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UN Support to Social Inclusion in Albania Programme

SOCIAL HOUSING IN ALBANIA: A SITUATION ANALYSIS

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Prepared by: Marsela Dauti, PhD

Reviewers: Doris Andoni (National Entity of Housing), Anduena Shkurti (UNDP), Entela Lako (UNDP), Mirela Bylyku (UNDP), Aida Seleri, Ermira Tomco, Ergis Tafalla, Valmira Bozgo, Ermira Dedej, and Jonida Pone (Ministry of Urban Development and Tourism).

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EXECUTIVE SUMMARY

This report presents a situation analysis of social housing in Albania. The analysis addresses a broad array of concerns. For instance, what kind of protection is provided to vulnerable groups? How comprehensive is the legal response to the problem of homelessness? What are the characteristics of applicants and beneficiaries? What is the amount of housing funds allocated for social housing programs? How do local governments address the problem of homelessness? What differences exist between urban and rural localities? To address these questions, we draw on the analysis of survey data, secondary data, official documents, and public reports that focus on social housing in Albania. This report sheds light on the demand and supply for social housing at the local level as well as the scoring system, the data system, the budget for social housing, the inventory of housing units and land, and the need of local authorities for capacity building programs. A survey was designed and then distributed to 125 local governments – municipalities and communes – during July–August 2014. Thirty-nine local governments responded to the survey: 27 municipalities and 12 communes. A summary of the main findings is presented below.

- There is a general perception that Albania has a well-developed legal framework. The analysis presented here suggests that this is not the case. The legal framework of social housing suffers from a number of problems, such as the exclusion of vulnerable groups from the scoring system and poor specification of transparency procedures and accountability mechanisms.
- The program of low-cost housing has the highest number of applicants and beneficiaries. This program does not target the poor.
- During 1993 – 2010, ALL 13,903,000,000 were invested in housing programs.¹ After 1995, housing funds have declined significantly. In 1998, housing funds were 11.2 times lower than in 1995. In 2008, housing funds were lower than in 1997. Funds have slightly increased after 2008; however, they have not reached the level of 1995.
- The total number of applicants for social housing programs is 35,011.² The majority of individuals, 64.99 percent, have applied for the program of low-cost housing. The municipalities with the highest number of applicants include Tirana (n = 10,528), Elbasan (n = 3,506), Korça (n = 2,903), Durrës (n = 2,800), Fier (n = 2,650), Vlora (n = 1,945), Shkodra (n = 1,900), Kuçova (n = 1,104), Lezha (n = 1,009), and Saranda (n = 1,002).
- The total number of beneficiaries is 5,021.³ In other words, 14.34 percent of applicants have benefited from social housing programs. The highest number of beneficiaries (and applicants) is for the program of low-cost housing. Tirana has the highest number of beneficiaries (n = 1,271) followed by Shkodra (n = 400), Vlora (n = 312), and Korça (n = 240).

¹ The data was obtained from the Ministry of Urban Development and Tourism.

² This number refers to the period 2005 – 2014. The data was obtained from the National Entity of Housing.

³ This number refers to the same period, 2005 – 2014. The data was obtained from the National Entity of Housing.

- Around 1/3 of municipalities do not have information on the number of individuals in need of social housing.⁴
- The number of applications for social housing 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 individuals in need of social housing is 2.64 times higher than the number of individuals in need of social housing who apply for social housing programs. Young couples, female-headed families, recipients of economic assistance, and persons with disabilities are more likely to apply for social housing. Asylum seekers, family members of fallen officers, and victims of domestic violence are less likely to apply for social housing.
- Local authorities estimate a number of 1,007 beneficiaries. The number of applicants is 2.77 times higher than the number of beneficiaries. However, this varies across local governments. The highest proportion of beneficiaries belongs to the group of young couples. Forty percent of young couples that have applied for a social housing program have been beneficiaries. The lowest proportion of beneficiaries belongs to the groups of orphans, Egyptian families, and female-headed families. Asylum seekers, family members of fallen officers, and victims of domestic violence have not benefited from social housing programs.
- Almost all municipalities ranked the lack of funding as the main problem in providing social housing. In addition, they characterized the poorest of the poor as the least likely to benefit from social housing programs.
- Local governments place higher priority to large families and single-parent families followed by families that have not benefited from Law no. 7652, persons with disabilities, and female-headed families.
- Twelve municipalities (44.44 percent) do not use any program to record applicants' data and 15 respondents (55.56 percent). Usually, housing specialists update the information when they are required to provide data to the local council or a new social housing program is implemented.
- Only one municipality reported allocating local revenues for social housing. There is a strong relationship between the ability of local governments to raise revenues and invest in social housing.
- The majority of respondents, 80 percent, said that they are willing to provide financial incentives to construction companies that invest in social housing.
- Local authorities are willing to collaborate with the National Entity of Housing to solve the problem of homelessness in their municipality.

⁴ Based on survey findings. The same applies to the findings presented below.

- Only 5 respondents (18.52 percent) assessed the capacity of their local government as sufficient to provide social housing.
- Contrary to the expectation, there are instances of rural localities that have a high demand for social housing.
- Similar to municipalities, communes reported the lack of funding as the main barrier to the provision of social housing. Other problems include: unclear property rights; unclear competencies; incomplete procedures of ownership transfer; lack of knowledge of how to identify vacant properties; and lack of territorial planning map.
- Homeless families in rural localities prefer building houses in their own property. They would not leave their property and seek housing elsewhere.
- Compared to municipalities, communes are more likely to have vacant land. However, they are also more likely to lack capacities and have poor access to public services and goods.

Findings suggest that addressing the problem of homelessness in Albania requires undertaking multiple steps simultaneously, for instance, revising the legal framework, shifting the attention of social housing programs and funding to the poor, and strengthening the fiscal capacities of local governments. The evidence will inform the Housing Strategy and Action Plan of the Ministry of Urban Development and Tourism. In particular, survey findings will be critical in redefining the role of local governments and their relationship with the central government as well as other actors involved in the provision of social housing.

INTRODUCTION

During 1989 – 2011, the number of residential buildings in Albania increased by 55.1 percent: from 385,769 to 598,267.⁵ This dramatic increase reflects the changing face of development in Albania in the last 24 years: improved levels of economic growth and living standards. However, development has been fundamentally uneven. Albania is characterized by high levels of inequality.⁶ While the housing stock is abundant, many families lack a safe shelter. Policy reports shed light on numerous problems, such as unaffordability of housing and failure of housing programs to target the poorest of the poor.⁷ Homelessness in Albania has many faces: members of the Roma community evicted from their community, victims of domestic violence lacking a safe place, young parents unable to afford housing costs, families going broke because of being unable to pay home loans, older adults evicted from their house, and returned immigrants lacking alternative housing options. These groups share the same basic need: securing a safe and affordable place to live.

This report presents a situation analysis of social housing in Albania. The analysis addresses a broad array of concerns. For instance, what are the characteristics of the population and the housing market? What programs provide access to social housing? What kind of protection is provided to vulnerable groups? How comprehensive is the legal response to the problem of homelessness? What are the characteristics of applicants and beneficiaries? What is the amount of housing funds allocated for social housing programs? How do local governments address the problem of homelessness? To address these questions, we utilized numerous methods. Some of the questions were addressed by looking at secondary data, research reports, laws and regulations. Other questions were addressed through fieldwork. A survey was designed and then distributed to 125 local governments – municipalities and communes – during July–August 2014. The purpose was to investigate the situation of homelessness, the scoring system, the data system, the budget for social housing, the inventory of housing units and land, and the need of local authorities for capacity building programs.

Findings provide clarity to the challenges facing social housing in urban and rural Albania. The analysis shows that the legal framework suffers from a number of problems, such as the exclusion of vulnerable groups from the scoring system and poor specification of transparency procedures and accountability mechanisms. Findings suggests that addressing the problem of homelessness in Albania requires undertaking multiple steps simultaneously, for instance, revising the legal framework, shifting the attention of social housing programs and funding to the poorest of the poor, and strengthening the fiscal capacities of local governments. The evidence will inform the Housing Strategy and Action Plan of the Ministry of Urban Development and Tourism.

⁵ Instat. (2014a). Kushtet e banimit dhe jetesës. Tiranë, Shqipëri: Instat.

⁶ Instat. (2013). Shqipëria: Trendi i varfërisë, 2002, 2005, 2008, 2012. Retrieved July 20, 2014 from http://www.instat.gov.al/media/206688/shqiperi-trendi_i_varferise_2012_.pdf

⁷ UNDP. (2013). Housing policies and practice for Roma in Albania: Background study. Retrieved July 20, 2014 from

<http://www.al.undp.org/content/dam/albania/docs/misc/Housing%20Policies%20and%20Practice%20for%20Roma%20in%20Albania.pdf>; UNDP. (2014). Social housing in Albania: A needs assessment. Retrieved September 26, 2014 from <http://www.al.undp.org/content/albania/en/home/library/poverty/needs-assessment-of-social-housing-in-albania/>

This report is divided into 6 sections. Section 1 provides evidence on the population and housing market in Albania. Section 2 introduces social housing programs – social rented housing, housing subsidies, low-cost housing, land equipped with infrastructure, rental subsidy, subsidized loans, immediate grant for low-cost housing units, and small grants. Section 3 focuses on the legal framework; it examines one law, nine decisions, three directives, two orders, and one normative act that address the problem of homelessness. Section 4 focuses on the number of applicants and beneficiaries by program, municipality, and group. Section 5 examines housing funds, projects, and costs during 1993 – 2012. Section 6 presents survey findings. Given the different development trajectories of urban and rural Albania, we present the findings on municipalities and communes separately. Then, we draw parallels between the two. In the last section, we discuss intervention areas.

METHODOLOGY

This analysis is based on two methods: the design of a survey that was distributed to local governments and the examination of secondary data, official documents, and public reports that focus on social housing in Albania.

The purpose of the survey was twofold: to examine the situation of homelessness and understand the capacities and needs of local governments in addressing the problem of homelessness. The survey was designed by a working team in the Ministry of Urban Development and Tourism⁸ and then distributed to 125 local governments – 65 municipalities (all municipalities) and 60 communes (communes with the largest population).⁹ Thirty-nine local governments responded to the survey: 27 municipalities and 12 communes. Overall, the response rate is 0.31: 0.41 for municipalities and 0.2 for communes. The survey included both open and closed-ended questions. There were slight differences between the survey distributed to municipalities and communes. In part, differences reflect the fact that social housing programs operate only in municipalities. Specifically, the survey distributed to municipalities was divided in six sections: (a) the situation of homelessness, (b) the scoring system, (c) the data system, (d) the budget for social housing, (e) the inventory of housing units and land, and (f) and the need for capacity building programs. The survey distributed to communes was divided in three sections: (a) the situation of homelessness, (b) the inventory of housing units and land, and (c) and the need for capacity-building programs.

Secondary data, official documents, and public reports were also reviewed. First, we reviewed secondary data on the population and the housing market. The analysis focused on the housing stock and population change. The data was provided by the Institute of Statistics and the National Entity of Housing. Second, we focused on laws, decisions, directives, orders, and normative acts enacted by the government of Albania since 2004. We examined each article or item. The purpose was to understand the extent that the legal framework provides comprehensive mechanisms to address homelessness in Albania. Third, we focused on housing funds (1993 – 2010), sources of housing funds, and housing projects (2005-2012) and their cost. The analysis focused on changes in housing funds over time, sources of housing funds, housing projects and the distribution of cost across housing projects. The data was provided by the Ministry of Urban Development and Tourism. Fourth, we examined the number of applicants and beneficiaries for four social housing programs, including social rented housing, low-cost housing, housing subsidies, and the program of land equipped with infrastructure. The purpose was to provide an overview of housing programs at the national level. The data was provided by the National Entity of Housing.

Two data analysis techniques were used: univariate and content analysis. Univariate analysis was conducted to examine the situation of homelessness in local governments, the scoring system, the data system, the budget for social housing, and the inventory of housing units and land. Univariate analysis was also conducted to examine housing funds; sources of housing funds; housing projects; housing costs; and the number of applicants and beneficiaries by

⁸ Members of the working team: Aida Seseri, Ermira Tomco, Doris Andoni, Valmira Bozgo, Ergis Tafalla, Jonida Pone, and Lavdrim Krashi.

