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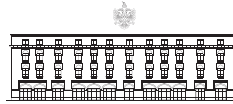
MINISTRIA E ZHVILLIMIT URBAN

# SOCIAL HOUSING STRATEGY

2016-2025







REPUBLIKA E SHqipëRISE  
MINISTRIA E ZHVILLIMIT URBAN

REPUBLIC OF ALBANIA  
Ministry of Urban Development

# **Social Housing Strategy**

**2016-2025**

June 2016

Approved by Decision of Council of Ministers No. 405, on 1 June, 2016



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This document is prepared on behalf of the Government of Albania by the Ministry of Urban development and line ministries in close consultation with representatives of local authorities, international organisations, with the contribution of civil society representatives and of housing experts.

The working group that developed this document was led by **Aida Seseri, Ermira Tomço** and **Ergis Tafalla**, Ministry of Urban Development, Department of Urban Services and Housing, with technical assistance from **Alonso Ayala, Ellen Peters-Geurts** and **Marsela Dauti**.

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June, 2016

It is a pleasure and responsibility for me as Minister of Urban Development to share with you the document of the Social Housing Strategy 2016 – 2025, which has been missing for more than two decades. Aware of the importance of housing, as a fundamental right that guarantees integration and social cohesion, we established a clear platform of work, where beneficiaries will be all the citizens in need, ranging from single-parent families, people with disabilities, orphans, victims of domestic violence, to Roma and Egyptian families.



Social inclusion, equal opportunities, gender equality, non-discrimination, care for vulnerable groups and people in need, has become the anthem of our daily work in the housing sector. Access to safe housing is a right which every citizen must enjoy, therefore we designed for the first time a national document on social housing that treats and provides solutions to a broad range of issues with the common aim of integrated economic and social development of the strata in need.

The Social Housing Strategy 2016 – 2025, followed by a 10-year costed Action Plan, is the translation into concrete actions of the commitments made to guarantee and provide affordable quality housing for all the strata in need.

This document also defines the milestones for sustainable and long-term investments in the housing sector, as well as the establishment and strengthening of the financial instruments that address housing needs without exemption of any category in need.

We want to change the decision-taking tradition that have direct impact on citizens' lives, based on their personal interests, therefore citizens were not only part, but also our judging eye, throughout the design process of this strategy.

The Social Housing Strategy 2016 - 2025 is the product of a fruitful collaboration between all stakeholders involved, among which I would like to distinguish all the associations representing the interests of vulnerable groups, the public institutions that address issues related to the

housing of these categories, the local authorities, the Ombudsman, as well as the experts of the civil society and the donors.

I would, therefore, like to thank and express my gratitude to the United Nations Development Programme, to the staff of the Urban Development Ministry, as well as to the local and foreign experts for their professionalism, passion, dedication, and commitment throughout the process. The Social Housing Strategy 2016 - 2025 is not only a promise kept, but a guide for all the institutions that address citizens' concerns and requirements on housing, as well.

**Eglantina Gjermeni**

Minister of Urban Development

A handwritten signature in black ink, appearing to read "Eglantina Gjermeni". The signature is stylized and includes a large, sweeping flourish at the end.

# SUMMARY

The **Social Housing Strategy** for the Republic of Albania has been conceived under the guiding principles of availability, accessibility, affordability and the adequacy of the overall housing package. The starting point for the formulation of the strategy's vision, goal and objectives is the urgent need that the country has in revising and improving the current institutional, legal and regulatory framework of the housing sector. The relatively low provision of housing solutions to that section of the population that cannot afford a house in the open market is a major concern. This concern is all the more important when considering that the current housing programmes do not benefit vulnerable groups, whose demographic characteristics represent a clear impediment to afford and access housing programmes.

Accordingly, **the main goal of the strategy** is: "To provide low and middle income households who cannot afford a house in the open market, and in particular, to households with vulnerability indicators resulting in housing exclusion, with available, accessible, affordable and quality housing solutions". The **objectives of the strategy** have been categorized under four strategic lines of action: (1) securing evidence about social housing and local capacities; (2) improving the legal, institutional and regulatory frameworks; (3) enhancing financial instruments for disadvantaged groups; and (4) expanding and re-orientation of social housing programs.

This document is organized under five chapters. The first Chapter provides an overview of the housing sector status in Albania. The second Chapter describes the vision, main goals and objectives of the strategy and goes on to explain in detail four principles that serve as the bases for the core elements of the strategy, i.e. the existence of a housing package that provides for available, accessible, affordable and adequate housing. The third chapter is about objectives and outcomes. The fourth chapter provides general information about financial resources and budget allocation. The fifth chapter describes the monitoring and evaluation plan needed for following with the implementation plan of the strategy, and for evaluating expected outcome of strategic objectives.

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# ABBREVIATIONS

<b>AP</b>	Action Plan
<b>CEB</b>	Central European Bank
<b>Cecodhas</b>	Comite Européen de Coordination de l’Habitat Social
<b>CSO</b>	Civil Society Organisation
<b>DTD</b>	Department of Territorial Development
<b>EU</b>	European Union
<b>FGD</b>	Focus Group Discussion
<b>HH</b>	Household
<b>HNA</b>	Housing Needs Assessment
<b>IHS</b>	Institute for Housing and urban development Studies
<b>LGU</b>	Local Government Unit
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MSWY</b>	Ministry of Social Welfare and Youth (Albania)
<b>MUD</b>	Ministry of Urban Development (Albania)
<b>NG</b>	National Government
<b>NHA</b>	National Housing Agency (Albania)
<b>NIS</b>	National Institute of Statistics
<b>SGEI</b>	Service of General Economic Interest
<b>SH</b>	Social Housing
<b>SHA</b>	Social Housing Association
<b>TNA</b>	Training Needs Assessment
<b>ToR</b>	Terms of Reference
<b>TOT</b>	Training of Trainers
<b>UNDP</b>	United Nations Development Programme
<b>UNECE</b>	United Nations Economic Commission for Europe



# 1

## CURRENT SITUATION



## 1.1 OVERVIEW OF THE CHANGE OF POPULATION AND HOUSING MARKET AT THE NATIONAL LEVEL

During 1989 – 2011, the overall population of Albania declined by 12 percent (from 3,182,417 to 2,800,138). Moreover, the rural population declined by 36.3 percent (from 2,044,855 to 1,301,601) whereas the urban population increased by 31.7 percent (from 1,137,562 to 1,489,508) indicating a clear urbanization trend. Overall, the number of residential buildings increased by 55.1 percent (from 385,769 to 598,267) whereas the number of residential buildings in rural areas increased by 22.1 percent (from 309,666 to 378,110) and the number of residential buildings in urban areas increased by a staggering 189.3 percent (from 76,103 to 220,157) (Instat, 2012). Referring to Instat (2012), the number of residential buildings in 2011 was 598,267; 53.8 percent of all housing units were concentrated in urban areas; meanwhile, 46.1 percent in rural areas. Around 21.7 percent of housing units were vacant of which 52.6 percent of vacant housing units were in rural areas. Approximately, 1/3 of all housing units in the regions of Vlora and Gjirokastra were vacant and 1/4 of all housing units in the regions of Berat, Dibra, and Lezha were vacant. The region of Vlora had the highest percentage of vacant housing units, 32.4 percent, followed by the region of Gjirokastra, Berat, Dibra, and Lezha. The region of Durrës had the highest percentage of housing units used for seasonal or secondary purposes, followed by the region of Vlora and Gjirokastra. Around 8.3 percent of housing units were used for seasonal or secondary purposes.

In the course of 2014, the Ministry of Urban Development, with support from UNDP carried out two studies that were focused on the analyses of social housing circumstances<sup>1</sup> and needs assessment<sup>2</sup> for social housing in Albania. Studies shed light on a series of problems that were aimed to be addressed through the Social housing Strategy. Actually, a series of challenges were identified regarding poor evidence about social housing and local capacities; insufficient legal, institutional, and regulatory framework; limited financial instruments for disadvantaged groups; and low levels of benefits from social housing programs for poorest segment of the population. Below is a description of the situation, according to main identified aspects.

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1 The analyses of the situation was based on the review of existing literature, analyses of data collected by the National Housing Agency about applicants and beneficiaries, according to social housing programs, and data collected from 39 LGUs – 27 municipalities and 12 communes – about social housing programs and the local capacities. The analyses of the situation sheds light on the demand and supply aspects of social housing at the local level, and on the scoring system, data system, budget for social housing, housing inventory and land inventory, and the need for establishing capacities of LGUs.

2 Needs assessment was based on interviews conducted with government officials and representatives of civil society organizations in three municipalities –Lezhë, Berat and Tiranë. The assessment shed light on the characteristics of the applicants and beneficiaries, capacities of the local government units about securing social housing, distribution of the budget for social housing, transparency and information, and the relationship between the central and the local governments.

## 1.2 CURRENT SITUATION, ACCORDING TO AREAS AND CHALLENGES

### 1.2.1 Evidence about social housing and local capacities

#### *Current situation*

One of the main hindrances in the formulation of effective social housing policies and programs is the lack of systematic data and analyses supported on data. First, the local government units do not have in place a sustainable system that can be used for the collection of data. Out of 27 municipalities that were interviewed about the data collection system in 2014, 12 reported not to use any program/software for the registration of applicants data, and 15 others were using Excel. Second, the majority of the local government units (LGUs) cannot perform analyses for the identification of housing needs, and local resources that may be mobilized for meeting those needs. Third, most of the attention is focused on ensuring social housing; after that, little is known about the impact of social housing programs in the welfare of the households. Usually, housing experts update information when asked to provide data to the municipal council, or when a new social housing program is underway, but other than that the data are not used for any other purpose (UNDP, 2014b).

The Social Housing Strategy pays particular attention to the introduction and enhancing a data collection system, so that local leaders are aware of the housing needs, and can develop appropriate programs based on local resources. Concomitantly, the local government should draft policies that respond to the needs of the local level. The data system will allow for timely monitoring and assessment of the social housing situation.

#### *Challenges*

The main challenge is that of clearly understanding the supply and demand sides of social housing. It is important to establish a system that would enable collection of data, and then periodical analyses of data in each local unit. Another challenge is to secure data in several layers – data focused on social housing needs, housing situation of excluded groups, and assets in possession of the LGUs, and which can be mobilized for social housing purposes. This would require the establishment of the necessary infrastructure for data collection, and further strengthening of local government capacities, about the methodology for the collection, analyses and use of data. These steps will help in the formulation of evidence-based programs and policies.

## 1.2.2 Legal, institutional, and regulatory framework

### Current situation

Referring to Law no. 9232,<sup>3</sup> social housing programs are “programs which serve to accommodate the families and individuals that due to their economic and social situation can’t afford the offer of the free market or the mortgage” (Article 2, paragraph 3). The government has established three social housing programs: social rented housing, low-cost housing, and the program of land equipped with infrastructure. In addition, the government has established the provision of housing subsidies, subsidized loans, small grants, and immediate grants that target specific groups (see below for a description of each program). Beneficiaries of social housing programs should meet one of the following criteria: they should not own a house; they should have a living place that is below housing norms<sup>4</sup>; or they should be homeless because of natural disasters (Law 9232, Article 4). The selection of beneficiaries is based on their living conditions as well as their social and economic circumstances. Priority is placed on fifteen groups, including single-parent families, large families, older adults, people with disabilities, young couples, families that have changed residence, orphans, returning emigrants, migrant workers, asylum seekers, fallen officers, victims of domestic violence, Roma families, Egyptian families, and recipients of economic assistance. Different programs target different groups.

Referring to Law 8652, 31.07.2000, On Organization and Functioning of Local Governments, the provision of housing is a function of local government. Specifically, article 72 specifies that local government units, municipalities and communes, “shall be fully responsible to perform their own functions ... in urban planning, land management and housing [among others].” The provision of social housing is a shared responsibility between the central government and local governments. The central government is responsible for the following: designing a long-term housing program; allocating funds for the implementation of social housing programs; determining the rules for the implementation of the program of low-cost housing; collecting evidence on the administration of housing applications; developing a data inventory at the national level; determining the average annual cost of building housing units, which is approved by the Council of Ministers; determining the criteria for investing or buying low-cost housing units, which are funded by the state budget; and overseeing investments on social housing, funded or co-funded by the government.

Local governments are responsible for assessing housing needs; designing mid-term and long-term housing programs and projects; providing vacant land for construction; submitting requests to the central government for funding, investments, and subsidies; developing and administering a data inventory; determining the maximum cost of building housing units; building, administering, and maintaining social rented housing units; and informing the Ministry of Urban Development on the performance of housing programs. Local governments should design a long-term housing plan, which includes financial sources, housing needs, and the number and type of families that will benefit from different social housing programs, among others. Local governments are also responsible for administering the requests for social housing and determining priority groups.

<sup>3</sup> 13.5.2004, On social housing programs (*Për programet sociale të strehimit*). The description of social housing programs is based on Law no. 9232.

<sup>4</sup> Housing norms are established in the Decision no. 814. Housing norms encompass two components: the minimum area where a person can live and the number of people per room. For instance, the minimum area is 12.4 m<sup>2</sup>. This varies by age. Gender also enters into equation when discussing the number of rooms. Specific provisions are established for persons with disabilities.

The local council approves the scoring system.<sup>5</sup>

Social administrators, located in the Office of Economic Assistance at the municipality, verify the financial situation of applicants. Then, applicants are informed about the results. They have the right to complain about the decision within ten days and request a second evaluation. Transparency should be a key component of the work of local government officials. Local governments should provide information that is “complete, easy to find, clear and readable, even by people with visual impairment” (Article 5/1). The information provided to the public should include: the type of social housing program implemented in the municipality, the conditions that should be met by applicants, the documents required, the application process, and the appellate body. The local government should publish and make available the scoring system, and assist those who face difficulties in completing the application process (e.g. do not know Albanian or are visually impaired) (Article 5/1, paragraph 2).

However, the current institutional framework is characterized by a series of problems. The first is related to unclear roles of different institutions involved in the provision of social housing. A preliminary analyses of five roles related to guidance, funding, delivery, regulation and facilitation of housing related to social housing program with rents, low cost housing, land equipped with infrastructure, and housing subsidies indicated that in some of these cases, these roles are not properly defined. This is particularly the case for the role of the facilitation that refers to support/ establishment of capacities, risk alleviation (mitigation), policy and research support for the housing sector, education and consumer protection; this role is not defined.

