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Ups and Downs of Developing a National Housing Policy in Tanzania

Authors: *Joseph Mukasa Lusugga Kironde, Vivian Kazi, and George Raphael Temba*

Key Points

- Unlike a number of African countries, Tanzania is missing a stand-alone National Housing Policy (NHP), although there have been several attempts to develop one.
- A housing policy could lead to access to affordable housing for a large number of people.
- Most home-owners started out as renters. Housing policy should address their needs as well as owners'.

Self-Build Housing and Urban Development

Housing (as is food) is a basic human right and the right to adequate housing is the right to live somewhere in security, peace, and dignity. Important components include legal security of tenure; safe, serviced and healthy locations which allow access to opportunities to earn an adequate livelihood; and access to social and economic infrastructure.

Tanzania is urbanizing fast but many people finding themselves in urban areas have ended up beefing informal settlements with inadequate housing. The government shows some interest in the question of housing but this has been short of creating a National Housing Policy and implementing housing programmes addressing the needs of the majority.

This policy brief is an outcome of the **Home Grown Growth in African Cities: How Housing Drives Urban and Economic Growth in Ghana and Tanzania** research project conducted by researchers based in Tanzania, Ghana and the UK, and ESRF. The research sought to find out how urbanites get access to housing and how they use it to cement their footing in urban areas.

One of the study areas is Bunju in Dar es Salaam, where some 80 households were interviewed. This was supplemented by a study of the existing literature especially government documents and interviews with knowledgeable stakeholders of housing.

Housing in Tanzania

Tanzania has an area of 945,087 km² and a population in 2022 of 59,851,347 people, which has grown from 11,958,654 persons in the 1967 and is estimated to be 65,900,000 persons in 2025. The rate of urbanization is high: the urban population growing at 4.8% pa compared to 2.4% pa for the rural population. The urban population now stands at 33.4%, compared to what it was in 2012, that is, 29.1% (Table 1). Over 50% of Tanzanians are expected to be urban by 2050.

Table 1 Population Growth and Urbanisation in Tanzania

Indicator	2012	2022			
	Total	Total	Rural	Urban	% Urban
Total Population	43,625,354	59,851,347	39,232,999	20,618,348	34.4
Male Population	21,239,313	29,137,638	19,247,420	9,890,218	33.9
Female Population	22,386,041	30,713,709	9,985,579	10,728,130	34.9
Average Annual Inter-census Growth Rate	2.7	3.2	2.4	4.8	-
Number of Households	9,109,150	13,916,945	8,427,217	5,489,707	39.4
Average Household Size	4.8	4.3	4.7	3.8	-
Sex Ratio	95	95	96	92	-
Population Density	49	68	-	-	-

Source: Tanzania National Census 2022

The population is not only increasing, but also Tanzania is urbanizing fast and this has implications for housing and its surroundings.

Ever since Independence, Tanzania strove to grapple with the question of housing the population through steps like creating the National Housing Corporation in 1962 and carrying out various slum upgrading programmes in the 1960s and 1970s; and also establishing a Tanzania Housing Bank. A National Housing Policy was drafted in 1981, touting, inter alia, housing provision by employers. Housing has appeared and disappeared in the structure of the Ministry of Lands.

The Draft National Housing Policy 2018 (NHP) notes that despite the importance of housing in national socio-economic development, it has been accorded low priority in national development plans since the mid-1970s. Even if it can be argued that there has all along been a National Human Settlements Development Policy 2000, it is admitted in the NHP that "housing issues were scanty and inconspicuous." To date, Tanzania does not have a National Housing Policy, although many times officials talk of an acute housing shortage, whose basis of determination is unclear.

The Department of Housing in the Ministry of Lands has seen its rise and fall, all the time when it falls, getting merged with the Department of Physical Planning.

There is no housing department within the structure of local government authorities.

Tanzania Development Vision 2050, was launched in July 2025, and has construction and real estate (which includes housing) as one of its pillars

In many official documents, and many public discourses, a national housing shortage of 2,000,000 to 3,000,000 units requiring an annual supply of 200,000 units is usually quoted. These units are not described e.g. rooms or what. Without a minimum housing standard, it is not known how many housing units are below that standard or are unfit for human habitation.

How many units need to be replaced per annum? What is the extent of over-crowding, or homelessness?

The ruling party election manifesto promised to make the government motivate and create a conducive environment so that all citizens have better human settlements (Better houses for all people is an achievable possibility).

This seems to be leaning towards the physical side of housing and was not followed by actionable programmes. The General Election took place in October 2025. In subsequent remarks some key government personalities have expressed the need for affordable housing for all Tanzanians.

Key Findings on Self-Build Housing in Bunju, Dar es Salaam

Some of the findings from the study have observations that can inform a national housing policy.

- In the study area, only 20% of the houses can be described as complete, though they are occupied. Finance is mainly through personal savings. A policy approach by public authorities would be to support what the people are doing, by addressing externalities and providing public goods, flexible financing to accelerate incremental construction, so that owners and tenants live in houses of better quality.
- The majority of occupiers of houses in Bunju are tenants with one or two rooms. Besides, the majority of those who enter the housing market start as tenants, the tendency to own increasing with age. A policy to encourage the construction of quality, affordable rental housing, by the private sector would be an important pillar of a housing policy.
- Residents of African urban areas fend for themselves, with little or no government help, by acquiring land informally and wherever they can get it and developing it informally, which leads to urban sprawl, and occupation of hazard land. Nevertheless, when reflecting upon their future plans, residents of the study area envisage constructing in a planned area. This points to the need for public authorities to continually intervene in land use plans, preferably with the collaboration of land owners, using approaches like land pooling and readjustment, or land sharing, and other community-based planning.

