areas, which states that the minimum floor space of subsidised housing for MBR is 36 square meters. The applicant argued that in practice, most MBR households sought and could only afford a 21 square meters subsidised house, with the intention to further build and expand their house in the future. The 36 square meters minimum floor space requirement also caused a housing backlog due to limited land availability, longer construction time, and more expensive construction costs.

The applicant argued that Article 22 paragraph (3) of Law No. 1 of 2011 therefore violates the 1945 Constitution’s provision on the right to adequate housing, as it prevents MBR households from obtaining smaller sized homes that they actually prefer. The Constitutional Court accepted the applicant’s arguments, and decided that the article is unconstitutional and no longer legally binding.

**Data and trends on housing affordability**

1. Is housing affordability regularly measured in your country, region or city, by the national statistical office or other entities? Please explain how housing affordability is measured and tracked. Where is the data published?

Answer

Statistics Indonesia(*Badan Pusat Statistik* or ‘BPS’) regularly measures the adequacy of housings and home ownership rate in Indonesia[[2]](#footnote-2), but housing affordability is not yet measured.

BPS has the statistics of inadequate housings in Indonesia according to the criteria of sufficient living space (7.2 square meters per capita), access to appropriate drinkable water, access to appropriate sanitation, durable housing, and statistics on housing backlog in Indonesia. In addition, BPS has an Index of Construction Cost (IKK) that measures the spatial cost of building a house.

Furthermore, the MPWH has an information system that contains data on housing in Indonesia and its analysis in the Housing and Real Estate Information System (HREIS).

1. Has housing affordability increased or decreased in your country over the past 10 years? In which regions or cities have housing affordability changed and for whom?

Answer

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Decile | Percentage of Households Occupying Livable/Adequate Houses | | | | | | | |
| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 |
| 1 | 25,90% | 28,57% | 31,75% | 33,00% | 36,68% | 40,98% | 42,27% | 44,47% |
| 2 | 35,19% | 38,25% | 40,60% | 41,92% | 45,19% | 48,79% | 49,20% | 51,17% |
| 3 | 38,29% | 41,87% | 44,43% | 44,88% | 48,69% | 52,65% | 53,35% | 56,07% |
| 4 | 40,61% | 44,90% | 48,57% | 49,30% | 52,27% | 56,53% | 55,70% | 58,32% |
| 5 | 45,60% | 50,06% | 51,79% | 52,67% | 54,94% | 58,08% | 58,56% | 60,71% |
| 6 | 49,87% | 52,66% | 55,01% | 55,74% | 58,14% | 60,57% | 61,01% | 62,44% |
| 7 | 54,02% | 59,40% | 58,69% | 58,90% | 61,41% | 64,54% | 63,66% | 64,10% |
| 8 | 56,97% | 61,75% | 62,72% | 63,17% | 65,29% | 66,74% | 66,18% | 65,57% |
| 9 | 62,94% | 65,74% | 66,58% | 66,97% | 68,32% | 70,32% | 70,57% | 69,08% |
| 10 | 70,52% | 74,13% | 72,94% | 74,33% | 74,13% | 76,20% | 75,88% | 74,67% |

*Source: National Socio-Economic Survey (‘Susenas Kor’) 2015-2022, processed*

The percentage of households in 1-4 deciles (households at the bottom 40% of income distribution) that occupy liveable houses increases every year from 2015-2022. This indicates that the number of households with vulnerable financial capabilities who are able access adequate housing improves every year.

1. Please describe which households, persons or groups are at particular risk of being exposed to housing affordability in your country, region or city.

(Please provide data on housing affordability disaggregated on the basis of household size, form of tenure (living in self-owned housing, rental, other), type and quality of housing (e.g. living in formal or informal housing); location (region, urban, rural), type of household (with or without children, single-parent households), income, employment status, gender, disability, age, nationality, ethnicity, religious affiliation or immigration status.)