During 2004 – 2014, the government of Albania has enacted one law, nine decisions (one of them updated five times and then appealed), three directives, two orders, and one normative act. Also, an informative material on housing opportunities for returning Albanian citizens (n.d.) has been published (UNDP, 2014). The analyses of the legal framework conducted by a number of institutions such as: the Ombudsman, and international organizations suggest that a number of steps need to be taken, in order to improve the current social housing situation, such as: inclusion of the Roma and Egyptian communities in the scoring system, average income review – ceiling and baseline – that households need to meet in order for them to apply for eligibility for social housing programs, acknowledgement and handling cases, introducing a monitoring system in order to guarantee good quality information, specification of program delivery for establishing capacities to assist local employees in addressing information needs of groups at disadvantage, strengthening sanctions for households that show disregard for the rules of low cost housing programs, and enhancing transparency, strengthening the capacities of the local government units to secure and manage donor funds, development of programs for increasing capacities of local government units to draft long term housing program, and putting together a national inventory that includes information for urban and rural areas, and utilization of this information in the formulation of national programs and policies (The Ombudsman, 2012; UNDP, 2014b). Analyses suggest the review of the legal framework regarding cooperation among actors at the central and local levels, and strengthening of public-private partnerships.

Local authorities report as a main problem regarding social housing, lack of funds to expand social housing programs: local government units cannot secure sufficient funding for social

<sup>5</sup> The scoring system is established to prioritize vulnerable groups. For instance, local governments might decide to prioritize (i.e. assign higher scores) orphans over persons with disabilities. This affects their likelihood of being selected; the higher the number of scores, the greater the likelihood of benefiting social housing.



housing, and their fiscal capacities as such are weak (UNDP, 2014b). Other problems include: local authorities lack experience in provision of social housing; they have not carried out any study for reviewing the situation; they have problems with territorial adjustment. Municipalities do not have free land where to build housing units; there are land ownership conflicts; municipalities do not have a housing plan; the assets of municipalities are not registered; local authorities have failed to attract donor funding; banking procedures are lengthy and costly. In addition, municipalities report that there are no construction firms, or else that there is no cooperation with the construction firms, which leads for failure to use local resources. Another concern that was brought up by the local government units is lack of cooperation with the National Housing Agency. The poorest of the poor cannot meet social housing program criteria; they do not trust the local authorities; and the legislation is not clear about the modalities of addressing the needs of the poor. In response to these problems, the local government units report that they are ready to provide financial incentives, such as fiscal incentives, for construction firms that are willing to invest in social housing (OSCE, 2012; UNDP, 2014b).

One of the key problems for national and local government to meet the supply is the difficulty with the inputs needed for social housing (land, finance and construction sector) but also the overall limited experience with social housing. The result of this is that intended beneficiaries and in particular vulnerable groups are not reached which is linked also to a lack of understanding the demand adequately. Some of the underlying causes for difficulties in accessing land for social housing include lack of vacant land and conflicts over land resulting in poor land management. Finance is in particular a problem as there is limited government funding available largely explained by the weak fiscal base at both national and local level; very limited access to (donor) funding, weak land management and property systems and limited cooperation between government, banks and households when it comes to social housing. The lack of experience in understanding the social housing challenge also hinders the development of adequate housing plans and policies at all levels. Transparency of information, as well as access to information and registration of data management systems (e.g. application databases for social housing) as well as systems to monitor this, also further hinder this process.

Both urban and rural localities are willing to collaborate with the National Housing Agency and construction companies to solve the problem of homelessness. Some of the challenges that they face, such as the transfer of property rights, require the intervention of the central government. There are several differences as well. Housing units are more likely to collapse or be at risk of collapse in rural areas. In addition, housing units in rural areas are less likely to meet sanitary and health conditions. Rural localities are more likely to lack access to public and social services. However, communes are more likely to have vacant land available. The mean value of vacant land for communes is 77,000 m<sup>2</sup>; meanwhile, for municipalities is 8,366 m<sup>2</sup>. Social housing projects should consider that rural residents would not leave their property and seek housing elsewhere; families prefer building houses in their own property. Local authorities in rural areas were more likely to report the need for capacity-building programs as well as programs that focus on improving access to public services and goods, such as education and water (UNDP, 2014b).

These differences between urban and rural areas further reiterate the big importance of the formulation of social programs that are based on good knowledge of local circumstances. At the same time, they require integration of the Social housing Strategy in the Territorial and Administrative Reform (RTA), and coordination of the Social Housing Strategy with the Cross-

Sector Strategy for Decentralization and Local Governance (CSSDLG) for 2015-2020 and the Social Inclusion Policy Paper (SIPP), 2015-2020 (see below for information about coordination of the Social housing strategy with other documents).

### *Challenges*

The main challenge is related to improving the legal, institutional and regulatory framework, in order for it to reflect the current situation, and to lead to generation of a supportive environment for the development of the social housing sector. Specifically, it is important to review the managerial and cooperation duties of institutions and organizations related to the social housing sector, such as the Ministry of Social Welfare and Youth and the Ministry of Local Government, and the profiles of beneficiaries, in order to make sure that they are as comprehensive as possible. It is important to work towards coordination of efforts at the central and local levels for the distribution of social housing. Coordination is key to dissemination of information about different available programs of social housing, since often times information fails to reach excluded groups. Another challenge is related to generation of the legal and institutional supportive environment for the local government units, in order to empower them and so that they can develop their own housing programs to meet their local needs. More work needs to go in the establishment of partnerships between public and private actors, inclusion of the community in service delivery, and ensuring inter-relation of housing services with other social services.

## **1.2.3 Financial instruments available for disadvantaged groups**

### *Current situation*

Another aspect that characterizes the current housing sector is related to the limited number of affordable financial instruments for the poor. The impact of re-orientation of social housing programs towards groups at disadvantage will be limited should these groups have insufficient access to financial instruments. For e.g., the rented social housing program compared to low cost housing program is highly likely to focus on low income households (UNDP, 2014a). Yet, people who live in the poverty margin or even below it cannot afford this program either (The Ombudsman, 2012). The amount of housing bonus that is given to a household does not reflect the change in its circumstances, for e.g. the change in the size of the household. At the same time, mobilization of local actors in securing housing would require development of financial instruments that incentivize their inclusion. Consequently, strengthening financial instruments for groups at disadvantage should be one of the priorities of the Social housing Strategy. Other European countries apply different forms of financial instruments, such as: tax exemptions (for e.g. property tax, immovable property tax), provision of land for developers of social housing with prices below market rates, and provision of conditional housing bonuses, tied to the economic status or complementary rent schemes for leases.

The other issue is the mismatch between demand and supply in terms of location (housing is not available where it is needed) and in terms of affordability and accessibility (existing programmes are unaffordable or inappropriate in terms of its model); e.g. land owners who need grants for improving or building house structures only or in case bulk services are the problem, access

to bulk services on the land. Not everyone needs a finished housing product to move into – in particular land owners are often better off with support to develop tailored solutions on their land. Strengthening financial instruments will generate more opportunities for groups at disadvantage; to select between different alternatives, in line with their terms. However, this step, as will be further described should take place together with the expansion and re-orientation of social housing programs towards groups at disadvantage.

The Social Housing Strategy for Albania proposes two distinct but mutually reinforcing directions for social housing. On the one hand social housing programmes are needed for households that cannot afford housing in the market because of socio-economic conditions (income threshold). Current programmes that target this are the low-cost housing programme and the affordable mortgage schemes accessible through the National Housing Agency. These programmes are running quite well and are somewhat institutionalized by the NHA. On the other hand social housing programmes are needed for those households excluded from the housing market because of vulnerability indicators (e.g. Roma and Egyptians, abused women, orphans, and people with disabilities, homeless and elderly). A wide range of programmes are provided for by Law 9232 but implementation lags behind and institutional capacity differs widely across local governments.

### *Challenges*

The main challenge is empowerment of financial instruments for groups at disadvantage. Given that the current instruments do not meet the needs of excluded groups, work should focus on their review. This may include introduction of new instruments and/or restructuring of existing instruments. To this end, it is necessary to have a detailed analyses of current instruments, review of instruments available in European countries and broader, and utilization of findings to inform review of financial instruments. This process will require the cooperation of a series of local and national actors.

## 1.2.4 Approach of social housing programs targeting disadvantaged groups

### Current situation

Analyses performed by local and international organizations point to the high need for social housing. Only a small share of the Albanian population in need of housing has benefited from social housing programs.

The number of housing applicants during 2005-2014 for all social housing programs collectively is 35,011<sup>6</sup> (UNDP, 2014b, p. 21). The majority of individuals have applied for the program of low-cost housing. Specifically, 64.99 percent (n = 22,753) have applied for low-cost housing, 30.94 percent (n = 10,834) for social rented housing, 1.94 percent for housing subsidies (n = 678), and 1.13 percent for land equipped with infrastructure (n = 395). The number of individuals who have applied for low-cost housing is 2.1 times higher than those who have applied for social rented housing; 33.6 times higher than those who have applied for housing subsidy; and 57.6 times higher than those who have applied for land equipped with infrastructure. The municipalities with the highest number of applicants include Tirana, Elbasan, Korça, Durrës, Fier, Vlora, Shkodra, Kuçova, Lezha, and Saranda. The municipalities with the lowest number of applicants include Leskovik, Roskovec, Divjaka, Ura Vajgurore, Orikum, Maliq, Patos, Burrel, Tepelena (ibid.). Meanwhile, the number of beneficiaries for social housing programs during 2005-2014 is 5,021<sup>7</sup> (UNDP, 2014b, p. 22). In other words, 14.34 percent of applicants have benefited from social housing programs. Specifically, 2.68 percent (n = 291) of applicants have benefited social rented housing; 17.62 percent (n = 4,009) of applicants have benefited low-cost housing; and 88.64 percent (n = 601) of applicants have benefited housing subsidies. The number of beneficiaries for the program of land equipped with infrastructure is 0. The data indicates that the highest number of beneficiaries (and applicants) is for the program of low-cost housing; meanwhile, the highest proportion of beneficiaries is for the program of housing subsidies. There is a high demand for social rented housing. Only 2.68 percent of applicants have benefited from the program (ibid.). Table 1 presents the number of applicants and beneficiaries by program.

**Table 1: Applicants and beneficiaries by program**

Program	Number of applicants	Number of beneficiaries	% of beneficiaries
Social rented housing	10.834	291	2,7
Low-cost housing	22.753	4.009	17.62
Housing subsidies	678	601	88,64
Land equipped with infrastructure	395	0	-
Total	35.011	5.021	14.34

Source: UNDP (2004b)

6 The data was provided by the National Housing Agency. Forty-five municipalities were included in the analysis.

7 Forty municipalities were included in the analysis.

A study conducted by UNDP (2014b) in 27 municipalities shows that the number of homeless individuals<sup>8</sup> ranges from 0 to 1,985 (M = 283.88, SD = 443.68). Overall, local authorities estimate a number of 7,381 homeless individuals. Meanwhile, the number of applications for all social housing programmes ranges from 2 to 1,480 (M = 164.47, SD = 348.05). Overall, local authorities estimate a number of 2,796 applications. The number of homeless individuals is 2.64 times higher than the number of homeless individuals who apply for social housing. The reasons for this discrepancy can be numerous. For instance, the homeless may lack information on how to access or register for social housing, they do not fulfil the criteria, or they do not trust local authorities. Table 2 presents applicants and beneficiaries by group.

**Table 2: Applicants and beneficiaries by group**

Group	Number of applicants (HH)	Number of beneficiaries (HH)	Proportion <sup>9</sup> of beneficiaries
Female-headed families	739	138	18,7%
Single-parent families	329	122	37,1%
Large families	376	96	25,5%
Older adults	197	50	25,4%
Persons with disabilities	541	73	13,5%
Young couples	901	362	40,2%
Families that have changed residence	91	26	28,6%
Orphans	86	4	4,7%
Returning emigrants	129	36	27,9%
Migrant workers	91	28	30,8%
Asylum seekers	1	0	0,0%
Family members of fallen officers	4	0	0,0%
Victims of domestic violence	6	0	0,0%
Roma families	43	16	37,2%
Egyptian families	365	41	11,2%
Recipients of economic assistance	738	168	22,8%
Other groups	223	80	35,9%

Burimi: UNDP (2014b)

<sup>8</sup> Local authorities were asked to provide an estimate of the number of individuals who lack housing. This includes the number of individuals who have applied for social housing as well as the number of individuals who haven't done so for different reasons, for instance they lack information on social housing programs or they do not meet the criteria established by law (e.g. households are too poor and can't benefit low-cost housing).

<sup>9</sup> The proportion of beneficiaries is calculated by dividing the number of beneficiaries by the number of applicants.

The data shows that the highest proportion of beneficiaries belongs to the group of young couples. Forty percent of young couples who have applied for a social housing program have been beneficiaries. Meanwhile, the lowest proportion of beneficiaries belongs to the groups of orphans, Egyptian families, and female-headed families. For example, only 11 percent of Egyptians who have applied for social housing have been beneficiaries. Even though the number of Egyptian families that have applied for social housing is higher than the number of Roma families (365 vs. 43), the proportion of beneficiaries is lower (11 vs. 37 percent). In other words, only 11 percent of Egyptian families that have applied for a social housing program have been beneficiaries. Meanwhile, this number for Roma families is 37. However, the number of Egyptian families that have benefited social housing is 2.56 times higher than the number of Roma families (41 vs. 16 beneficiaries). The proportion of female-headed families that have benefited social housing is low. Even though this is one of the groups with the highest number of applications, the proportion of beneficiaries is lower than 20 percent. The proportion of orphans that have benefited social housing is very low. Only 4.65 percent of applicants (4 out of 86) have benefited from a social housing program.

