Climate resilience in Housing Ecosystems

What good is an affordable home if the roads leading to it are flooded, the water supply is disrupted, or households can no longer afford to stay there?

African Union for Housing Finance

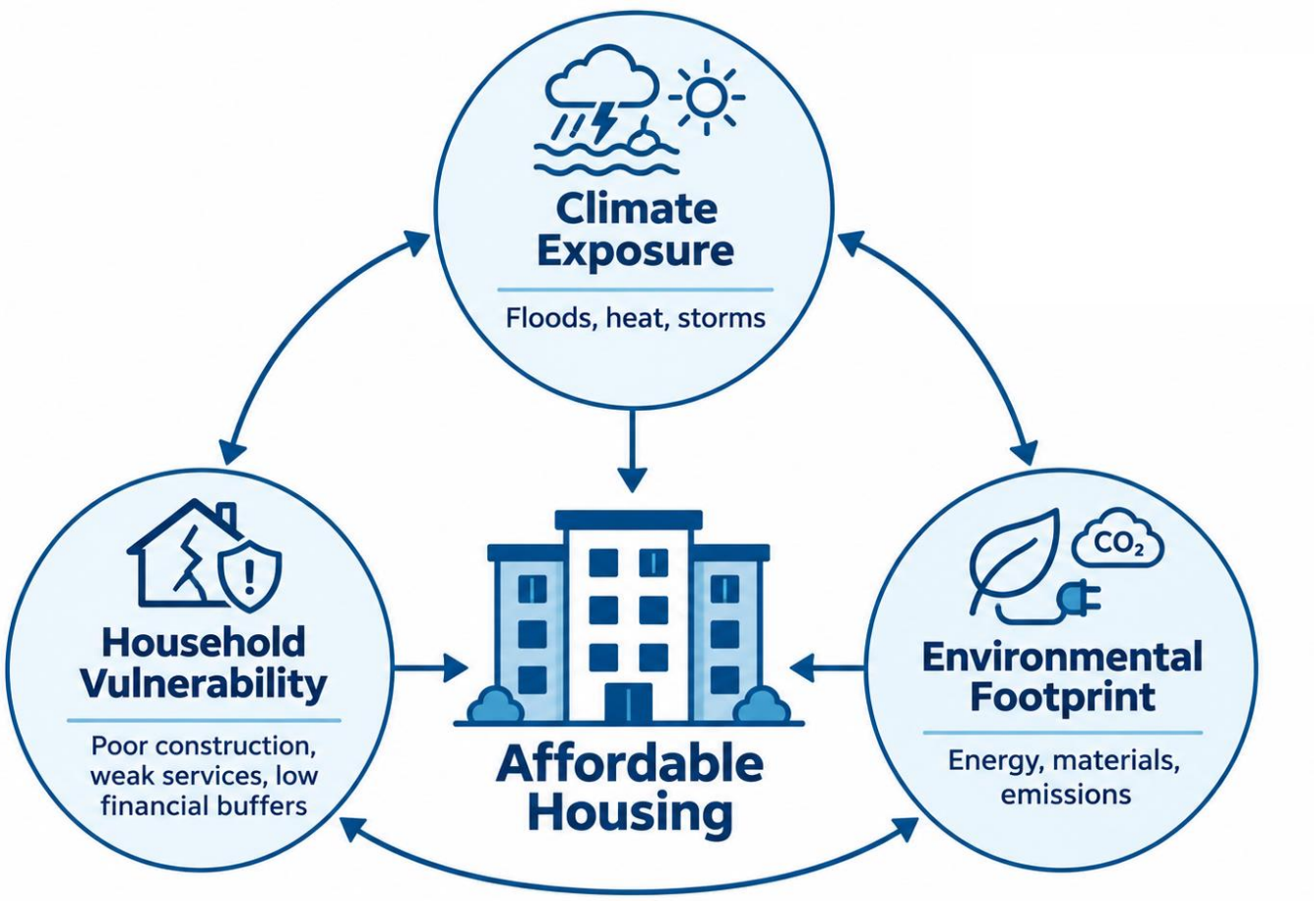
42nd AUHF Conference

Lusaka, Zambia | November 13, 2026

Affordable Housing Institute

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Why Climate-resilience must be central to the Housing agenda



In Mozambique, 88% of households affected by recent climate incidents. 25% made no upgrades, temporary or permanent to their homes.