⁹ Referring to the new territorial and administrative reform, communes will merge with municipalities.

social housing program. Content analysis was conducted to examine laws, decisions, directives, orders, and normative acts as well as the need for capacity building programs.

EVIDENCE ON THE POPULATION AND THE HOUSING MARKET¹⁰

During 1989 – 2011:

- The population declined by 12 percent: from 3,182,417 to 2,800,138.
- The rural population declined by 36.3 percent: from 2,044,855 to 1,301,601.
- The urban population increased by 31.7 percent: from 1,137,562 to 1,489,508.
- The number of residential buildings¹¹ increased by 55.1 percent: from 385,769 to 598,267.
- The number of residential buildings in rural areas increased by 22.1 percent: from 309,666 to 378,110.
- The number of residential buildings in urban areas increased by 189.3 percent: from 76,103 to 220,157.

In 2011:

- The number of residential buildings was 598,267.
- 53.8 percent of all housing units¹² were concentrated in urban areas; meanwhile, 46.1 percent in rural areas.
- 21.7 percent of housing units were vacant; 52.6 percent of vacant housing units were in rural areas.
- 8.3 percent of housing units were used for seasonal or secondary purposes.
- 1/3 of all housing units in the regions of Vlora and Gjirokastra were vacant; 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.
- The mean value of the construction cost established by the National Entity of Housing in 2011 was ALL 36,526 / m².¹³

¹⁰ Instat. (2014a). Kushtet e banimit dhe jetesës. Tiranë, Shqipëri: Instat; Instat. (2014b). Tipologjia e bashkive dhe komunave. Tiranë, Shqipëri: Instat; Instat. (2012). Censuri i popullsisë dhe banesave. Tiranë, Shqipëri: Instat. See Appendix 1 (Table 1 & Table 2) for more information.

¹¹ A building (*ndërtesa*) “is defined as any independent structure containing one or more dwellings, rooms or other spaces, covered by a roof and enclosed with external walls or dividing walls which extend from the foundation of the roof” (Instat, 2012, p. 37). This is equivalent to the concept of building used here.

¹² Instat (2012) uses the term “inhabited conventional dwellings” (*banesa të zakonshme të banuara*). This is equivalent to the term housing units used here.

¹³ Udhëzim nr. 4, 23.11.2011, Për miratimin e koston mesatare të ndërtimit të banesave nga Enti Kombëtar i Banesave. “Kostoja mesatare e ndërtimit të banesave nga Enti Kombëtar i Banesave, në shkallë republike, për vitin 2011, të jetë 36 526 (tridhjetë e gjashtë mijë e pesëqind e njëzet e gjashtë) lekë/m², për sipërfaqe shfrytëzimi” (p. 1).

SOCIAL HOUSING PROGRAMS

Referring to Law no. 9232,¹⁴ 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; 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. Below is a description of each program:

Social rented housing. Local governments should build housing units based on the population size as well as the demand for social housing. Housing units are administered by management entities, which are licensed by the Council of Ministers. A lease agreement is established between the management entity and the family; the agreement can be renewed if the requirements are met. The law has established that not less than 80 percent of the families that benefit from the program of social rented housing should have an income that equals the average income of the local government unit. For others, the income can be higher than the average income of the local government unit; however, not higher than 120 percent.

Housing subsidies. Local authorities can allocate housing subsidies to the beneficiaries of social rented housing. This may occur for instance if the family is homeless as a result of natural disasters or the municipality lacks funds for buying or building new housing units. The local council approves housing subsidies. Housing subsidies should not comprise more than 50 percent of the minimum rental value of the local government. The highest value is determined every year by the local council. The difference between the rental value and the housing subsidy should not comprise more than 30 percent of the family income. The subsidy can be renewed every year, if the requirements are met.

Low-cost housing. This program includes the provision of low-cost housing units. Such units are built or bought with state funds, municipal funds, or through donations and private initiatives. The (family) income of beneficiaries should not exceed 120 percent of the average income of the district. The ministry, which is responsible for housing, determines the maximum level of income. The Council of Ministers determines the norms and standards of housing units. The families that can benefit from the program of low-cost housing should not own a house; should have a living space below housing norms; and should have an income that does not exceed 120 percent of the average income of the district.

¹⁴ 13.5.2004, On social housing programs (*Për programet sociale të strehimit*). The description of social housing programs is based on Law no. 9232.

Land equipped with infrastructure. This program consists of investments made in land infrastructure, such as water, sewerage, and electricity. Such investments are made in state properties. The local government unit, based on the demand for housing, allocates resources for improving land infrastructure. This program can be used for social purposes (i.e. assisting vulnerable groups) or for profit. The land equipped with infrastructure can be sold to families that can't afford buying a low-cost housing unit or build the house with their own funds. Alternatively, it can be sold on the market. If this is the case, the income is used to expand social housing programs. Beneficiaries include families that do not own a house; have a living space below housing norms; and can't afford buying a low-cost housing unit. Beneficiaries can also obtain technical assistance from the municipality. This program has not been implemented yet. Often, government officials report that there is a lack of vacant land (which explains why the program has not been implemented). However, this is not always the case, especially in rural localities (see survey findings).

Rental subsidy. If the rent of the social housing unit comprises more than 25 percent of the family income, the family benefits rental subsidy. The subsidy equals the difference between the actual and affordable rent. The local council determines the amount of the rental subsidy. Beneficiaries of this program include orphans, persons with disabilities, families of fallen officers, returning immigrants, migrant workers, the Roma and Egyptian community, and state police employees.

Subsidized loans. Beneficiaries of low-cost housing have the right to get a mortgage with favorable terms from a financial institution that has a contract for credit management with the Ministry of Finance. The amount of subsidized loans is based on the financial situation of the family and is determined by the Ministry of Finance in collaboration with the Ministry of Urban Development and Tourism.

Immediate grant (or lump-sum subsidy) for low-cost housing units. Beneficiaries of low-cost housing are awarded immediate grants if one of the family members is a person with disabilities, or an orphan who is less than 30 years old. The amount of the immediate grant should not exceed 10 percent of the value of the housing unit. The immediate grant is allocated from the state budget.

Small grants. The central government allocates small funds to local governments with the purpose of implementing projects that can improve the housing conditions of the Roma community. The minister who is responsible for housing determines the criteria and procedures of benefiting from this program.

Referring to Law 8652, 31.07.2000, On Organization and Functioning of Local Governments, **the provision of housing is a function of local authorities.** 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 authorities 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 and Tourism 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. The local council approves the scoring system.¹⁵

Social administrators, located in the Office of Economic Assistance, 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).

LEGAL FRAMEWORK

We refer to the legal framework as a set of rules that regulate access to social housing programs. 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. A summary of the issues identified during the analysis is presented below:

Summary of laws, decisions, directives, orders, and normative acts (2004 – 2014)

Article	Issue
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¹⁵ 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.

Law no. 9232¹⁶	Providing, distributing, administering, and planning social housing programs.	
Article 5: Selection criteria, the scoring system	<ul style="list-style-type: none"> • Roma and Egyptian communities are not included. • Certain categories of disability, such as intellectual disability, are not recognized. • The way that multiple vulnerabilities should be treated is unclear. 	
Article 5: Selection criteria	<ul style="list-style-type: none"> • The rule which establishes that local governments should “mix together different social groups to avoid social isolation” (p. 6) is too vague. 	
Article 5/1: Transparency	<ul style="list-style-type: none"> • There is no mention of how to assess the qualities of information¹⁷ that should be provided by local officials. • There is a lack of a monitoring system to ensure that the information has good qualities. • There are no sanctions for local governments that fail to provide information. • The description of submitting a complaint is too general. There is no mention of how long it will take and what will happen if no answer is received. • The emphasis is only on traditional methods of communication. 	
Article 9/2: The standards of managing social rented housing units	<ul style="list-style-type: none"> • There is no mention of sanctions if the standards of managing social rented housing units are not met. 	
Article 20: Low-cost housing	<ul style="list-style-type: none"> • There is only one example of a sanction for families that do not abide by the rules of low-cost housing program.¹⁸ 	
Article 21-23: Equipping the land with infrastructure (e.g. water, sewage, electricity)	<ul style="list-style-type: none"> • This program has not been implemented. It is not clear why. The families that can benefit from the program should be capable of building their own house. 	
Article 24: Rent subsidy	<ul style="list-style-type: none"> • Priority is given to the following groups: orphans, persons with disabilities, families of fallen officers, returned immigrants, migrant workers, members of the Roma community, and state police employees. There is no mention of the Egyptian community and victims of domestic violence. 	
Article 25/1: Immediate grant for low-cost housing	<ul style="list-style-type: none"> • This grant targets two groups: persons with disabilities and orphans. 	
Article 25/2: Small grants	<ul style="list-style-type: none"> • These grants are allocated to local governments seeking to improve the living conditions of the Roma community. • There is no mention of the Egyptian community. Does this program target the Roma community alone? • Referring to Article 25/2, “The criteria and procedures of benefiting and distributing small grants are determined based on the directives of the minister who is responsible for housing.” The criteria and procedures should be clear and transparent. 	

¹⁶ 13.5.2004, On social housing programs (*Për programet sociale të strehimit*).

¹⁷ For instance, the information should be complete, easy to find and comprehend.

¹⁸ Referring to Article 37, the family that has benefited a low-cost housing unit cannot transfer his rights to another person or sublease the unit during the loan repayment period. If this is the case, the tenant must pay a fine that ranges from ALL 40,000 to 60,000.

Article 30: Funding sources for social housing programs	<ul style="list-style-type: none"> • Social housing programs are funded from three sources: state funds, donors, and municipal funds. There is no mention of how state funds are distributed; which social housing programs have priority; the formula that is used; and transparency procedures.
Article 34/1: Functions of the ministry that is responsible for housing	<ul style="list-style-type: none"> • There is no bank inventory at the national level that includes information on the number of families in need of social housing; the number of families benefiting social housing within a year; municipal income that will be allocated for social housing programs and funds requested from the state budget; the amount of land that will be used for social housing programs; the amount of rent approved by the municipal council. • While a few municipalities might have provided some information, it is not clear how the central government has used this information to improve the housing situation.
Article 37: Sanctions	<ul style="list-style-type: none"> • There are a few lenient administrative sanctions. Specifically, there are sanctions on: initiating a leasing agreement;¹⁹ terminating a leasing agreement;²⁰ and transferring the right for the low-cost housing program to another person.²¹
Decision 814²²	Housing norms for families that benefit from social housing programs. Housing norms include the living space that belongs to one person and the number of people who can live in a single room.
Decision no. 258²³	Conditions, norms, and standards that should be met by social rented units bought in the housing market.
Items 10-12	<ul style="list-style-type: none"> • Housing units should meet certain standards related to lighting, ventilation, humidity, and altitude, among others. They should also provide facilities for persons with disabilities. There is no mention of the legal consequences if such standards are not met.
Decision no. 35²⁴	The procedures of selling land equipped with infrastructure for market purposes.
Directive no. 19²⁵	The role of the National Entity of Housing regarding the program of low-cost housing.
Directive no. 6257²⁶	Determining the amount of subsidy for families that benefit soft loans.

¹⁹ The family is required to notify the management entity if it secures another housing unit. If it fails to do so, the family must pay a fine that ranges from 100 to 200 percent of the monthly rent.

²⁰ The lease must be terminated under one of the following conditions: (a) The tenant makes false statements regarding his income. When this the case, the tenant must return the amount that he has benefited. This applies only to the period for which the change in income has occurred; (b) The tenant has been granted another housing unit. When this is the case, the tenant must pay a fine that ranges from ALL 20,000 to 40,000; (c) The tenant has subleased the housing unit to a third party. When this is the case, the tenant must pay a fine that ranges from ALL 40,000 to 60,000.

²¹ The family that has benefited a low-cost housing unit cannot transfer his rights to another person or sublease the unit during the loan repayment period. If this is the case, the tenant must pay a fine that ranges from ALL 40,000 to 60,000.

²² 3.12.2004, On housing norms for families that benefit from social housing programs (*Për normat e strehimit për familjet që përfitojnë nga programet sociale të strehimit*).