Answer

The risk of housing unaffordability primarily occurs to MBR who work in the informal sector and do not have steady income, making it difficult to access long-term financing for home ownership. Informal workers account for a dominant share (60%) of the Indonesian workforce, comprising 77 million individuals or 31 million households, of which there are over 4 million housing ownership backlogs and over 7 million uninhabitable houses. According to BPS data, informal workers are geographically concentrated on the islands of Java and Sumatra (a total of 77% of informal workers or 46 million MBR working in the informal sector).

1. May certain specific groups or persons, such as persons experiencing homelessness, living in informal settlements, students, asylum seekers or refugees, potentially be left out in data collection in relation to housing affordability?

Answer

There is a possibility that certain groups or people are not reflected in the data collection process that is not carried out in the population census format. BPS has anticipated data collection inaccuracies in surveys which is indicated by the Relative Standard Error (RSE) number.

Data collection on homelessness in particular has become a specific agenda in the 2022 Socio-Economic Registration Initial Data Collection throughout Indonesia; which collects information regarding demographic socio-economic conditions, asset ownership, access to clean water and sanitation, housing conditions, vulnerable groups, geospatial information, level of welfare, and other socio-economic information.

**Causes and Consequences of housing unaffordability**

1. What are the main reasons why housing is unaffordable to certain persons or groups in your country? Please provide if possible as good links to (scientific) studies that have analysed such reasons.

Answer

A gap between supply and demand has caused affordability problem. This gap is caused by various factors, including the high population growth rate and high urbanization in cities that is not balanced with the provision of adequate housing.

From the demand side, the main problem is the low ability, especially of the MBR, to buy decent houses or to build them independently. There are 62% of informal workers who have income below the Minimum Wage, 37% have incomes between the Minimum Wage and IDR 8 million, and 1% have incomes above IDR 8 million. Around 43% of informal workers have highly fluctuating incomes, making it difficult to obtain long-term financing such as mortgage from financial institutions. In addition, only 30% of informal workers in the MBR category have savings accounts, despite having the ability to save per month generally ranging from IDR 400,000 to IDR 1,200,000.

From the supply side, affordable houses for MBR provided by developers are limited. The scarcity of land due to limited land with adequate size and price for housing development, especially in urban areas, also has caused the rising land prices and homes.

1. What percentage of land is owned or otherwise controlled by the State or other public entities, as contrasted with private entities (both for-profit and not-for-profit)? Please explain if there are any policies or laws which seek to control the price of land, and prevent land speculation including its supply and finance.

Answer

A special agency called the Land Bank Agency is established with special authority to manage state land based on Government Regulation No. 64 of 2021 on Land Bank and Presidential Regulation No. 113 of 2021. Article 13(c) of the Government Regulation No. 64 of 2021 states that the Land Bank serves to control the value/price of land and prevents land speculation.

Ministry of Public Works and Housing, and the Ministry of Agrarian Affairs and Spatial Planning / National Land Agency is initiating to develop a Memorandum of Understanding (MoU) on land data sharing in Indonesia. Currently, the Ministry of Agrarian and Spatial Planning / National Land Agency is in the process of establishing a national land pricing system to achieve equitable land values.

1. How many households have, during the last ten years been evicted because of their non-payment of housing costs? Please provide, if possible, more information on the socio-economic profile of the concerned households.

Answer

Most of the problems with housing evictions in Indonesia were caused by violation of spatial planning or illegal construction of houses. The Indonesian National Commission on Human Rights maintains a database on the number human rights violation complaints submitted to the Commission, including complaints related to housing evictions,[[3]](#footnote-3) although it does not specify the number of eviction complaints arising out of non-payment of housing costs in particular.

1. How many individuals, households or groups have, during the last ten years, been rendered homeless because of the inability to afford housing? Please provide a breakdown of the socio-economic characteristics of such individuals.

Answer

According to the data from Bank Indonesia, non-performing loans (NPL) for housing loans on landed properties from 2016 to March 2023 have shown a decreasing trend. As of March 2023, the NPL for MBR who purchase subsidised houses (22 to 70 meter square) is 1.95%, while the NPL for houses larger than 70 m2 is 2.59%. Based on Bank Indonesia's residential property survey in 2022, more than 69% of Indonesian homeowners purchase their house through a mortgage, while the rest through gradual cash payments and direct cash payments.