Social housing programs attract families with an average income of 6 to 8 times higher than the poverty line<sup>10</sup> (UNDP, 2014a). One of the largest programs – low-cost housing – is not affordable for the poor; therefore, the poor do not benefit from the program. In addition, banking procedures are too long and costly; local government officials and bank officers give preferential treatment to the people they know; and local government officials encourage individuals to apply for social housing even when they do not meet the criteria established by law. The program of social rented housing is more likely to target low-income families. Yet, the program is not affordable for those who live close or below the poverty line. In addition, social rented housing does not address the needs of persons with disabilities. The program of housing subsidies is the smallest. Housing subsidies are viewed as a temporary solution to housing problems. There are no rules on how to discourage dependency from the program. Housing subsidies do not always get utilized because apartment owners hold discriminatory attitudes towards vulnerable groups (*ibid.*).

These results suggest that social housing programs should be further expanded, in order to meet the demand of the groups in need. At the same time, social housing programs should be re-oriented towards marginalized groups. So far, most of the resources have gone to the middle income group. Meanwhile, support for this group is important, will attention should be paid to poorer groups. The Social housing strategy addresses both aspects. The Strategy provided for an increase in the number of the beneficiaries and expansion of programs likely to target marginalized groups.

## Challenges

One of the main challenges is re-orientation of social programs to target marginalized groups. Attention should focus on excluded groups that so far have been less likely for eligibility from social housing programs. This requires mobilization of local resources, but also a change in the distribution of the budget. So far, a considerable share of the housing budget has been allocated to one of the programs from which the middle income group is more likely to benefit. This change requires political will, but also awareness raising of the local government units, to allocate resources in support of social housing programs. Another challenge is triggering into motion the land equipped with infrastructure program– a program which so far is laying idle.

<sup>10</sup> The poverty line is ALL 4,891 per capita per month (Instat, 2013).

## *Coordination with other strategies*

The development of the Social Housing Strategy was based on the long-term development priorities of the country, as established in the National Strategy for Development and Integration (NSDI) 2015-2020. One of the objectives of the NSDI is “to secure equal access to social and economic opportunities for all groups and individuals in the society.”<sup>11</sup> This objectives is related to the expectation that the Republic of Albania would introduce a system comparable to that of the EU as regards monitoring and reporting on the status of social inclusion and poverty, would build and strengthen capacities of the public administration and local authorities for the implementation and reporting on the process of social inclusion, and would establish an efficient unit for the coordination measures enforcement, and reporting on progress on social inclusion. Social inclusion policies should become integral part of common activities of respective institutions at all levels. The processes that will be carried out will be based on best European knowledge and practice, and on the experience of the Republic of Albania in the development and implementation of national policies.

NSDI has identified a number of challenges related to the social housing sector. Challenges include: (a) the need to ensure that a higher percentage of the Albanian population has access to affordable housing and is not excluded from housing due to sensitivity factors; (b) the need to further develop and implement an integrated social housing policy targeting low income and vulnerable groups; (c) the need to secure a favorable policy environment related to availability, access and minimum affordability regarding housing standards; (d) introduction of a National Housing Registry; (e) increasing shares of social housing for the most vulnerable and excluded persons in the society; (f) improving the living conditions for the Roma and Egyptian communities, and for other excluded and marginalized groups.

The implementation of the Social housing Strategy will be coordinated with other strategies and documents, in particular with the Cross-Sector Strategy for Decentralization and Local Governance (CSSDLG) 2015-2020 and the Social Inclusion Policy Paper (SIPP) 2015-2020.

CSSDLG establishes the LGUs “that are responsible for urban planning, land management and housing, while committing their funds, state budget, donor funds, public private partnerships for social housing programs, low cost housing or land infrastructure” (pg. 12). SNQV reiterates the importance of building on the public private partnership “as an opportunity for LGUs for private funding for improving the quality and efficiency of public infrastructure and local assets” (pg. 12). At the same time, it defines the municipalities that will develop 10 year plans for social housing, and will plan funds for social housing. The central government will provide support, in particular for strengthening capacities of the municipalities in managing demand for social housing and social housing stock.

The Social Inclusion Policy Paper (SIPP) establishes the introduction of a monitoring and measurement systems for social inclusion in several areas, including poverty and social protection, employment and entrepreneurship, education and training, health, basic housing needs, participation and human rights. Integral part of this document is fostering transparency and accountability in the way social inclusion is being measured and used, in order to improve the quality of social services. A number of indicators were drafted for the monitoring of performance in the housing sector, such as percentage of persons with no housing vis a vis the population total,

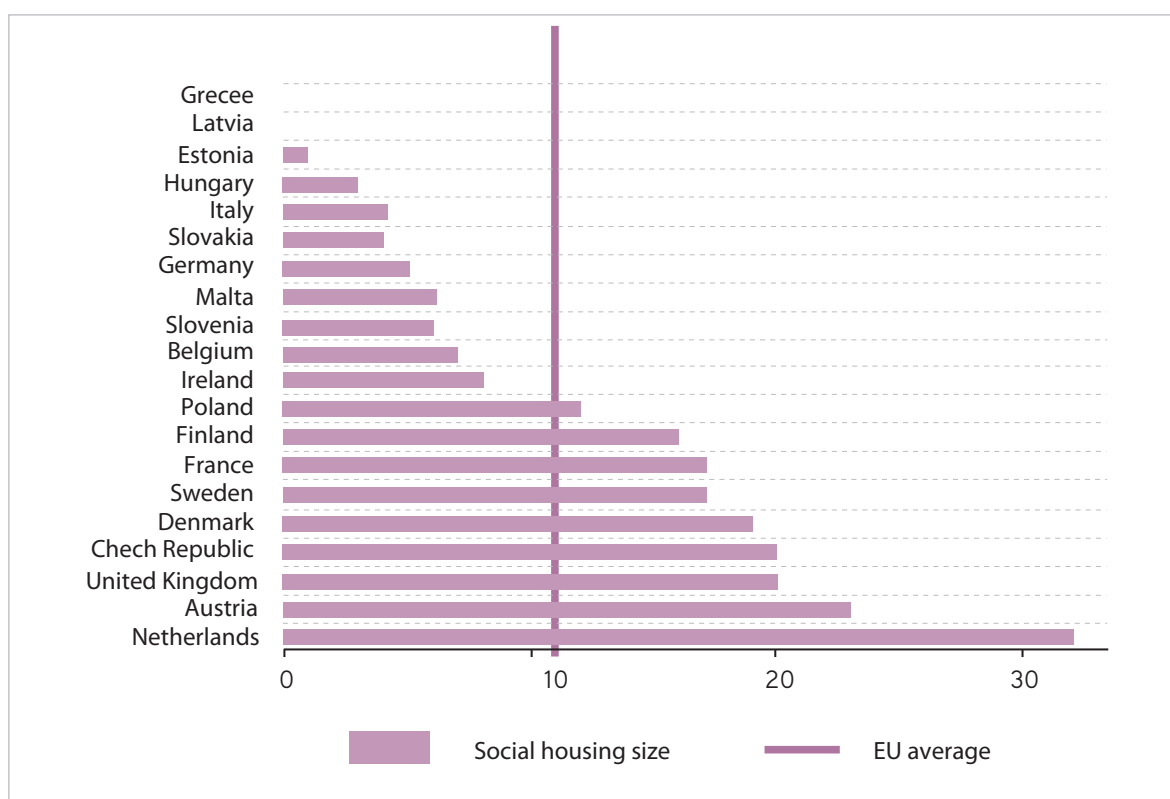
<sup>11</sup> Refere to: [http://shtetiweb.org/wp-content/uploads/2014/06/NSDI\\_2014-2020\\_version\\_JUne-2013.pdf](http://shtetiweb.org/wp-content/uploads/2014/06/NSDI_2014-2020_version_JUne-2013.pdf).

share of households with no access to potable water and electricity, and share of households where general expenditure on housing exceeds 50 percent of overall available household income.

### Social housing strategy vis-à-vis EU accession

The strategy needs will be developed in view with EU regulations<sup>12</sup>. Social housing is understood in different ways in the European context and although it lacks a common definition, social housing is generally defined in terms of: tenure, provider of the service, beneficiaries and funding arrangements. The social housing definition for Albania is therefore further unpacked in this policy in terms of these 4 dimensions. Figure 1 shows the share of social housing in EU countries.

**Figure 1: Social housing share in EU countries**



Burimi: IZA, 2013 mbështetur në Cecodhas, 2012

In the EU context social housing is generally seen as a mission of general interest, with the objective to increase the supply of affordable housing and for specific target groups based on socio-economic conditions and/or the presence of vulnerability indicators. However within the EU different models are implemented to arrive at social housing delivery. These are generally described as 'universalistic' or 'targeted' models. The universalistic model sees housing as a public responsibility and hence the whole population needs to be assisted with affordable and decent housing – this model was in particular applied in the communist era although some countries in

<sup>12</sup> This section draws on a note by the DG for Internal Policies, Policy Department Economic and Scientific Policy, Employment and Social Affairs for the European Parliament. IZA, 2013. Social Housing in the European Union. Policy Department A: Economic and Scientific Policy.



Northern and Western- Europe also did not provide restrictions on the target group for decades and effectively promoted and supported social housing for all levels of society. The Northern- and Western EU countries where universalistic housing prevailed are characterized by a large share of social housing of the overall housing stock.

At current, **the 'targeted' model** prevails in the EU context, with two very distinct sub-models applied. The targeted model can be 'generalist' when the only criteria related to the 'targeted' focus is on household income. The targeted model can also be approached 'residual' where a set of vulnerability indicators defines the target group. In general residual housing models are relatively small in terms of size as they apply to a very specific and often relatively small target group; whereas the more generalist housing models is of medium volume as it targets a much larger part of society.

The social housing law for Albania provides room to develop a 'targeted' social housing model, whereby both the generalist and residual approach are included since it provides for different housing projects. The Albanian 'low-cost housing' programme is based on a more generalist approach as it predominantly is restricted by income levels although some further vulnerability indicators are considered. This programme is generally connected to a subsidized loan programme and implemented by the NHA. The other Albanian programmes, such as social rented housing, land equipped with infrastructure and smaller programmes including housing subsidies, rental subsidies, immediate or small grants, are based on more specific qualification criteria and can be directed towards the residual model.

So far the implementation of social housing has been considerably more sizeable for the 'low-cost housing' programme – this strategy therefore makes as specific emphasis on not only targeting households because of socio-economic conditions but also (and increasingly) on the basis of vulnerability indicators leading to housing exclusion. Within the EU context the tension between social and economic rights in social policy has led to a lot of debate within the EU. Unfair competition in the housing markets, in particular for countries that follow a universalistic approach has been closely monitored by the EU. The EU does not allow for protected competition in the housing market, but in view of the role of social housing in terms of social protection, vulnerability and solidarity vis-à-vis market competition, there is a recognition now of social housing as a Service of General Economic Interest (SGEI). Hence national and local governments have still room to stimulate social housing provision by 'preferred' partners but within a limited and clearly defined scope.

## *Definition of social housing dhe its model delivery*

In the European context social housing is defined in terms of tenure, provider of the service, beneficiaries and funding arrangements. In the Albanian context and in the context of this social housing strategy *'social housing is a housing solution that can be both a rental and a home-ownership tenure, which is provided by local government or the private sector to low-income households that cannot afford a house in the market and/or to households which are excluded from the housing market because of vulnerability indicators that lead to exclusion. Funding is provided by national government and can be complemented by local government budgets<sup>13</sup>. In addition, (semi-) government agencies such as the National Housing Authority provide further financing arrangements to complement social housing.'* The Law 9232 on social housing lays down the legal definition of social housing tenure, target group, subsidies and eligibility.

In terms of EU housing delivery models, this Albanian social housing strategy provides a clear choice for the targeted rather than the universalistic model. This is very much in line with most of the more recent EU member countries where this targeted approach is also predominantly adopted. As the social housing challenge is considerable and the housing market shows clear barriers in terms of socio-economic status but also in terms of exclusion because of vulnerability indicators, the strategy proposes two major programmes. One is to focus on the generalist targeted model, whereby socio-economic status (income) is the main determining factor. The other programme is to focus more particularly on a residual approach, whereby strict vulnerability indicators that lead to housing exclusion in the market are the main determining factors.

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<sup>13</sup> Awaiting local government reorganization.





# 2

## THE VISION, STRATEGIC POLICIES AND PRIORITIES

This section of the strategy lays down the foundation for preparing the implementation plan. It describes the vision, main goal and objectives of the strategy, and explains in detail the four principles guiding the composition of the main elements of the strategy. The principles are: availability, accessibility, affordability and the adequacy of the overall housing package.



## 2.1 THE VISION

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*Social and economic inclusion through availability of housing alternatives that are available, accessible, affordable and appropriate, for more than 60% of the Albanian population with no financial means to afford housing at market rates, and in particular marginalized groups.*

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Formulation of the vision is based on the following three principles:

- Housing needs of low income households, and in particular marginalized groups (as defined in the law) are a priority.
- The social housing policy is the result of an integrated approach of housing based on principles of availability, accessibility and affordability of quality housing alternatives.
- The housing sector interacts with other sectors such as: education, health, employment and social protection, and has an impact on the social and economic welfare of the households.

## 2.2 THE GOAL

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*The goal of the Strategy is to improve the living conditions of about 25,000 Albanian households with low and middle income that cannot otherwise afford housing on the free market, including marginalized households that suffer from social exclusion through delivery of alternatives for available, accessible, affordable and adequate housing.*

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In order to arrive at the vision of the strategy and define its goal and objectives a set of guiding principles have been defined. These main guiding principles for a well-performing social housing sector are *availability, affordability, and accessibility*. A fourth principle, *adequacy of the overall housing package*, is envisioned to test whether the other three principles are integrated and mutually reinforcing, with a strong emphasis on ensuring that the three main principles are sustainable. The attainment of the main guiding principles require reliable data on the housing stock, the housing needs, housing beneficiaries, housing providers and the financial means available. It is critical that data are correct and up-to-date, in order to develop policies that can be implemented realistically and efficiently. The principles are defined as follows.