AHI research, 2026.

In Kenya, 63% affected by flooding. 75% percent affected by hazards more than once in the past 5 years.

AHI research, 2026.

In Zambia, +$74M projected increase in annual urban flood damages by 2050 under a modeled hot/dry business-as-usual scenario.

World Bank, Zambia Country Climate and Development Report, 2026

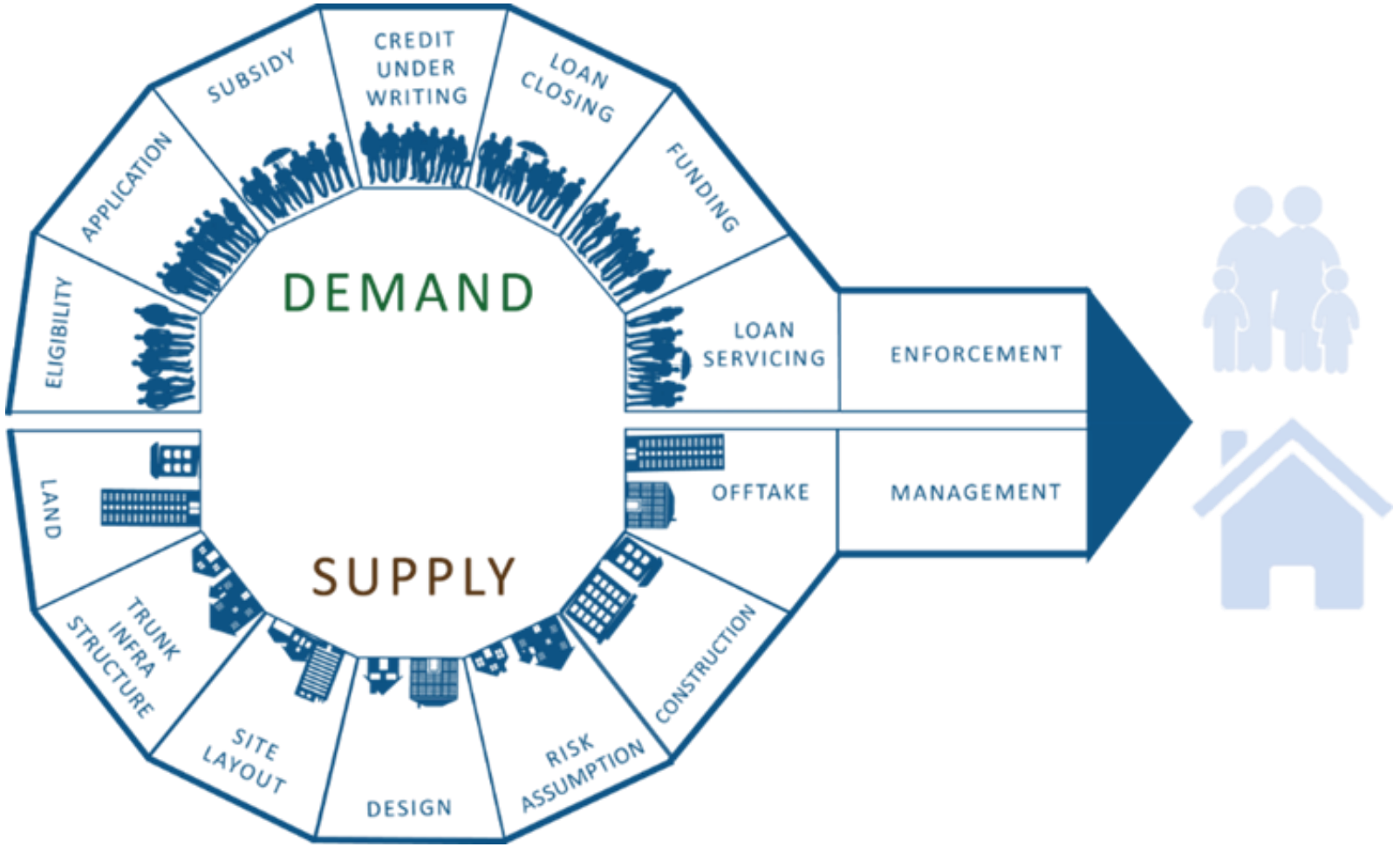
AHI's Housing Value Chain approach

Demand-side

Driving the ability of households to purchase or construct, via access to credit or subsidies.

Supply-side

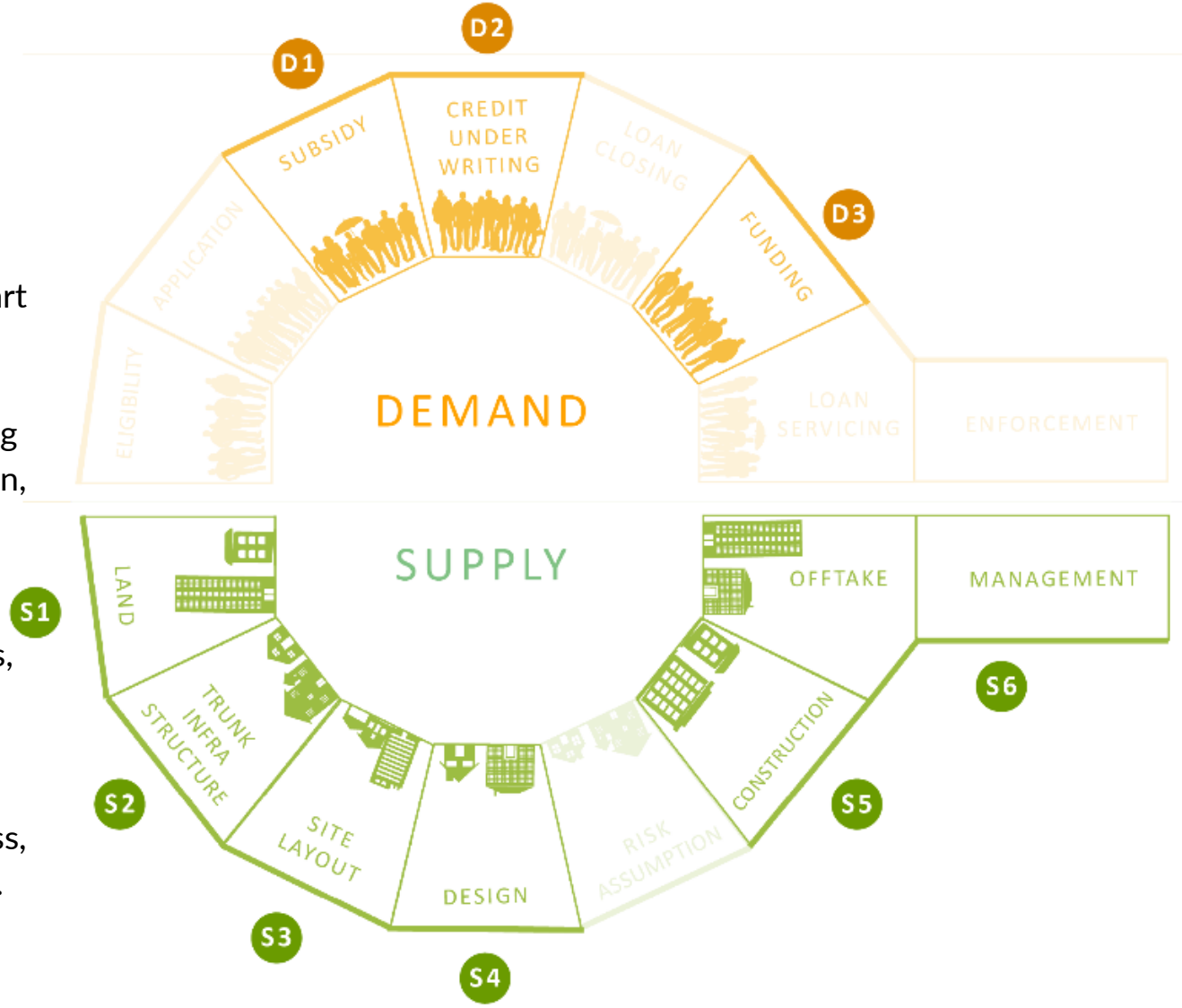
The production of affordable homes that people want to live in.



