



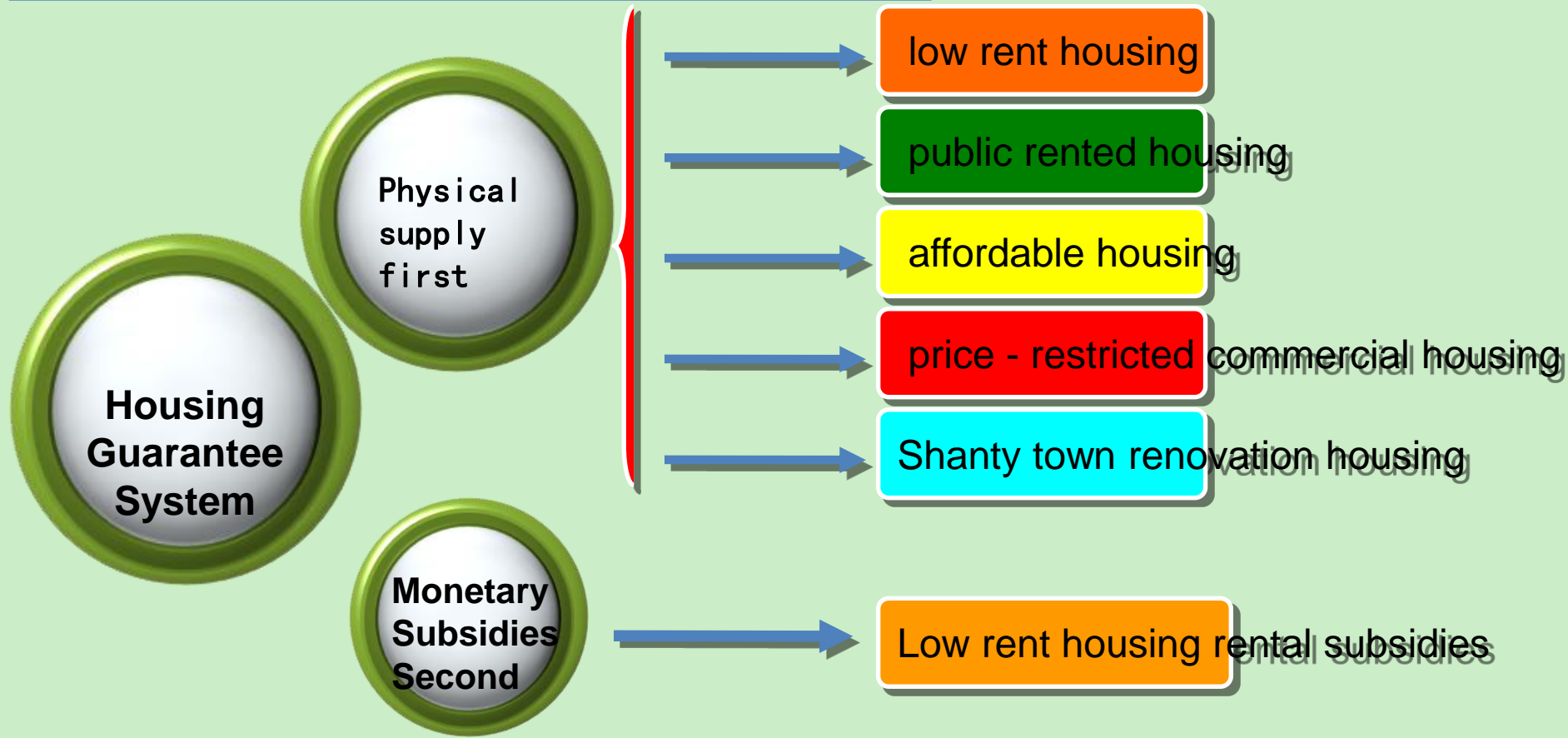
# Improve Housing Guarantee System, Solve Residents' Housing Problem