## *Availability*

In the context of social housing, it is clearly important that houses are being delivered to the target beneficiaries, implying that houses are, in fact, available. This can be existing or newly built housing, as long these housing options are adequate for the target group and in locations where they are needed. A distinction needs to be made between the number of social houses delivered in a municipality (newly built or converted, often former state-owned buildings) and the rental allowances allocated to households who have found housing in the market and are provided with a sub-sidy only. Availability of social housing, therefore, goes beyond making houses available; it could also mean that financing is available for households to find houses in the open market (in particular, in the absence of suf-ficient housing solutions provided by the public sector). Availability of housing is a location-specific issue; an equal number of housing units and households need-ing housing at the national level do not mean that availability is sufficient. There can be a serious mis-match between where houses are located and where households need to live.

## *Affordability*

Good quality affordable housing is the foundation for sustainable communities. Having an affordable home provides stability for families and pos-itive “spin off effects”, such as better health, better school performance by children and so on. Affordability levels differ for rental and ownership markets; very low-income and middle to high-income groups are often best served by home-ownership solu-tions. Low to middle-income households can be served by rental housing solutions, provided that social housing rental prices are more affordable than those in the market. Home-ownership levels can differ from owning a sites-and-services plot (a plot that comes with secure tenure and access to basic services) or a basic starter unit to owning a finished housing product. The costs for this diverse range of housing products differs and the higher the costs, the more subsidy or grants are required. Subsidy and grants being limited to those who cannot afford to have a choice within the housing market and hence assuming that households can only afford subsidized rates, and not at all market-level prices. Affordability is considered to be approximately 25 to 33 per cent of monthly household income, but eligibility for bank loans is conditional on secure and regular income. Furthermore, it is important to consider affordability over time: very few households can afford a one-off purchase of a house. Hence, the monthly payments should be affordable, encompassing not only loan repayments (e.g., mortgage or subsidies) but also management and maintenance costs for the housing.

## *Accessibility*

Accessibility of social housing refers to the set of rules and regulations that enable households to be eligible and selected for social housing. The eli-gibility criteria for social housing need to be realistic in terms of the intended target groups. Identification of sub-target groups and priority-setting, as well as quota-setting for specific target groups, can enhance accessibility. On a temporary basis, affirmative-action measures (positive discrimination or favouring a group who are perceived to suffer from discrimination) can improve accessibility for specific target groups. This has to be treated with care and remain under con-tinuous review in order to be adapted when needed and to avoid creating dependency on affirmative action. Access to social housing



on a demand-basis is more common in mature social housing sectors with an adequate social housing stock.

### ***Adequacy of the overall housing package***

This principle refers to a broad-based holistic and sustainable interpretation of the three principles outlined above. There is the risk that availability, affordability and accessibility will be assessed in a technocratic way, which lacks a solid review of the current quality of the overall housing package. This type of review is critical for achieving sustainable housing projects and programmes. Availability needs to be ensured not only in terms of the number of housing units, but also in terms of location, type of dwellings, appropriateness for the target group and the prevention of segregation. This is referred to as the adequacy of the package. In terms of affordability, often overlooked elements include whether maintenance is affordable (long-term sustainability) or whether access to basic services is affordable, such as electricity and gas connected to the houses (e.g., do residents have access to cheaper gas, rather than depending on more expensive electricity for cooking). In terms of accessibility, the enrolment system for housing should secure or support the participation in other services, such as vocational training, schools, health care and, generally, access to the labour market. This last principle, therefore, serves to ensure a balanced, holistic, integrated and sustainable interpretation of the other three principles.

## **2.3 STRATEGIC PRIORITIES**

This strategy provides that delivery of alternatives through available, accessible, affordable and adequate housing will lead to better living conditions of the low and middle income Albanian households that cannot afford otherwise housing in the free market, in particular for marginalized households suffering from social exclusion.

The Strategy established 4 strategic priorities that will lead to delivery of housing alternatives. The strategic priorities are the following:

### ***Strengthening local capacities of collection and management of data on social housing***

This priority aims at clear recognition of the demand and supply sides of housing through introduction of a system that ensures periodical knowledge about the supply and demands sides of housing by all LGUs. Each LGU will have a sustainable and credible database. Work will focus on generation of several layer data: data about applicants and beneficiaries of housing that will be systematically recorded and data on the situation of marginalized groups in terms of housing. At the same time, all local government units will identify resources or assets in their possession or that they may secure in cooperation with other actors at the central and local levels, with the view of delivery of social housing. This priority will lead to securing evidence about better knowledge of the situation and formulation of programs that address problems and challenges identified for each LGU.

Strengthening local capacities will focus on establishing the data system and training of housing experts. In all 61 LGUs will be established a system for the collection of information about the applicants and beneficiaries of social housing, and local resources that may be mobilized for the delivery of social housing programs; analyses for the review of the housing situation of marginalized groups. At the same time, all 61 housing experts of the LGUs will be trained about delivery of housing service.

### ***Improving access to housing of groups at disadvantage through review of the legal and institutional frameworks***

This priority aims at improving the legal and institutional framework, in order to have a clear definition of management and coordination tasks of institutions and organizations related to social housing sector; introduction of comprehensive beneficiary profiles; addressing needs of vulnerable groups, focusing on provisions of addressing positive discrimination. The scope will also include coordination of efforts at the central and local levels for 61 municipalities, in the distribution of social housing and information about different programs of social housing. Attention will focus in the generation of the legal and institutional support environment for local government units. The legislation will define some new elements that have not been applied before in the housing area, such as: different forms of public private partnership, and inclusion of the community in the delivery of housing, and connection of the housing service with other social services.

In concrete terms, the review of the legal and institutional framework will lead to expanding the group of beneficiaries of social housing by approximately 20%. Access to information will improve in all municipalities. PPPs will be established in 40% of the LGUs. Projects will focus on inclusion of the community in delivery of housing to 30% of the LGUs. At the same time, there will be a connection of the housing service with other social services in all LGUs.

### ***Increasing the number of beneficiaries at disadvantage through expanding the financial instruments***

This priority aims at strengthening financial instruments for groups at disadvantage. Work will focus on establishing the conditions for the development of new financial institutions or restructuring of the existing ones at the central and local levels, in order to provide a broad range of financial opportunities (models) for housing that meet the criteria of accessibility and affordability by the targeted beneficiaries.

All LGUs will have the possibility to select from a broad range of instruments. This priority will lead to increased number of individuals at disadvantage that are eligible for social housing programs. Approximately, the number of individuals at disadvantage that will be eligible after expansion of the financial instruments will grow with 20%.

### *Securing affordable housing through expansion and re-orientation of social housing programs*

This priority aims at expanding the existing social housing programs, and re-orientation towards programs that have more likelihood to target groups at disadvantage. During 2016-2019, the number of marginalized households that will be eligible for benefiting from social housing programs, as a result of expansion and re-orientation will grow by 20%, and this number in 2025 will go to 50%. Housing programs will focus mainly on subsidies for rented social housing and housing bonuses that aim at addressing marginalized groups with low or no income at all. This priority is expected to address one of the main concerns raised about national and international organizations during 2005 – 2014 programs that were implemented did not target the poorest groups. Work will focus on improving the living conditions of the Roma and Egyptian communities. During 2016-2019, 150 Roma and Egyptian households will benefit from the program from improving the dwelling conditions. By end of 2025, 500 Roma and Egyptian households will be eligible to benefit from the program for improving the living/dwelling conditions. 100% of targeted housing will be rehabilitated during the implementation of the energy efficiency projects.



# 3

## STRATEGIC OBJECTIVES AND OUTCOME



The Social housing strategy includes the following strategic objectives:

1. Development of capacities of 61 LGUs for securing updated knowledge about demand and supply for social housing;
2. Improving the legal and institutional framework for increasing access to housing to 50% of disadvantaged households;
3. Coordination of efforts among institutions at central and local levels, for improving the process distribution of housing to 61 LGUs;
4. Putting in place public private partnership (PPPs) agreements for improving alternatives of social housing and increasing the number of eligible households by 20%;
5. Expanding housing alternatives through programs targeting low and middle income households, and mainly those at disadvantage by 30%;

Below is a description of the objectives divided according to strategic priorities and expected outcome for each objective.

### 3.1 STRENGTHENING LOCAL CAPACITIES FOR DATA COLLECTION AND MANAGEMENT ABOUT SOCIAL HOUSING

#### **Objective 1: Development of capacities of 61 LGUs for securing updated knowledge about demand and supply for social housing.**

In order to meet the real housing needs of targeted population and groups at disadvantage in particular, such as Roma and Egyptian communities, the orphans, persons with disabilities, women victims of domestic violence etc., it is necessary to understand and secure updated knowledge about demand and supply by all LGUs. This objective will be achieved through the following sub-objectives:

**Sub-objective 1.1.** Identification and assessment of implemented housing programs and households that have benefited from these programs in 61 LGUs.

**Sub-objective 1.2.** Assessment of housing needs in 61 LGUs, focusing on groups at disadvantage.

**Sub-objective 1.3.** Introduction of a system for the collection of data, and number of housing applications in 61 LGUs.

**Sub-objective 1.4.** Introduction of a mapping exercise aiming at prioritizing investments for the Roma and Egyptian communities, and provision of assistance for housing facilities.

**Sub-objective 1.5.** Development and implementation of a plan for the establishment of capacities in 61 LGUs for the use of the electronic system.

### Aspects to be addressed by objective 1:

Absence of data or poor data about housing needs for groups at disadvantage at the local level; weak local capacities in the social housing sector.

#### Expected outcome

- Housing needs of the population in Albania are completely understood.
- Data gaps regarding housing needs of groups at disadvantage have been addressed.
- The data collection system is expanded and improved.
- A plan for the establishment of local capacities is in place and has been implemented.

## 3.2 IMPROVING ACCESS TO HOUSING OF GROUPS AT DISADVANTAGE THROUGH THE REVIEW OF THE LEGAL, INSTITUTIONAL AND REGULATORY FRAMEWORK

### **Objective 2: Improving the legal and institutional framework for enhancing access to housing of 50% of disadvantaged households.**

Policy proposals regarding the institutional structure for social housing stem from the condition that while taking into account capacities and possibilities of the existing institutions, no new institutions need to be established unless it is absolutely necessary, discussion of institutional measures, and legal framework should start from the evaluation of elements necessary for making social housing policy operational, specifically as regards addressing needs of disadvantaged groups, such as Roma and Egyptians, orphans, persons with disabilities etc. the main aspect that should be addressed through this action is improvement of inter-institutional coordination that should be in place for efficiently addressing the housing needs of disadvantaged groups. The recommendation is that upon performance of the necessary feasibility studies, and after gaining experience at the central level regarding implementation of social housing programs, the Government of Albania should think about the establishment of social housing associations for administration of social housing operations.

**Sub-objective 2.1.** Amendments to housing legislation.

**Sub-objective 2.2.** Establishment of capacities of 61 LGUs for the implementation of the social housing strategy.

### Aspects to be addressed under objective 2:

- Legislation about addressing the needs of marginalized groups is not clear
- Law no. 9232, dated 13.5.2004 in some instances is poor and not clear (for e.g. distribution procedures should be more transparent, no sanctions are applied, distribution of funds is not



clear, standards for management of rented social housing are not clear).

- Issues of all housing programs regarding clarity of their operation
- Issues related to the progress of the legalization process, enforcement of the decisions of AKKP, enforcement of court decisions for restitution of property, or of implementation of Normative Act no. 3, of 2012, of the Council of Ministers.

#### Expected outcome

- Improved legal and institutional framework on social housing.
- Profiles of beneficiaries are clearly defined and there are provisions for addressing positive discrimination.
- Roles of different institutions are clearly described and understood.
- Managerial capacities for coordinating operations of social housing at the central and local government levels have been improved.
- Competencies of LGUs, together with the necessary financial instruments have grown.
- Modality for the distribution of funds for LGUs have been revised and communicated.
- Progress of LGUs in the implementation of social housing programs has improved.

### **Objective 3. Coordination between central and local government institutions for improving the process of distribution of housing in 61 LGUs.**

**Sub-objective 3.1.** Coordination with the Ministry of Social Welfare and Youth (MSWY), civil society organizations and LGUs for procedures for distribution of social housing to beneficiaries.

**Sub-objective 3.2.** Establishment of an accessible system of information for application in social housing programs, with specific focus on disadvantaged groups in 61 LGUs.

The action plan for this objective is focused on the system that should be used for improving the work of institutions involved in the delivery of social housing. This work is led by the principles of accountability and transparency. This objective is based on the realization of the first objective regarding clear definition of the role of each institution in the distribution procedures, in junction with the capacities of each institution for the implementation of its role. Also, to guarantee accountability and transparency, information related to procedures for distribution should be clear and accessible for all.

#### **Issues to be addressed under objective 3:**

- Lack of experience in providing social housing
- No municipal housing plan
- Lack of data at national level regarding the number of families in need of social housing
- Low rate of successful applications

- Low rate of applications in relationship to the existing demand
- Lack of trust in local authorities
- Poorest of the poor cannot meet criteria for eligibility
- Lack of funding provided by the Central Government to the LGUs
- Weak financial capacity of LGUs
- Lack of data from some LGUs
- Unclear legislation in addressing the needs of vulnerable groups and the poor
- Law 9232 is vague at times, unclear (e.g. allocation procedures need to be more transparent, there is no enforcement of sanctions, fund allocation is unclear, some vulnerable groups are not included, etc.).
- Lack of information regarding social housing programs
- All housing programmes have problems regarding their clarity of how they work

#### Expected outcome

- The role of MSWY, CSO and NGOs for the distribution of social housing programs for disadvantaged groups is clearly defined and is operational.
- Responsibilities of institutions for coordination of housing programs with other social programs focusing on education, health, employment, social protection or other programs aimed at empowering marginalized households are clearly defined.
- Instructions for distribution procedures of social housing are clearly defined.
- Procedures for the distribution of housing programs for disadvantaged groups have improved.
- Distribution of social housing programs for disadvantaged groups has improved.
- The implementation role of LGUs in the distribution procedures of social housing is clearly defined and is operational.