²³ 28.04.2005, On conditions, norms, and standards that should be met by social rented units bought in the housing market (*Për kushtet, normat dhe standartet që duhet të plotësojnë banesat sociale me qira, të cilat blihen në treg*).

²⁴ 24.1.2007, On the procedures of selling land equipped with infrastructure for market purposes (*Për procedurat dhe format e shitjes së truallit, të pajisur me infrastrukturë, për qëllime tregu*).

²⁵ 13.9.2007, On determining the general rules for implementing the program of low-cost housing (*Për përcaktimin e rregullave të përgjithshme të zbatimit të programit të banesave me kosto të ulët*).

²⁶ 02.09.2008, On determining the amount of subsidy for families that benefit soft loans (*Mbi përcaktimin e masës së subvencionit për familjet që përfitojnë kredi të lehtësuara nga shteti*).

	Item 24	<ul style="list-style-type: none"> The families that have been granted low-cost housing have a six-month period to find a housing unit. If they do not succeed, they should file a request to the National Entity of Housing to postpone the deadline. The six-month rule was not considered realistic by local officials.²⁷
Decisions no. 148 ²⁸	The procedures of buying low-cost units in the housing market. Item 6	<ul style="list-style-type: none"> Low-cost housing units must be assessed if they meet housing standards. In addition, they must be assessed if they provide facilities for persons with disabilities. If they do not, municipalities should be awarded state funds based on their projections. It is unclear if local governments have taken advantage of this opportunity. Have they applied for state funds? If yes, have they been awarded such funds? If not, what barriers do they face?
Decision no. 260 ²⁹ Order no. 48 ³⁰	The method of determining the rent for the social rented housing program. The redistribution of low-cost housing units. Item 1	<ul style="list-style-type: none"> Requires the redistribution of 4,836 loans to the 12 regions of Albania.
Normative act no. 3 ³¹	The homeless releasing housing units to former owners. Articles 1-6	<ul style="list-style-type: none"> The problems with this act are addressed in Order no. 45 (see below).
Decision no. 574 ³²	The documents that a family should submit to benefit from a social housing program; deadlines and approved procedures of the local government. Items 1-13	<ul style="list-style-type: none"> A housing commission, which includes representatives of civil society organizations, among others, should be established. Such commissions do not always function.³³ Local government units must make the information public. The information must include: application criteria, the scoring system, the location of housing units, information on the contact person, the list of documents that should be submitted, application procedures, and an appellate body. There is no mention of what will happen if local governments fail to provide this information. Applicants should submit 11 documents. There is an additional number of 7 documents that apply to vulnerable groups. There is no mention of legal aid for vulnerable groups.

²⁷ See the Needs Assessment (UNDP, 2014).

²⁸ 13.02.2008, On determining the procedures of buying low-cost units in the housing market (*Për përcaktimin e procedurave për blerjen e banesave, me kosto të ulët, në treg*).

²⁹ 24.02.2010, On the methodology of determining the rent when social rented units are funded from the state budget, the municipal budget, or a combination of the two sources (*Për metodikën e llogaritjes së masës së qirasë, kur banesat sociale me qira financohen nga buxheti i shtetit ose buxheti i bashkëve apo nga kombinimi i të dyjave*).

³⁰ 18.04.2011, An efficient administration of the housing program under implementation – low-cost housing, the second phase 2010-2012 (*Një administrim më eficient të programit të strehimit në zbatim – banesat me kosto të ulët, faza e dytë 2010-2012*).

³¹ 1.3.2012, On homeless individuals – residing in apartments owned by former expropriated subjects – releasing housing units to legal owners (*Për lirin e banesave pronarëve të ligjshëm nga qytetarët e pastrehë, banues në banesat ish-pronë e subjekteve të shpronësuar*).

³² 29.08.2012, On determining the documents that a family should submit to benefit from a social housing program, and the deadlines and approved procedures of the local government (*Për përcaktimin e dokumentacionit, që duhet të paraqesë familja për t'u strehuar sipas njërës prej programeve sociale të strehimit, dhe të afatëve e të procedurave të miratimit nga organet e qeverisjes vendore*).

³³ See the Needs Assessment (UNDP, 2014).

		<ul style="list-style-type: none"> The housing office in the municipality verifies the documents submitted by the individual and the family income within 10 days from the submission day. If it shows that the family has provided false documents, then the family is denied access to social housing programs.
Directive no. 18 ³⁴		The minimum and maximum level of income that is required to benefit low-cost housing.
Order no. 45 ³⁵		Creating protective mechanisms for the homeless who release housing units to former owners.
	Items 1-4	<ul style="list-style-type: none"> If homeless families include members who are in difficult circumstances (e.g. retired, pregnant), the National Entity of Housing should collaborate with the local government, the Ministry of Urban Development and Tourism and the Ministry of Social Welfare and Youth to provide housing in social rented housing units. If there are not social housing units, then these families should be awarded housing subsidy. This is the only order that includes a rationale for the proposed action.³⁶ This order also promotes a sense of collaboration and shared responsibility between different actors: the National Entity of Housing, the Ministry of Urban Development and Tourism, the Ministry of Social Welfare and Youth, and local governments. The decision to award low-cost housing was made by the Prime Minister. This rule promoted favoritism. Applicants had to submit only five papers, including a personal request, a family certificate, an identification number, a personal income statement, and an official document indicating that they bought the house. Meanwhile, ordinary citizens have to submit more than ten documents; a birth certificate, a statement of residence, a statement of family income, employer's certificate of income, three different types of certificates from the Immovable Property Office, etc. Priority is placed on the following groups: families that have not benefited from Law 7652; female-headed families; single-parent families; older adults; persons with disabilities; families with many children; young couples; families that
Decision (appealed) ³⁷	600	
Informative material on housing opportunities for		

³⁴ 26.11.2012, On estimating the maximum level of income to benefit low-cost housing (*Për llogaritjen e nivelit maksimal të të ardhurave për përfitimin e kredisë për banesat me kosto të ulët*).

³⁵ 23.12.2013, On undertaking legal measures in the National Entity of Housing to implement the normative act no. 3 (*Për marrjen e masave ligjore në EKB, për zbatimin e aktit normativ nr. 3, datë 01.08.2012*).

³⁶ Specifically, three explanations are provided: (a) The problems identified during the implementation of the Normative Act no.3, 01.08.2012; (b) The executive order of the National Entity of Housing (to expell homeless families from the housing unit of the former owner) is based only on the owners' declaration, which are not always accurate, has led to severe consequences for tenants; (c) Taking into consideration the comment no. 7 of the Committee of Economic, Social, and Cultural Rights on forced removals from the housing unit.

³⁷ 12.09.2007, On treating with housing the civil servants of the state administration and political functionaries (*Për trajtimin me strehim të nëpunësve civil të administratës së lartë shtetërore dhe funksionarëve politikë*). This decision was first introduced in 1998 (decision no. 810). It was updated in 1999 (decision no. 102), 2000 (decision no. 695), 2004 (decision no. 830), 2005 (decision no. 328), and 2007 (decision no. 600).

<p>returning citizens Decision³⁸</p>	<p>Albanian</p>	<p>have changed residence; and orphans. Members of the Roma and Egyptian community are not included.</p> <ul style="list-style-type: none"> • Social housing programs give priority to persons with disabilities. • The priority given to persons with disabilities is reflected on the scoring system, which is approved by the local council, for every social housing program run by the local government.
<p>Decision³⁹</p>		<ul style="list-style-type: none"> • Local governments should submit requests for immediate grants to the central government. The following groups have priority: persons with disabilities and orphans. The value of the immediate grant ranges from 5 to 10 percent of the value of the low-cost housing unit.

This analysis suggests that several steps should be undertaken to improve the response to homelessness, such as including Roma and Egyptian communities in the scoring system; recognizing and addressing cases with multiple vulnerabilities in the scoring system; establishing a monitoring system to ensure that the information has good qualities; specifying the provision of capacity-building programs to help local officials address the needs of vulnerable groups for information; strengthening sanctions for families that do not abide by the rules of the program of low-cost housing and increasing transparency; strengthening the capacities of local governments to secure and manage funds from donors; developing programs to enhance the capacities of local governments to develop a long-term housing program; and developing a national inventory that includes information for both urban and rural areas and using the information to inform national policies and programs. See the section on Intervention Areas for more details.

APPLICANTS AND BENEFICIARIES

This section focuses on the number of applicants and beneficiaries by program, municipality, and group. Results are based on the data obtained from the National Entity of Housing. They refer to the period 2005 – 2014. The numbers provided below should be read with caution. In some instances there were discrepancies, numbers did not correspond to one other (e.g. the sum of the number of applicants for each program did not correspond to the total number of applicants reported). To strengthen data reliability, the author calculated the number of applicants for each program and then the total number of applicants; however, the data were not checked at the source, i.e. the municipality.

Applicants by Program⁴⁰

³⁸ We were not able to obtain information on the number of the decision. The decision is approved recently. On the categories of persons with disabilities who have priority in the programs of social housing (*Për kategoritë e personave me aftësi të kufizuar që trajtohen me përparësi nga programet sociale të strehimit*).

³⁹ We were not able to obtain information on the number of the decision. The decision is approved recently. On procedures, criteria and priorities for benefiting the immediate grant (*Për procedurat, kriteret dhe përparësitë për përfitimin e grantit të menjëhershëm*).

⁴⁰ Forty-five municipalities were included in the analysis: Tirana, Kamza, Berat, Çorovoda, Kuçova, Poliçan, Ura Vajgurore, Bulqiza, Burrel, Peshkopi, Durrës, Fushë Kruja, Kruja, Manëz, Shijak, Cërrik, Elbasan, Gramsh, Peqin, Ballsh, Divjakë, Fier, Roskovec, Përmet, Memaliaj, Tepelena, Korça, Pogradec, Bilisht, Leskovik, Maliq,

The total number of applicants is 35,011.⁴¹ The number of applicants by program is presented below:

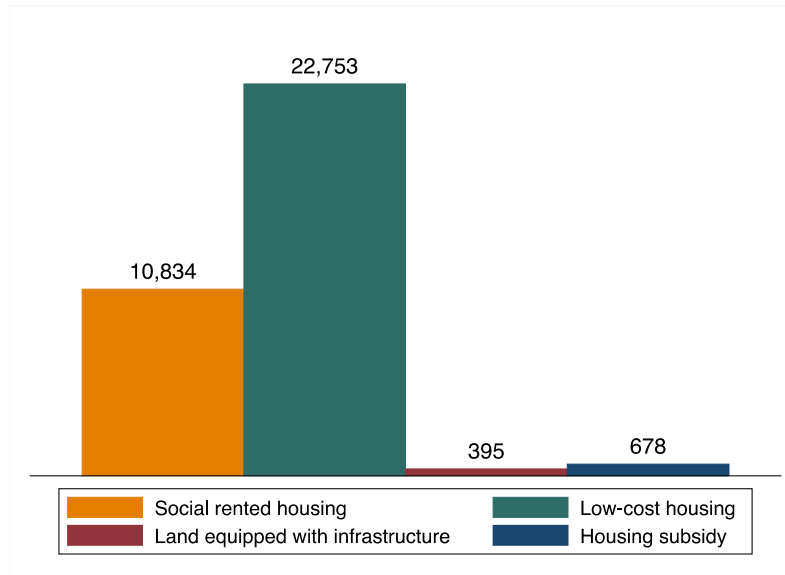


FIGURE 1: The number of applicants by program

The majority of individuals have applied for the program of low-cost housing. Specifically, 64.99 percent have applied for low-cost housing, 30.94 percent for social rented housing, 1.94 percent for housing subsidies, and 1.13 percent for land equipped with infrastructure. 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.

Applicants by Municipality

The municipalities that have the highest number of applicants include Tirana (n = 10,528), Elbasan (n = 3,506), Korça (n = 2,903), Durrës (n = 2,800), Fier (n = 2,650), Vlora (n = 1,945), Shkodra (n = 1,900), Kuçova (n = 1,104), Lezha (n = 1,009), and Saranda (n = 1,002). The municipalities that have the lowest number of applicants include Leskovik (n = 1), Roskovec (n = 3), Divjaka (n = 4), Ura Vajgurore (n = 18), Orikum (n = 29), Maliq (n = 31), Patos (n = 32), Burrel (n = 50), Tepelena (n = 50).