A unique aspect of the housing unaffordability issue in Indonesia is the cultural factor, where kinship and familial bond may prevent homelessness arising out of housing unaffordability. For instance, individuals or newlyweds that could not afford to own or rent a house may temporarily live with their parents or extended family, forming multigenerational homes that are quite common in Indonesia. In this context, inadequate living condition (such as overcrowding or limited access to water and sanitation) becomes the primary issue arising out of housing unaffordability instead of homelessness.

1. Please describe how housing unaffordability impacts the capacity of individuals and families to enjoy their other human rights including rights to work, health, education, and access to personal security in all its dimensions.

Answer

Housing is one of the basic human needs, after food and clothing. The need for housing is not only about meeting basic needs for safety and security, but also becoming a dwelling and shelter for families. Having adequate and affordable housing will provide the sense of security and encourage better attainment of education, health, and employment; while housing unaffordability can have an impact on the quality of health, education, and security.

**Laws, policies, programmes and practices aiming to ensure that housing is affordable to all without discrimination**

1. Please share an overview of the laws, policies, programmes and practices adopted in your country/region/city to ensure that housing is affordable for all without any discrimination, Please, provide links to relevant official texts.

(e.g. affordable housing, social and energy cost subsidies, preferential mortgage, building support schemes, provision of social and public housing, of serviced land for self-build, rent containment and rent control measures, taxation, measures to reduce housing vacancy, multi-stakeholder initiatives by State, local Governments, construction industry, housing providers, tenant unions etc).

Answer

**Laws:**

* Article 28 H(1) of the 1945 Constitution: Every citizen has the right to be able to live in prosperity, physically and mentally, to have a place to live, and to have a good and healthy environment.
* Law No. 39 of 1999 on Human Rights, Article 40: Everyone has the right to a place to live and a decent life.
* Law No. 1 of 2011 on Housing and Settlement Areas, Article 2: Housing and residential areas are organized on the basis of: a) welfare; b) justice and equity; c) nationality; d) efficiency and benefit; **e) affordability and convenience**; f) independence and togetherness; g) partnerships; h) harmony and balance; i) cohesiveness; j) health; k) sustainability and sustainability; and l) safety, security, order and regularity.
* Law No. 1 of 2011, Article 3: Housing and residential areas are organized to: a) …; b) …; c) …; d) …; e) …; f) ensure **the realization of liveable and affordable housing** in a healthy, safe, harmonious, orderly, planned, integrated and sustainable environment.
* Law No. 1 of 2011, Article 122: In the case of construction and ownership of public and self-supporting houses, the financing legal entity as referred to in paragraph (1) is obliged to guarantee: a) the availability of long-term low-cost funds; b) ease in obtaining access to credit or financing; and c) affordability in building, repairing, or owning a house.
* Law No. 20 of 2011 on Apartment,[[4]](#footnote-4) Article 2: The implementation of flats is based on: a) welfare; b) justice and equity; c) nationality; **d) affordability and convenience**; e) efficiency and benefit; f) independence and togetherness; g) partnerships; h) harmony and balance; i) cohesiveness; j) health; k) sustainability and sustainability; and l) safety, comfort, and convenience; and m) security, order and regularity.
* Law 20 of 2011, Article 21(4): Determination of rental rates for land is carried out by the Government to ensure the affordability of selling prices for public flats for MBR.
* Law 20 of 2011, Article 89: Everyone has the right to live in a decent, **affordable** and sustainable apartment in a healthy, safe and harmonious environment.
* MPWH Regulation No. 35 of 2021 on Facilitation and Assistance for Housing Financing for Low-Income Communities, Article 2: The ease of and/or assistance for housing financing is provided to low-income households through long-term, low-cost funds, housing financing subsidies, and other government assistance in accordance with the laws and regulations.

