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Review Article

Residential housing provision, affordability, challenges, and policy frameworks in Ethiopia: a systematic review

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Abstract

Housing is a fundamental requirement for human beings and a critical need for citizens. To date, no systematic review has been conducted on housing issues in Ethiopia. This study aims to examine residential housing provision, affordability, challenges, and policy frameworks in the country. Research conducted from 2004 to 2022 was identified using search engines such as Google Scholar, ResearchGate, Taylor and Francis, and MDPI, along with other internet search tools. The final search was conducted on June 15, 2023, and was limited to the English language. Out of the 113 documents reviewed, thirty-seven studies were found to be eligible. The findings indicate that housing provision in Ethiopia has varied across three periods: before 1975, from 1975 to 1991, and from 1991 to the present. The major challenges facing housing provision in Ethiopia include high urban population density, inefficient land management, planning issues, lack of good governance, insufficient financing, absence of a sound housing policy, and weak implementation mechanisms. Among the various policy frameworks, the urban lease policy currently serves as the guiding policy for the country. In conclusion, despite the government's efforts, housing demand has been steadily increasing. This underscores the urgent need for effective housing policies and comprehensive approaches to address the gaps in providing adequate and affordable residential housing.

Keywords: residential housing; housing provision, affordability, policy framework, systematic review

1. INTRODUCTION

Housing is a crucial requirement affecting the welfare of all nations (Matsumoto & Crook, 2021) and is a fundamental element of human existence. Without adequate housing, individuals cannot meet their basic needs or contribute productively to society. The concept of affordable housing emerged in the 1900s as a solution to issues such as slums, a lack of homes, and

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inadequate housing services. Affordable housing not only leads to the availability of suitable living spaces but also promotes overall social and economic growth, as well as human health (Hulchanski, 2007). Accessible housing satisfies a basic human need and enhances the well-being of communities and families (Alhajri, 2022).

For many nations, particularly those in Africa, providing affordable housing on a large scale remains a significant challenge (JibirDukku, 2018). While the issue of sustainable affordable housing is common across all nations, the need for decent affordable housing is particularly acute in less developed countries (UN-Habitat, 2012). In Africa, the typical housing available—often small detached homes on large plots—differs from the affordable options suitable for low-income families and is often out of reach for them (JibirDukku, 2018).

Ethiopia faces the challenge of being unable to renovate existing housing stock and build sufficient new affordable housing to meet the demand for 471,000 units per year, particularly for lower-income groups (Denge & Wood, 2022; World Bank, 2019). It is widely recognized that providing affordable housing for Addis Ababa's growing population has been difficult for several years. The severe housing shortage, combined with urban residents' limited financial resources and the government's constrained capacity to meet public demand, poses significant challenges for policymakers and housing experts. Additionally, issues such as unemployment and rising living and material costs further complicate the situation, demanding ongoing efforts from all stakeholders (Yohannes & Dinku, 2018).

A critical obstacle to housing production in Ethiopia is the acute shortage of serviced residential lots. The limited availability of residential plots relative to demand has driven prices beyond what is affordable for most urban residents (Tesfaye, 2007). The housing sector in Ethiopia is characterized by significant qualitative and quantitative deficits (World Bank Group, 2015). Like other East African countries, Ethiopia is grappling with rapid urbanization and policy challenges. Providing affordable and adequate housing is a vital national policy objective, especially for low-income groups who often reside in substandard housing (Matsumoto & Crook, 2021).

This systematic review makes a significant contribution to the existing body of knowledge on housing in Ethiopia and, more broadly, in the context of developing countries, by offering a comprehensive synthesis of recent research and policy documents related to residential housing provision, affordability, challenges, and policy frameworks. Unlike prior isolated studies that often focus on specific cities or issues, this review consolidates diverse perspectives and empirical findings at the national level, providing a holistic understanding of Ethiopia’s housing landscape. The novelty of this study lies in its integrative approach, analyzing multiple

dimensions—provision practices, affordability levels, institutional and policy challenges—within the context of a rapidly urbanizing and economically challenged country. It addresses a critical gap by systematically examining the extent to which current policies and practices align with the real needs of low-income and underserved populations. Furthermore, it identifies the key barriers hindering sustainable and affordable housing development and highlights the absence of comprehensive policy frameworks tailored to Ethiopia's specific urban and rural contexts. This review is also pioneering in aggregating the latest data and studies to inform a future-oriented dialogue on sustainable housing solutions. As many sub-Saharan African countries grapple with similar challenges, the findings provide valuable insights not only for Ethiopia but also for comparable contexts striving to develop scalable, affordable, and sustainable housing strategies.