We also looked at the number of applicants by program and municipality. For instance, the number of applicants for the program of housing subsidies is as follows: Fushë Kruja (n=358), Elbasan (n = 17), Kruma (n = 24), Lezha (n = 3), Vau i Dejës (n = 43), Delvina (n = 151), and Vlora (n = 82). The number of applicants for the program of land equipped with

Kruma, Lezha, Rrëshen, Puka, Shkodra, Vau i Dejës, Delvina, Orikum, Saranda, Selenica, Vlora, Lushnja, Patos, and Bajram Curri.

⁴¹ There is a fifth category (n=351) that is not presented in the graph. Some municipalities did not specify the program.

infrastructure is as follows: Tirana (n = 104), Berat (n = 1), Elbasan (n = 1), Maliq (n = 8), Lezha (n = 9), Vau i Dejës (n = 13), Saranda (n = 56), and Selenica (n = 203).

Vulnerable Groups⁴²

Only a few municipalities have provided information on vulnerable groups. We looked at the characteristics of vulnerable groups in Tirana, Kuçova, Peshkopia, and Berat. Their characteristics are listed below:

- The majority of applicants do not own a house.
- The number of vulnerable groups varies across municipalities. For instance, in the case of Berat, the largest vulnerable group is single parents; in the case of Kuçova, persons with disabilities.
- New vulnerable groups, such as returned immigrants are more likely to apply in Kuçova and Peshkopi than Tirana and Berat.

In the case of Tirana, 91.43 percent of all applicants do not own a house; 8.76 percent live in a housing unit that has collapsed or is about to collapse; 5.31 percent are single parents; and 2.4 percent are orphans. In the case of Berat, 67.35 percent of all applicants do not own a house; 2.18 percent live in a housing unit that has collapsed or is about to collapse; 3.79 percent live in a crowded housing unit; 12.25 percent are single parents; 1.31 percent are older adults; 3.64 percent are young couples; 9.33 percent are persons with disabilities; 0.14 percent are orphans. In the case of Kuçova and Peshkopi, there were a few instances of returned immigrants applying for social housing programs, 0.81 (n = 9) and 1.43 (n = 1) percent of all applicants respectively.

Beneficiaries by Program⁴³

The total number of beneficiaries is 5,021.⁴⁴ In other words, 14.34 percent of applicants have benefited from social housing programs. The number of applicants and beneficiaries by program is presented below:

⁴² Vulnerable groups are divided in the following categories: a.i do not own a house; a.ii live in a housing unit that is about to collapse; a.iii live in a crowded housing unit; a.iv are or are in danger of remaining homelessness as a result of natural disasters or the enforcement of court decisions; b.i single parents; b.ii older adults; b.iii large families; b.iv young couples; c.i persons with disabilities; c.ii orphans; c.iii returned immigrants; c.iv families of fallen officers; c.v victims of domestic violence.

⁴³ Forty municipalities were included in the analysis, including Tirana, Kamza, Berat, Çorovoda, Kuçova, Poliçan, Bulqiza, Burrel, Peshkopi, Durrës, Fushë Kruja, Kruja, Manza, Shijak, Cërrik, Elbasan, Peqin, Prrenjas, Ballsh, Divjakë, Lushnja, Patos, Roskovec, Permet, Memaliaj, Tepelena, Korça, Pogradec, Bilisht, Bajram Curri, Kruma, Lezha, Rrëshen, Shkodër, Vau i Dejës, Delvina, Orikum, Saranda, Vlora, and Cërrik. The municipality of Fier was not included in the analysis because the data was contradictory.

⁴⁴ Some municipalities did not specify the number of beneficiaries (n = 120) by program.

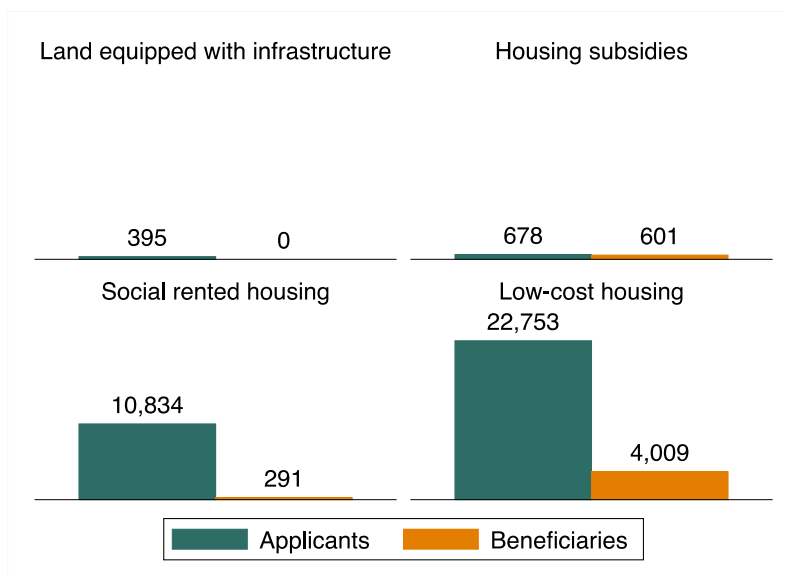


FIGURE 2: Applicants and beneficiaries by program

- The number of applicants for social rented housing is 10,834; only, 291 or 2.68 percent of applicants have benefited social rented housing.
- The number of applicants for low-cost housing is 22,753; 4,009 or 17.62 percent of applicants have benefited low-cost housing.
- The number of applicants for housing subsidy is 678; 601 or 88.6 percent of applicants have benefited housing subsidy.
- The number of applicants for the land equipped with infrastructure program is 395. The number of beneficiaries is 0.

Other characteristics:

- The highest number of beneficiaries (and applicants) is for the program of low-cost housing.
- The highest proportion of beneficiaries is for the program of housing subsidies. Almost 89 percent of applicants have benefited from the program.
- There is a high demand for social rented housing. Only 2.68 percent of applicants have benefited from the program.
- Tirana has the highest number of beneficiaries (n = 1,271) followed by Shkodra (n = 400), Vlora (n = 312), and Korça (n = 240).

HOUSING FUNDS, PROJECTS, AND COSTS

This section will focus on housing funds (1993 – 2010), sources of housing funds, and housing projects (2005-2012).

Housing funds

During 1993 – 2010, ALL 13,903,000,000 were invested in housing programs. Figure 3 presents the amount of housing funds over time.

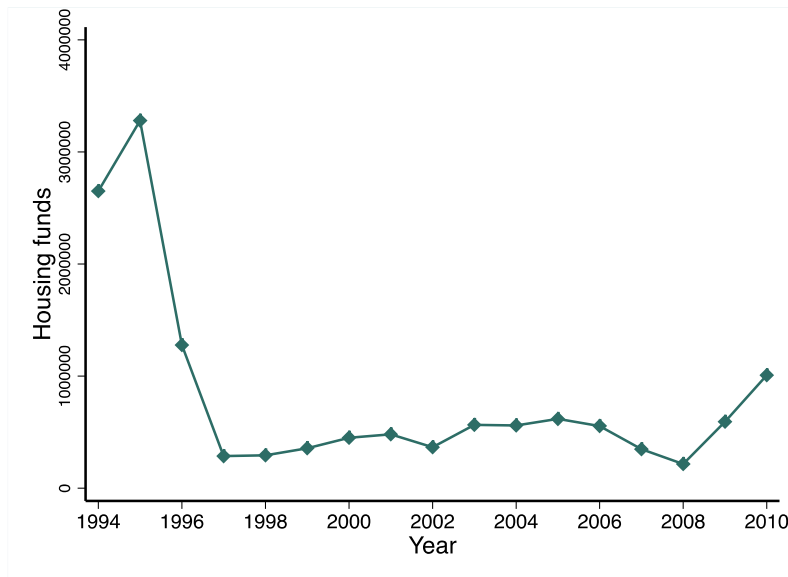


FIGURE 3: Changes in housing funds over time (1993 – 2010) (in thousand new Lekë)

In 1995, the government of Albania spent ALL 3,279,249,000. After 1995, housing funds declined significantly. In 1996, housing funds were almost 2.56 times lower than in 1995; in 1998, they were 11.2 times lower than in 1995; and in 2008, housing funds were lower than in 1997. Housing funds have increased after 2008. In 2009, housing funds were 2.75 times higher than in 2008; in 2010, they were 4.67 times higher than in 2008.

There have been three sources of housing funds: the state budget, privatization funds, and loans. During 1993 – 2010, the main source of housing funds was the state budget (59.6 percent) followed by loans from the World Bank, CEB, domestic banks, and the Greek government (26.81 percent) and privatization funds (13.58 percent). The three sources of housing funds are presented below.

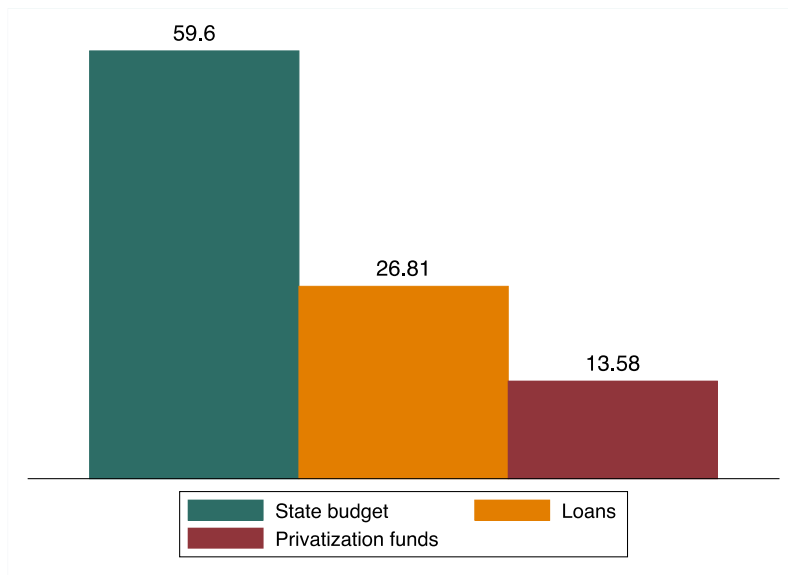


FIGURE 4: Sources of housing funds (1993 – 2010)

Housing projects

During 2005-2012, the government has undertaken the following initiatives to address housing needs: (1) building social rented housing units; (2) building new housing units; (3) buying housing units in the marketplace; and (4) subsidizing loan interests. The number of housing units bought and built is 1,613. The majority of them are social rented housing units. Specifically, the number of social rented housing units built is 922; the number of new housing units built is 658; the number of housing units bought in the marketplace is 33.

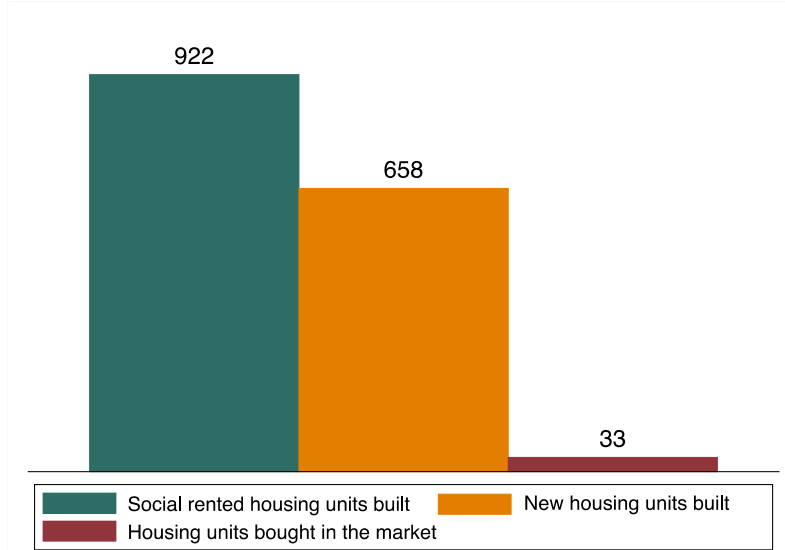


FIGURE 5: The number of housing units bought and built (2005-2012)

We also looked at the municipalities where housing projects have been implemented. The majority of social rented housing units are built in Tirana (n=385) followed by Durrës (n=126), Korça (n=99), Fier (n=96), Elbasan (n=96), Kavaja (n=48), Berat (n=48), and Peshkopi (n=24). New housing units are built in Shkodra (n=124), Korça (120), Elbasan (79), Durrës (48), Kavaja (40), Fier (24), Vlora (24), Gjirokastra (20), and Puka (n=8). The majority of housing units are built in Shkodra and Korça. Housing units are bought in Kukës (14), Peshkopi (4), Përmet (4), Tropoja (3), Gramsh (3), Prrenjas (3), Ballsh (1), and Këlcyra (1). Housing units are built (with EKB funds) in Durrës (n=48), Shkodra (n=41), Korça (n=41), Kavaja (n=41), and Saranda (n=41).

