

The Policies of Housing in Egypt 1981-2017 for Low-Income Groups (National Project)

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Abstract:

This study examines the alignment of Egypt's economic housing policies with the needs of its target social groups, particularly low-income populations, within the context of rapid demographic growth and escalating housing demand. The Egyptian government has implemented several initiatives, including the Economic Housing Finance Program, aimed at providing affordable housing for underserved communities. However, the challenges posed by Egypt's high population growth, youthful demographic, and increasing urbanization present significant obstacles to the successful implementation of these housing strategies. This research evaluates the effectiveness of the government's housing efforts in bridging the gap between supply and demand, with a particular focus on rural and informal settlements where poverty rates remain high. The study also analyses the economic viability of these housing programs and their ability to meet the long-term needs of Egypt's expanding population. The findings indicate that while current housing policies represent a positive step, they require scaling and adaptation to address the diverse needs of Egypt's social groups. Recommendations include enhancing financial accessibility for low-income households, improving infrastructure development, and ensuring more equitable distribution of housing resources between urban and rural areas. Ultimately, this paper advocates for a holistic approach that integrates housing policy with broader economic and social reforms to ensure sustainable, inclusive development in Egypt.

Keywords: Economic Housing Policies – Urbanization - Informal Settlements - Population Density - Social Housing.

Introduction:

Defining the Population Problem: The population problem can be scientifically defined as an imbalance between the number of people and the availability of natural resources, capital, and technical expertise. While the population is viewed as a productive force that can exploit resources, it is also a consumer force that places pressure on available resources. Therefore, an imbalance between the population and resources leads to what is known as the "population problem. **Housing Policy Objectives** are to provide housing for groups in need of support, fulfill a social dimension, create a favorable environment for investment in housing, fulfill an economic dimension, and distribute housing responsibilities between the public and private sectors, also an economic dimension. **Housing Strategy** In 2020, the Egyptian government, represented by the Ministry of Housing, Utilities, and Urban Communities and in cooperation with UN-Habitat, launched this strategy to position Egypt among the leading nations by January 15, 2024. The Economic Housing Finance Program aims to provide affordable housing units for low-income Egyptians.

Population Problem Indicators in Egypt; The Population Clock by the Central Agency for Public Mobilization and Statistics indicates that Egypt's population reached approximately 103.9 million as of September 12, 2022. The 2006 census recorded 72.6 million people, and by 2017, the population had risen to 94.8 million, an increase of approximately 22 million in just 11 years (averaging 2 million per year). In comparison, the 1986 census recorded 48.2 million, rising to 59.31 million in 1996, an increase of about 11 million over ten years (averaging 1 million per year). According to the Central Agency for Public Mobilization and Statistics, Egypt's population is expected to reach around 120 million by 2030, equal to the combined population of 15 European countries with low or medium population densities. Studies also suggest that by 2050, Egypt's population could reach 153.4 million, continuing to rise to an estimated 198.7 million by the end of the 21st century, which would more than double Egypt's population in 2015.

Economic Growth Rate vs. Population Growth; Numerous studies indicate that economic growth needs to be three times the population growth rate to generate sufficient jobs for the new generation. This means that, with Egypt's population growth rate reaching 2.56% during the period from 2006 to 2017, economic growth would need to exceed 7.5% annually for citizens to feel the benefits of development. Based on World Bank data, Egypt's economic growth rate was around 5.6% in 2020, declining to 3.6% in 2021. While the Egyptian government anticipated an economic growth rate of 5.5% for the fiscal year 2022–2023, the most recent data from the Ministry of Planning recorded a growth rate of 6.6%. The population increase issue is highly complex and multifaceted, both in terms of causes and consequences, as each contributes to and reinforces the other. The primary causes of population growth in Egypt can be summarized.

Natural Increase (High Birth Rates and Low Mortality Rates).

The natural population increase in Egypt reached approximately 1.571 million people in 2020, down from 1.734 million in 2019, marking a 9.4% decrease. Although the natural increase rate has declined, reaching 15.6 per 1,000 in 2020 compared to 24.9 per 1,000 in 2012 and 23.3 per 1,000 in 2015 (as illustrated in Figures 3 and 4), this rate remains high compared to the global average natural increase rate, which stood at 10.37%, according to the World Bank.

