

**TOWARD SOCIAL STABILITY AND ECONOMIC DEVELOPMENT:
INTERNATIONAL CONFERENCE ON PRACTICAL APPROACHES
TO HOUSING SECTOR DEVELOPMENT IN TRANSITION
COUNTRIES**

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**UNITIC Conference Centre
Sarajevo, Bosnia i Herzegovina**

**Refugee-related Housing Issues in selected
SEE Countries**

- **Bosnia-Herzegovina, Croatia, Serbia and Montenegro**
- **Experience from Stability Pact for South Eastern Europe**
- **Regional Return Initiative, Agenda for Regional Action (AREA)**
- **Housing Programme Development Study**

Relevant AREA guidelines:

- recognise the need to place refugee-related housing issues in the context of general approaches to housing
- recognise the shifting international assistance focus from humanitarian assistance to development support

Implications:

- common standards of provision needed
- housing policy development required
- institutional and financial sustainability essential

Pre-war (1991 census) housing situation:

- no aggregate shortages in Croatia and BiH
- some shortages in Serbia
- regional differences
- part-public housing delivery (about one third)

Impact of the wars and aftermath:

- property destruction: 1 million houses
- about 3 million refugees and IDPs
- temporary property occupation: about 400,000 units
- stagnation in housing production (one third of pre-war level at present)
- leaps-and-bounds privatisation of publicly owned housing stock
- dismantling of state-led housing production
- accelerated neglect of housing maintenance
- gradual re-emergence of private production

Immediate refugee-related housing issues:

- create conditions for return of refugees and IDPs
- house reconstruction and property repossession
- local integration and housing

all on top of:

- the demise of the state enterprise mode of production
- accelerated urbanisation
- declining household sizes

Post-wars supply-demand balance:

- significant additional housing market demand, fuelled by refugee-related demand (still 0.9 million refugees and IDPs in the region today)
- major shortages (i.a. articulated in “wild housing”) in and around the major urban centres
- oversupply in some rural areas, including, but not limited to the war affected areas

Housing sector gaps:

- lack of housing/spatial development policy
- limited housing finance arrangements
- institutional constraints
- shortage of housing-related infrastructure

Broader impinging issues:

- on-going privatisation issues
- high levels of unemployment
- need for durable housing solutions for 0.9 million refugees and IDPs (and an unknown number of ex-refugees)
- limited options for economic growth
- limited financial sector development
- declining external grant assistance
- limited capacity to borrow in each of the countries

but: housing production as economic engine:

- high domestic income and employment multiplier

Housing programme development to meet shortages creatively, including:

- legalisation and support in “wild” housing areas
- better utilisation of existing housing stock
- self-help housing
- a variety of tenure options
- institutional options and O&M
- private sector housing finance mechanisms
- synergies with municipal development and financial sector development
- targeted grant support
- supporting capacity-building activities

Medium term programmes and action plans for each country:

- locally-based (municipal) housing sites-and-services and complete units for mixed local and refugee target group
- private commercial bank market-based housing finance
- national/state level housing fund
- building capacity at state and local levels to:
 - i) develop housing policy
 - ii)prepare and implement investment programmes
- to start with what is doable now

Regional co-operation for:

- a regional property information exchange unit
- regional capacity building in housing development

Role of the International Community to support:

- Innovative pilot projects
- Capacity-building TA
- Housing Finance support
- Regional Property Information Exchange
- Regional Exchange of Good Housing practice

Thank You