#### **Objective 4: Securing public private partnerships (PPP) for improving alternatives of social housing and increasing the number of beneficiary households by 20%.**

**Sub-objective 4.1.** Implementation of PPP agreements for building social houses.

**Sub-objective 4.2.** Implementation of necessary measures to promote use of unutilized facilities and land in 61 LGUs.

#### **Issues to be addressed under objective 4:**

- Lack of experience in providing social housing
- No municipal housing plan

- Lack of funding provided by the Central Government to the LGUs
- Weak financial capacity of LGUs
- Unclear legislation in addressing the needs of vulnerable groups and the poor
- Land management issues
- Lack of data (or poor quality)

#### Expected outcome

- The regulatory framework for provision of housing is assessed and improved.
- Stakeholders involved with provision of social housing have been mobilized and committed.
- Partnership models for provision of social housing, with the consent of the relevant stakeholders have been evaluated, and approved, including the regulatory framework.
- Instruments for the utilization of unexploited buildings/facilities and land have been adopted and implemented.
- Supply incentives have been introduced and utilized.
- Models for participation in the provision of housing for groups at disadvantage, and marginalized groups have been evaluated and adopted, including the regulatory framework of social housing programs.
- Demand incentives have been introduced and utilized.

### 3.3 SECURING AFFORDABLE HOUSING THROUGH EXPANSION AND RE-ORIENTATION OF SOCIAL HOUSING PROGRAMS

**Objective 5: Expanding housing alternatives through programs targeting low and middle income households, mainly those at disadvantage, by 30%.**

*Sub-objective 5.1.* Development of different housing programs for groups at disadvantage in 61 LGUs.

*Sub-objective 5.2.* Introduction of different subsidies and immediate grants for housing of low and middle income groups at disadvantage in 61 LGUs.

**Aspects to be addressed under objective 5:**

- High levels of demand for social housing programs / high number of applicants in waiting lists
- Low ratio of beneficiaries at disadvantage
- Difficult living conditions for Roma and Egyptian communities
- The need for housing energy efficiency

Expected outcome

- Bringing down the number of Roma households that live in inappropriate living conditions.
- Increasing the stock of energy efficient housing.
- Bringing down the number of households at the point of social exclusion through subsidies/ bonus of rents.
- Repayment of bank arrears for loan subsidies for 3894 households that are beneficiaries from facilitated credit.

#### **The authority for the implementation of the strategy**

The Ministry of Urban Development will have the leading role in the preparation and implementation of the Strategy. According to the law, the Ministry has the authority to warranty incentivizing policies and plan for the budget for development of social housing. The implementation of the social housing strategy should involve a broad range of actors, of which the central government is the key actor since the competencies for the implementation of the strategy have been delegated to the local government via decentralization of the central government structures.

MUD is responsible to guarantee political support for the implementation of the Strategy for Social Housing. In order to come to concrete implementation plans, it is essential that MUD be up-to-date with the current and future demand for social housing in the country.

In addition, MUD should make sure of the availability or introduction of capacities for implementing

and monitoring the Strategy, while assigning sufficient resources and developing a support system for introduction of capacities, as per needs (Implementation, monitoring and evaluation plan).

In addition, MUD should inform all actors about the process of the strategy for social housing.

### 3.4 FINANCIAL RESOURCES AND BUDGET ALLOCATION

The overall cost estimate for the implementation of administrative measures of this strategy for the timeframe 2016-2025, and of the action plan is approximately 7.3 billion Lek. These costs represent approximately 5.7 billion Lek or funding from the state budget for projects and subsidies for housing programs included in the action plan. This funding covers approximately 78% of the overall cost estimate for this strategy from resources allocated for MUD.

Below is the cost break down:

#### a. For the timeframe 2016-2018

Total cost	1,587 mln Lek
Gap	59.850 mln Lek
Donor funds UNDP	27.660 mln Lek
State budget	1,500 mln Lek

Financial costs covered by the state budget for MUD at 1,500 mln Lek have been estimated based on the ceiling quota planned for in the MTBP for 2016-2018, and in line with NSDI.

#### b. For the period 2019-2025

Total cost	5,672 mln Lek
Gap	1,508 mln Lek
Donor funds UNDP	4.450 mln Lek
State budget	4,160 mln Lek

The need for funds for the period 2019-2025, at 4,160 mln Lek from the state budget, has been calculated while keeping the same level of funding for 2018, for each budget year until 2025. Since the period from 2019-2025 refers to a period beyond the draft medium term budgets and the calculation can hardly be accurate, in the financial projections we have taken as a baseline year the last year of the draft MTBP for 2016-2018.

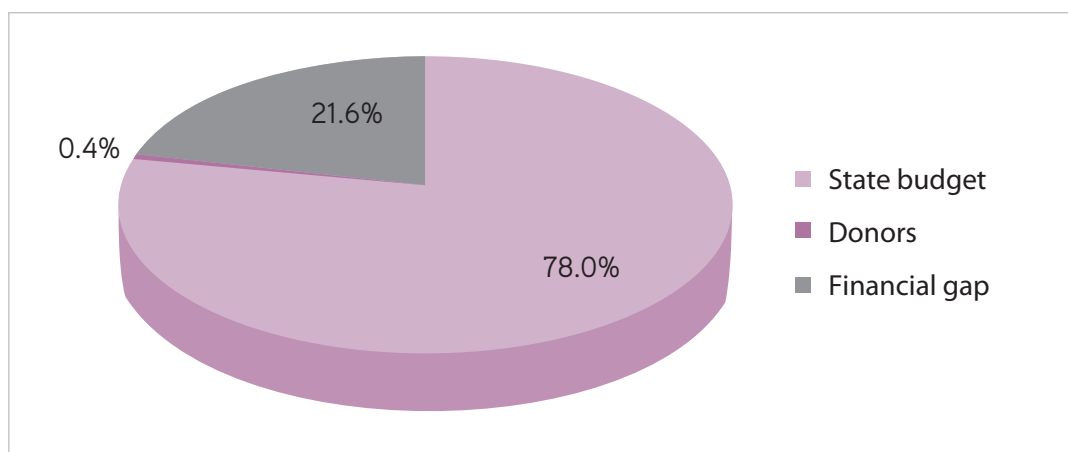
The costs to be covered by donor funding and PPPs have been calculated at 1.6 billion Lek or 22.0% of the total cost of the strategy. These costs represent funding from UNDP at 32 mln Lek or 2.0% of the overall cost to be covered by donor funds. The rest covers the financial gap at 1,568 mln Lek or 98.0% of donor envisaged funding. The financial gap is thought to be covered by other donors, reply pending, and through PPPs.

Costing of the action plan for the implementation of the strategy is based on the methodologies and practice of budget planning, considering expenditure from projects translated into products outside the projects. Such a methodology is in compliance with the MTBP in the Republic of Albania, as envisaged in the organic budget law, and relevant instructions of the Ministry of Finance (MF).

Costing and budgeting of the action plan for this strategy is based on the following elements:

- Costs for the implementation of the strategy include not only capital expenditure, but as well current expenditure that will be used for subsidies for social rents, available grants, and interest rates of facilitated credit.
- Costs funded by donors have been considered as capital expenditure (training and technical assistance, assessment reports etc.) in line with the relevant instructions of the MF.

**Graph 1: Specific share according to source of funding**



**Total cost of the strategy for 2016-2025**

Source	Budget	Percentage
State budget	5,660,751,624	78.00
Donors UNDP	32,110,000	0.40
Financial gap	1,567,850,000	21.60
<b>Total</b>	<b>7,260,711,624</b>	<b>100</b>

**Tab. 3.1: Necessary budget**

Sector policies	Necessary budget/Lek	Planned state budget /Lek	Donors/ Lek	Financial gap/ Lek
Objectives	a	2016-2025 b	2016-2025 c	d= a-(b+c)
<b>TOTAL</b>	<b>7,260,711,624</b>	<b>5,660,751,624</b>	<b>32,110,000</b>	<b>1,567,850,000</b>
<b>Objective 1: development of capacities of 61 LGUs for obtaining knowledge about supply and demand for social housing, periodically</b>	<b>79,540,000</b>	<b>0</b>	<b>27,090,000</b>	<b>52,450,000</b>
Identification and evaluation of housing programs that have been implemented and households that have benefited from these programs in 61 LGUs.	2,440,000	0	2,440,000 UNDP	0
Housing needs assessment for 61 LGUs, focusing on disadvantaged groups.	4,200,000	0	4,200,000 UNDP	0
Introduction of a system for the collection of data and number of housing applications in 61 LGUs	52,450,000	0	0	52,450,000
Generation of a map that aims the prioritization of investments for the Roma community	16,000,000	0	16,000,000 UNDP	0
Generation and implementation of a plan for the establishment of capacities in 61 LGUs	4,450,000	0	4,450,000 UNDP	0
<b>Objective 2: Improving the legal and institutional framework for increasing access to housing by 50% for households at disadvantage</b>	<b>7,420,000</b>	<b>0</b>	<b>5,020,000</b>	<b>2,400,000</b>
Amendments to the law on housing	6,320,000	0	5,020,000 UNDP	1,300,000
Establishment of capacities of 61 LGUs for the implementation of the strategy on social housing	1,100,000	0	0	1,100,000

Sector policies	Necessary budget/Lek	Planned state budget /Lek	Donors/ Lek	Financial gap/ Lek
<b>Objective 3: coordination of efforts between central and local institutions for improving the process for distribution of housing in 61 LGUs.</b>	<b>5,800,000</b>	<b>0</b>	<b>0</b>	<b>5,800,000</b>
Coordination with MSWY, civil society organizations, and LGUs about the procedures for the distribution of social houses to the beneficiaries	300,000	0	0	300,000
Introduction of accessible information system and application for potential beneficiaries of social housing programs, with particular focus on disadvantaged groups, in 61 LGUs.	5,500,000	0	0	5,500,000
<b>Objective 4: securing PPPs for improving alternatives of social housing and increasing by 20% the number of beneficiary households</b>	<b>1,507,200,000</b>	<b>0</b>	<b>0</b>	<b>1,507,200,000</b>
Implementation of PPP agreements for building social houses	1,502,700,000	0	0	1,502,700,000 PPP
Implementation of necessary measures to promote utilization of unexploited facilities and land in 61 LGUs.	4,500,000	0	0	4,500,000
<b>Objective 5: expanding the housing alternatives via programs targeting low and middle income households, mainly those at disadvantage, by 30%</b>	<b>5,660,751,624</b>	<b>5,660,751,624</b>	<b>0</b>	<b>0</b>
Development of different housing programs for groups at disadvantage in 61 LGUs.	2,176,434,000	2,176,434,000	0	
Development of different subsidies and grants for housing of middle income groups, and groups at disadvantage in 61 LGUs.	3,484,317,624	3,484,317,624	0	0



## 3.5 RISK MANAGEMENT

The success of the implementation of Social housing strategy may be put at stake due to the existence of several risks which if not analyzed properly and if the right approach to address them is not found could jeopardize its success.

The main risks that might affect successful implementation of the strategy are related to the central government, and some of them to the local government.

### *Risks at the central level:*

1. Commitment of all structures involved in this Strategy;
2. Regulation of the legal framework about public private partnership;
3. Supporting the strategy with the necessary funding to ensure its success.

### *Risks at local levels:*

1. Involvement of the LGUs to implement activities as part of this strategy;
2. Involvement of the local government in the preparation of 10 year action plans;
3. LGUs commit to contribute through their budget in aspects of social housing.

## Risk analyses and addressing them:

### *Risks at the central level:*

#### **1. Commitment of all structures involved in this strategy.**

The successful implementation of the action plan of this strategy, in order to reach established goals and objectives, requires the involvement of many other structures, part of the local government. The involvement of these structures in issues related to social housing may be considered as an important factor for the success of this strategy.

The Ministry of Finance, Ministry of Economy and Ministry of Social Welfare and Youth are directly related to a good share of planned activities in this strategy. Their lack of commitment and proper coordination of information and resources is a high risk for the success of the strategy.

To avoid this risk, these structures have been involved throughout the process of the formulation of this strategy, as well as in the activities foreseen for its implementation. Representatives of the above mentioned Ministries have been part of the working groups for the formulation of the strategy, but also during its review. Specific structures of these institutions have also been involved in the action plan.

## **2. Regulation of the legal framework about PPPs**

PPPs represent an important instrument for addressing social housing needs. Lack of involvement of the business community in possible solutions for social housing, and the existing legal framework have been perceived as potential hindrances in possible benefits from the use of this instrument, as solution in the provision of social housing for vulnerable groups, and beyond.

Failure to function of this instrument is a solution is considered moderate risk since it may put at stake addressing of a considerable share of foreseen beneficiaries.

In order to address this risk, a part of the implementation plan of this strategy will address issues related to adjustment of the legal framework, to promote implementation of this instrument as a solution.

At the same time, leaders of the local governments will be involved in this cooperation. This will be achieved through awareness raising and increasing capacities of the LGU staff.

## **3. Supporting the strategy with the necessary funding to ensure its success**

As pointed out in the financial analyses of the action plan, the funds for the successful implementation of the planned activities are much more than current financial possibilities. This presents a real risk for the success of the strategy.

In this aspect it is important not just to have the commitment of the GOA for the allocation of the necessary funding, but at the same time securing support from other partners.

In order to have a realistic budget and funding, during the process of the budgeting of the strategy were involved representatives of these institutions and potential partners.

### ***Risks at local levels:***

#### **1. Involvement of LGUs to implementation part of the activities of this strategy.**

The new territorial reform, in addition to other effects, it has also affected aspects of social housing. Thus, in the majority of the newly established municipalities there is no information about the real needs for social housing. In addition, studies demonstrate that a good part of these municipalities, in particular small municipalities do not have dedicated staff for aspects of social housing, and in some cases they do not even have such a sector. This makes social housing to be not a priority for them.

This fact represents a considerable risk for the successful implementation of the strategy, since the involvement of LGUs provides:

- Information about the needs;
- Historical information;
- Information about resources
- Information about possibilities
- Involvement of LGUs in addressing aspects of social housing.

The above mentioned data are a very important part for building the national housing programs. In order to address this problem, some ideas include:

- Unification of formats for collection of information;
- Establishment of capacities for LGU staff;
- Introducing an on-line data collection system;
- Periodical data update;
- Introducing an on-line application system.

## **2. Involvement of LGUs in preparing 10 year action plans**

During the process of the evaluation for the formulation of the strategy, it was pointed out that a good number of LGUs do not have action plans to address social housing needs.