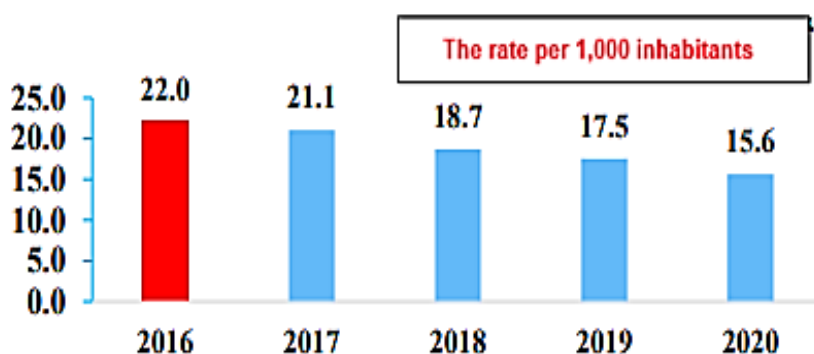


Figure 1: Development of the Natural Increase Rate During the Period (2016–2020)

The governorates with the highest poverty rates nationwide-Matrouh, Sohag, Assiut, Minya, and Qena also recorded the highest rates of natural increase compared to other governorates. In these areas, the natural increase rates were 40.2, 22.7, 22.2, 21.8, and 20.3 per 1,000 people, respectively. In contrast, Port Said ranked lowest, with a natural increase rate of 8 per 1,000 for the same year.

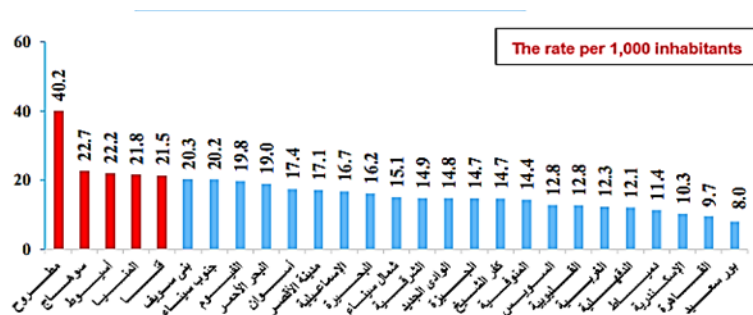


Figure 2: Natural Increase Rate by Governorate in Egypt, 2020.

It is evident that over the past century, Egypt's average annual population growth has shown an upward trend. The population increased by 3.6 million between 1920 and 1940, then by 9.3 million between 1940 and 1960, followed by 16.7 million between 1960 and 1980. From 1980 to 2000, the increase was 25.5 million, and from 2000 to 2020, it reached 33.5 million. According to data from the Central Agency for Public Mobilization and Statistics, the number of births in 2020 was 2.235 million, down from 2.305 million in 2019 a decrease of 3%. The birth rate fell from 23.3 per 1,000 in 2019 to 22.2 per 1,000 in 2020, a decline of 1.1 per 1,000. This immense increase in births poses challenges to the capacities and resources of any country worldwide. The number of births in urban areas reached 1.143 million, while rural births totaled 1.092 million in 2020. Cairo ranked first in terms of the number of births, with 199,000 newborns in 2020, while South Sinai had the fewest births, with 2,977. In terms of gender distribution, there were 1.143 million male births and 1.092 million female births, resulting in a sex ratio at birth of 105 males for every 100 females in 2020.

Relative distribution of deaths according to age groups, 2020

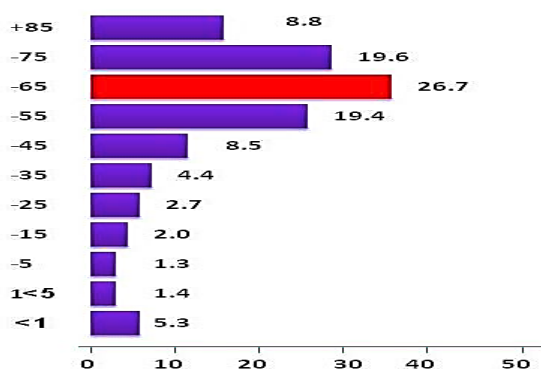


Figure 3: Age-Based Distribution of Deaths in 2020.

The number of deaths in 2020 was 665,000, up from 571,000 in 2019—a 16.5% increase. The crude death rate rose to 6.6 per 1,000 in 2020 from 5.8 per 1,000 in 2019, an increase of 0.8 per 1,000. The age groups (1–4) and (5–14) recorded the lowest mortality rates, accounting for 1.4% and 1.3% of total deaths, respectively.

Increase in Life Expectancy.