Housing costs

The total cost of housing projects is ALL 4,505,157,520. The distribution of costs across projects is presented below.

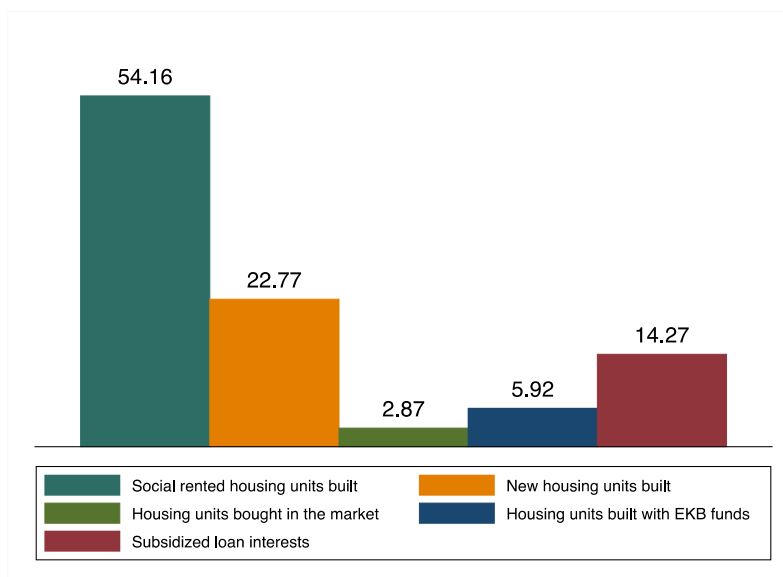


FIGURE 6: The distribution of costs across housing projects (2005-2012)

Figure 6 shows that more than half of the total cost (54.16 percent) is allocated for building social rented housing units, followed by building new housing units (22.77 percent), subsidizing loan interests (14.27 percent), building new housing units with funds from the National Entity of Housing (5.9 percent), and buying housing units in the market (2,8 percent). Other figures are provided by the National Entity of Housing; specifically, 65 percent of the cost is allocated for building social rented housing units, 43 percent for building new housing units with funds from the National Entity of Housing, 7 percent for subsidizing loan interests, 4 percent for buying housing units in the market, and 1 percent for improving the living conditions of the Roma community.

By 2012, there were 4,836 beneficiaries. The number of municipalities that had the highest number of beneficiaries – more than 200 beneficiaries – are Tirana, Shkodra, Vlora, Korça, Elbasan, and Fier. The municipalities that did not have any beneficiaries by 2012 are Belsh, Divjaka, Konispol, Manza, and Sukth (see Appendix 1, Table 3 for a summary of beneficiaries by 2012).

SURVEY FINDINGS

This section presents the findings of surveys conducted in municipalities and communes. We have presented municipalities and communes separately because of the differences that exist between the two. Social housing programs have been implemented in municipalities alone. In addition, municipalities and communes are characterized by different levels of development. For instance, the quality of public services and housing conditions are better off in municipalities than communes.⁴⁵

Surveys were filled out by different specialists, such as engineers, urban planners, lawyers, inspectors, and operators and in some instances by housing specialists, department heads, and

⁴⁵ Instat. (2014a). Kushtet e banimit dhe jetesës. Tiranë, Shqipëri: Instat.

vice mayors. Many respondents did not provide information on the questions that focused on income, such as local revenues and municipal budget. This might be for different reasons. First, respondents did not have information on the municipal budget and did not ask for information from their colleagues. Second, budget specialists were not in the municipality (surveys were distributed during August). Third, local authorities did not place a high value on the survey. In addition, they were not aware of the implications that the lack of information has for the analysis. Fourth, local authorities did not provide information on purpose because they did not want to reveal information to the central government.⁴⁶

MUNICIPALITIES

Twenty-seven municipalities⁴⁷ responded to the survey, including Bilisht, Manëz, Gramsh, Kuçova, Librazhd, Himara, Selenica, Fushë-Kruja, Klos, Leskovik, Gjirokastra, Lushnja, Kruja, Roskovec, Divjaka, Cërrik, Mamurras, Vlora, Erseka, Përmet, Bulqiza, Pogradec, Poliçan, Tepelena, Shkodra, Burrel, and Laç. They represent the following regions: Berat, Dibër, Durrës, Elbasan, Fier, Gjirokastër, Korça, Lezha, Shkodra, and Vlora. The response rate is 41.54 percent.

Information on the number of homeless individuals in the municipality

Eighteen municipalities (69.23 percent) reported having information on the number of homeless individuals. Meanwhile, 8 municipalities (30.77 percent) do not have information on the number of homeless individuals.

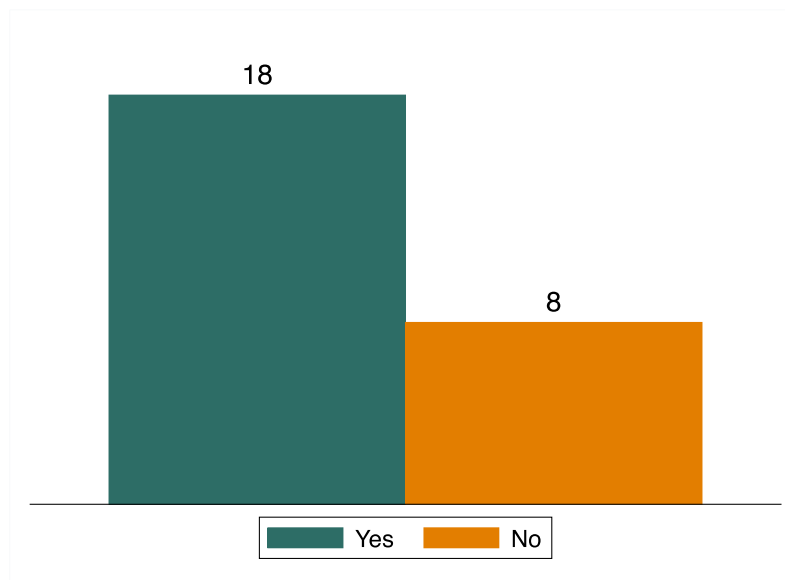


FIGURE 7: Local authorities have information on the number of homeless individuals

The number of homeless individuals in the municipality

⁴⁶ One way of addressing this shortcoming would be to contact again the municipalities and ask them to provide the information that is missing. This is possible because respondents have provided their contact information.

⁴⁷ The sample will not always be 27 because of the missing values.

The number of homeless individuals ranges from 0 to 1,985 ($M = 283.88$, $SD = 443.68$). Overall, local authorities estimate a number of 7,381 homeless individuals. The municipalities with the highest number of homeless individuals are Shkodra ($n = 1,985$), Vlora ($n = 1,330$), Pogradec ($n = 636$), and Laç ($n = 420$). The municipalities with the lowest number of homeless individuals are Manza ($n = 3$), Roskovec ($n = 3$), and Himara ($n = 5$).

The number of applications for social housing

The number of applications for social housing 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. For instance, the municipality of Bilisht reports a number of 217 homeless individuals. Meanwhile, only 60 individuals have applied for social housing. The reasons for this discrepancy can be numerous. For instance, the homeless may lack information, do not fulfill the criteria, or do not trust local authorities.

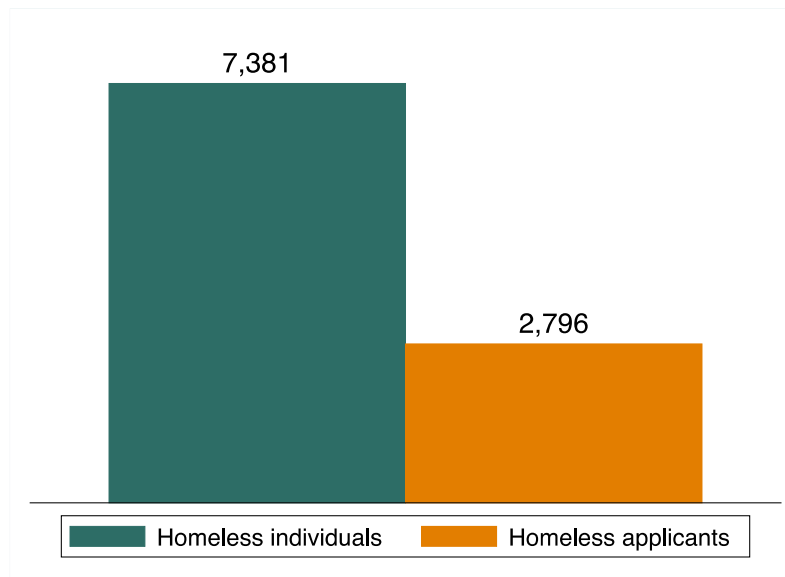


FIGURE 8: The number of homeless individuals vs. homeless applicants

The number of applications by group

The number of applications by group is as follows: female-headed families ($n = 739$); single-parent families ($n = 329$); large families ($n = 376$); older adults ($n = 197$); persons with disabilities ($n = 541$); young couples ($n = 901$); families that have changed residence ($n = 91$); orphans ($n = 86$); returning emigrants ($n = 129$); migrant workers ($n = 91$); asylum seekers ($n = 1$); family members of fallen officers ($n = 4$); victims of domestic violence ($n = 6$); Roma families ($n = 43$); Egyptian families ($n = 365$); and recipients of economic assistance ($n = 738$); and other groups ($n = 223$).

Results indicate that young couples, female-headed families, recipients of economic assistance, and persons with disabilities are more likely to apply for social housing. Asylum seekers, family members of fallen officers, and victims of domestic violence are less likely to apply for social housing. The number of Egyptian families that have applied for social housing is 8.5 times higher than the number of Roma families.

The number of beneficiaries

Local authorities estimate a number of 1,007 beneficiaries. The number of applicants is 2.77 times higher than the number of beneficiaries. However, this varies across local governments. There are instances when the number of applicants is more than 10 times higher than the number of beneficiaries.

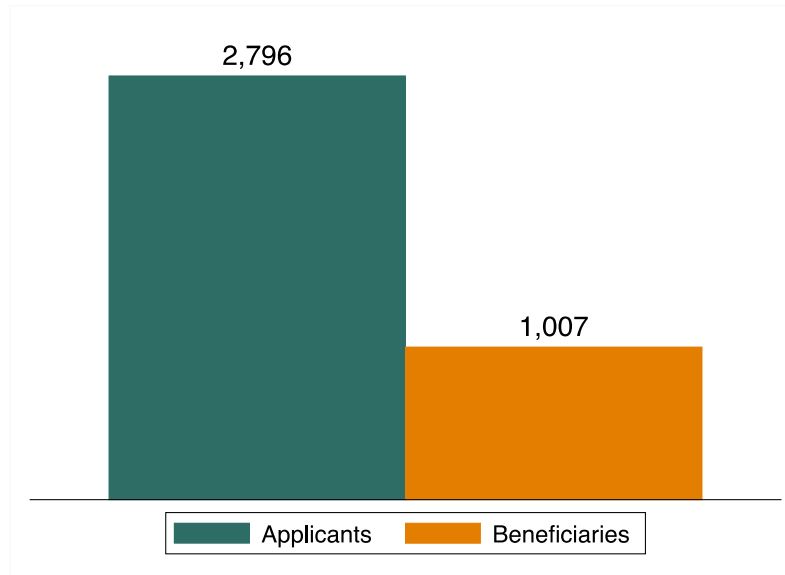


FIGURE 9: The number of applicants vs. beneficiaries

The number of beneficiaries by group

We also looked at the number of beneficiaries by group. The number of beneficiaries by group is as follows: female-headed families (n = 138); single-parent families (n = 122); large families (n = 96); older adults (n = 50); persons with disabilities (n = 73); young couples (n = 362); families that have changed residence (n = 26); orphans (n = 4); returning emigrants (n = 36); migrant workers (n = 28); asylum seekers (n = 0); family members of fallen officers (n = 0); victims of domestic violence (n = 0); Roma families (n = 16); Egyptian families (n = 41); and recipients of economic assistance (n = 168); and other groups (n = 80).

