

ARRANGEMENT

BETWEEN

**THE DEPARTMENT OF HUMAN SETTLEMENT OF THE
REPUBLIC OF SOUTH AFRICA**

AND

**THE MINISTRY OF HOUSING, SPATIAL PLANNING AND THE
ENVIRONMENT OF THE KINGDOM OF THE NETHERLANDS**

ON

COOPERATION IN THE FIELD SOCIAL RENTAL HOUSING

2010 - 2014

Preamble

The Department of Human Settlements of the Republic of South Africa

And

The Ministry of Housing, Spatial Planning and the Environment of the Kingdom of the Netherlands

(Hereinafter jointly referred to as “the Signatories” and separately as “a Signatory”);

RECOGNISING the long-standing good co-operation between the two countries in the field of social housing;

APPRECIATING the contribution in the development and implementation of South Africa’s social housing policy and legal framework;

APPRECIATING FURTHER the role of Dutch support in strengthening social housing in South Africa through the secondment of long-term and short-term technical advisors to the government and the provision of low interest loan funding to social housing institutions;

ACKNOWLEDGING that social rental housing in South Africa must be up-scaled in order to achieve the aims of South Africa’s rental housing strategy;

DESIRING to support an increase in social rental housing stock in South Africa as a means of addressing the housing demand in urban areas;

HEREBY DECIDE as follows:

Paragraph 1 Competent Authorities

The Competent Authorities responsible for the implementation of this arrangement are:

- a) In the case of the Republic of South Africa, the Department of Human Settlements (DHS). It will be supported by relevant partners in this regard such as the Social Housing Foundation (SHF), the soon to be established Social Housing Regulatory Authority (SHRA), the South African Local Government Association (SALGA) and the National Association of Social Housing Organisations (NASHO).
- b) In the case of the Kingdom of Netherlands, the Ministry of Housing, Spatial Planning and the Environment (VROM/WWI). It will be supported by relevant partners in this regard, namely Aedes Vereniging van Woningcorporaties (Aedes) and the Vereniging van Nederlandse Gemeenten (VNG).

Paragraph 2 Objectives

- 1) The purpose of the Arrangement is to extend the provision of short, medium and long-term assistance, training and exposure programmes by VROM/WWI, Aedes and VNG to the Department of Human Settlements, SHF, SHRA, SALGA, NASHO and other interested governmental and non-governmental parties at national, provincial and local level in South Africa.
- 2) The objective of this Arrangement is to further extend the existing cooperation between the Signatories in the field of social housing as envisaged in the Memorandum of Understanding entered into by the Signatories on 14 November 1997 and the Renewed Memorandum of Understanding entered into by the Signatories on 7 July 2004.

Paragraph 3 Principles of Cooperation

The Signatories decide to:

- a) focus on municipalities with Restructuring Zones and on those Social Housing Institutions within the Restructuring Zones that have shown the capacity and potential to deliver and manage social housing;
- b) shift the emphasis of co-operation from capacity development to targeted support for delivery of social housing;
- c) mobilise technical expertise through regional teams composed of Dutch and South African professionals to be deployed in those provinces, social housing institutions and restructuring zone municipalities who are seen to have the most capability to deliver and manage social housing;
- d) be guided by the Repositioned Blue Print/Road Map with the aim of reaching the goals of this Arrangement; and
- e) co-operate to support implementation of the National Rental Housing Strategy which intends to deliver 100 000 units of which approximately 75 000 will be social housing units in highly urbanised areas.

Paragraph 4 Areas of Cooperation

- a) In the case of technical assistance, this will focus on, but not be limited to:
 - i) Social rental housing
 - ii) Urban development and planning
 - iii) Property maintenance management
 - iv) Building and construction management; and
 - v) Project packaging.

- b) In the case of financial assistance, this will focus on, but not be limited to, the provision of financial guarantees for social housing projects by Dutch International Guarantees for Housing (DIGH).

Paragraph 5 Implementation

1. The Oversight Committees of each Signatory will co-ordinate the activities of the partners with the aim of reaching efficiency and a more structured relationship in the co-operation between the signatories and partners, while simultaneously preserving flexibility in the co-operation.
2. The Oversight Committee of each signatory will consist of representatives of the Competent Authorities and their partners as specified in Paragraph 1.
3. The South African Signatory will develop an Annual Implementation Plan before January of each year, which will include a detailed account for the intended deployment of resources, and the management and accountability arrangements. The Dutch signatory will react on the Annual Implementation Plan within two months of the date of submission.
4. The Annual Implementation Plan will serve as the basis for reporting and measuring progress by the parties.
5. The Signatories will meet once a year to monitor progress and decide on a new Annual Implementation Plan at the Annual Review Meeting, held alternately in South Africa and the Netherlands, and will meet between Annual Review meetings if necessary.
6. The Signatories decide to undertake two external reviews to evaluate the overall progress and effect of the Repositioned Blue Print/Road map. The external review report will be used as a reference point for reviewing the effectiveness of co-operation.
7. The Signatories will facilitate, in terms of their domestic law, the entry into and exit from their territories of experts tasked with the implementation of this Arrangement.

**Paragraph 6
Settlements of disputes**

Any dispute between the Signatories arising out of the interpretation or implementation of the present Arrangement will be amicably resolved through friendly consultation or negotiations between the Signatories

**Paragraph 7
Amendments**

This Arrangement may be amended by mutual consent of the Signatories through an Exchange of Notes between the Signatories.

**Paragraph 8
Commencement and termination**

1. This Arrangement will come into operation on the date of signing by the signatories.
2. This Arrangement will remain in operation for a period of five years whereafter it will be automatically terminated, unless the Signatories decide to renew it for a further period of five years.
3. This Arrangement may be terminated by either Signatory giving three (3) months written notice in advance.

SIGNED in Pretoria on this 15th day of June in 2009


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TMG SEXWALE

**For the Department
of Human Settlements
of the Republic of
South Africa**


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EE VAN DER LAAN

**For the Ministry of Housing,
Spatial Planning and the
Environment of the Kingdom
of The Netherlands**