Climate-resilience must be integrated across the HVC

Supply-side

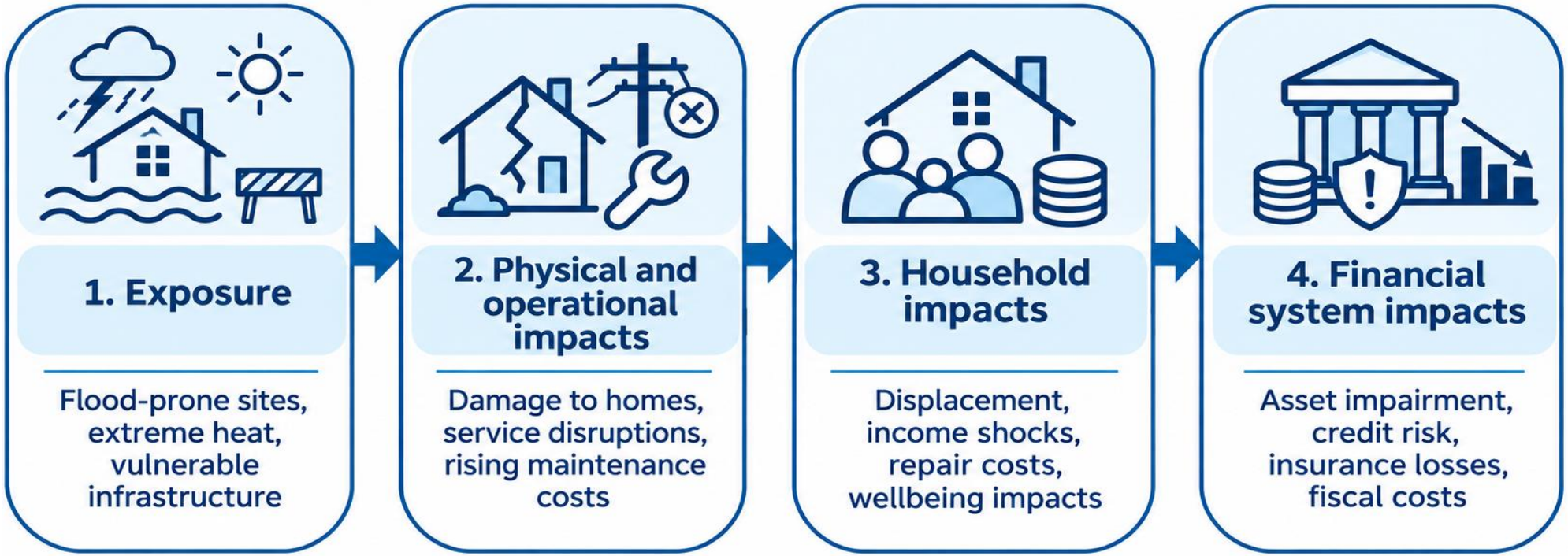
- Integrate climate-smart principles from land selection and infrastructure planning to design, construction, and long-term management.
- Reduce lifecycle costs, lower carbon emissions, and strengthen resilience to flooding, heat stress, and resource scarcity.



