



# Leveraging Markets for Scaled Housing Outcomes

FOR MILLIONS OF FAMILIES WITH LOW INCOMES AROUND THE WORLD, AN INCLUSIVE, EFFICIENT MARKET SYSTEM IS KEY TO ACCESSING SAFE AND DIGNIFIED HOUSING



Credit: CRS Nepal, 2020

## What is a Housing Market System?

A **housing market system** refers to all the public and private actors, infrastructure, policies and regulations, social norms and perceptions and processes required for people to build, acquire and maintain housing. It incorporates products and services required for housing including materials, finance, information, labor, professional services, land, water, sanitation and energy. It covers different types of consumers as well as different ways to get housing including building, renting and buying. Although a housing market system in a specific context is affected by different situations - crisis, recovery and development, the market actors and many of the other components of the market system are the same in all these situations.

## The Need

Catholic Relief Services' Homes and Communities Strategic Change Platform aims to expand CRS' approach and global influence—from providing shelter and settlement in times of crisis, to ensuring safe, dignified homes and communities as foundations for people's long-term health and prosperity. The agency's strategy for 2030 seeks to be a catalyst for transformational change at scale, ultimately benefitting 1.5 million directly through CRS programming, and supporting another 8.5 million people through influence and scaling efforts.

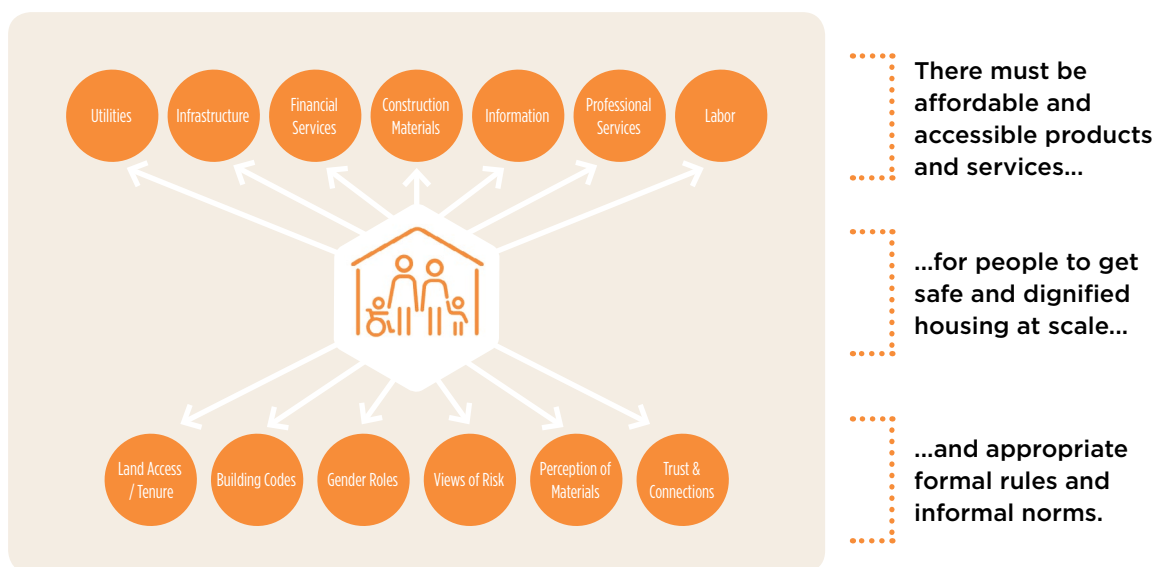
Central to the relevant and sustainable impact of the Homes and Communities Strategic Change Platform is the engagement with **housing market systems**. People with low incomes most often rent or construct their own housing, often incrementally as their incomes and resources allow. So, it is through the housing market system that they can access or purchase the necessary products and services to rent, build, repair, renovate or incrementally improve their homes. But, these products and services can sometimes be out of reach for low-income families, for example, because:

- Quality products, materials or services aren't available or affordable
- Policies, regulations or norms that influence the housing market are not appropriate or inclusive

Low-income families may also face barriers to accessing markets—for example, the private sector does not appreciate the potential of low-income housing as a market, due to issues of discrimination, or not having access to the financing required to invest in a home. Poor quality construction materials and practices can also undermine the resilience and longevity of homes, placing people at increased risk when humanitarian crises strike. Additionally, the lack of reliable, accessible and appropriate information takes away from a person or family’s ability to make informed decisions — for example, when determining the cost/benefit of using improved materials and construction techniques for their home’s sustainability and resilience.

Thus, when quality housing products and services are accessible and affordable—and when policies, regulations and informal norms are appropriate and inclusive—families who are marginalized or vulnerable can live in safe and dignified housing.