The problematic attached to this fact represent a relatively considerable risk for the implementation of the strategy because:

- It is not possible to have an analyses of the current situation;
- There is no information about the real needs;
- There is no information about necessary costs for addressing these needs.

Establishing the capacities of the staff of the LGUs and of the expertise for the formulation of these plans is the necessary approach for successfully addressing this problem.

## **3. Local government units are committed to contribute with their own budget in aspects of social housing.**

Issues related to funding and their distribution according to priorities of LGUs is considered as another potential threat for the successful implementation of this strategy.

Currently, only a very limited number of LGUs have allocated parts of their budget to address aspects of social housing. For other units, central budget funds through social housing programs are considered as the sole source of addressing these needs.

Some other LGUs have not allocated any funds since they were not aware of these needs.

Development of 10 year plans at the local level is the first step in this direction. After that, another important element is raising awareness of managers of LGUs to place social housing as part of their priorities.

**Tab. 3.2: Risk Management**

Objective /Sub-objective	Activities	Deadline	Results & indicators	Risk	Risk level	Impact	Approach
<b>1. DEVELOPMENT OF CAPACITIES OF 61 LGUs About knowledge on supply and demand for SOCIAL HOUSING, periodically</b>							
1.1 Identification and evaluation of housing programs & households that have benefited from these programs in 61 LGUs.	1.1.1 Identification of problems encountered by LGUs regarding facilitated credit program	2015-2016	1 assessment report.	1. Absence of commitment of LGUs in terms of collection of necessary data. 2. Lack of expertise for the analyses of data & their assessment.	High	1. It is not possible to have full-fledged analyses at the local level. 2. Information cannot be obtained by the new LGUs.	1. Introduction of a unified data collection system. 2. Establishment of capacities of LGU staff regarding this process
	1.1.2 Identification and evaluation of real housing needs, according to housing programs	2016	1 assessment report.				
	1.1.3 Unification of procedures used for the facilitated credit program	2016	1 unified procedure, adopted by MUD for 61 LGU				
	1.1.4 Assessment of financial needs according to housing programs	2016	1 assessment report.				
1.2 Assessment of housing needs in 61 LGU, focusing on disadvantaged groups	1.2.1 review of the existing situation of housing of groups at disadvantage and low income and middle income groups	2017	1 assessment report.	1. Lack of commitment by LGUs regarding collection of necessary data. 2. Lack of expertise in the data analyses and their evaluation.	High	1. Lack of commitment by LGUs regarding collection of necessary data. 2. Lack of expertise in the data analyses and their evaluation.	1. Introduction of a unified data collection system 2. Establishment of capacities of LGU staff regarding this process.
	1.2.2 Assessment of supply and demand aspects of social housing. Establishing possibilities for cost affordability for disadvantaged groups and low and middle income groups	2017	1 analyses/report for each LGU and an analyses/report at the national level				

	1.2.3 identification of existing housing sources and formulation of a needs assessment report on housing	2017	1 evaluation report	3. Lack of funding to address social housing needs.		3. There is no information regarding current own sources of LGUs	3. Financial support to ensure successful implementation of this objective.
1.3 Introduction of a system for the collection of data and number of applications for housing in 61 LGUs	1.3.1 introduction of a system for data collection about housing needs at the local level, in cooperation with INSTAT	2016-2018	1 data base software	1. Securing the necessary funding for building online application system. 2. Establishment of the capacities of the LGUs for data utilization and analyses. 3. Possibilities and knowledge of citizens for online applications.	Moderate	1. In the absence of a system more physical commitment is required for the collection and analyses of data. 2. Less possibilities for information for citizens regarding the programs	1. Finding donors to fund this initiative. 2. Training staff of LGUs and of the responsible Ministry. 3. Communication of this initiative to the broad public.
	1.3.2 introduction of an electronic system for online application for social housing of citizens & monitored in the system by MUD	2017-2018	1 electronic system for application for housing programs				
	1.3.3 Pilot testing of the data collection electronic system	2017-2018	Data collection system introduced				
	1.3.4 Development of the manual for e-system operation	2019	1 User's Manual				
	1.3.5 Implementation of the data collection system	2020	The system is installed in each GU-monitored by MUD				

Objective /Sub-objective	Activities	Deadline	Results & indicators	Risk	Risk level	Impact	Approach
1.4 Introduction of a map that aims at prioritizing investments for the Roma community, and provision of assistance for facilitated credit in housing	1.4.1 Identification of settlements of Roma and Egyptian communities	2016	1 evaluation report about the situation of Roma and Egyptian communities in 61 municipalities	1. Accuracy of collected information. 2. Level of commitment of LGUs in the process. 3. Funding possibilities for the programs by GOA. 4. Level of commitment of partners in this process.	Moderate	1. Possibilities for inclusion of these groups in social housing programs. 2. Lack of information about the real needs of these groups	1. Finding donors for funding this initiative. 2. Training staff of LGUs and of the responsible ministries.
	1.4.2 Evaluation of the situation of their settlements regarding infrastructure network (dwellings, water supply, sewerage, roads, lighting etc.)	2016	1 report and establishment of the database				
	1.4.3 Developing a map with identified settlements of Roma and Egyptian communities	2017	1 map for the Roma and Egyptian communities				
	1.4.4 Establishing financial needs of the municipalities for improving the dwelling conditions of the Roma community	2017	1 report about the financial needs of each LGU where there are representatives from Roma and Egyptian communities				
	1.4.5 Preparing an Action Plan about measures that will be undertaken by the local government, and central government and other actors to improve the living conditions of these communities	2017-2018	1 Action Plan & its adoption by the municipal councils				
	1.4.6 Provision of assistance for legalization for improving the informal settlements of Roma and Egyptian communities and/or facilities that belong to these groups	2018-2021	1 Instruction & Manual approved				

1.5 development and implementation of a plan for establishing capacities in 61 LGUs for utilizing the electronic system	1.5.1 conduct of a needs assessment for training at the local government level	2019-2020	1 Consultative meeting with representatives of 61 municipalities	1. Absence of dedicated staff about housing aspects in a part of the new municipalities  2. Preserving the knowledge.	Moderate	1. Inaccuracies in the data and data storage at the local level.  2. Reduced quality of service for the citizens.	1. Involvement of the leaders of the LGUs in assigning the responsible persons for following up housing programs.  2. Involving leaders of the LGUs for retaining trained staff.
	1.5.2 Piloting the electronic system in two municipalities of the country, with different features in the field of housing.	2019-2020	Use of the electronic system in two municipalities				
	1.5.3 The electronic system is operational in 61 municipalities of the country.	2020	Number of trained staff in 61 municipalities. Report on trainings provided.				
<b>2. IMPROVING THE LEGAL &amp; INSTITUTIONAL FRAMEOWRK FOR INCREASING ACCESS TO HOUSING BY 50% FOR DISADVANTAGED HOUSEHOLDS</b>							
2.1 Changes in the housing law	2.1.1 Identification of overlapping roles and missing roles	2016	1 evaluation report	1. Level of commitment of all actors that are part of this process.  2. Finding the necessary expertise to conduct this process.	Low	1. Failure to address the needs of low income groups.  2. Failure to address problems in the existing legislation.	1. Securing necessary funding and expertise.
	2.1.2 Organization of thematic discussions about finding models of inter-institutional cooperation for the efficient provision of social housing for disadvantaged groups (such as: Roma and Egyptian communities, orphans, persons with disabilities etc.)	2016	1 Report containing findings proposed in this meeting				

Objective /Sub-objective	Activities	Deadline	Results & indicators	Risk	Risk level	Impact	Approach
	2.1.3 Establishment of roles and responsibilities of different state institutions regarding the sector of social housing, at the local and central levels.	2016	Reflecting in the law the roles of housing institutions				
	2.1.4 Review of the existing legislation to see if the profiles of the beneficiaries are clear/not clear.	2016	Evaluation and reflection of amendments in the law on housing				
	2.1.5 Developing a report with concrete suggestions for legal amendments, including the recommendations of the Ombudsman about the Roma community, i.e. to involve it at 5% in every housing project	2016	1 Report and reflecting the changes in the legislation				
	2.1.6 Review and possibilities for change in the legal framework regarding planning and approval of funds by the LGUs	2016	Reflecting the changes in the legislation				
	2.1.7 Review of the law on operation of structures of housing in the LGUs / Review of the roles and responsibilities of social housing structure.	2016	1 assessment report and reflecting changes in the law.				



<p>2.1.8 Establishing responsibilities of institutions for coordinating housing programs with other social programs, focusing on education, health, employment, social protection or other programs that aim at empowerment of households at disadvantage.</p>	<p>2016</p>	<p>Amended legislation.</p>				
<p>2.1.9 Approval and inclusion of partnership models in the legal/regulatory framework, and/or description of current social housing programs</p>	<p>2016</p>	<p>Amendments to housing law about models of PPPs</p>				
<p>2.1.10 Development of by-laws for the distribution procedures for social housing at the local level through cooperation between central government (MUD), MSWY, CSOs and LGU representatives</p>	<p>2016</p>	<p>Formulation of by-laws, according to programs</p>				
<p>2.1.11 Review of legislation about cooperation with institutions that adopt projects, are in charge of public building and expropriation, in order to facilitate housing of households that do not benefit from public expropriations</p>	<p>2016-2025</p>	<p>Formulation of a legal act for housing 100% of evicted families, any time such cases come up.</p>				

Objective /Sub-objective	Activities	Deadline	Results & indicators	Risk	Risk level	Impact	Approach
	2.1.12 Review of the legal framework for adopting facilities that are no longer used for their previous functions, with the purpose of social housing according to housing rates	2016	Adoption of legal amendments				
	2.1.13 Adoption of amendments to the law on housing	2016	Adoption of legal amendments				
	2.1.14 Establishment of minimum housing standards, with reference to EU models	2017	1 by-law				
2.2 establishment of capacities in 61 LGUs, for the implementation of social housing strategy.	2.2.1 Defining the qualification criteria for search and obtaining funding from the central government and/or financial institutions for the realization of housing operations at the local level	2016	Instruction with the qualification criteria	1. Absence of dedicated staff for housing problems in a part of the new municipalities	Moderate	<p>1. Data inaccuracies and inaccuracies in the storage of data at the local level</p> <p>2. Reduced quality service for the citizens.</p>	<p>1. Involvement of the leaders of the LGUs in assigning the responsible persons for following up housing programs.</p> <p>2. Involving leaders of the LGUs for retaining trained staff.</p>

### 3. COORDINATION AMONG INSTITUTIONS AT THE CENTRAL AND LOCAL LEVELS FOR IMPROVING THE PROCESS FOR HOUSING DISTRIBUTION IN 61 LGUs

<p>3.1 Coordination with MSWY, CSOs and LGUs for the procedures for the distribution of social houses to the beneficiaries</p>	<p>3.1.1 Description and assessment of the coordination roles of MSWY, CSOs and LGUs</p>	<p>2016-2017</p>	<p>1 Assessment report.</p>	<p>1. Level of involvement of all actors part of this process</p>	<p>Low</p>	<p>1. There are no assurances that the most vulnerable households will benefit. 2. Promotes lack of transparency.</p>	<p>1. involvement of these actors in all steps of this process</p>
<p>3.2 Establishment of an accessible information system for application in social housing programs, with particular focus on disadvantaged groups in 61 LGUs.</p>	<p>3.2.1 Development of information materials about the possibilities for benefits and application, and cooperation with LGUs and central government for their distribution, with special focus on reaching disadvantaged groups, the blind, the persons with hearing impairment, the Roma community etc.</p>	<p>2017-2020</p>	<p>500 posters, 3 hours of radio broadcasting, 5 000 leaflets, 1 edition on the procedures for the distribution of housing in the governmental websites</p>	<p>1. Securing necessary funding</p>	<p>Moderate</p>	<p>1. Failure to reach the target</p>	<p>1. Securing necessary funding from donors</p>

Objective /Sub-objective	Activities	Deadline	Results & indicators	Risk	Risk level	Impact	Approach
<b>4. SECURING PUBLIC PRIVATE PARTNERSHIP (PPPS) AGREEMENTS FOR IMPORVING ALTERNATIVES OF SOCIAL HOUSING, AND INCREASING ACCESS OF BENEFICIARY HOUSEHOLDS BY 20%.</b>							
4.1 Implementation of PPPs for building social houses.	4.1.1 Evaluation of the PPP model for building social houses.	2016	1 Instruction for the PPP model	1. Interest of the private entrepreneurs to be involved in such undertaking.  2. Possibilities for the implementation of these initiatives in all LGUs.  3. Real possibilities of LGUs to provide the necessary facilities for this type of partnership.	High	1. 20% of the households in need will not benefit from this program.	1. Involvement and cooperation of the central government, local government and all other actors to ensure implementation of this program.
	4.1.2 Development of the design for the area where there will be PPPs	2016	1 final project for implementation				
	4.1.3 Preparation of the technical and legal documents for the start of the PPP/concession procedures.	2018	1 technical and legal document adopted by the committee				
	4.1.4 Implementation and follow up of the PPP agreement	2016-2020	1 agreement adopted, and biannual reports on the implementation of the agreement				
4.2 Implementation of necessary measures to foster use of unexploited buildings and land in 61 LGUs	4.2.1 Identification and evaluation of instruments	2018	1 assessment report of the current situation, following identification of instruments	4. Civic interest about such programs			2. Regulation of the legal framework to facilitate and guide this type of partnership.  3. Ensuring transparency of the process.
	4.2.2 Implementation of instruments through acts of agreements	2019-2020	Adopted acts of agreement				

**5. BROADENIN OF THE HOUSING ALTERNATIVES THROUGH PROGRMS TARGETED FOR LOW AND MIDDLE INCOME HOUSEHOLDS, MAINLY THOSE AT DISADVANTAGE BY 30%.**