This systematic review aims to address four key questions: What are the current practices in residential housing provision in Ethiopia? How affordable is housing across the country? What major challenges affect both housing provision and affordability? And what policy frameworks currently govern the sector? By examining these issues, the review seeks to offer a comprehensive understanding of Ethiopia's housing landscape and highlight opportunities for policy improvement and sustainable development.

2. MATERIALS AND METHODS

A systematic review is an examination that analyzes existing research on a specific topic (Caldwell & Bennett, 2020). This review was organized based on available literature from numerous studies, focusing on residential housing provision, affordability, challenges, and the policy framework in Ethiopia. The PRISMA 2020 workflow and checklists were used as the methodology for this systematic review (Figure 1).

Study eligibility criteria: The inclusion and exclusion criteria for this systematic review encompassed both published and unpublished studies. Studies published or conducted between 2004 and 2022 were included, but only English versions were utilized. Government policies related to residential housing provision, affordability, challenges, and policy frameworks were sourced from the Ministry of Urban Development and Housing Construction, as well as materials from the Addis Ababa Municipality. Unrelated studies were excluded. Policy frameworks developed from 1975 to 2022 were included to provide the reader with a comprehensive understanding of the overall housing provision policy framework in Ethiopia.

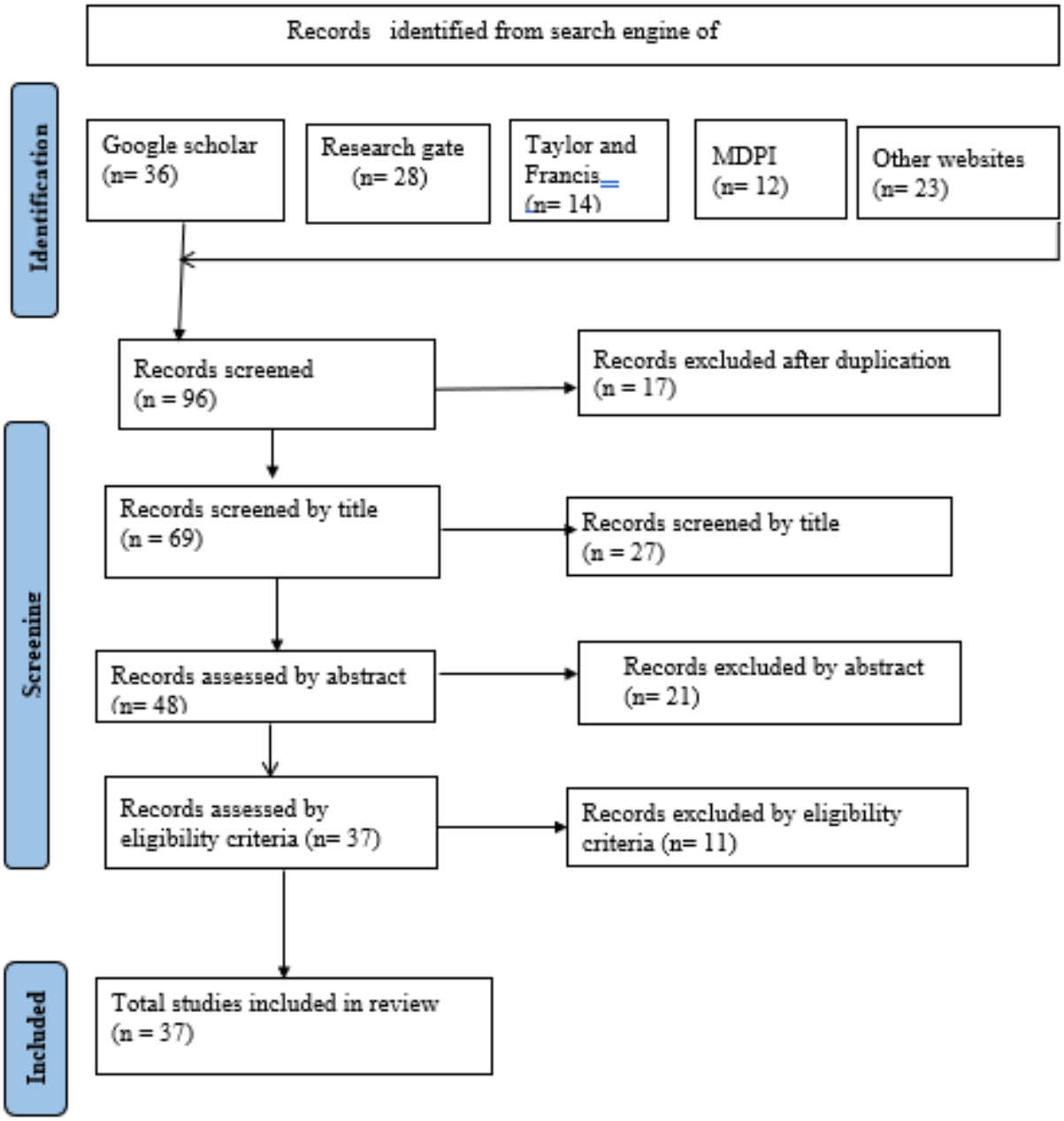


Figure 1. The PRISMA 2020 statement: the PRISMA flow diagram

***Information Sources and Search Strategies*:** The main data sources for this systematic review were Google Scholar, ResearchGate, MDPI, Taylor & Francis, Wiley, and in accordance with the eligibility requirements. The data search began on May 13, 2023, and continued until June 15, 2023. The search strategies employed involved examining titles, keywords, and abstracts based on the eligibility criteria. Every objective of this systematic review was explored using the aforementioned search engines.

Study Selection: After identifying duplicates, the reviewers evaluated the articles based on their topics and abstracts, and then independently discussed the final selections. The eligibility of the

articles was assessed by the reviewers. Inclusion criteria were applied by examining the titles, abstracts, publication years, and languages to ensure the studies aligned with the required topics. Ultimately, 37 articles were selected for this systematic review as indicated in the PRISMA flow diagram (Figure 1).

Data Collection Process

The data collection methods for this systematic review involved a detailed examination of selected papers based on study year, study area, title, abstract, content, and results. Concepts specifically related to residential housing provision, affordability, challenges, and the policy framework in Ethiopia were critically analyzed and incorporated into this review. The search terms and strings that were used in this systematic review include "housing" AND "Ethiopia," “serviced residential lots" AND "Ethiopia," "affordable housing" AND "Ethiopia," "residential housing provision" AND "Ethiopia," "housing policy" AND "Ethiopia," "urban housing" AND "Ethiopia," "affordability" AND "housing" AND "Ethiopia," "housing shortage" AND "Ethiopia," "housing stock" AND "Ethiopia," "policy framework" AND "housing" AND "Ethiopia," "urban lease policy" AND "Ethiopia," "housing delivery" AND "Ethiopia," "housing finance" AND "Ethiopia," "land management" AND "housing" AND "Ethiopia," "governance" AND "housing" AND "Ethiopia, "