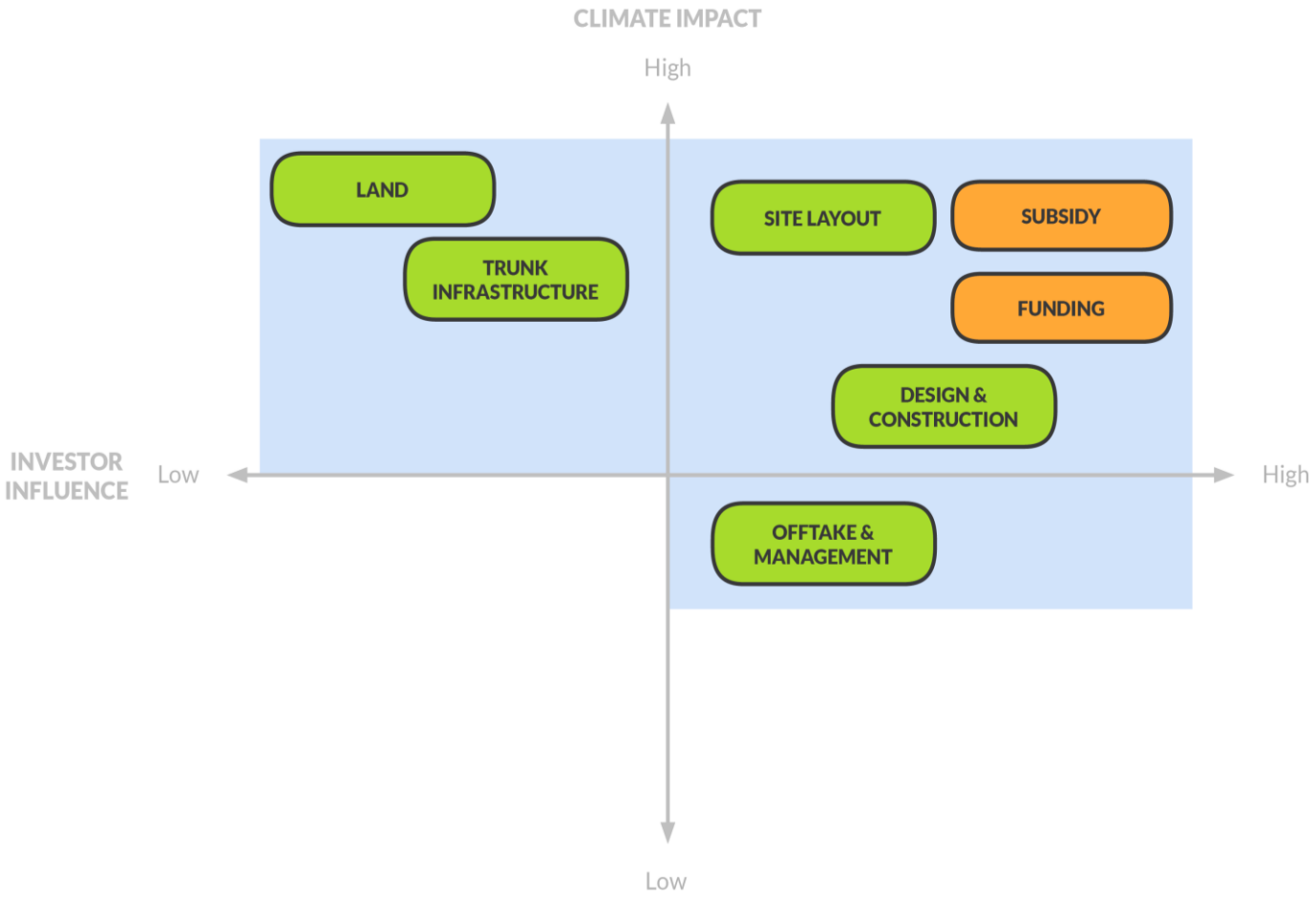
Demand-side

- Use financial instruments to encourage climate-resilient housing investment.
- Promote green mortgages, insurance products, green capital, subsidies, and targeted funding mechanisms.
- Enable households and financial institutions to incorporate resilience into housing decisions.