**An inclusive and efficient housing system can deliver safe and dignified housing at scale**



**Figure 1: The Housing Market System**

## The Opportunity

### LEVERAGING MARKETS WITH A FOCUS ON DISASTER RISK REDUCTION

CRS is recognized for supporting families and communities throughout the full continuum of an emergency response - from relief to recovery - to ensure that people not only have the support to survive in the wake of a disaster but have the foundation to thrive long after it. With the increased frequency of disasters and conflict, CRS is looking to meaningfully and efficiently build off its decades of experience in emergency response to transform its approach to meet the heightened needs of the most vulnerable.

By leveraging housing markets throughout its emergency response and development programming, CRS and its partners can support a greater number of vulnerable families and communities as they recover and rebuild their lives. Especially in disaster-prone areas, stronger links to housing markets can reduce their vulnerability to future disasters given their greater access to and means for safe, resilient rebuilding.

CRS’ intentional, enhanced engagement of market actors, both public and private, can help bolster and sustain the housing market so vulnerable families can continue to access the products and services they need to build, rebuild and maintain their homes long after humanitarian responders have scaled back their work. This is not only timely given the increasing nature of conflict-related crises, but impactful given how few non-governmental organizations are working in housing markets across the humanitarian-development nexus. CRS can have a transformational impact in addressing this gap, influencing others to invest in, and adopt, sustainable solutions, and benefit the lives of those who need it most.

# For CRS Teams and Partners

## A FRAMEWORK TO LEVERAGE MARKETS FOR SCALED HOUSING OUTCOMES

To enable CRS teams and partners to leverage and influence housing market systems and identify concrete interventions, CRS has developed a dynamic, accessible framework for leveraging markets for scaled housing outcomes. This framework can be applied by country programs (CPs) and teams across an emergency, recovery and/or development program continuum, and adapted to fit diverse local contexts. The framework features three key steps:

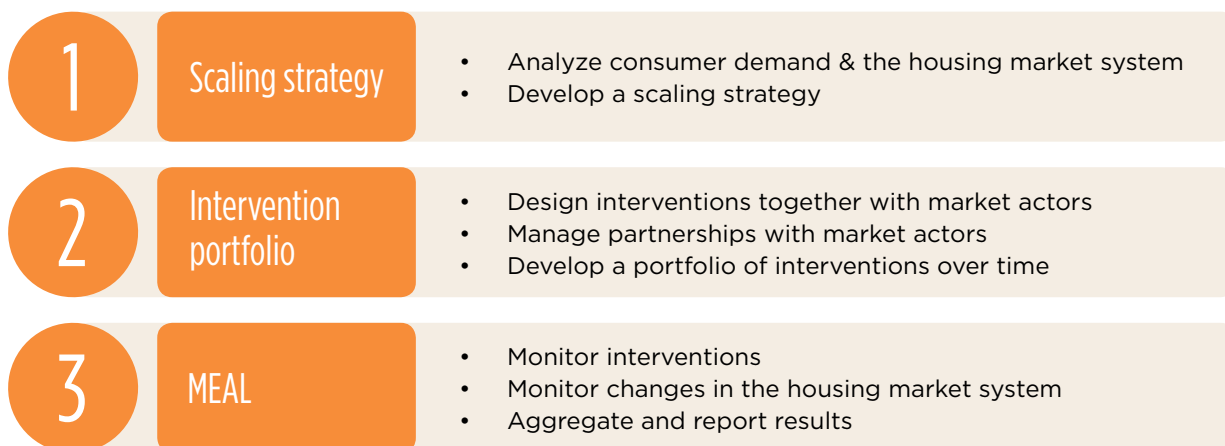


Figure 2: Steps in the framework

### **Step 1: Develop a scaling strategy based on an analysis of the target population's demand for housing and the housing market system**

- Prior to developing a scaling strategy, the CP assesses the current practices and demands of the target population, the supply of housing products and services, and the formal regulations and informal norms that influence housing. Throughout the assessment, the team considers:
  - The constraints faced by the target population in accessing safe and dignified housing;
  - The reasons why the housing market system is not already addressing these constraints and/or meeting the demands and needs of families; and
  - Feasible opportunities for market actors to provide solutions.
- During the assessment, the CP aims to identify market actors with the drive, incentive and capacity to invest in developing new products and services, or in new ways of distribution to better serve the community.
- Based on the assessment, the CP will develop their scaling strategy to influence the market system to better serve the target population. An effective strategy for engaging markets should:
  - Describe a vision for how the housing market system can work better for vulnerable families and communities in the future;
  - Prioritize constraints and align opportunities for CP support, and
  - Outline how the CP will engage with market actors and influence behaviors.

### **Step 2: Develop a Portfolio of Multiple Interventions**

Experience working with market systems has shown that one intervention (or, a narrow focus) rarely catalyzes transformational change. Rather, a portfolio of complementary interventions is essential. Each intervention of such a portfolio should involve working with a market actor (such as retailers, manufacturers, financial institutions, property developers, government) on a solution to sustainably provide a product or service in a way that addresses constraints faced by families. Together, the portfolio of interventions should influence the housing market system to shift towards the vision expressed and outlined in the strategy.