The reviewers served as data collectors, independently gathering information from various websites and reports for this systematic review by using the AMSTAR 2 check list as a guide line for each included study. It means that the questions available at the check list are evaluated for 37 included studies.

AMSTAR 2 Critical Appraisal Analysis

Among the 16 questions in the AMSTAR2 checklist, we used only six due to the nature of the included studies, which consisted of primary research, documents, housing policy assessments, and article reviews. The results of the critical appraisal analysis are as follows. Regarding the components of PICO, out of 37 studies, 19 considered these components, meaning they addressed the selected population and the outcomes. In terms of conflicts of interest and funding sources, 11 and 9 of the included studies, respectively, clearly stated this information out of the 37 studies reviewed. Additionally, 29 of the included studies described their comprehensive literature search strategy, indicating that they collected data from various websites.

3. RESULTS AND DISCUSSION

3.1. Residential Housing Provision in Ethiopia

In Ethiopia, the provision of residential housing has evolved uniquely under different government systems. During Emperor Haile Selassie's reign, both housing and land were owned by capitalists and landlords, who built houses primarily for renting and commercialization.

From 1975 to 1991, under the Derg ruling system, urban housing and land were nationalized through Proclamation No. 47/1975. Consequently, the Kebele Administration received these nationalized homes to offer as affordable rental housing. Additionally, the regime actively promoted the establishment of housing cooperatives and self-help housing projects, providing free land and housing credits with favorable interest rates through mortgage banks. This enabled individuals to access land for constructing their own homes. Since 1991, the government has implemented various strategies for housing provision. In addition to supporting housing cooperatives, the government has undertaken the construction of condominium homes, originally intended for low- and middle-income individuals (Nuriye, 2019).

Currently, Ethiopia employs different modes of housing provision framed within the urban housing supply strategies. These strategies outline future housing plans for all income levels, including cooperatives, real estate development, individual construction for personal use or rental, public-private partnerships (PPP), and various government initiatives such as the Low-Income Urban Housing Program (10/90), Condominium Urban Housing Program (20/80), Saving Urban Housing Program (40/60), Cooperative Urban Housing (100/0), construction for special purposes, and informal housing suppliers (Desta, 2021; Nuriye, 2019; Tipple & Yitbarek, 2014).