Young couples, recipients of economic assistance, female-headed families, and single-parent families are more likely to benefit from social housing programs. Asylum seekers, family members of fallen officers, and victims of domestic violence have not benefited from social housing programs. We also calculated the difference between the number of applicants and beneficiaries for each group. The proportion of beneficiaries for each group (the number of beneficiaries divided by the number of applicants) is as follows: female-headed families (0.19); single-parent families (0.37); large families (0.25); older adults (0.25); persons with disabilities (0.13); young couples (0.40); families that have changed residence (0.28); orphans (0.04); returning emigrants (0.28); migrant workers (0.31); asylum seekers (0); family members of fallen officers (0); victims of domestic violence (0); Roma families (0.37); Egyptian families (0.11); and recipients of economic assistance (0.23); and other groups (0.36).

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.
- 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 (0.11 *vs.* 0.37). 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).
- 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.

The main problems in providing social housing

Respondents were asked on the problems that they face in providing social housing. They were also asked to rank problems by importance. Almost all municipalities ranked the lack of funding as the main problem. In addition, they characterized the poorest of the poor as the least likely to benefit from housing programs. This is for two reasons: they do not meet the criteria and application procedures are too long and costly. A detailed list of problems is presented below:

The majority ranked the lack of funding to expand social programs as the main problem: the central government does not provide funding for social housing and the municipality has weak fiscal capacities. Others mentioned that local authorities lack experience in providing social housing; have not conducted a study to assess the situation; and have problems with land management. The poorest of the poor do not meet the criteria for social housing programs; the municipality lacks vacant land to build housing units; there are conflicts over land; the municipality does not have a housing plan; municipal properties are not registered; local authorities have not attracted donors; and banking procedures are long and costly. In addition, they mentioned that there is a lack of construction companies or they lack collaboration with construction companies, and the municipality has weak fiscal capacities. One of the respondents mentioned that even if the municipality expands the program of low-cost housing, those in need will not be able to benefit because this program is not affordable. A few respondents mentioned that there is a lack of collaboration with the National Entity of Housing; vulnerable groups do not trust local authorities; and the legislation is not clear on how to address the needs of the poor.

This is how one of the respondents characterized the situation: “There is a considerable number of individuals and families who are in need of social housing but so far have been forgotten. It is impossible for us, as a municipality, to provide social housing because of our weak fiscal capacities. We need clear policies and strict regulations as well as guaranteed funding sources. Otherwise, numbers will remain on paper, as they did before.”

Priority groups in the scoring systems

Respondents were asked on the groups that have priority in the scoring system. Results indicate that local governments place higher priority to large families and single-parent families followed by families that have not benefited from Law no. 7652,⁴⁸ persons with disabilities, female-headed families, families that do not own a housing unit, families that live in difficult conditions (e.g., overcrowded), orphans, families that receive economic assistance, Roma and Egyptian families, victims of domestic violence, and young couples. Even though only one municipality places higher priority to young couples, the majority of beneficiaries, across all local governments, are young couples.

Difficulties in implementing the scoring system

Five municipalities (18.52 percent) reported facing difficulties in implementing the scoring system. They explained that the distribution is based on the preferences of local councilors and the definition of vulnerable groups is not clear.

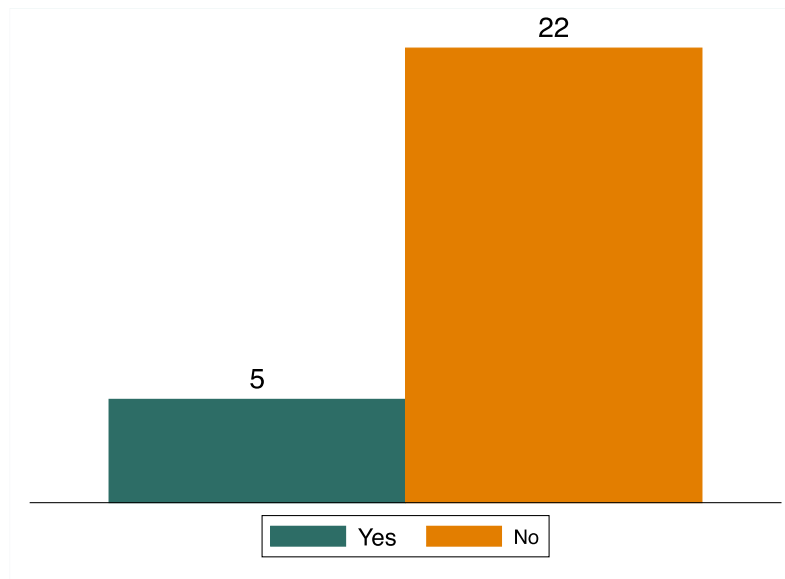


FIGURE 10: Local authorities face difficulties in implementing the scoring system

Suggestions for improving the scoring system

Two suggestions were given on how to improve the scoring system: (a) decreasing the number of vulnerable groups because “it is impossible to select among categories,” and (b) setting new selection criteria that increase the likelihood of selecting the poor. However, respondents did not specify the new selection criteria that they would establish.

The program used to record applicants’ data

Twelve respondents (44.44 percent) do not use any program to record applicants’ data and 15 respondents (55.56 percent) use excel.

⁴⁸ On State Housing Privatization (1992).

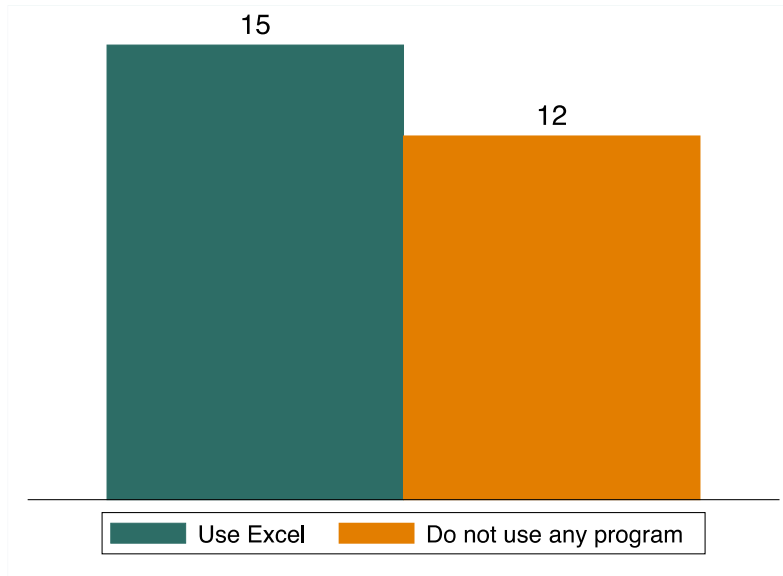


FIGURE 11: The program used by local authorities to record applicants' data

The program used to record beneficiaries' data

Eleven respondents (40.74 percent) do not use any program to record beneficiaries' data, 15 respondents (55.55 percent) use excel, and 1 respondent (3.7 percent) use another program (did not specify the program).

The program used to analyze the data

Similarly, the majority of respondents do not use any program or use excel to analyze the data, 10 (38.46 percent) and 12 (50 percent) respectively. One of the respondents suggested recording the data for each applicant and tracking his or her status over time.

The quality of the data system

The majority of respondents, 24 respondents (92.3 percent), characterized the data system as either accurate or very accurate; 2 respondents (7.7 percent) characterized it as not at all accurate or not accurate.

Problems in using the data system

Two respondents reported having problems with the data system. They did not specify the kind of problems that they face.

The frequency of updating the data

The majority of respondents, 11 (42.31 percent) reported updating the information when implementing a social housing program. Others mentioned that they update the data once a year, twice a year, or more or less frequently. The information is updated and presented to the local council. Overall, housing specialists update the information when they have to provide information to the local council or a new social housing program is implemented.

Municipal budget for social housing

Local revenues

In 2002, the mean value of local revenues was ALL 45,660,017 (*SD*: 171,000,000; *range*: 20,879-876,181,000). In 2013, the mean value of local revenues was ALL 44,500,000 (*SD*: 168,000,000; *range*: 77,769-861,700,000). In 2014, the mean value of local revenues was ALL 51,000,000 (*SD*: 178,000,000; *range*: 17,400-849,000,000). There are several instances of municipalities where local revenues have declined over time. Fifteen municipalities did not report local revenues.

Local revenues allocated for social housing

Only one municipality (the municipality of Vlora) reported allocating local revenues for social housing. The amount was consistent over years, ALL 2,000,000. Compared to other municipalities, the municipality of Vlora has higher local revenues. For instance, in 2012, the municipality had a revenue of ALL 876,181,000. Meanwhile, other local governments had an average revenue of ALL 39,626,608 – around 22 times lower than the municipality of Vlora. This confirms that there is a strong relationship between the ability of local governments to raise revenues and invest in social housing.

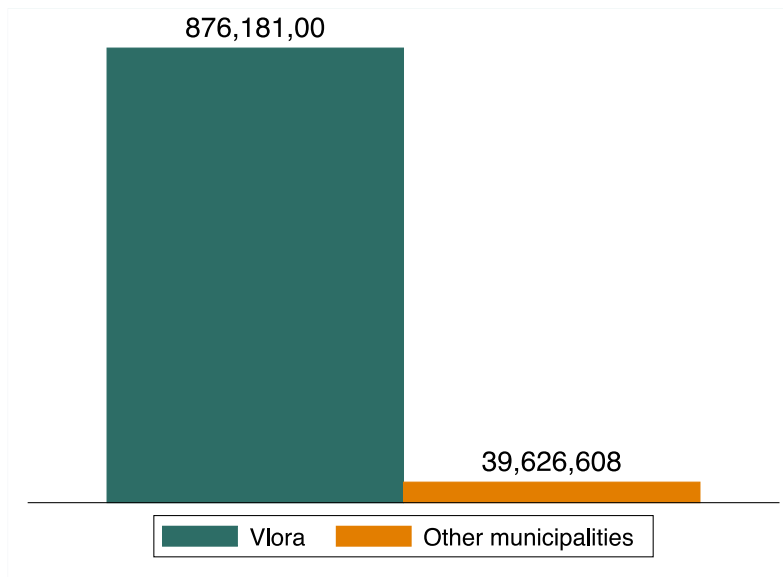


FIGURE 12: The revenue of the municipality of Vlora vs. the average revenue of other municipalities (2012)

Municipal budget

Only 10 municipalities reported their budget. It is unclear why more than 60 percent of municipalities did not report their budget. In 2012, the mean value of the municipal budget was ALL 70,000,000 (*SD*: 226,000,000; *range*: 60,362-1,170,000,000). In 2013 and 2014, the mean value of the municipal budget has increased to ALL 73,300,000 and 80,500,000, respectively.

Municipal budget allocated for social housing

Only one municipality (the municipality of Lushnja) reported allocating budget for social housing during 2012-2014. The amount is significantly low. The amount has increased from 2012 to 2013, from ALL 2,500 to 2,880 and then decreased again to ALL 2,400 in 2014.

Donations and other funding used for social housing

None of the respondents reported relying on donations or other funding.

