

## INTRODUCTION

Habitat for Humanity Ethiopia (HFHE) is part of Habitat for Humanity International (HFHI), a leading global nonprofit organization working in local communities across more than 70 countries. The organization began in 1976 as a grassroots effort on a community farm in Southern Georgia, USA. Habitat for Humanity Ethiopia (HFHE), active since 1993, envisions “a country where everyone has a decent place to live.” Its mission is to address critical housing needs of low-income and vulnerable groups through sustainable and inclusive solutions. Guided by Christian values, HFHE links housing with health, education, resilience, and economic empowerment. Over 30 years, HFHE has served 850,000 people, but challenges such as a widening housing deficit, limited finance, and disaster vulnerabilities demand a renewed strategy.

### Strategic Analysis

The strategic plan spanning from 2026-2030 was informed by two key studies: a housing context analysis and a review of the outgoing strategic plan. This analysis was conducted to determine the strategic position of HFHE in the current context. The strategic position of the organization is determined by analyzing the internal and external environment. In addition, a detailed Political, Economic, Social, Technological, Environmental, and Legal (PESTEL) analysis, stakeholder analysis, and scenario analysis are conducted, and key strategic issues are identified.

### VISION AND MISSION, GUIDING PRINCIPLES

**Vision:** A country where everyone has a decent place to live.

**Mission:** HFH exists in Ethiopia to address the critical housing needs of low income and vulnerable populations through innovative, sustainable, and inclusive solutions. Through strong partnerships and advocacy, HFHE empowers communities and families to build a better future by ensuring access to secure housing, promoting land and housing rights, enhancing disaster recovery and resilience, and fostering economic self-reliance.

**Faith Foundation:** We choose housing as the means to put our Christian faith into action because housing is the foundation for health, education, well being, equity and wealth of families and communities. We are committed to loving all our neighbors, doing justice and walking humbly with God.

### Mission Principles

- 1. Demonstrate the love of Jesus Christ.**
- 2. Focus on shelter.**
- 3. Advocate for affordable housing.**
- 4. Promote dignity and hope.**
- 5. Support sustainable and transformational development.**





### Country & Housing Context

Ethiopia, Africa's second most populous country (132M in 2024), is experiencing fast urbanization, high youth unemployment, and persistent poverty (24%). Inflation remains high, further straining households.

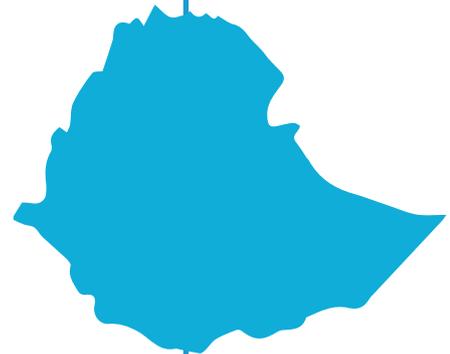
**Urban housing:** Rapid urban growth will push 42% of Ethiopians into cities by 2037. Demand far outpaced supply; many households spend over 50% of income on rent, while informal settlements make up to 40% of urban housing.

**Rural housing:** Homes are often dilapidated, overcrowded, and lack sanitation or safe water. Pastoralist communities face unique challenges due to mobility and climate shocks.

**Finance:** No dedicated housing banks or affordable mortgage options exist; 83% of the population expresses unmet demand for housing finance.

**WASH & services:** Over 112M people lack basic sanitation and 60M lack safe drinking water.

**Disasters:** Conflict, climate change, and displacement (3.3M people as of 2025) increase urgent demand for shelter and resilience.



### STRATEGIC CHALLENGES

HFHE identifies pressing challenges:

- Severe housing deficit and poor-quality housing stock.
- Limited affordability and lack of accessible housing finance.
- Weak land tenure rights, particularly for women and marginalized groups.
- Vulnerability to disasters, climate shocks, and political instability.
- Competitive funding environment with reduced donor flexibility.
- Limited local housing NGOs and civil society advocacy.



### PRIORITY THEMES

Habitat for Humanity Ethiopia (HFHE) has identified four thematic strategic areas that will guide its initiatives over the next strategic period. These areas include:

Housing,

Housing Finance and Market,

WASH (Water, Sanitation, and Hygiene),

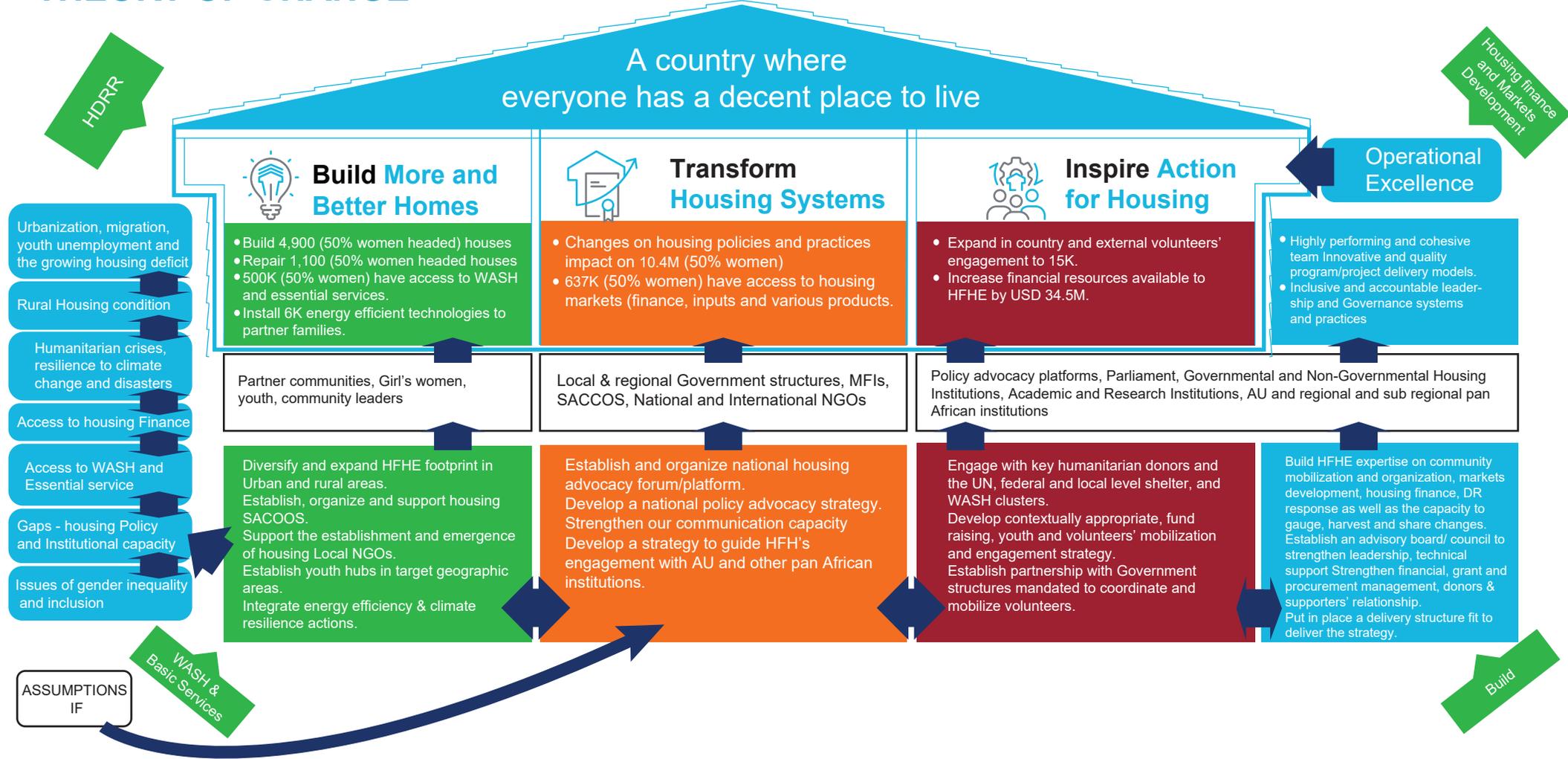
Essential Services, and Housing Disaster Resilience and Recovery (HDRR).

They reflect the interconnected nature of the challenges faced by vulnerable populations in Ethiopia and the comprehensive approach required to address them.





# THEORY OF CHANGE





## STRATEGIC OBJECTIVES

### A. Build More & Better Homes

**Strategic Objective 1:** Construct 6K new and renovate existing standard affordable housing units for vulnerable families ensuring compliance with safety and quality standards by 2030.

**Strategic Objective 2:** By 2030 ensure 500K individuals to have access to WASH and essential services (50% women).

### B. Transform Housing System

**Strategic Objective 3:** Enhance access to 637K individuals to housing markets (finance, input and various products) by 2030.

**Strategic Objective 4:** Establish new and enhance the capacity of existing financial institutions to deliver housing financial solutions by 2030.

### C. Inspire Action for support

**Strategic Objective 5:** By 2030, mobilize 15K volunteers for engagement and youth involvement to explore expertise for the benefit of the communities.

### D. Operational Excellence

**Strategic Objective 6:** Develop more than four competent capacities to deliver innovative solutions to HFHE interventions by 2030.

**Capacity building:** Strengthen staff skills, organizational governance, and accountability systems.

### Target Groups & Geographic Priorities

HFHE will focus on:

**Low-income families**, especially those below the poverty line.

**Vulnerable groups** (women, children, IDPs, elderly, and people with disabilities).

**Youth**, addressing unemployment through housing-linked livelihoods.

Priority areas include Addis Ababa and secondary towns, while extending reach to rural and pastoral communities.

### Monitoring Performance

- Quarterly Report
- Annual Report
- Midterm Evaluation
- Endline evaluation

### Funding Model and Resources

- Housing MF and market development/SACCOS
- International volunteers per person contribution
- Donor restricted grant
- Tithe supporters

## IMPLEMENTATION STRATEGIES

HFHE will achieve these objectives through:

**Policy advocacy & communication:** Push for inclusive housing, land tenure security, affordable finance, and WASH integration.

**Community mobilization:** Organize housing savings cooperatives, build local capacity, and empower communities in planning.

**Financial inclusion:** Promote pro-poor housing SACCOS, link communities with MFIs and banks, and design affordable housing finance products.

**Youth engagement:** Establish youth hubs for skills training, entrepreneurship, and advocacy.

**Partnerships:** Collaborate with local and international NGOs, UN agencies, governments, and financial institutions.

**Innovation:** Pilot new building technologies and sustainable practices; integrate climate resilience.

## RISKS & MITIGATION

Key risks include political instability, inflation, donor funding shifts, and disasters. HFHE plans to mitigate them by:

- Diversifying funding streams and partnerships.
- Embedding resilience and DRR in housing programs.
- Strengthening organizational governance and accountability.

This 2026–2030 plan sets HFHE on a path to greater impact on housing by combining direct construction with systemic change. By building homes, transforming housing finance and policy, inspiring broader action, and fostering resilience, HFHE aims to improve the lives of millions, making secure, affordable, and dignified housing a reality for Ethiopia's most vulnerable populations.