5.1 Development of different housing programs for groups at disadvantage in 61 LGUs.	5.1.1 Small grants for the Roma and Egyptian communities, for improving their living conditions	2016-2025	Improving living conditions for approximately 24% of the Roma households by 2018 & approx. 76% by 2025.	1. financial opportunities  2. Civic interest in the programs	High	1. Beneficiaries planned to be targeted by these programs do not get social housing.  2. The implementation of the strategy is at stake.	<ol style="list-style-type: none"> <li>1. Inclusion of needs in budget plans.</li> <li>2. Formalization of support from different donors.</li> <li>3. Very good management of available funds.</li> <li>4. LGUs draft 10 year plans and include addressing of needs for social housing in their budgets</li> <li>5. Maximum transparency of all processes.</li> <li>6. Continuous communication among all actors.</li> </ol>
	5.1.2 Investment in project for housing energy efficiency	2016-2020	Benefits from energy savings in houses for approx. 19% of households by 2018 & approx. 81% by 2025				
	5.1.3 Design for urban development of areas that are state property (feasibility study, design).	2016	1 feasibility study & 1 project to be implemented				
	5.1.4 Rehabilitation of facilities for adequate housing for the category of orphans	2016	27 beneficiary households				
	5.1.5 Cooperation with social rent houses	2016	Housing for 214 households in social rented housing in Durrës				

Objective /Sub-objective	Activities	Deadline	Results & indicators	Risk	Risk level	Impact	Approach
5.2 Development of different subsidy instruments & immediate grants for housing of middle income groups and groups at disadvantage in 61 LGUs	5.2.1 Subsidies for rent for expropriated households in Vlora and Tirana (cases of eviction).	2016-2017	Subsidy of rent for 100% of target households				
	5.2.2 Subsidies for the interest rates for facilitated loans from NCB/ Raiffeisen Bank.	2016-2025	100% subsidizing the loans of the households				
	5.2.3 Subsidies for housing bonus for single parent families/ divorced women with children benefiting housing bonus.	2016-2025	Rent subsidy for 20 families				
	5.2.4 Subsidizing rent for facilities in the ownership of the municipality	2018-2025	Subsidizing rent for approx. 292 households or 13 % of the target by 2018 and approx. 87% by 2025				
	5.2.5 rent subsidy (Bonus) for houses in the free market contracted by LGUs	2016-2025	Bonus approx. 29% for target households by 2018 & 71% of the households by 2025				
	5.2.6 Immediate grants for PwDs and orphans	2017-2025	Grants available to 18 % households with PwDs and orphans by 2018 & 82% of the households by 2025				







# 4

## ACCOUNTABILITY, MONITORING AND EVALUATION ANALYSES



## MONITORING AND EVALUATION

The Social housing strategy shall be an integral part of the Integrated Planning System (IPS) and Medium Term Expenditure Program (MTBP) mechanisms defined in the National Strategy for Development and Integration (NSDI). Monitoring of the strategy will include regular analyses of resources, products and results policy-based interventions. It will be based on a system for the collection of information and analyses of monitoring indicators, as indicated in Table 5.3 of this chapter, which provides a breakdown of achieved results for each of the objectives, the indicators that will be used to measure each result, the evaluation modality, deadline for the evaluation modality and responsible institutions. Achievement of expected outcome of Table 5.3 will help in fulfilling the housing needs for low and middle income groups, and disadvantaged groups, in line with the availability, accessibility, affordability, and adequacy of housing programs and projects.

The Strategy will be monitored by the National Housing Committee adopted by DCM that will ensure adoption of measures for achieving the strategic objectives, considering possible risks. This will help enhance efficiency and effectiveness of governance.

In order to guarantee development and implementation of the strategic objectives of Social housing (with reference in this strategy):

- the indicators defined in this strategy will be monitored
- there will be recommendations for changes in the legislation in effect on housing, housing programs, considering achievements and previous experiences, and in line with the recommendations of EU Progress Reports, or recommendations of the civil society and the Ombudsman;
- ensuring consultation with stakeholders, including systematic dissemination of information to the broad public;
- fostering cooperation with other institutions indirectly involved in social housing;

The Ministry of Urban Development (MUD) will be responsible for putting together the information system and presenting it to the GOA.

## 4.1 INFORMATION AND DATA COLLECTION SYSTEM

The objectives and outcome of the Social housing strategy will be implemented through the Action Plan and other planning documents. Implementation of the action plan will be monitored through performance indicators that measure results for each activity/measure and assign responsibilities for the implementation and distribution of financial resources.

One of the objectives of the Social housing strategy focuses on the establishment of a system that will serve collection of data on social housing for each LGU. This includes data about the applicants and beneficiaries of social housing programs, about characteristics of excluded groups and their needs for social housing, and about sources of local government that can be mobilized for the provision of housing. This information that will be collected at the local level will then be communicated to the Directorate of Urban and Housing Services in each LGU. The information will be collected and then be further analyzed to measure changes in time.

The new strategic framework is aimed at ensuring a broad and efficient monitoring process based on a properly organized reporting system. The process of monitoring will begin in 2016 and will be implemented by structures specified in point 5.3 of this chapter.

Monitoring will be annual and the monitoring and evaluation reports will be developed and adopted every year. The reporting and consultation modalities are established in point 2 of this chapter.

## 4.2 REPORTING AND CONSULTATION METHODOLOGY FOR MONITORING REPORTS

The main mode for reporting will be preparation of an annual report that will include the results of the analyses, including achievements and challenges. The report will include the profiles of the local government units that have applied successful models of social housing programs, for the communication of information and transfer of knowledge in all LGUs. The annual report will be drafted by the Urban Services Directorate, and will be developed and adopted within the first quarter of the next monitored year. The report shall:

- Run an assessment of the social housing strategy focusing on progress achieved in accomplishment of measures and activities on the one hand, and monitoring indicators on the other;
- Identify new or interactive cases that may be addressed through a more coordinated approach;
- Report on identified housing possibilities or needs at the national or local levels.

The report will be submitted to the Unit for Coordination of Development Programs and Strategic Planning in the Department of Development Programming, Finances and Foreign Aid in the

Prime Minister's Office. In addition a round table will be organized with the participation of representatives from local government institutions and organizations, and housing experts of LGUs.

### 4.3 STRUCTURES INVOLVED IN THE REPORTING AND CONSULTATION OF MONITORING REPORTS

The institutions and structures involved in the formulation, implementation and monitoring of the strategy of social protection are:

- Inter-ministerial Social housing group led by the Minister of Urban Development, with the participation of other senior officials of MUD and other line ministries;
- Integrated Policy Management group that will ensure adoption of measures for achieving strategic objectives, considering risks that should be managed regularly;
- Directorate of Urban and Housing Services in the MUD and its reporting units (LGU, EKB, AKPT, ALUIZNI, employment offices)

### 4.4 MODALITIES FOR REPORTING AND CONSULTATION OF MONITORING REPORTS WITH NGOS

The structures of Point 5.3 of this Chapter will conduct assessment that will serve for reporting and consultation with NGOs. Reporting will be on annual bases, and will assess accomplishment of measures of the action plan and monitoring indicators. The report will include research from independent experts and policy documents to evaluate, and come to conclusions and suggest informed initiatives (annually). In addition will be collected and analyzed long-term data, and sector data.

NGOs will be involved in meetings that will take place annually, with the presentation of the progress of the strategy, and discussions of encountered challenges. In addition, NGOs will be involved in the conduct of analyses and evaluations foreseen for accomplishment of objectives. The implementation of the strategy will be strongly based on the cooperation relations with NGOs.

**Table 4.1: Monitoring and evaluation of Albania's Social housing strategy**

Indicators	Responsible institution	Source	Baseline 2013-2015	Target 2020	Target 2025	Periodicity
Share of Roma and Egyptian households in need that have benefited from social housing programs.	MZHU	LGU	10%	40%	80%	Annually
Number of Roma and Egyptian households that have benefited from infrastructure improvement program.	MZHU	LGU	282 (23%)	458 (38%)	480 (39%)	Annually
Share of LGUs that have established a system for data collection and have used gathered evidence for improving housing programs.	MZHU	LGU INSTAT	0	40%	80%	Annually
Share of applicants that are satisfied with the quality of service provided by housing experts in the LGUs	MZHU	LGU	No information	50%	80%	Annually
Percentage of successful funding requests by LGUs, annually	MZHU	LGU KM	90%	100%	100%	Annually
Share of state budget that goes for social housing programs. (not: budget of the Ministry)	MZHU KM	LGU	19%	100%	100%	Annually
Percentage of LGUs that have funded housing programs through their own sources	MZHU	LGU MÇV	Less than 5%	30%	50%	Annually
Number of evicted families	MZHU	LGU ALUIZNI DZHT	129	0	0	Annually
Percentage of applicants with access in more than one social program (for e.g. percentage of unemployed applicants that have a housing bonus and were employed).	MZHU MMSR MÇV KM	LGU Employment offices CSO	No information	20%	50%	Annually
Number of plots of land that has gone to LGU for social housing purposes, annually	MZHU	LGU Private sector NGOs CSO	No information	Depending on free land plots state property that can be used for housing	Depending on free land plots state property that can be used for housing	Annually

Number of households that have benefited from the programs for land equipped with infrastructure.	MZHU	LGU Private sector NGOs CSO	0	Depending on available land plots	Depending on available land plots	Annually
Number of households that have benefited from PPPs	MZHU	LGU Private sector NGOs CSO	0	About 500	Depending on agreements that will be developed	Annually
Number of households that have benefited as a result of public-private and community agreements	MZHU	LGU Private sector NGOs CSO	0	Depending on agreements that will be developed	Depending on agreements that will be developed	Annually
Number of households sheltered in unutilized facilities (adjusted for housing purposes).	MZHU	LGU Private sector NGOs CSO	0	Depending on demand from municipalities	Depending on demand from municipalities	Annually
Number of approved projects for improving Roma and Egyptian communities settlements, with the participation of the communities and approved by the LGUs	MZHU	LGU Private sector NGOs CSO	13	50	100	Annually
Number of families beneficiaries from the schemes of housing for disadvantaged groups.	MZHU	LGU Private sector NGOs CSO	282	400	700	Annually
Percentage of groups at disadvantage that have benefited from any of the financial instruments, in months	MZHU MF KM	LGU	0	20%	60%	Annually
Amount of funding from international donors	MZHU NJQV	KNESS BKE KEKBE	0	79,620,000	6,700,000	Annually
Ratio of beneficiaries (number of beneficiaries/applicants) from funding of energy efficient housing projects.	MZHU	LGU	57	163	170	Annually
Number of beneficiaries from facilitated loans whose loans have been disbursed	MZHU	LGU	3,894	5,000	7,000	Quarterly
Percentage of groups at disadvantage beneficiaries from rent subsidies for facilities in the ownership of the municipalities.	MZHU	NJQV	No information	Information will come from LGUs	Information will come from LGUs	Annually

Indicators	Responsible institution	Source	Baseline 2013-2015	Target 2020	Target 2025	Periodicity
Percentage of beneficiaries of rent bonus (number of beneficiaries/applicants) for houses in the free market contracted by LGUs	MUD	LGU	No information	Information will come from LGUs	Information will come from LGUs	Annually
Percentage of beneficiary households where the head of the household is a woman	MUD	LGU	18,7%	25%	50%	Annually
Percentage of beneficiary households with single parents as beneficiaries	MUD	LGU	37,1%	50%	60%	Annually
Percentage of extended households beneficiaries	MUD	LGU	25,5%	30%	35%	Annually
Percentage of elderly beneficiaries	MUD	LGU	25,4%	35%	50%	Annually
Percentage of PWDs beneficiaries	MUD	LGU	13,5%	25%	40%	Annually
Percentage of young couples beneficiaries	MUD	LGU	40,2%	45%	50%	Annually
Percentage of households beneficiaries that have changed residence	MUD	LGU	28,6%	35%	40%	Annually
Percentage of orphans beneficiaries	MUD	LGU	4,7%	30%	50%	Annually
Percentage of returning emigrants beneficiaries	MUD	LGU	27,9%	30%	30%	Annually
Percentage of migrant workers beneficiaries	MUD	LGU	30,8%	35%	35%	Annually
Percentage of asylum seekers beneficiaries	MUD	LGU	0	5%	5%	Annually
Percentage of households of fallen police officers	MUD	LGU	0	10%	25%	Annually
Percentage of victims of domestics violence who are beneficiaries	MUD	LGU	0	20%	40%	Annually
Percentage of Roma households who are beneficiaries	MUD	LGU	37,2%	50%	70%	Annually
Percentage of beneficiary Egyptian community households	MUD	LGU	11,2%	30%	50%	Annually
Percentage of social assistance beneficiaries	MUD	LGU	22,8%	40%	60%	Annually
Other groups of beneficiaries	MUD	LGU	35,9%	40%	50%	Annually



# ANNEX

## ACTION PLAN AND INDICATORS FOR THE SOCIAL HOUSING STRATEGY 2016 – 2025

Overall objectives / Sub-objectives	Activities	Deadline	Budget funded by Donors/PPP	Financial gap	Responsible bodies and donors			Results and Indicators
					Donors	Leading Institution	Partner Institutions	
<b>1. CAPACITY DEVELOPMENT OF 61 LOCAL GOVERNMENTS UNITS ON PROVISION OF PERIODICAL KNOWLEDGE ABOUT THE DEMAND - SUPPLY SIDES OF THE SOCIAL HOUSING</b>			<b>27,090,000</b>	<b>52,450,000</b>				
1.1 Identification and evaluation of housing programs implemented and families who have benefited from these programs in 61 local units.	1.1.1 Identification of problems encountered in local government units in relation to soft loans program	2015-2016	800,000		UNDP	MUDT	INSTAT; LGUs	1 assesment report
	1.1.2 Identification and evaluation of real needs for housing according to the housing programs	2016	290,000		UNDP	MUDT	INSTAT; consultant and / or multilateral organization	1 assessment report
	1.1.3 Unification of procedures used for the soft loans program	2016	850,000		UNDP	MUDT	Consultant and / or multilateral organization	1 unified procedure approved by MUDT for 61 LGUs
	1.1.4 Assessment of financial needs based on housing programs	2016	500,000		UNDP	MUDT		1 evaluation report
1.2 Assessment of housing needs in	1.2.1 Review of existing housing situation of the disadvantaged groups and groups with low and middle income	2017	2,500,000		UNDP	MUDT	INSTAT; MSWY; LGUs; consultant and/ or multilateral organization	1 evaluation report