Housing provision in Ethiopia is generally categorized into two broad types: informal and formal housing. A survey conducted across 27 Ethiopian administrations found that formal urban housing units constitute 69.8% of the total urban housing stock, while informal urban housing accounts for approximately 30.2%. Only 0.4% of the housing in the formal sector was provided by real estate developers, whereas 49.6% and 19.8% were provided by the government and private individuals (via cooperatives and leases, respectively) (MoUDHC, 2015).

Presently, urban housing is primarily supplied by the Integrated Housing Development Program (IHDP), which controls 51.1% of the market. Private developers, including cooperatives and leases, account for 22.2% of the market. Outside of the IHDP, municipalities contribute around 0.5% of housing units, while real estate developers contribute an additional 0.4%. These figures highlight the relatively small roles of municipalities and real estate developers compared to other housing providers (Desta, 2021).

There is a data shortage regarding the annual provision of housing in cities and the types of housing units constructed. According to the Welfare Monitoring Survey (WMS), 3,291,602

urban dwelling units were provided in 2011, and 4,485,847 were provided in 2016, indicating an annual housing provision of 238,849 units (CSA, 2016). Between 2004 and 2017/2018, over 383,000 condominium units were built and distributed under the IHDP in Ethiopia. Of these, approximately 314,000 were constructed in Addis Ababa, while an additional 69,000 units were built in other major cities. More than 245,000 of these units have been allocated to deserving beneficiaries (Tekalign, 2018).

There are a number of issues with Ethiopia's current urban housing stock that necessitate immediate attention in order to enhance citizens' well-being and build sustainable cities. These features include an owner-occupied housing market historically, a highly fragmented, unregulated, and closed rental sector, crowded living circumstances, poor housing quality, and a rapidly increasing, unaddressed housing requirement that exceeds the supply of affordable housing (Matsumoto & Crook, 2021).

The synthesis of current data indicates that Ethiopia's residential housing landscape has evolved significantly over different regimes, with diverse modes of provision ranging from government-led initiatives to informal settlements. Although studies (Berehanu, 2004; Desta, 2021; Nuriye, 2019; Tipple & Yitbarek, 2014) describe multiple strategies, the quality and sustainability of these modes vary considerably. For instance, the reliance on informal housing (30.2%) presents challenges related to poor infrastructure and planning, while formal provision (69.8%) is concentrated within government-led programs, which despite their scale, face issues with affordability and supply shortages (MoUDHC, 2015). Furthermore, data limitations—including a lack of detailed annual figures for housing completions—hinder precise assessments of progress. The reliance on secondary data sources, some dated (e.g., 2015, 2016), raises concerns about the current relevance of these figures, especially given Ethiopia's rapid urban population growth.

3.2. Housing Affordability in Ethiopia

Affordable housing is one of the most fundamental human needs, playing a significant role in enhancing people's well-being, health, and prosperity, thereby influencing socioeconomic dynamics (Alhajri, 2022; UN-Habitat, 2012). Affordability encompasses a range of factors, including income distribution, housing supply and prices, housing quality, families' borrowing capacities, real estate policies, conditions affecting the availability of new or renovated housing, and individual decisions regarding housing allocation in relation to other necessities. All these elements contribute to the overall affordability of housing and affect individuals' and families' ability to secure suitable and affordable housing options (Quigley & Raphael, 2004). Affordable

housing fosters the development of society as a whole (Alhajri, 2022). Its importance to any country is profound, as it contributes to the socio-cultural, political, and economic systems of society. Affordable housing acts as a buffer against hazards and extreme weather conditions, provides shelter, and significantly impacts national growth and productivity. In developing countries, affordable housing is a critical social, economic, and political issue (Boamah, 2011). Two common indicators of housing affordability are the ratio approach and the residual income method. The ratio method compares housing expenditures to available household income, indicating that if a household's ratio exceeds 30%, housing is considered unaffordable (Heylen & Haffner, 2013). The residual income method subtracts housing expenditures from the household's available or disposable income; if the remaining income is insufficient to cover other necessary goods and services, housing is deemed unaffordable (Hancock, 1993).