Reliance on local resources (e.g. foundations, businesses) to provide social housing

Only one municipality reported relying on local resources to provide social housing. Others provided the following explanations: there is a small number of businesses and therefore local revenues; there are no foundations; neither foundations, nor businesses are concerned with social housing; there are no policies and strategies to regulate the relationship with businesses; and no studies have been undertaken to examine the problem of homelessness in their municipality. One of the respondents mentioned that “businesses are not interested in this area [social housing] because it is dangerous; they see major risks [lit: sheh rreziqe të mëdha në këtë drejtim].” However, no explanations were provided on the dangers involved. Others mentioned that several efforts have been made to collaborate with foundations and businesses; however, such efforts have not been successful.

Establishing collaborative relationships with construction companies to address homelessness

Six respondents (23.08 percent) reported that they have tried to establish collaborative relationships with construction companies to address the problem of homelessness. This includes the municipalities of Kruja, Erseka, Përmet, Bulqiza, Pogradec, and Laç. These cases should be further investigated to understand the outcomes.

The following problems were addressed: there are no construction companies in small municipalities or they are underdeveloped; there is a lack of vacant land; there is little interest in building social housing units that are not very profitable; developers do not trust local authorities; there are no policies or guidelines on how to establish collaborative efforts with construction companies; and companies request land equipped with infrastructure. One of the respondents shared his experience of seeking the help of two construction companies in building an apartment with 15 units. His efforts were not successful (the reasons for this were not explained). One respondent explained that construction companies expect local authorities to contribute a significant amount of money or provide land equipped with infrastructure. Another mentioned that construction companies seek to increase profit, not provide social housing.

Willingness to provide financial incentives to construction companies that invest in social housing programs

Twenty respondents (80 percent) said that they are willing to provide financial incentives to construction companies that invest in social housing. Those who said that they are not willing to provide financial incentives explained that a municipality with a small budget is not in a position to offer financial incentives.

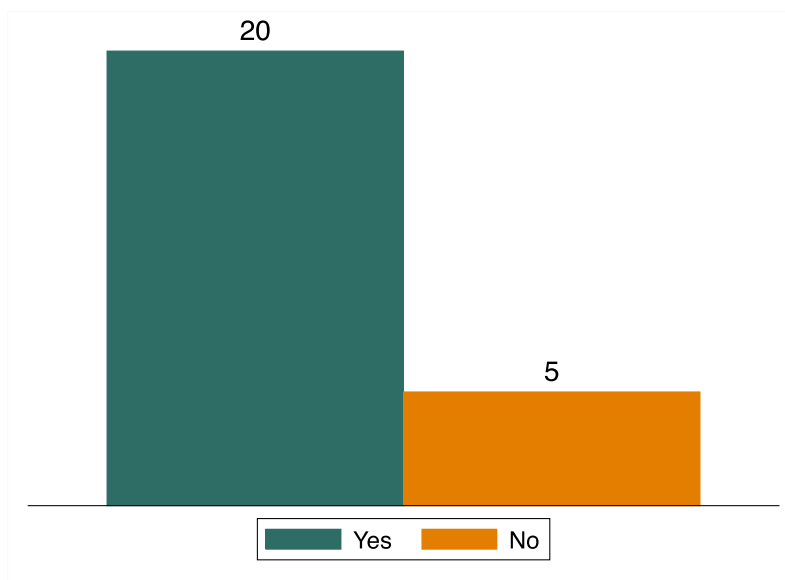


FIGURE 13: Local authorities are willing to provide financial incentives to construction companies

Housing and land inventory

Social housing units built in the city

The majority of municipalities, 81.48 percent, do not have any social housing unit in their territory; 2 municipalities (7.41 percent) have one social housing unit; and 1 municipality (3.7 percent) has 4 social housing units.

Vacant social housing units built in the city

None of the municipalities has a vacant social housing unit.

Low-cost housing units built in the city

The majority of municipalities, 23 municipalities or 85.19 percent, do not have low-cost housing units. There are two exceptions – the municipality of Përmet (n = 32) and Shkodra (n = 166).

Vacant low-cost housing units built in the city

None of the municipalities reported vacant low-cost housing units.

Unsold housing units in the marketplace

The average number of unsold housing units in the marketplace is 179.18 (range: 0 – 3,000). Eight municipalities reported that they do not have unsold housing units in the marketplace. This includes for instance the municipalities of Bilisht, Manëz, Gramsh, Librazhd, Selenica, Klos, and Leskovik. The municipalities with the highest number of unsold housing units include Vlora (n=3,000), Pogradec (n=500), Lushnja (n=400), and Gjirokastra (n=300).

Vacant land owned by the municipality that can be used for building social housing units

The mean value of the vacant land owned by municipalities that can be used for building social housing units is 8,366 m² (range: 0-80,156). Ten municipalities, 41.66 percent, reported that

they do not own vacant land that can be used for building social housing units. The municipalities that do not own vacant land include for example Himara, Fushë-Kruja, Leskovik, Kruja, Cërrik, and Mamurras. The municipalities that own the highest amount of vacant land include Erseka (80,156 m²), Përmet (43,617 m²), Divjaka (40,000 m²), Bulqiza (25,000 m²), and Gramsh (24,000 m²).

Vacant land owned by the municipality that can be equipped with infrastructure

The mean value of the vacant land owned by the municipality that can be equipped with infrastructure is 8,078 m² (*range*: 0-80,156). The mean value and the range is similar to the vacant land owned by the municipalities that can be used for building social housing units. We compared the difference between the two, which shows that municipalities are willing to use their vacant land either for building housing units or equipping the land with infrastructure. Thirteen municipalities, 56.52 percent, reported that they do not own vacant land that they can equip with infrastructure.

Vacant land owned by the municipality that can be made available to the National Entity of Housing

The mean value of the vacant land owned by the municipality that can be made available to the National Entity of Housing (for construction) is 6,794.54 m² (*range*: 0-80,156). There is a strong, positive correlation between the amount of vacant land owned by the municipality that can be equipped with infrastructure and the amount of vacant land that can be made available to the National Entity of Housing, $r = 0.82$. Similarly, there is a strong, positive correlation between the amount of vacant land owned by the municipality and the amount of vacant land that can be made available to the National Entity of Housing, $r = 0.67$. These findings indicate that local authorities are willing to collaborate with the National Entity of Housing to solve the problem of homelessness in their municipality.

Non-functional units that can constitute a housing fund

The number of non-functional units that can constitute of housing fund is 230; the number ranges from 0 to 197. One of the municipalities (the municipality of Gramsh) reported 197 objects. Other municipalities that reported non-functional units include Bilisht (n=1), Gramsh (n=197), Kuçova (n=5), Selenica (n=2), Cërrik (n=5), Erseka (n=3), Bulqiza (n=10), Pogradec (n=2), and Burrel (n=5). Sixteen respondents did not report such objects.

Housing units privatized in 1992 (based on Law no. 7652)

The number of privatized units ranges from 1 to 1,975. The average number of privatized units is 866.38. Eight municipalities did not report any housing unit privatized in 1992.

Housing units that are not privatized in 1992

The number of housing units that were not privatized in 1992 ranges from 1 to 10,000.⁴⁹ The average number of non-privatized housing units is 1,150. The average number of housing units that is privatized is lower than those not privatized. Thirteen municipalities did not provide information.

⁴⁹ This number should be taken with caution. Respondents might have reported the number of non-legalized, rather than non-privatized, housing units.

Problems related to the land or buildings owned by the municipality, which affect their ability to provide social housing

Around 46 percent of municipalities reported problems with the land or buildings that they own. Specifically, they reported the following problems: the inventory of properties has not been approved by the Council of Ministers; the land is usurped by community members; there are conflicts over land among community members; there is no vacant land; the municipality does not own land that can be used for social housing projects. In addition, the process of property transfer has not been completed and there are problems with the decision of the Commission of Property Restitution. In one of the municipalities, four buildings were usurped by the poor, mostly Egyptians.

The capacity of local authorities to provide social housing

Only 5 respondents (18.52 percent) assessed the capacity of local governments as sufficient to provide social housing.

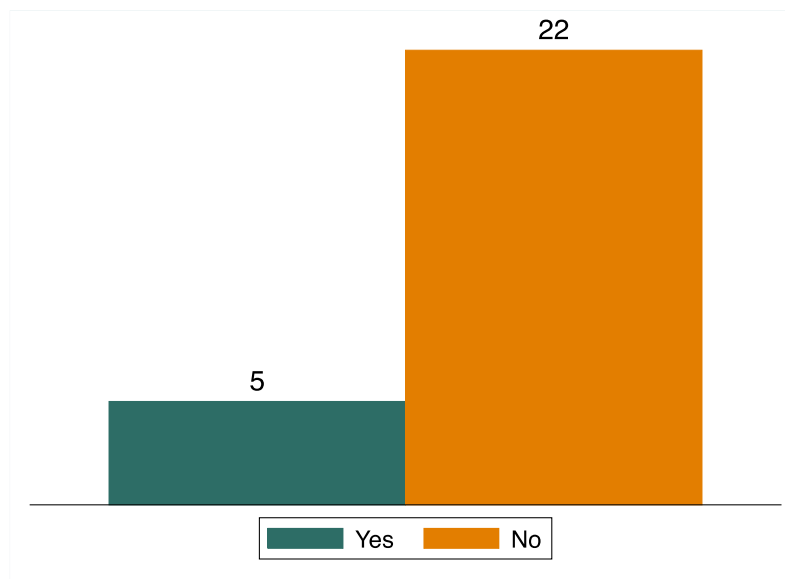


FIGURE 14: Local authorities have capacity to provide social housing

Areas for improvement

Local authorities listed the following areas for improvement: increasing funding from the central government; strengthening the fiscal capacities of local governments; securing vacant land that can be used for social housing programs; transforming non-functional objects into housing units that can be used to shelter vulnerable groups; addressing land management issues; registering public properties; transferring the right over public properties to local governments; increasing the number of housing specialists; securing funds from donors; establishing collaboration with donors and construction companies; and increasing capacities for providing housing to Romani and Egyptians. Many respondents mentioned that solving the problem of homelessness would allow addressing other problems as well, such as school dropout. Also, they emphasized the importance of attracting donors.

Conducted a needs assessment of social housing

Thirteen respondents, 52 percent, reported that the municipality has conducted a needs assessment. Those that have not conducted a needs assessment explained that they lack funds.

One of the respondents said: “It doesn’t make sense to conduct a needs assessment if you do not have funds to meet any of the needs that you identify.”

Capacity to conduct a needs assessment of social housing

Seventeen respondents (65.38 percent) agreed that “local authorities have sufficient capacity to conduct a needs assessment of social housing.” Capacity-building programs should focus on establishing a specialized unit within the municipality to address the problem of homelessness, designing programs based on the needs identified, and securing funding.

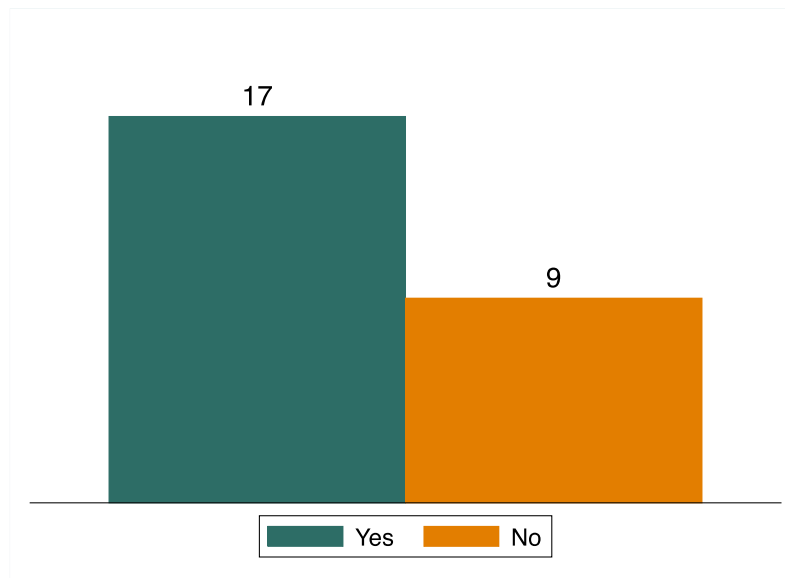


FIGURE 15: Local authorities have sufficient capacity to conduct a needs assessment of social housing

Local authorities have designed a 10-year housing program

Six municipalities have designed a 10-year housing plan. This includes the municipalities of Kuçova, Librazhd, Erseka, Përmet, Pogradec, and Burrel. One of the respondents said: “As long as our municipality does not have fiscal capacities to provide social housing, we don’t think it is reasonable to design such a plan.”

