



GLOBAL PROGRAM
RESILIENT HOUSING



THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

SOME LESSONS LEARNED IN COLOMBIA

LUIS TRIVEÑO
ltriveno@worldbank.org

Housing deficit: **36.59%** of the total stock.

In cities, **75%** of households in deficit need a better home, not a new one.

82% of the households in deficit
earn less than 2 minimum wages
(USD 462 per month)

Families in the bottom-40 are overburdened by mortgage and rental payments.

Mortgage payments: **47%** of their income.
Rental payments: **43.3%** of their income.

Before **COVID-19**, the only have 2 options to get housing support from the government:

Free Housing, **USD 16,170** per unit.

This program was discontinued due to its high cost.

Informal workers had to save for more than 1 year to be eligible for a mortgage and an average upfront subsidy of **USD 7,890**.



The **COVID-19** pandemic has revealed that the layout, financing, ownership and legal characteristics of a home matter less than its quality.

What matters is the house's capacity to operate as a shelter, an online school, a virtual workplace, and a space where the sick and vulnerable can feel safe.

Identifying the most efficient option to eliminate the qualitative housing deficit in urban areas per program*

Free Housing	USD 44.8 billion
Upfront subsidies + CCF	USD 35.8 billion
Upfront subsidies	USD 24.6 billion
Home improvement subsidies (including structural strengthening)	USD 8 billion
Home improvement subsidies combined with microloans (1/3 subsidy and 2/3 microloan)	USD 1.8 billion

* Net present Value.

** 2,360,525 units with 1-5 sources of qualitative deficit.

Source: Fedesarrollo (2020).

Identifying the option that creates more jobs for the most vulnerable.

Total multiplier for self-construction and home improvement: **3.645.**

Total multiplier for large scale new construction: **1.977.**

Jobs created for young and adults with low qualifications: **>80%**

Home improvement can save lives,
protect assets
and shield economies.

#BuildBetterBefore, not after.

THANK YOU!

LUIS TRIVEÑO
ltriveno@worldbank.org