The issue of housing affordability affects every Ethiopian, but it is particularly severe for low-income groups, who often lack alternative options for purchasing or renting anywhere in the city. Research indicates that while the government has made significant efforts to provide affordable housing for low-income individuals, housing remains unaffordable for the majority of economically disadvantaged groups (Nuriye, 2019). Government-based housing initiatives, primarily through the Integrated Housing Development Program (IHDP), have proven insufficient to meet demand, are economically unsustainable, and remain out of reach for the bottom 40% of the population. Despite generating a significant amount of housing, the program barely meets 10% of the annual demand (Denge & Wood, 2022; World Bank, 2019).

According to Debele and Negussie (2022), residents are facing severe housing affordability issues. Data from the 2016 Addis Ababa survey categorizes housing affordability as follows: not affordable (45%), unaffordable over time (20%), somewhat affordable (15%), and affordable (20%) (UN-Habitat, 2017). From this, the researchers conclude that 65% of housing provision is unaffordable. Given the average family income of Addis Ababa residents, the housing costs set by private real estate developers are out of reach for people across all income levels (Yohannes & Dinku, 2018). Housing prices in the city are exorbitant, making it difficult for many individuals and families to find affordable options. High demand for housing is driven by a lack of supply and a significant rate of household formation. However, production remains low due to the limited availability of residential plots for new development. This supply-demand imbalance results in most households being unable to afford housing prices (Tesfaye, 2007). Furthermore, condominium units are inaccessible to the impoverished (Mekonnen, 2017).

The rental market in Ethiopia, as in many developing nations, is a byproduct of inadequate funding and regulation by national or local governments. Consequently, low-income groups are particularly concerned about residential housing affordability. Most of their needs are limited to rental options, and they struggle in the rental sector due to high land lease costs, elevated building material prices, and insufficient housing finance (Mekuria, 2022).

In summary, significant disparities in housing affordability exist for the majority of the population. Most household incomes are insufficient to afford government-provided or private housing options. Private and cooperative developers primarily cater to high- and middle-income households. While integrated housing development programs offer subsidized studio units, even the smallest and cheapest units in these programs are beyond the means of households in cities nationwide. As a result, informal housing often becomes the only option for low-income earners. In Ethiopia, rental housing addresses the shortage of affordable options, accounting for 60% of households in large cities (World Bank, 2019). Even professionals, such as lawyers and doctors, find it extremely challenging to secure affordable housing due to sharply rising prices (MoUDHC, 2014).

Multiple studies (Alhajri, 2022; UN-Habitat, 2012; Debele & Negussie, 2022) concur that housing affordability remains a critical issue, particularly for low-income groups. The ratio and residual income indicators reveal that a significant proportion of the population experiences unaffordability (45%-65%), consistent with findings from Ethiopia's urban centers. However, the evidence is limited by the geographic scope of surveys, primarily focusing on Addis Ababa, which may not fully reflect conditions in smaller cities. Moreover, the data on private sector contributions remain sparse, complicating assessments of market dynamics. This calls for more comprehensive, up-to-date surveys to validate these estimates and inform policy.

3.3. Challenges of Residential Housing Provision in Ethiopia

In Ethiopian cities, the affordability of the housing market remains a significant challenge. Even when city dwellers can access government-subsidized housing packages, many fall into low-income categories, making it difficult for them to purchase homes on the open market (Haile, 2022).

The issues surrounding affordable housing stem from a lack of agreed-upon and sustainable housing construction practices. Poor planning and execution have exacerbated housing affordability problems, largely due to the rapid urban population growth associated with swift urban expansion. Factors contributing to the unaffordability of residential housing in Ethiopia include land management issues, ineffective construction management, low resident incomes,

high costs of building materials, stringent building standards, and a lack of housing financing options (Nuriye, 2019; Mekuria, 2022).

Key housing policy tools in Ethiopia also influence housing affordability. These include policies that regulate land use for urban housing development (such as land use planning and allocation for affordable housing), initiatives to promote homeownership in cities (like the Integrated Housing Development Program (IHDP) and cooperative housing), and policies encouraging rental housing (such as Kebele housing and the Federal Housing Corporation) (Matsumoto & Crook, 2021). The development of sound housing policies, the availability of low-interest mortgages for developers, access to social facilities, favorable locations for housing projects, and effective monitoring are crucial for achieving sustainable affordable housing (Adabre & Chan, 2019).

Overall, the primary challenges facing urban housing in Ethiopia include inadequate funding, a shortage of building supplies, a weak construction industry, insufficient infrastructure and land, poorly organized institutions to oversee the housing sector, limited housing supply from stakeholders, a lack of comprehensive laws, increased urbanization, low standards of living among urban residents, and an underdeveloped registration system for housing and related properties (MoUDC, 2012). Specifically, the Integrated Housing Development Program (IHDP) is facing significant obstacles related to governance, funding, infrastructure development, solvency threats, and insufficient capacity to construct enough urban homes to meet the needs of program enrollees (Addis Ababa City Administration, 2021).