The rise in survival rates has exacerbated the population problem. In 2020, life expectancy reached 75.9 years for females and 73.4 years for males, compared to 73.3 years for females and 70.5 years for males in 2016. In 2012, life expectancy was 71.7 years for females and 69.0 years for males, as shown in the following figure.

Table 1: Life Expectancy at Birth by Gender (2006–2021)

Percentage of change		Expect to stay		YEARS
FEMALE	MALE	FEMALE	MALE	
.7	.5	69.1	56.5	2006
.6	.7	69.5	56.9	2007
.7	.5	70.0	67.4	2008
.6	.6	70.5	67.8	2009
.7	.5	71.4	58.2	2010
.4	.6	71.7	55.5	2011
.5	.5	72.1	69.0	2012
.5	.4	72.5	69.4	2013
.6	.4	72.9	59.7	2014
.5	.4	72.3	50.3	2015
.4	.5	74.3	50.5	2016
.4	.4	74.7	71.9	2017
.5	.5	75.1	72.3	2018
.5	.5	75.5	73.0	2019
.5	.5	75.9	73.4	2020
.5	.5	76.0	73.5	2021

Demographic Structure.

Egypt's demographic structure is characterized by high fertility rates. The 2014 Egypt Demographic and Health Survey indicated an increase in the total fertility rate (the average number of children a woman has between the ages of 15 and 49) from 3 children per woman in 2008 to 3.5 children per woman in 2014. As a result, the proportion of the population under 15 years of age has risen, accounting for approximately 34.3% of the total age structure of household members.

Age structure of family members
Relative distribution of family members according to age

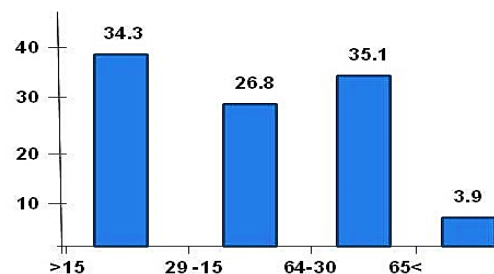


Figure 4: Age Structure of Household Members.

The real issue with population growth is not only its size but also the age structure of this growth. With more than 36 million people under the age of 15, which is nearly a third of Egypt's population, this results in an expanded base of the population pyramid and higher dependency ratios. This, in turn, places a significant burden on both families and

the state in providing essential needs such as education, healthcare, food, and other necessities. It also acts as an obstacle to achieving economic growth.

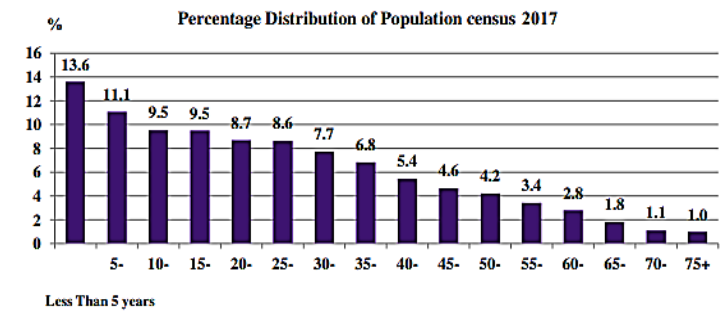


Figure 5: Relative Distribution of the Population by Age Group in 2017.

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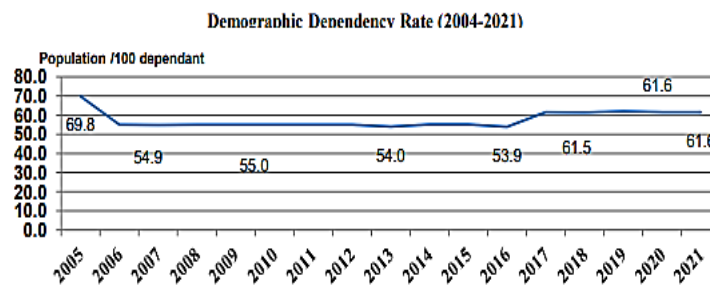


Figure 6: Development of the Demographic Dependency Ratio (2004–2021)

Migration.

The large number of migrants and refugees, estimated at around 6 million, has increased the demand for services and goods. This has led to intense competition with Egyptians for job opportunities, along with increased demand for housing units and pressure on infrastructure and utilities.

Political Changes and Impacts of the Population Problem.