#### **Example: A Portfolio of interventions**

A CP decides to implement a range of interventions to influence the housing market system for the target population by working with a number of market actors, including:

**Intervention 1:** Partnering with a material supplier to sell appropriate construction materials and provide information to buyers on how to use them properly;

**Intervention 2:** Partnering with a media company to develop and air programming that showcases appropriate materials (the same or similar to those sold under Intervention 1), their cost/benefit and how to use them appropriately during construction;

**Intervention 3:** Partnering with local medium sized contractors to train employees on how to use the materials promoted under Intervention 1 and 2.

### Example

CRS is partnering with a social media company that is providing information on resilient building practices, sponsored by building material suppliers. But families are not changing their practices. The CP will talk to families to find out why not. Based on the findings, the CP works with the social media company to change the messages or strategy on information channels.

### Step 3: Monitoring, Evaluation, Accountability and Learning

It is important to be able to adapt and evolve interventions for greater relevance, sustainability and effectiveness. Regular monitoring and evaluation of the interventions implemented can provide valuable findings on whether a particular intervention, or combination, is having the desired impact. This learning enables the CP to make modifications of individual interventions so they are more effective, as well as help the team improve the overall portfolio by phasing out, or adding in new, interventions. An adaptive management approach is critical for programs engaged with the housing market system.

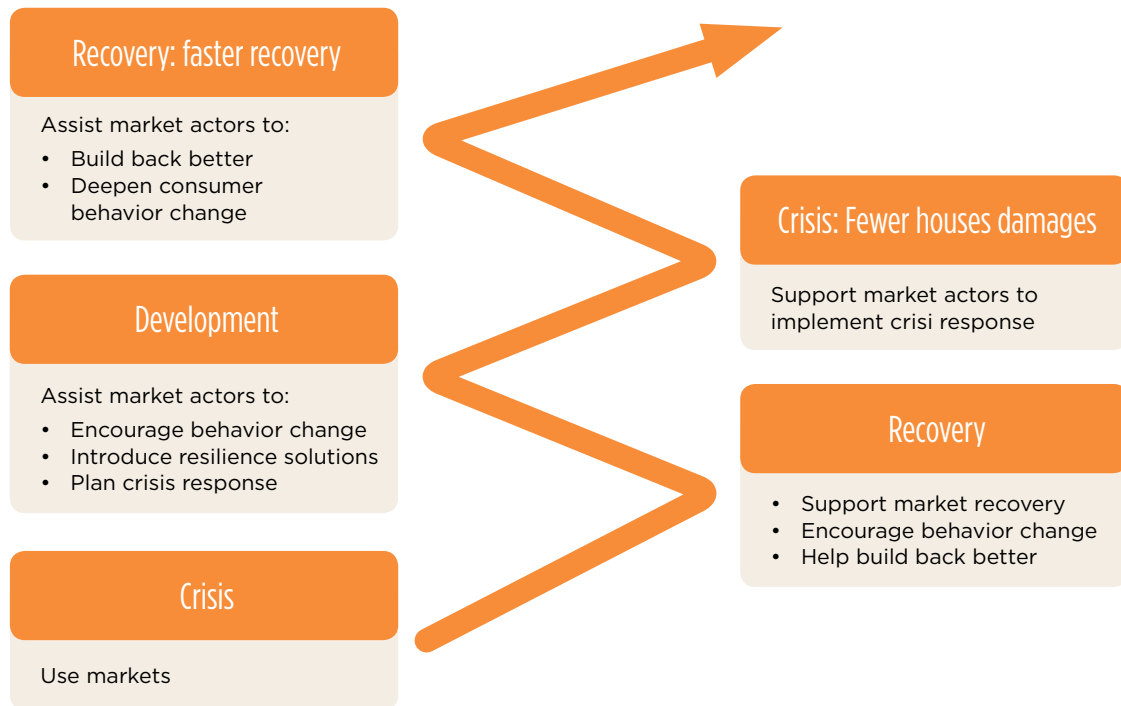


Figure 3: Upward spiral of resilience

### “At CRS...

...we have a **global agenda** to achieve transformational change at scale. We know that we will not be able to achieve that transformational change at scale if we do not build very strong and resilient systems. So, when looking at building systems, having a strong, resilient and self-sustaining market is one of the key components to ensuring an effective and resilient system.”

**Festus Fofie,**  
CRS Ghana Country Program

By applying the framework throughout the stages of crisis, recovery and development contexts, to a geographical area, a CP can build upon the impact of successive interventions to trigger an upward spiral of improved resilience.

CRS can work with market actors in housing—including those in the public sector, private sector and civil society—to build back better after crises, encourage adoption of hazard-resistant housing solutions, and plan an effective crisis response.

These efforts will ensure that fewer homes are damaged during crises, recovery is faster, and families, market actors and the entire housing market system become more resilient. This type of transformational change will enable families, at scale, to build, live in and maintain safe and dignified homes and communities.

**We believe in transformation on a global scale.  
Faith knows no bounds.**

**Learn more at [crs.org/safehomes](https://crs.org/safehomes).**