The literature highlights persistent systemic issues—including land management inefficiencies, high construction costs, and weak institutional capacity—that exacerbate affordability challenges (Nuriye, 2019; Mekuria, 2022). Although policy instruments exist (e.g., IHDP, cooperative housing), their implementation suffers from governance and funding issues, which are well-documented (Addis Ababa City Administration, 2021). Nevertheless, the evidence base is often limited to case studies or expert opinions, with few longitudinal or systematic evaluations of policy effectiveness. This suggests that while broad challenges are acknowledged, the precise impact of policies and programs remains inadequately quantified.

3.4. Residential Housing Provision Policy Frameworks in Ethiopia

In Ethiopia, the housing provision system and policy can be classified into three distinct periods: pre-1975, 1975–1991, and post–1991.

Before 1975, the era was characterized as landlord-friendly. During this time, landlords were the primary providers of residential housing, with houses constructed to meet the revenue demands of landowners rather than the housing needs of the people. As a result, rent increased, leading to the 1967 revolution.

Between 1975 and 1991, urban land and additional homes were nationalized. Proclamation No. 47/75, which nationalized urban land and placed extra homes under state administration, was enacted during this period. The government sought to assist urban inhabitants in homeownership, promoting cooperative housing and self-help initiatives (Wudu, 2019). The housing policies implemented by the Derg government can be divided into two categories: implicit policies from 1975 to 1986 and explicit policies introduced in 1986 (Belachew, 2013). The final period began in 1991, marking a transition up to the present. The FDRE Constitution granted the state control over land and allowed the use of lease arrangements to access urban land. Proclamation No. 80/1993 permits individuals to use urban property for constructing both residential and rental houses. This leasehold system of land tenure was updated in 2002 and 2011. The urban development policy has introduced measures to encourage homeownership, with government-supported programs such as low-cost housing, self-help housing, and housing cooperatives being crucial steps toward this goal. Investors interested in providing rental homes can receive assistance with land, infrastructure, design, and building materials. Additionally, individuals unable to purchase homes can access rental properties. However, the implementation of these policies has been inadequate, as evidenced by the lack of proper housing finance to facilitate the creation of housing, whether through ownership or rental options. Furthermore, significant policy changes primarily impact regional capitals and large cities, leaving smaller and moderate towns unaddressed (Wudu, 2019).

While the classification into periods (pre-1975, 1975–1991, post-1991) provides a coherent historical overview, the evidence on policy impact appears limited. For instance, although the nationalization during 1975–1991 and subsequent policies aimed to improve housing access, there are few systematic evaluations of their effectiveness. The mention that policies mainly affected regional capitals and large cities suggests uneven implementation, but data on outcomes in smaller towns or rural areas remain scarce. This gap limits the ability to assess whether these policies achieved their objectives overall.

Urban Lands Leaseholding Proclamation No. 272/2002 was enacted to replace existing urban landholding systems with leasehold tenure. To enhance urban housing, create employment opportunities, increase wealth, and promote development while reducing urban poverty, the government introduced Proclamation No. 370/2003, which aimed to construct ‘condominium

houses' as collective housing units. In March 2005, the Federal Council of Ministers approved the National Urban Development Policy to guide urban development in Ethiopia (Kasahun & Tiwari, 2012).

Although programs like leasehold systems (Proclamation No. 272/2002) and condominium housing (Proclamation No. 370/2003) were introduced to foster urban housing, the evidence indicates that implementation has been weak, especially regarding housing finance. Wudu (2019) notes that the inadequate housing finance system hampers both ownership and rental markets. Additionally, the policy frameworks lack certain incentives—such as tax measures or subsidies—that are common internationally to stimulate affordable housing development (Matsumoto & Crook, 2021). These gaps suggest that policy development alone has not translated into effective housing improvement, which calls into question the overall efficacy of the policy framework.

Ethiopia lacks several crucial policy tools commonly used worldwide to enhance housing affordability. These tools include development taxes, split-rate property taxes, vacant urban land taxes, tradable rights, service boundaries, and greenbelts. Additionally, tax incentives or subsidies for developers and investors of affordable rental housing are also important (Matsumoto & Crook, 2021).

