CABEI backs decent housing projects to improve Central Americans’ quality of life
CABEI promotes decent housing projects to reduce the housing deficit

Having an appropriate habitat that includes decent housing and living spaces that promote the inclusive development of communities in the countries of the region, greater well-being and poverty reduction, is a fundamental right for all people, but also a challenge due to the qualitative and quantitative housing deficit.

It is estimated that Central America has approximately 13 million homes and a housing deficit of 53%; in other words, 5.3 out of every 10 homes have a lack of infrastructure, in addition to the fact that it is the second fastest urbanizing region in the world, second only to Africa.
For this reason, the Central American Bank for Economic Integration (CABEI) supports the efforts of both governments and the private sector to promote projects that facilitate access to decent housing as an effective means to promote human development in line with its Institutional Strategy and based on the Central American Housing and Human Settlements Strategy (ECVAH) of the Central American Council for Housing and Human Settlements (CCVAH), as well as the strategic guidelines of UN Habitat for 2030.

In this way, CABEI has executed the Central American Housing and Sustainable Habitat Development Program (VIDHAS) in the region since 2015, with which it has sought to channel resources that enable hundreds of Central Americans to fulfill their dream of owning their own home.

VIDHAS has had two major investment components: Direct Public, and Intermediated, of which US$1.007 million has been approved over the last eight years. The Program was designed under three main components:

1. Visualization of habitat as housing and its environment.
2. Creation of socially inclusive cities based on housing.
3. Promotion of sustainable housing and environments.
The VIDHAS Program has had two major investment components: **Direct Public Investment and Intermediated Investment**, of which US$1,007 million have been approved.

Reducing the housing deficit is a major commitment for governments and multilateral entities such as CABEI. It is estimated that Central America has approximately 13 million homes and a housing deficit of 53%; in other words, 5.3 out of every 10 homes have a lack of infrastructure.

To support this challenge, since 2015 VIDHAS became the framework program from which CABEI supports the social housing sector in the region, and execution and implementation programs have been implemented. With the latter, several global credit lines managed by an equal number of intermediate financial institutions in charge of placing resources for social housing were enabled.

It should be noted that CABEI approvals over the last three years have led to the construction of 50,773 new housing units, and that three programs are currently being executed and are about to be formalized:

<table>
<thead>
<tr>
<th>PROGRAM</th>
<th>AMOUNT</th>
<th>EXPECTED BENEFICIARIES</th>
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<tbody>
<tr>
<td>National Program for the Construction of Social Interest Housing in Nicaragua</td>
<td>for US$171.7 million</td>
<td>93,300 people</td>
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<tr>
<td>Housing and Dignified Life Program (PROVIDA) through financial intermediation in El Salvador</td>
<td>for US$50 million</td>
<td>10,886 people</td>
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<tr>
<td>Eco-housing Program in the Dominican Republic</td>
<td>for US$250.3 million in the process of formalization</td>
<td>10,000 people</td>
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Thanks to CABEI's VIDHAS, the results have not been long in coming and hundreds of people have been able to benefit from the improvement of their living spaces, bringing wellbeing, security and reducing their vulnerability.

**Benefits achieved through the implementation of VIDHAS**

- **27,825** homes built
- **11,869.00** housing loans granted
- **43,106.00** new water and sanitation connections
- **46,843.00** new owners with deeds
- **60,962** families benefited

Despite these important results, CABEI's commitment continues, which is why the VIDHAS program is currently being revised to make way for a new housing program for the region (VIDHAS 2.0), which is expected to incorporate the lessons learned from its predecessor in order to present updated and innovative financing instruments for the sector and improve the quality of habitat in the housing environment to enhance urban development and sustainable urban mobility.

Social housing has an integral impact on people's quality of life and on a country's economic, cultural, social and environmental development. It is an important part of urban planning and a measure directly linked to the progress of society as a whole.

Housing, understood as a need and a basic human right, is the articulating element of different positive economic, social, cultural and environmental dynamics in people, which will allow them a better human development, especially when it is aimed at population strata that cannot access free market housing.
This is why CABEI's commitment continues, and it is currently working on a new housing program for the region: "VIDHAS 2.0," which plans to take into account the lessons learned from the first Program to present updated and innovative financing instruments for the sector and to continue improving the quality of habitat in the housing environment in order to further urban development and sustainable urban mobility.