Climate risks cascade across the Housing Value Chain



Influencing climate-resilience in Housing Ecosystems



Climate-Resilient Affordable Housing in Vanuatu

AHI and its partners assessed potential housing sites in Port Vila, considering:

- Climate and disaster exposure, topography, and drainage.
- Access to roads, water, sanitation, and other essential infrastructure.
- Implications for development feasibility and affordability.

US$2.19 million - Preliminary estimated cost of roads and utilities for the preferred Ohlen site.

Even a relatively suitable site can require substantial infrastructure investment towards resilience.

Finance can promote climate resilience across the HVC

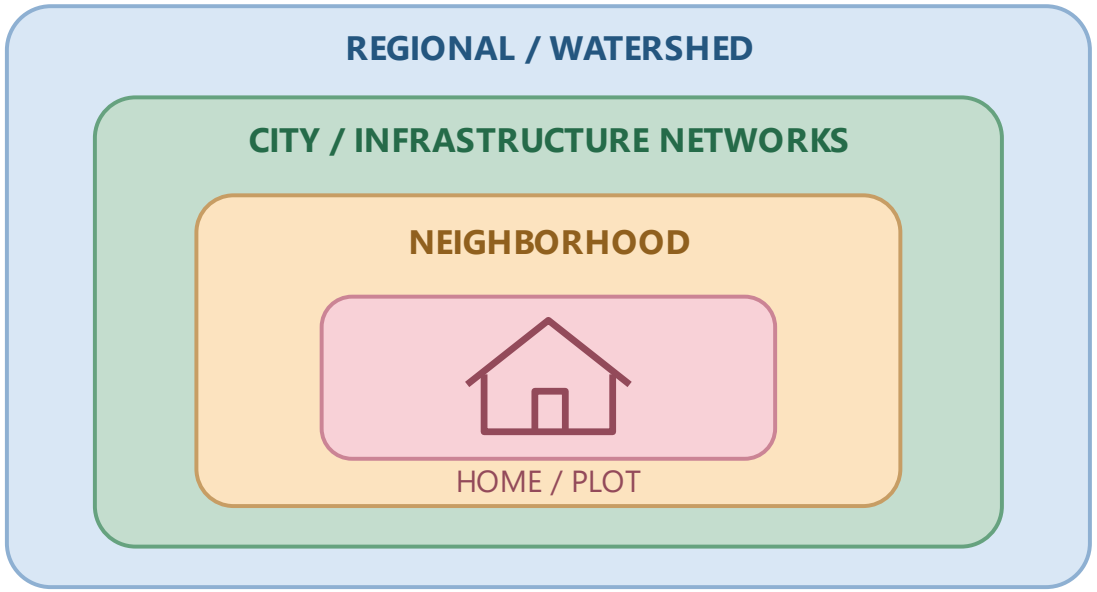
HVC stage	Potential financing mechanisms	Resilience outcomes
Land and infrastructure	Public infrastructure funding, concessional finance, PPPs	Safer sites and reliable services
Development and construction	Green/resilience-linked construction finance, concessional loans, technical assistance	Better materials, design and construction quality
End-user financing	Green mortgages, targeted subsidies, retrofit and incremental housing loans	Access to better-performing housing without excessive financial burdens
Long-term asset management	Insurance, maintenance reserves, repair financing, guarantees	Protection of asset value and financial recovery







Climate-resilience extends beyond the boundaries of a Housing Project



Climate-resilient housing depends on resilient urban systems.
Project-level finance and citywide or regional investment must complement one another.

From Resilient Homes to Resilient Housing Ecosystems

Three shifts are needed to mainstream climate resilience in affordable housing:

1. **From green features to lifecycle resilience.**
   Consider environmental performance, physical risk, household affordability and long-term asset sustainability.

2. **From individual projects to integrated housing ecosystems**
   Align land, infrastructure, construction, finance and management across institutions and spatial scales.

3. **From financing homes to financing resilience across the value chain**
   Direct capital and incentives toward decisions that reduce risk while protecting affordability.

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