Furthermore, notable absences of key policy tools, such as vacant land taxes, tradable rights, and greenbelts, reflect missed opportunities to improve land and housing market efficiencies. The lack of these instruments may contribute to persistent issues such as land speculation, under-utilized land, and limited affordability. Therefore, while Ethiopia's policy history shows theoretical commitment to housing development, practical challenges—particularly in finance, implementation, and policy comprehensiveness—remain significant barriers to achieving the intended housing outcomes.

In summary, Ethiopian housing policy trends exhibit several drawbacks, particularly regarding their applicability and effectiveness. Various governments have developed different housing policies; however, Ethiopia's housing development continues to be perceived as an underdeveloped policy framework. The current housing policy, intended as a guideline for development, is inadequate for addressing all housing-related behaviors and actions. Additionally, Ethiopian housing policy has proven ineffective in tackling the housing crisis in urban areas, where the industry fails to treat residents fairly and equally. To address the housing challenges faced by urban inhabitants, it is essential to reform and update the housing policy (Debele & Negussie, 2021).

In general, this systematic review on residential housing provision, affordability, challenges, and policy frameworks in Ethiopia synthesizes findings from both published and unpublished studies spanning from 2004 to 2022. The review includes a total of 37 studies that strictly met the predefined eligibility criteria, sourced from a variety of reputable databases such as Google Scholar, ResearchGate, MDPI, Taylor and Francis, Emerald, along with other relevant online sources. This comprehensive approach ensures that the review captures the multifaceted nature of housing issues within Ethiopia, offering a detailed overview of trends, challenges, and policy responses over nearly two decades.

The findings of this review corroborate a growing body of literature that highlights persistent and complex housing challenges in Ethiopia. For example, Nuriye (2019) emphasizes that housing in Ethiopia remains largely unaffordable for low-income households, with chronic shortages and increasing disparity between housing supply and demand. This aligns with global trends of rapid urbanization and increasing urban housing deficits, particularly in developing countries. Such issues are not unique to Ethiopia: international studies reveal similar patterns, underscoring the wider relevance of the Ethiopian experience. Yap and Ng (2018) document that, in Malaysia, housing affordability has become a critical concern, with many middle- and low-income households unable to access adequate housing due to high costs and insufficient provision. Similarly, Bryant (2017) notes that in Australia, despite its economic development, housing affordability remains an increasing concern for policymakers and citizens alike. These international comparisons shed light on the universality of urban housing challenges but also emphasize the need for country-specific strategies in Ethiopia that address local socio-economic and geographic contexts.

In analyzing the Ethiopian context, this review highlights several core issues. First, the rapid urban population growth—exacerbated by rural-urban migration—has intensified pressure on existing housing infrastructure, leading to overcrowded informal settlements and inadequate housing quality. Second, the limited capacity of the government and private sector investment has struggled to keep pace with burgeoning demand, resulting in a significant housing deficit. Third, policies aimed at addressing these issues have often been fragmented, lacking comprehensive frameworks that prioritize sustainability, affordability, and inclusivity.

This review makes several important scholarly and practical contributions. First, it provides an integrated assessment of the current state of residential housing provision in Ethiopia, contributing to the limited empirical evidence available at the national level. By consolidating findings from diverse studies, it offers policymakers and researchers a clearer picture of where

Ethiopia stands in terms of housing access, affordability, and policy effectiveness. This is particularly vital given the paucity of comprehensive national data and the disparate nature of existing studies.

Second, the review serves as a valuable resource for stakeholders—government officials, urban planners, NGOs, and international development agencies—by providing a concise synthesis of recent trends, challenges, and policy responses. It allows these actors to understand the multifaceted nature of Ethiopia′s housing dilemma, facilitating informed decision-making and targeted interventions. For example, recognizing the limitations of current policies regarding low-income groups can prompt the development of more inclusive housing programs.

Third, the review aims to foster future academic research. By identifying gaps in the current literature—such as a lack of focus on sustainable housing models or low-income housing challenges—it sets the agenda for further investigation. It highlights the need for studies on innovative, environmentally friendly, and affordable housing solutions tailored to Ethiopia′s unique urban and rural settings. Furthermore, this review explicitly acknowledges its limitations that influence the interpretation and applicability of its findings. Notably, it relied solely on studies published in English, which potentially excludes relevant research published in local languages or other international languages. This language restriction might limit the comprehensiveness of the review, particularly given Ethiopia′s multilingual context.

Additionally, the review was conducted predominantly by a single reviewer, which, although consistent, may introduce some bias in study selection and data extraction. It is recommended that future systematic reviews adopt a multi-reviewer approach to improve objectivity and reduce potential biases. Furthermore, the broad timeframe of included studies—covering nearly two decades—may mask recent developments or emerging trends, such as the impact of COVID-19 on housing markets or the role of new financing mechanisms. Ongoing and future studies should therefore pay careful attention to the most recent changes in the sector.