Since 2011, Egypt has undergone significant political changes that have had substantial implications for development plans and managing population growth. During this period, the state's priorities shifted towards achieving security and ensuring food security for citizens. Due to these unstable conditions, population growth surged again at accelerated rates because of irregular family planning services post-2011, reduced quality of services provided, and the absence of updated data, capacity-building programs, and monitoring and evaluation mechanisms.

Population growth is a major obstacle to achieving development plans. International predictions indicate a population crisis if the current growth rate continues. The main consequences of population growth can be summarized as follows:

1. Declining Population Characteristics.

According to the 2017 population census, Egypt's population pyramid has undergone significant changes between the 2006 and 2017 censuses. The base of the pyramid has expanded, indicating a relative increase in the younger age groups. For example, the percentage of the population under 5 years old was 10.6% in 2006, rising to 13.6% in 2017. This shift also occurred in the next age group, signaling an upward trend in fertility rates, as illustrated in the following figures:

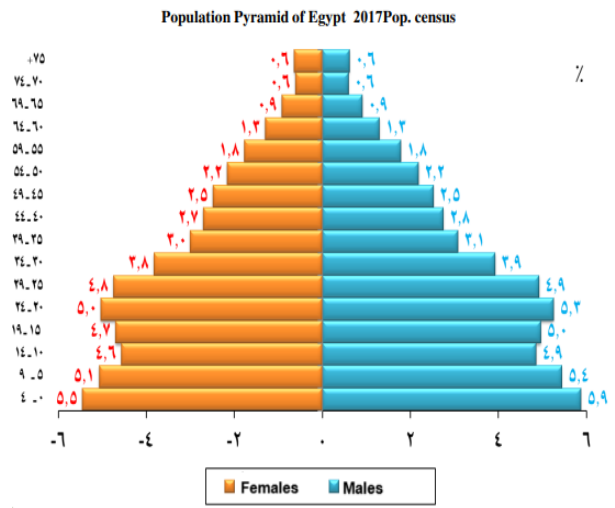


Figure 7: Population Pyramid According to the 2017 Census

It is important to note that the increase in fertility rates, which began in 2006, will continue to have long-term effects. The children born between 2006 and 2016 will impact Egypt's demographics for decades to come. When these individuals reach reproductive age, they will contribute to another wave of population growth. Similarly, when they enter the workforce, they will place additional pressure on the labor market. Furthermore, this significant increase in population has directly influenced the decline in population characteristics.

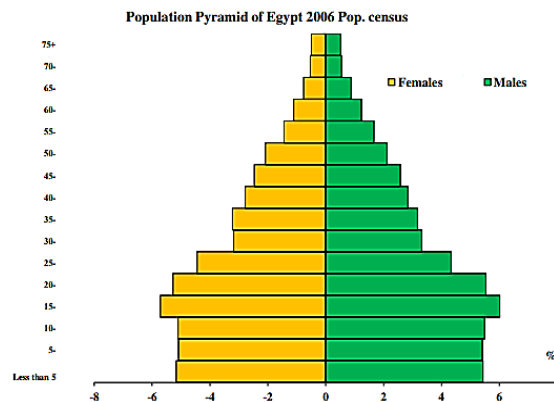


Figure 8: Population Pyramid According to the 2006 Census.

2. Increase in Poverty Rates.

There is a direct correlation between population size and increased poverty rates. As the population grows, the per capita share of income, services, and opportunities for suitable employment declines. Statistics show that poverty levels rose from 16.7% in 1999/2000 to 25.2% in 2010/2011, then to 27.8% in 2015, and reached 32.5% in 2019. However, in 2020, it decreased slightly to 29.7%, as shown in the following table:

Table 2: Poverty Rate by Region in Egypt for 2019/2020.

Poverty Rate in Egypt's Regions 2019/2020		
Unit : (%)		
Item	2020/2019	
Urban governorates	14.7	
Lower Urban	4.4	
Lower Rural	23.1	
Upper Urban	12	
Upper Rural	42.8	
Total	29.7	

Efforts by the Egyptian State to Address Population Growth.

The Egyptian leadership has recognized the gravity of the population issue, which increasingly hinders development plans, leading to its prioritization in Egypt's reform and nation-building process since 2014. The government has taken several initiatives to tackle the population problem, which can be summarized as follows:

1. Constitution of Egypt (Article 41).

The Egyptian Constitution (2014) mandates the state to implement a national program aimed at achieving a balance between population growth rates and available resources. Article 41 specifies: "The state shall implement a population program aiming to achieve a balance between population growth rates and available resources, maximize investment in human capital, and improve its characteristics within the framework of achieving sustainable development."