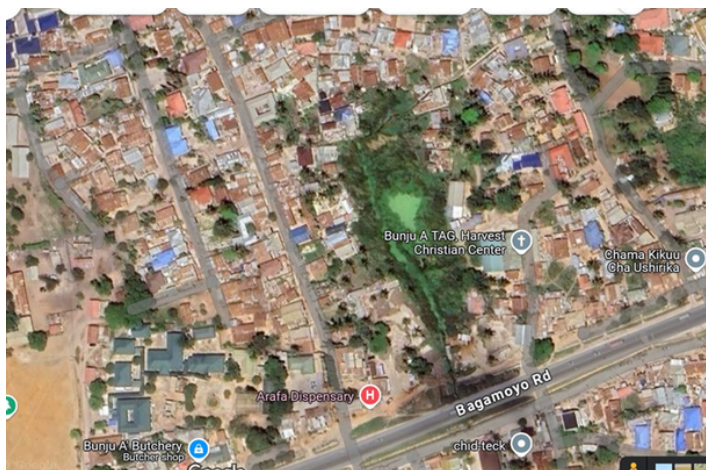


Figure 1 Part of the Bunju A Areas Where the Study was Conducted

- For many, the movement to ownership is through land acquisition and incremental construction.

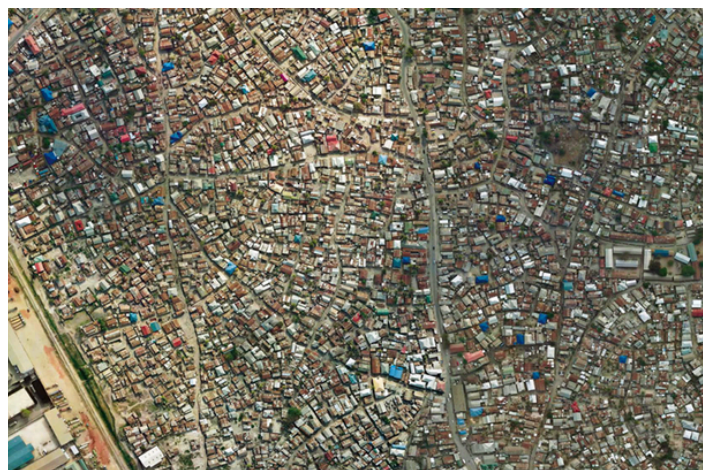


Figure 2 A typical high density unplanned areas in Dar es Salaam

- Hardly any buy houses complete or incomplete. Providing housing finance for acquisition of complete houses is unlikely to meet the needs of the majority.
- People move several times through the housing market in their lifetime. Policy approaches would be to encourage such movements especially when it goes along with labour mobility. Rental housing supports mobility.
- Ownership encourages immobility. Policy approaches need to bear this in mind. There is a tendency by many policy makers to think more in terms of encouraging ownership, at the expense of the rental sector.
- There are no riots demanding better housing. There is no emphasis on housing from political parties, trade unions, professionals, academicians. This however, does not mean that there no grudges about housing conditions especially from the youth. Building in informal, unserviced areas can be seen as some form of protest.

Recommendations

Recommendations are made as part of the findings above. Additional recommendations are as follows:

- Tanzania has to decide whether it wants a National Housing Policy alongside the National Human Settlements Development Policy. Since the 1970s, the Housing Agenda has been driven by Town Planners, who have shied from moving housing from its crude physical form, to its economic and social attributes. Whichever way is adopted, there is need to showcase housing in terms of its attributes and role in the national socio-economic development programmes.

Ownership encourages immobility. Policy approaches need to bear this in mind. There is a tendency by many policy makers to think more in terms of encouraging ownership, at the expense of the rental sector.

- Whichever form the housing policy takes it must have a clear definition of Housing and the kind of aspirations for the nation: Housing minimum standards; type of occupation – ownership? Tenant? Providers, cost and finance, equity, neighbourhoods, affordability, greening, locations, maintenance and renewal, links with social-economic development. All these should be in a vibrant housing policy, which should include implementation strategies.
- The Buildings Census 2022, released in April 2024 gives insights into the quality of housing and its occupation.
- Housing is not a single market nor is it just the physical features. There are many sub-markets. There is a need to identify them and establish policy undertakings that can address these.
- A public policy-supported modern version of the Swahili house offers a model that can improve the quality of housing for low-income households at affordable levels.

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Kituo cha Maarifa cha Kironde (KCC):

Instagram: @home_grown_growth

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THE LONDON SCHOOL
OF ECONOMICS AND
POLITICAL SCIENCE

Economic and Social Research Foundation (ESRF)

51 Uporoto Street, Off Ali Hassan Mwinyi Road

P.O. Box 31226, Dar es Salaam, Tanzania

Tel: (255) 222926084-9 Fax: (255) 222926083

Email: esrf@esrf.or.tz