Looking towards the future, research in Ethiopia should prioritize exploring sustainable housing modalities tailored to the country′s socioeconomic realities. For instance, low-income households often face insurmountable barriers related to affordability and reliable access to quality housing. Innovative strategies such as low-cost construction materials, public-private partnerships, and urban land management reforms could be explored further. Moreover, future research should focus on urban centers—particularly Addis Ababa and other major cities—where the housing crisis is most acute. This entails detailed case studies, community-based

participatory research, and policy evaluation studies to develop context-specific, scalable solutions.

Policymakers should consider adopting multi-sectoral approaches that integrate housing with infrastructure development, social services, and economic empowerment initiatives. There is also a need to enhance policy coherence, ensuring that housing actions align with urban development, poverty reduction, and environmental sustainability goals. Lessons from other countries with similar challenges—idiosyncratically adapted to Ethiopia's specific context—can also inform effective policy design.

In conclusion, this systematic review offers a comprehensive synthesis of Ethiopia's residential housing landscape, emphasizing the substantial challenges of affordability, provision gaps, and policy limitations. It underscores the need for integrated, sustainable, and inclusive housing strategies to meet the rising demands of Ethiopia's urban populations. The review's findings and identified gaps aim to guide future research, policy formulation, and implementation, ultimately contributing to improved housing conditions and enhanced quality of life for the Ethiopian people.

This work serves as a foundational resource for urban planners, policymakers, development practitioners, and academics committed to addressing Ethiopia's housing challenges. It emphasizes that achieving sustainable and affordable housing in Ethiopia is not only a matter of infrastructure but also a critical component of national development and social equity.

4. CONCLUSION AND FUTURE DIRECTIONS

This systematic review has provided an in-depth assessment of the residential housing provision, affordability challenges, and policy frameworks in Ethiopia, guided by four core research questions. The review reveals that urban housing in Ethiopia has evolved through various strategies under different government regimes, including real estate developments, cooperatives, public-private partnerships, individual initiatives, and informal housing schemes. Formal housing accounts for approximately 69.8% of the supply, with informal sources covering the remaining portion. Despite these efforts, housing affordability remains a critical issue, disproportionately affecting low-income populations, and access to adequate housing continues to be a significant challenge across the country. The persistent difficulties in housing provision are primarily driven by rapid urbanization, inadequate urban and housing planning, weak institutional capacity, limited budgets, market inefficiencies, ineffective land use management, and a lack of effective policy instruments for implementation.

The implications of these findings are substantial. Policymakers should prioritize the development of comprehensive, effective strategies that address the root causes of housing shortages and affordability crises. There is an urgent need to revise and strengthen existing policy frameworks by developing practical instruments for implementation, ensuring that policies are responsive to socio-economic and political shifts. Moreover, fostering increased public-private collaboration, improving urban planning, and adopting innovative, sustainable housing solutions are essential to bridging the existing gaps. These efforts can significantly contribute to creating inclusive urban environments, reducing inequality, and improving living standards.

However, this review has certain limitations. Primarily, it is reliant on existing studies and available data, which may not encompass the most recent developments or emerging issues in Ethiopia's housing sector. Moreover, given the variability in methodological approaches and the scope of the included studies, there may be biases or incomplete representations of the national context. Additionally, the review limited its analysis to available literature without primary data collection, which could restrict the depth and specificity of the findings.

Looking ahead, future research should focus on identifying the underlying causes of the persistent housing shortages and affordability issues, utilizing both qualitative and quantitative methods. There is an urgent need to explore innovative, sustainable, and scalable housing solutions tailored to Ethiopia's socio-economic realities, particularly for low-income and vulnerable populations. Research should also examine the effectiveness of current policies, exploring ways to improve their implementation and impact. Furthermore, studies focusing on the role of urban land management, market mechanisms, and financing options can provide valuable insights for policy reform. Finally, comparative analyses with successful housing models from other developing countries could offer practical lessons that Ethiopia can adapt to accelerate its housing development efforts.

In conclusion, while Ethiopia has made strides in housing provision, significant challenges remain that require concerted efforts and strategic policy reforms. Strengthening institutions, fostering multi-stakeholder collaboration, and embracing innovative approaches are critical steps toward achieving affordable, adequate, and sustainable housing for all Ethiopians.

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There are no relevant financial or non-financial competing interests to report.

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