2. Launching the National Population Strategy (2015-2030).

The strategy aims to improve citizens' quality of life by: Reducing population growth rates to achieve balance with economic growth, Redrawing Egypt's population map by redistributing the population, Achieving social justice by reducing development disparities between regions, and The main goal is to reduce the fertility rate to 2.4 children per woman by 2030 (compared to 3.5 today), and increasing family planning use among women to 72%.

3. Launch of the National Strategy for Family Development (February 2022).

This strategy focuses on improving the quality of life for citizens and families by controlling rapid population growth and enhancing population characteristics. Key aspects include: Legislative frameworks for controlling population growth, Economic empowerment of women, training two million women, offering small-scale projects for one million women, Increased access to family planning services, and Introducing educational programs for youth about marriage and family planning.

4. The "2 is Enough" Project.

Launched by the Ministry of Social Solidarity, this project aims to promote social development, especially in the poorest areas, and address population growth in these regions.

5. Expansion of Social Protection Programs.

Social protection programs have significantly reduced poverty levels, with poverty dropping from 32.5% in 2017-2018 to 29.7% in 2019-2020 and Extreme poverty also decreased from 6.2% to 4.5% in the same period.

6. Eradicating Informal Settlements:

The government has made substantial investments in eradicating informal settlements and developing new urban areas. This includes: Expanding social housing projects, Combating illegal construction and land encroachment, and Distributing national projects across different regions, not just major cities.

7. Haya Kheir" Initiative (2019).

This initiative aims to improve the living standards of the most vulnerable groups across Egypt. It focuses on providing services and developmental activities to ensure a better life for these communities.

8. Housing for All Egyptians" Initiative.

This initiative aims to provide housing for middle-income Egyptians by building three million residential units to meet the growing demand due to population growth.

Proposals to Address Population Growth.

To effectively combat the population challenge, a set of strategic proposals has been recommended:

1. Establishing a Ministry of Population.

This ministry would be responsible for regulating population growth and improving the demographic characteristics of Egyptians. It could draw on international experiences, such as China's and Vietnam's population policies.

2. Immediate, Unified Strategy to Control Population Growth.

This strategy should be comprehensive, with clear objectives and monitoring mechanisms, involving all government institutions.

3. Utilizing the "Demographic Opportunity".

Focus on the current structure of the population, especially the decrease in birth rates and the growing proportion of working-age citizens, to reduce dependency ratios and improve living standards.

4. Population Redistribution.

Develop new cities and urban communities, such as the 30 new cities established in recent years, to alleviate population congestion around the Nile Valley and Delta.

5. Improving Demographic Characteristics:

Policies to improve human capital, particularly through better education, healthcare, and labor force participation, especially for women.

6. National Awareness Campaign.

A large-scale media campaign aimed at raising awareness of the dangers of rapid population growth and promoting family planning.

7. Sustained Funding for Family Planning.

Ensure that adequate financial resources are available to cover all costs related to family planning methods and make these services accessible to all citizens.

8. Improving Family Planning Services.

Enhance the availability and quality of family planning services, particularly in rural and underserved areas, by training healthcare professionals and improving service delivery.

9. Community Engagement.

Encourage NGOs to take an active role in educating and providing family planning services, particularly in remote areas.

10. Cultural and Social Change Campaigns.

Challenge misconceptions and cultural barriers around family planning, emphasizing that it is compatible with religious and cultural values.

11. Medical Outreach Programs.

Expand medical outreach efforts in rural areas to provide family planning services and educational support.

12. Empowering Women.

Focus on education, healthcare, and economic empowerment for women, as studies show that women with better education and employment opportunities tend to have fewer children.

13. Regular Demographic Surveys.

Conduct periodic population surveys to understand growth patterns and demographic characteristics, enabling policymakers to create targeted interventions.

14. Focusing on Rural Areas.

Provide more comprehensive services in rural areas, particularly in Upper Egypt, and improve access to healthcare and family planning.

15. Legal and Policy Framework.

Introduce new legislative measures that regulate population growth, such as setting a minimum age for marriage.

Conclusion.

Although Egypt's economic housing policies are a step in the right direction, their current scope and scale are insufficient to address the rapid demographic changes. Further alignment is needed between the characteristics of the target population—especially in rural and underdeveloped regions—and the housing policy framework. A more integrated approach that includes demographic management, increased investment in social infrastructure, and strategic urban planning is crucial for meeting the housing needs of Egypt's growing population.

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