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Wang Yonghui

# I. Policy & Achievement

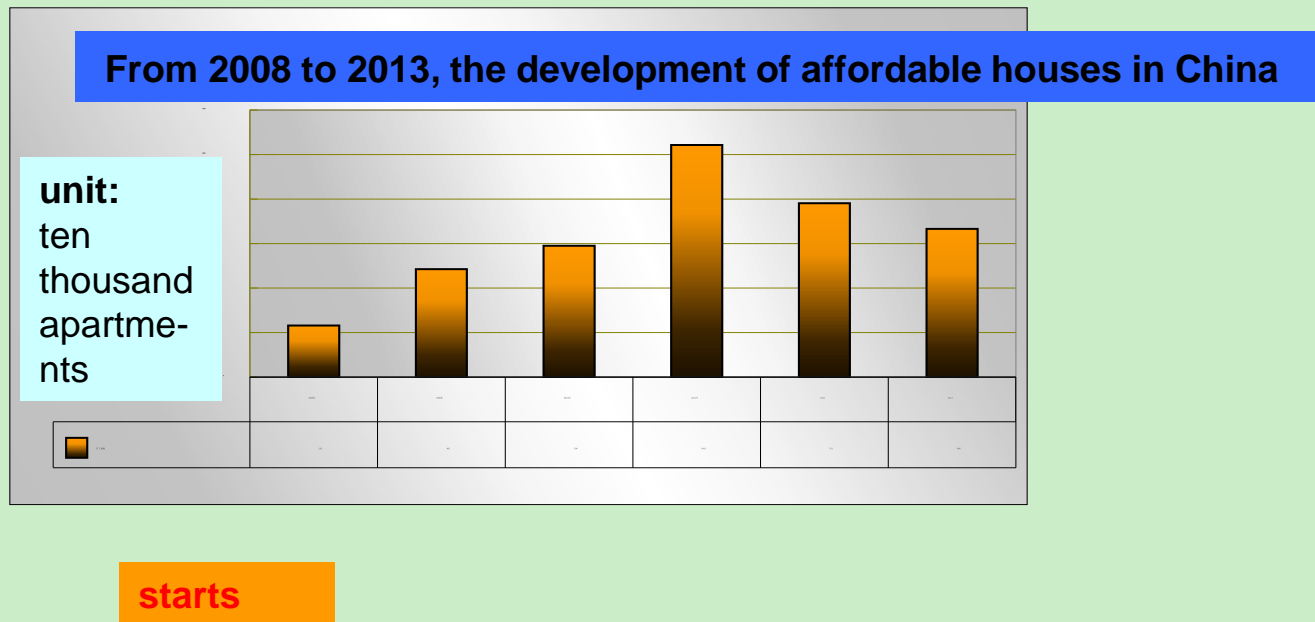
## 1. Basic Policy Framework



# I. Policy & Achievement

## 2. Achievement

**From 2008 to 2013, China starts building over 38 million affordable houses and shanty town renovation houses, completed 24 million apartments.**



# I. Policy & Achievement

## 2. Achievement

- The formation of the physical supply and monetary subsidies to combine, leasing and sale of the combination, multi-level housing supply system covering different housing for difficulties groups;
- Operating System of affordable housing such as application, qualification examination, distribution, use of management is constantly improved;
- Supporting Policy such as land supply, loan preference and tax relief etc. is gradually improved;
- Planning layout and type design of affordable housing are reasonably optimized;
- Housing is comprehensive functional with reliable quality and safety.