**Policies / programmes:**

* The national policy direction and strategy for the housing sector are laid out in the National Medium-Term Development Plan (*Rencana Pembangunan Jangka Menengah Nasional* or ‘RPJMN’) 2020-2024.[[5]](#footnote-5) The RPJMN 2020-2024 sets out that the policy for housing and settlement development is aimed at increasing people's access to decent, safe, and affordable housing to achieve an inclusive and liveable city.
* The Ministry of Public Work and Housing’s Directorate General of Housing has a Strategic Plan 2020-2024 for the policy direction of housing development, which is a detailed explanation of the national development targets in the RPJMN 2020-2024.
* The Directorate General of Housing has implemented several efforts to provide decent housing for every citizen through assistance in providing housing for low-income households, such as the construction of apartments for MBR and special housing for victims of natural disasters or social conflicts.
* Housing development policy is also directed at improving people's access to decent housing through collaborative programs, such as community-based housing provision in various districts such as Garut, Kendal, Cilacap, and other areas.
* Self-build Housing Stimulus Assistance (*Bantuan Stimulan Perumahan Swadaya* or ‘BSPS’): The government provides financial assistance for MBR to improve the quality of their houses as well as its infrastructure, facilities and general utilities. In addition, to increase community self-reliance in building liveable homes independently, the Directorate General of Housing has the Self-build Housing Clinic program, which facilitates self-build housing provision and provides guidance to individuals in building or repairing self-build housing.
* National Affordable Housing Program (NAHP):[[6]](#footnote-6) NAHP is a program with the goal of helping individuals and families in poverty to be able to own a residence and increase the quality of housing which they own through the development of housing finance schemes, strengthening the implementation system of the self-build housing program, and encouraging reforms in the development of decent and affordable housing programs and policies in Indonesia. This program was developed through cooperation between the Government of Indonesia’s Ministry of Public Work and Housing and the World Bank.
* The Housing Finance Liquidity Facility (*Fasilitas Likuiditas Pembiayaan Perumahan* or ‘FLPP’): This program is a cooperation between banks with the Government of Indonesia to increase home ownership for MBR through subsidised mortgage. The FLPP is intended for MBR with certain criteria, such as having a certain income level, not having received housing subsidies, and not owning a house. People who meet these criteria can apply for FLPP subsidised mortgage through participating banks located throughout the provinces in Indonesia.

1. Please share an assessment of the success, limitations or potential failures of the above-mentioned laws and policies in your country/region/city, including any studies or independent evaluation reports related to them. Who has benefited from them, and who has not? What has worked well, what - less? What lessons can be learned? What could potentially be replicable in other countries/regions/cities?

Answer

The housing unaffordability issue cannot be resolved in silos. It requires the involvement and cooperation of all stakeholders, in particular to protect the rights of MBR to occupy decent housing. In Indonesia, the decentralization between central and regional governments at times may present a challenge to concerted efforts to achieve the government’s target for the provision of decent housing for all. On the other hand, there are also best practices from local government initiatives that collaborates with the community and other stakeholders (such as the private sector, banking, philanthropy) in developing projects to address housing unaffordability.

1. The decision in Bahasa Indonesia can be accessed: <https://www.bphn.go.id/data/documents/14._putusan_14-puu-x-2012-(perumahan_dan_kawasan_pemukiman)_.pdf> [↑](#footnote-ref-1)
2. The data (in Bahasa Indonesia) is published in the BPS website: (<https://www.bps.go.id/subject/29/perumahan.html#subjekViewTab3.html>). [↑](#footnote-ref-2)
3. <https://dataaduan.komnasham.go.id/#/dashboard> [↑](#footnote-ref-3)
4. <https://jdih.atrbpn.go.id/api/download/1044/Terjemahan%20Resmi%20Undang-Undang%20Nomor%2020%20Tahun%202011.pdf> [↑](#footnote-ref-4)
5. <https://perpustakaan.bappenas.go.id/e-library/file_upload/koleksi/migrasi-data-publikasi/file/RP_RKP/Dokumen%20RPJMN%202020-2024/Lampiran%201.%20Narasi%20RPJMN%202020-2024.pdf> [↑](#footnote-ref-5)
6. <http://nahp.pu.go.id/assets/files/storage/NAHP_Book_-_English_version.pdf> [↑](#footnote-ref-6)