61 local government units, focusing on disadvantaged groups	1.2.2 Evaluation of social housing demand and supply . Determining the possibilities in order to cope with the costs of disadvantaged groups and groups with low and middle income	2017	900,000		UNDP	MUDT	INSTAT; MSWY; LGUs; consultant and/or multilateral organization	1 analyses/report for each LGU and an analyses/report at the national level
	1.2.3 Identification of existing housing resources and compilation of the evaluation report for the housing needs	2017	800,000		UNDP	MUDT	LGUs; consultant and/or multilateral organization	1 evaluation report
1.3 Establishing a system for the collection of data and amount of social housing applications in 61 local government units.	1.3.1 Establishment of a data collection system concerning housing needs at local level, in collaboration with INSTAT	2016-2018	8,000,000			MUDT	INSTAT; MUDT; LGUs; Ministry of Inovation and Public Administration	1 data base software
	1.3.2 Establishment of an electronic system for the citizens to submit their application for social housing online, which will be monitored by MUDT	2017-2018	40,000,000			MUDT	INSTAT; MUDT; LGUs; Ministry of Inovation and Public Administration	1 electronic system for application for housing programs
	1.3.3 Piloting of the electronic system of data collection	2017-2018	1,500,000			MUDT	INSTAT, Tirana Municipality; selected LGUs	Data collection system introduced
	1.3.4 Development of the manual for e-system operation	2019	2,000,000			MUDT	INSTAT, LGUs	1 User's Manual
	1.3.5 Implementation of the data collection system	2020	950,000			MUDT	LGUs; Ministry of Inovation and Public Administration	The system is installed in each LGU- monitored by MUD

Overall objectives / Sub-objectives	Activities	Deadline	Budget funded by Donors/PPP	Financial gap	Responsible bodies and donors			Results and Indicators
					Donors	Leading Institution	Partner Institutions	
1.4 Designing of a map aiming at the prioritization of investments for R/E communities and provision of support to facilitate housiugn.	1.4.1 Identification of areas where Roma and Egyptian communities live	2016	3,400,000		UNDP	MUDT	MUDT; LGUs; CSOs; consultant and/or multilateral organization	1 evaluation report about the situation of Roma and Egyptian communities in 61 municipalities
	1.4.2 Assessment of the situation of their settlements and connectin to infrastructure (dwellings, water and energy supply, swerage, and street lighting, etc.)	2016	9,200,000		UNDP	MUDT	MUDT; LGUs; CSOs; consultant and/or multilateral organization	1 report and establishment of the database
	1.4.3 Mapping of identified areas where Roma/Egyptian communities live;	2017	1,400,000		UNDP	MUDT	MUDT; LGUs; CSOs; consultant and/or multilateral organization	1 map for the Roma and Egyptian communities
	1.4.4 Determining financial needs of municipalities to improve the housing conditions of R/E communities	2017	1,000,000		UNDP	MUDT	MUDT; LGUs; CSOs; consultant and/or multilateral organization	1 report about the financial needs of each LGU where there are representatives from Roma and Egyptian communities
	1.4.5 Preparation of the Action Plan of measures to be undertaken by authorities at central and local level and other stakeholders to improve the quality of life for these communities	2017-2018	1,000,000		UNDP	MUDT	MUDT; LGUs; CSOs; consultant and/or multilateral organization	1 Action Plan & its adoption by the municipal councils
	1.4.6 Providing assistance for legalization and improvement of informal settlements of Roma and Egyptians, and/or of other facilities belonging to these groups	2018-2021	-			MUDT	MUDT, ALUIZNI	1 Instruction & Manual approved

1.5 Desing and implementation of a capacity building plan on the use of the electronic system in 61 local governance units	1.5.1 Conduct a training needs assessment at the LGUs level	2019-2020	950,000		UNDP	MUDT	Training institute and / or the local university	1 Consultative meeting with representatives of 61 municipalities
	1.5.2 Piloting the electronic system in two of the country's municipalities with different characteristics in the area of housing	2019-2020	1,100,000		UNDP	MUDT	Training institute and / or the local university	Use of the electronic system in two municipalities
	1.5.3 Making electronic system operational in 61 municipalities of the country	2020	2,400,000		UNDP	MUDT	LGU, Training institute and / or the local university	" Number of trained staff in 61 municipalities. Report on trainings provided "
<b>2. IMPROVING THE LEGAL &amp; INSTITUTIONAL FRAMEOWRK FOR INCREASING ACCESS TO HOUSING BY 50% FOR DISADVANTAGED HOUSEHOLDS</b>			<b>5,020,000</b>	<b>2,400,000</b>				
2.1 Housing law changes	2.1.1 Identifying overlapping roles and roles that are lacking	2016	350,000		UNDP	MUDT	Experts	1 evaluation report
	2.1.2 Organization of thematic group discussion in order to employ interinstitutional cooperation models for the efficient provision of social housing to disadvantaged groups (eg. Roma/ Egyptians, orphans, persons with disabilities, etc.)	2016	250,000		UNDP	MUDT	MSWY; NGOs and community organizations (groups of interest); MLG	1 Report containing findings proposed in this meeting

Overall objectives / Sub-objectives	Activities	Deadline	Budget		Responsible bodies and donors			Results and Indicators
			Budget funded by Donors/PPP	Financial gap	Donors	Leading Institution	Partner Institutions	
	2.1.3 Defining roles and responsibilities of various state institutions involved in the social housing sector, both at central and local levels.	2016	250,000		UNDP	MUDT	MSWY; MLG	Reflecting in the law the roles of housing institutions
	2.1.4 Review of the existing legal framework to see whether beneficiaries' profiles (descriptions) are clear or not.	2016	320,000		UNDP	MUDT	MSWY/ LGUs	Evaluation and reflection of amendments in the law on housing
	2.1.5 Compilation of a report with concrete suggestions for the changes in the law, taking into consideration the recommendations of the Ombudsman on the Roma community, including the latter at the level of 5% of each housing program	2016	1,100,000		UNDP	MUDT	MLG	1 Report and reflecting the changes in the legislation
	2.1.6 Review the possibilities of changing the legal framework regarding the planning and approval of funds by local government units	2016	450,000		UNDP	MUDT	LGUs; Association of Municipalities	Reflecting the changes in the legislation
	2.1.7 Review of the law on operation of structures of housing in the LGUs / Review of the roles and responsibilities of social housing structure.	2016	850,000		UNDP	MUDT	Consultant (international or local) / CECODHAS (as a consultant)	1 assessment report and reflecting changes in the law.

	2.1.8 Establishing responsibilities of institutions for coordinating housing programs with other social programs, focusing on education, health, employment, social protection or other programs that aim at empowerment of households at disadvantage	2016		1,300,000		MUDT	Line ministries; LGUs	Amended law
	2.1.9 Approval and inclusion of partnership models in the legal/ regulatory framework, and/ or description of current social housing programs	2016	250,000		UNDP	MUDT	Ministry of Finance/ LGUs	Amendments to housing law about models of PPPs
	2.1.10 Development of by-laws for the distribution procedures for social housing at the local level through cooperation between central government (MUD), MSWY, CSOs and LGU representatives	2016	250,000		UNDP	MUDT	MSWY/ LGUs/ Consultants	Formulation of by-laws, according to programs
	2.1.11 Review of legislation about cooperation with institutions that adopt projects, are in charge of public building and expropriation, in order to facilitate housing of households that do not benefit from public expropriations	2016-2025				MUDT	The institution that carries out the public construction and MUDT / the NTPA / ALUIZNI	Formulation of a legal act for housing 100% of evicted families, any time such cases come up

Overall objectives / Sub-objectives	Activities	Deadline	Budget funded by Donors/PPP	Financial gap	Responsible bodies and donors			Results and Indicators
					Donors	Leading Institution	Partner Institutions	
	2.1.12 Review of the legal framework for adopting facilities that are no longer used for their previous functions, with the purpose of social housing according to housing rates	2016	-			MUDT	LGUs / NGOs, CSOs (disadvantaged groups and ethnic minorities)	" Adoption of legal amendments "
	2.1.13 Adoption of amendments to the law on housing	2016						Adoption of legal amendments
	2.1.14 Establishment of minimum housing standards, with reference to EU models	2017	950,000		UNDP	MUDT	LGUs / NGOs, CSOs (disadvantaged groups and ethnic minorities)	1 by-law
2.2 Establishment of capacity of 61 LGUs for the implementation of the social housing strategy.	2.2.1 Defining the qualification criteria for search and obtaining funding from the central government and/or financial institutions for the realization of housing operations at the local level	2016		1,100,000		MUDT	LGUs; Shoqata e Bashkive	Instruction with the qualification criteria



3. COORDINATION AMONG INSTITUTIONS AT THE CENTRAL AND LOCAL LEVELS FOR IMPROVING THE PROCESS FOR HOUSING DISTRIBUTION IN 61 LGUs			-	5,800,000				
3.1 Coordination with MSWY, CSOs and LGUs for the procedures for the distribution of social houses to the beneficiaries.	3.1.1 Description and assessment of the coordination roles of MSWY, CSOs and LGUs.	2016-2017		300,000		MUDT	MUDT; MSWY	1 Evaluation report
3.2 Establishment of an accessible information system for application in social housing programs, with particular focus on disadvantaged groups in 61 LGUs.	3.2.1 Development of information materials about the possibilities for benefits and application, and cooperation with LGUs and central government for their distribution, with special focus on reaching disadvantaged groups, the blind, the persons with hearing impairment, the Roma community, etc.	2017-2020		5,500,000		MUDT	Communications specialist (graphic designer); NGOs; CSOs; Representatives of disadvantaged groups; LGUs / MLG	500 posters, 3 hours of radio broadcasting, 5 000 leaflets, 1 edition on the procedures for the distribution of housing in the governmental websitest

					Responsible bodies and donors			
Overall objectives / Sub-objectives	Activities	Deadline	Budget funded by Donors/PPP	Financial gap	Donors	Leading Institution	Partner Institutions	Results and Indicators
<b>4. SECURING PUBLIC PRIVATE PARTNERSHIP (PPPS) AGREEMENTS FOR IMPROVING ALTERNATIVES OF SOCIAL HOUSING, AND INCREASING ACCESS OF BENEFICIARY HOUSEHOLDS BY 20%</b>			-	1,507,200,000				
4.1 Implementation of PPPs for building social houses.	4.1.1 Evaluation of the PPP model for building social houses.	2016		1,500,000		MUDT	MUDT/ Haward University	1 Instruction for the PPP model
	4.1.2 Development of the design for the area where there will be PPPs.	2016	-			MUDT	MUDT; LGUs; NTPA ALUIZNI; LORIP	1 final project for implementation
	4.1.3 Preparation of the technical and legal documents for the start of the PPP/concession procedures.	2018		1,200,000		MUDT	ATRAKO, LGUs, MEDTTE, NTPA, State Advocate	1 technical and legal document adopted by the committee
	4.1.4 Implementation and follow up of the PPP agreement.	2016-2020		1,500,000,000	PPP	MUDT	MUDT; Ministry of Finance; Ministry of Economy; LGUs	1 agreement adopted, and biannual reports on the implementation of the agreements
4.2 Implementation of necessary measures to foster use of unexploited buildings and land in 61 LGUs.	4.2.1 Identification and evaluation of instruments.	2018		4,500,000		MUDT	MUDT; local consultant	1 assessment report of the current situation, following identification of instruments
	4.2.2 Implementation of instruments through acts of agreements.	2019-2020				MUDT	MUDT; LGUs; private actors	Adopted acts of agreement

5. BROADENIN OF THE HOUSING ALTERNATIVES THROUGH PROGRMS TARGETED FOR LOW AND MIDDLE INCOME HOUSEHOLDS, MAINLY THOSE AT DISADVANTAGE BY 30%			-	-				
5.1 Development of different housing programs for groups at disadvantage in 61 LGUs.	5.1.1 Small grants for the Roma and Egyptian communities, for improving their living conditions.	2016-2025	-			MUDT	MSWY; LGUs; multilateral organization	Improving living conditions for approximately 24% of the Roma households by 2018 & approx. 76% by 2025.
	5.1.2 Investment in project for housing energy efficiency .	2016-2020	-			MUDT	MSWY; LGUs	Benefits from energy savings in houses for approx. 19% of households by 2018 & approx. 81% by 2025
	5.1.3 Design for urban development of areas that are state property (feasibility study, design).	2016	-			MUDT		1 feasibility study & 1 project to be implemented
	5.1.4 Rehabilitation of facilities for adequate housing for the category of orphans.	2016						27 beneficiary households
	5.1.5 Cooperation with social rent houses.	2016						Housing for 214 households in social rented housing in Durrës

Overall objectives / Sub-objectives	Activities	Deadline			Responsible bodies and donors			Results and Indicators
			Budget funded by Donors/PPP	Financial gap	Donors	Leading Institution	Partner Institutions	
5.2 Development of different subsidy instruments & immediate grants for housing of middle income groups and groups at disadvantage in 61 LGUs.	5.2.1 Subsidies for rent for expropriated households in Vlora and Tirana (cases of eviction).	2016-2017						100% subsidizing the rent of the households
	5.2.2 Subsidies for the interest rates for soft loans from NCB/ Raiffeisen Bank.	2016-2025	-			MUDT	MSWY; MUDT; LGUs	100% subsidizing the loans of the households
	5.2.3 Subsidies for housing bonus for single parent families/ divorced women with children benefiting housing bonus.	2016-2025				MUDT	MSWY; MUDT; LGUs	Rent subsidy for 20 families
	5.2.4 Subsidizing rent for facilities in the ownership of the municipality.	2018-2025	-			MUDT	MUDT;MSWY; LGUs	Subsidizing rent for approx. 292 households or 13 % of the target by 2018 and approx. 87% by 2025
	5.2.5 Rent subsidy (Bonus) for houses in the free market contracted by LGUs.	2016-2025	-			MUDT	MSWY; MUDT; LGUs	Bonus approx. 29% for target households by 2018 & 71% of the households by 2025
	5.2.6 Immediate grants for PwDs and orphans.	2017-2025	-			MUDT	MUDT; EKB; LGUs	Grants available to 18 % households with PwDs and orphans by 2018 & 82% of the households by 2025
<b>TOTAL</b>			<b>32,110,000</b>	<b>1,567,850,000</b>				

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