## II、 Goal & Mechanism

### 1. Goal

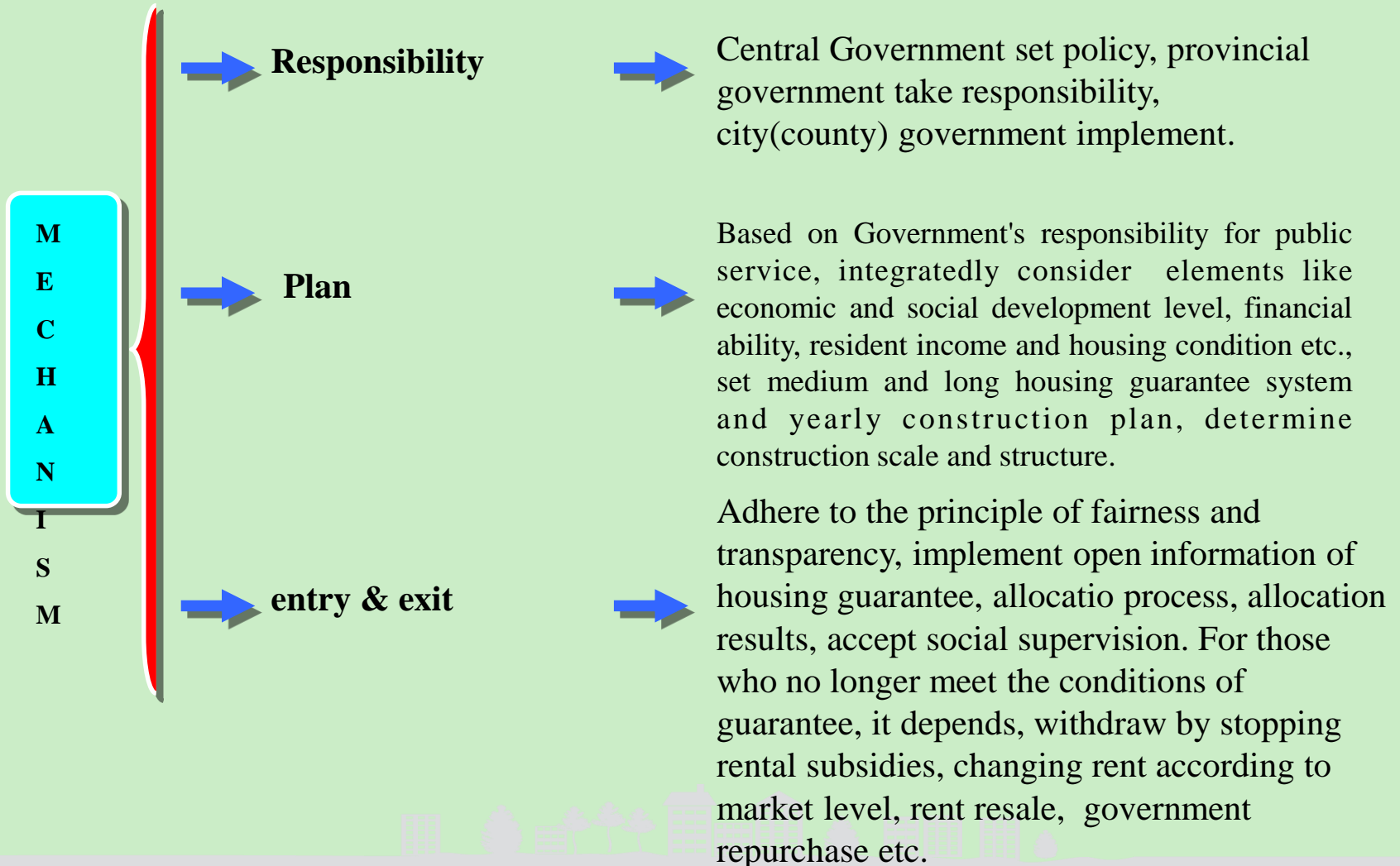
#### **Chinese Government proposed:**

- To build 36 million apartments of affordable housing during the 12th Five years (2011-2015), affordable housing coverage rate reaches around 20% by the end of 2015.
- As in the construction of affordable houses stock continues to increase, Chinese housing security will gradually change to monetary subsidies in the future.



# II、Goal & Mechanism

## 2. Working Mechanism



## II、Goal & Mechanism

### 3. Measures

Finance



Central Government grant subsidy on local low rent housing, public rented housing and shanty town transformation. Provincial government arrange fund in financial budget, city (county) government raise fund according to regulated channel.

Loan



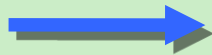
not only encourage banking financial institutions issuing construction loans, but also support pilot building of affordable housing by housing fund loan.

Tax



Implement tax relief policy to the construction, sale and management of guarantee housing project etc, free various administrative fees like city infrastructure supporting fee and government fund.

Land



Determine land supply scale according to affordable housing construction need. Supply of land transfer of low rent housing, affordable housing is in the form of allocation of land supply.



# III. Challenge & Strategy

## 1. Challenge

### ➤ **Newly increased demand of affordable housing is large**

Yearly increased population will exceed 15 million, a considerable part need to be solved through affordable housing channel. Some hotspot city and regional has big contradiction of supply and demand. Many residents even middle-income groups exist big pressure purchasing a house.

### ➤ **Number of house which need renovation is large**

By the end of 2013, in chinese Urban and Rural residential households, there are over 40 million whose housing construction area per capita are not fully equipped with tap water 、 kitchen and toilet indoor.

### ➤ **Sound development mechanism of affordable housing need to be improved**

Sustainability of fund source, healthy operation of affordable housing management, should not only summarize experience, but also learn experience and method of other countries.



# III. Challenge & Strategy

## 2. Strategy

- Expand affordable housing financing channels, increase supply scale
  - Implement supporting policy of attracting and encouraging social capital to participate in affordable housing construction and operation. implement supporting policy like loan support, loan discount, tax relief and land supply etc. to private capital involved in affordable housing project.
  - Speed up researching mechanism and tool of policy-based housing investment and financing, provide long term, stable, proper cost fund support to affordable housing construction.
  - Transform over 10 million shanty town from 2013 to 2017, greatly improve poor housing households.
- Improve housing guarantee system
  - Greater use the function of market mechanism, attract social forces to participate in housing guarantee cause; innovate social management mode, guide residents realize orderly operation of affordable housing community by ways of community self-management, participation of public welfare organizations and volunteers etc., enhance resident participation, upgrade residents ' sense of identity and fusion to community.
  - Explore the development of common property rights housing. fulfill house purchasing needs of part residents; clarify the ownership and share of affordable housing that can be sold, form fair income distribution mechanism.





*THANK YOU!*