



BELHAR GARDENS

Social Housing in Cape Town, South Africa



21,866

FLOOR SPACE
SQUARE METERS



630

NUMBER OF UNITS



734

CO₂ SAVINGS
TCO₂ / YEAR



BUILDING GREEN FOR A BETTER FUTURE

How a partnership between the Swiss government and IFC has changed the social housing landscape in South Africa.

At the start of the world's construction boom less than a decade ago, the development arm of the Swiss government, the State Secretariat for Economic Affairs (SECO), seized an opportunity to ensure that the world would grow sustainably. Through a partnership with the IFC, SECO pledged \$17.7 million to create the EDGE software and certification system and finance IFC's advice to governments on green building regulations.

Today, EDGE is available in 144 countries with over 6 million square meters of floor space certified. The number of buildings in the world is expected to double by 2050 because of high population growth and urbanization trends. At a time when the threats of climate change are increasing

coupled with drastic population changes, SECO is helping to change the future built environment with EDGE.

From the very beginning of the program, SECO designated South Africa as a priority country for building green. A growing middle class in South Africa has led to an increased demand for housing and utilities such as water and electricity in a country where resources are scarce. With water shortages and rising electricity costs, residents are left with exorbitant utility bills and the need for a solution. SECO saw an opportunity to transform the country's future.

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More than 8,000 homes received EDGE certification since the program started in 2015, as developers began to realize that building green can be a solution for the scarcity of resources in South Africa. The [World Green Building Trends 2018](#) report predicts that nearly half of South African firms will certify at least 60 percent of their projects green by 2021. Building green not only provides a solution to the scarcity of resources, but it also lowers operating costs for those developers who build to own. For buildings that are built to sell, the value can be transferred to customers, leading to a more generous and environmentally-conscious brand.

Building green also benefits low-income residents. In South Africa, mortgage rates are around 10 percent, while unemployment is around 27 percent, so a home that is certified green makes a measurable difference in the lives of renters and homeowners struggling to make ends meet. Lower utility bills translate to a better quality of life, as families can reinvest savings into other areas such as health and education.

SECO has played an important role as a pioneer of providing resource-efficient, affordable housing for low-income residents. Belhar Gardens, located in Cape Town, is the first EDGE-certified social housing project in the country and it provides 630 units to low-income residents. Almost 70 percent of units were allocated to households earning a monthly income of between R3,500 and R7,000, with

the remaining 30 percent allocated to households with a combined income of less than R3,500 per month. The development is expected to save up to 41 percent in energy use, 30 percent in water use, and 36 percent in embodied energy in materials. With unique green features such as a heat pumps for hot water, water flow restrictors and water meters measuring hot and cold water, residents can monitor their water usage. By reducing energy and water usage, residents pay fewer utility bills and conserve natural resources that are increasingly scarce in Cape Town, especially in the context of the recent drought over the last few years and severe water shortages and water restrictions in 2018.

Belhar Gardens was developed by the Madulammoho Housing Association, a social housing company that has partnered with the City of Cape Town, with financing from Nedbank Corporate and Investment Banking (NCIB)'s Affordable Housing Development Finance division and South Africa's Green Fund. The Green Fund originated out of a public-private partnership between the Development Bank of South Africa and the government's Department of Environmental Affairs. It offers financing to projects that help South Africa to meet its low-carbon and resource-efficient goals, leading the nation towards a more climate-resilient future.

EDGE is generously supported by



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IFC's global and local partners deliver EDGE certification in rapidly urbanizing markets around the world. Certification is offered at a nominal price. A list of partners is available at www.edgebuildings.com.

For the opportunity to certify a future portfolio, email edge@ifc.org.