Challenges faced in designing a 10-year housing plan

For local authorities, designing a 10-year housing plan requires the following: strengthening technical capacities; increasing funding sources; transferring property rights from the central government to local governments; designing and implementing clear policies; designing a clear housing strategy at the national level; and implementing educational programs or initiatives by the central government. One of the respondents mentioned that the last time a training session was held on social housing programs was in 2004.

Local authorities expect a greater role from the central government. One of the respondents said: “Our request is greater support from the central government.” Then, he added: “The central government should intervene and require banks to revise the criteria of giving loans.” A few local authorities have approached central-level authorities for help. However, their efforts have not been successful. “We have tried to reach the central government for some alternatives that are specified in the Law no. 9232, 13.05.2004. Specifically, we have asked for assistance

with the program of low-cost housing, buying new housing units or using rental units. They have not responded to us.” Others mentioned that they do not have information on the decisions of bank officers (for the program of low-cost housing) and the average income of the region. Therefore, they can’t provide this information to community members.

COMMUNES

Twelve communes responded to the survey, including Gjepalaj (Durrës), Bushat (Shkodra), Petran (Gjirokastra), Gola (Kukës), Moglica (Korça), Dhivër (Vlora), Qendra Skrapar (Berat), Nikel (Durrës), Tomin (Dibra), Proptisht (Korça), Dermenas (Fier), and Papër (Elbasan). The response rate is 0.2. Given the small sample size, we do not use percentages to report the results. Findings cannot be generalized to all communes across the country.

Information on social housing programs

Seven respondents reported that they are informed about social housing programs.

Knowledge of Law no. 9232 “On Social Housing Programs”

Six respondents reported that they are knowledgeable about Law no. 9232 “On Social Housing Programs.”

Identifying housing needs

Five respondents reported collecting evidence on housing needs.

The number of applications for social housing in the commune

Only two communes reported that there have been applications for social housing. Bushat (Shkodra) and Papër (Elbasan) reported 450 and 14 applications, respectively. Contrary to the expectation, there are instances of rural localities that have a high demand for social housing.

The number of applications by group

In the commune of Bushat, the distribution of applications is as follows: female-headed families (n = 100); single-parent families (n = 60); large families (n = 60); older adults (n = 10); persons with disabilities (n = 40); young couples (n = 180); and recipients of economic assistance (n = 100).⁵⁰ The majority of applications are young couples, female-headed families, and recipients of economic assistance. There were no applications from other groups, such as families that have changed residence, orphans, returning emigrants, migrant workers, asylum seekers, family members of fallen officers, victims of domestic violence, and Roma families. In the commune of Papër, the distribution is as follows: female-headed families (n = 5); single-parent families (n = 1); large families (n = 2); older adults (n = 1); persons with disabilities (n = 3); asylum seekers (n = 1); Roma families (n = 1); and Egyptian families (n = 4).⁵¹ There are significant differences between the two communes in terms of the number and types of applicants.

Knowledge of the number of homeless individuals

⁵⁰ These numbers total 550, not 450.

⁵¹ These numbers total 18, not 14.

Eight respondents said that they do not have information on the number of homeless individuals; only 4 had such information.

The number of homeless individuals in the commune

The four communes that had information on the number of homeless individuals reported numbers that varied from 6 to 280. Specifically, the communes that reported homeless individuals include Gjepalaj (n = 8), Bushat (n = 280), Petran (n = 6), and Proptisht (n = 10).

The most common problems characterizing housing in the commune

- Housing units are at risk of collapse: 8
- Housing units are overcrowded: 7
- Housing units do not meet sanitary and health conditions: 6
- The locality lacks infrastructure (water, sewage, electricity, roads): 5
- The locality is far from social services: 5

The main problems in providing social housing

Respondents were asked on the problems that they face in providing social housing. They were also asked to rank problems by importance. Similar to municipalities, communes reported the lack of funding as the main problem. Other problems include: unclear property rights; unclear competencies; incomplete procedures of ownership transfer; lack of knowledge of how to identify vacant properties; and lack of territorial planning map. Several respondents mentioned that homeless families prefer building houses in their own property. Rural residents would not leave their property and seek housing elsewhere.

Housing and land inventory

Vacant land owned by the commune that can be used for building social housing units

Three communes reported that they own vacant land that can be used for building social housing units. The communes of Bushat, Moglicë, and Proptisht reported the following numbers, 28,000, 200,000, and 3,000 m², respectively. The mean value is 77,000 m².

Vacant land owned by the commune that can be equipped with infrastructure (m²)

The same communes reported that they own vacant land that they can equip with infrastructure. The mean value is 90,333 m². The mean value of the land that can be equipped with infrastructure is higher than the mean value of the land that can be used for building social housing units.

Vacant land owned by the commune that can be made available to the residents to build their own houses

The mean value of the vacant land that can be made available to the residents to build their own houses is 84,000 m².

Non-functional objects that can constitute a housing fund

Local authorities used different ways of reporting the data: two reported the area (300 and 800 m²) and the third one the number of objects (n=3).

Problems related to the land or buildings owned by the commune that affect the ability to provide social housing

Six respondents reported that they face problems related to the land or buildings owned by the commune, which affect their ability to provide social housing. They raised the following concerns: the Property Inventory Agency has not transferred the ownership to the commune; properties are not registered in the Local Registration Office of Immovable Property; the commune does not own the land, it can only administer it; villagers consider the property of the commune as their own property; local authorities do not have a plan on urban planning; and the homeless have usurped old buildings.

The capacity of local authorities to provide social housing

Seven communes reported that they do not have sufficient capacity to provide social housing.

Areas for improvement

Local authorities identified the followed areas for improvement: strengthening capacity; increasing funding; improving infrastructure; improving access to education; increasing the number of social workers; and providing training and educational programs.

Sufficient capacities to conduct a needs assessment of social housing

Nine respondents agreed that “local authorities have sufficient capacity to conduct a needs assessment of social housing.”

Areas for improvement

Respondents suggested that capacity-building programs should focus on providing research support and improving knowledge on data collection and management. They emphasized that there is a need for continuous educational programs. Other suggestions include: strengthening collaboration with the central government; providing soft loans to villagers to use their own land; addressing the consequences of natural disasters; improving access to water; providing support for old houses that have collapsed or are about to collapse; addressing the housing needs of Roma and Egyptian families. One of the respondents said: “The commune is extremely poor. There is a lack of infrastructure. There are around 700 families that receive economic assistance and can’t meet their economic and social needs as well as their housing needs. People live in poverty!”

SIMILARITIES AND DIFFERENCES BETWEEN MUNICIPALITIES AND COMMUNES

Both municipalities and communes reported that the main barrier to the provision of social housing is the lack of funding. Both are willing to collaborate with the National Entity of Housing 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 m²; meanwhile, for municipalities is 8,366 m². 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.

INTERVENTION AREAS

The analysis suggests that interventions should focus on the scoring system, budget allocation, monitoring and evaluation, sanctions, evidence, transparency, funding, capacity building, access to information, legal aid, and collaboration among actors involved in the provision of social housing. We discuss each of the intervention areas below:

THE CENTRAL GOVERNMENT

The scoring system:

- Include Roma and Egyptian communities in the scoring system.
- Recognize all categories of disabilities, such as intellectual disability, in the scoring system.⁵² Social housing programs must target individuals who face health and mental health problems.

Social housing programs:

- Shift the attention from the program of low-cost housing to programs that are more likely to target the poor. Even if housing funds do not increase, it is imperative that programs target the poor.
- Explain why certain groups have priority for rent subsidies. Include members of the Egyptian community and victims of domestic violence under the groups that have priority for rent subsidies.
- Explain why the program of small grants focuses on the Roma community alone. Make the criteria and procedures of distributing small grants clear and transparent.
- Tailor social housing programs to rural areas. Local authorities require support for old houses that have collapsed or are about to collapse. They also require support to address the consequences of natural disasters.⁵³
- Tailor housing projects to local circumstances. Some local governments might have a greater need for housing projects that focus on Roma and Egyptian families, others on housing projects that target returning immigrants. Housing projects that do not differentiate between the needs and capacities of local authorities will not be successful.⁵⁴

Monitoring and evaluation:

- Establish a monitoring and evaluation system to examine the implementation of social housing programs. Use results to inform policy changes.

Sanctions:

- Establish sanctions for local government officials that fail to provide information to community members.
- Introduce sanctions if the standards of managing social rented housing are not met.

⁵² Suggested by a staff member of the Albanian Disability Rights Foundation.

⁵³ This is a shared responsibility with local authorities.

⁵⁴ This is a shared responsibility with local authorities. See UNDP (2013) for examples of programs.

- Strengthen sanctions for families that do not abide by the rules of low-cost housing program.
- Strengthen and enforce administrative sanctions. Denying access to social housing programs if the family provides false documents is not sufficient. Individuals should be punished for trying to deceive the system. The same for local government officials and councilors who support the submission of false documents.

Evidence:

- Improve the national inventory that includes information on social housing programs for all local governments; use the information to inform national policies and programs.
- Support local authorities to develop data management systems on social housing applicants. Develop a data management system in central-level institutions as well.
- Examine why the program of equipping land with infrastructure (e.g. water, sewage, electricity) has not been implemented yet. Examine the extent that this program can be beneficial for vulnerable groups.

Transparency:

- Make the distribution of state funds for social housing programs transparent. Explain why certain programs have priority over others.
- Communicate information to local authorities on regional housing costs.
- Specify the process of submitting a complaint for community members.

Funding:

- Develop a strategy to secure funds from donors.
- Strengthen the capacities of local governments to secure and manage funds from donors.
- Provide information to local governments on how to apply for state funds to improve the standards of low-cost housing units.

Capacity building:

- Specify the provision of capacity-building programs to help local officials address the needs of vulnerable groups for information.
- Introduce educational programs for vulnerable groups. Such programs should focus on managing housing units.
- Design and implement programs to enhance the capacities of local governments to develop a long-term housing program.
- Develop and implement capacity-building programs that focus on conducting a needs assessment.
- Place greater emphasis on capacity building programs in rural areas. Capacity-building programs should focus on providing research support and improving knowledge on data collection and management.

Further support to local authorities:

- Strengthen the fiscal and technical capacities of local governments.
- Support local governments to secure vacant land that can be used for social housing programs.
- Support local governments to transform non-functional objects into housing units that can be used to shelter vulnerable groups.

- Address land management issues.
- Support the efforts of local governments in completing the registration of public properties.

LOCAL AUTHORITIES:

Access to information:

- Use multiple methods of communication (e.g. bulletin boards and web-sites) to inform community members on social housing programs.
- Improve the quality of information provided to community members.

Vulnerabilities:

- Avoid social isolation when selecting social housing beneficiaries. The same for where and how housing units are built.
- Recognize and address cases with multiple vulnerabilities in the scoring system.⁵⁵

OTHER ACTORS (Ministry of Social Welfare and Youth, Ministry of Justice, and civil society organizations that work on legal empowerment)

Collaboration:

- Strengthen collaborative efforts introduced with Order no. 45 – collaborative efforts established between the National Entity of Housing, the Ministry of Urban Development and Tourism, the Ministry of Social Welfare and Youth, and local governments. Examine the issues that have emerged in practice and work towards solving them.
- Support collaborative efforts with construction companies. Investigate successful cases of collaboration.

Legal aid:

- Expand legal aid to vulnerable groups that cannot afford preparing application materials.

Social administrators:

- Revisit the role of social administrators in the field. Poor verification procedures are considered as one of the main bottlenecks of the existing system.⁵⁶

⁵⁵ For instance, an applicant might be orphan and belong to the Roma community.

⁵⁶ See the Needs Assessment (UNDP, 2014).

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APPENDIX 1

TABLE 1: Dwellings by occupancy status in urban and rural areas

	Total	Urban	Rural
Total	1,008,243	542,385	465,858
Dwellings inhabited by one or more persons	706,046	398,879	307,167
Dwellings inhabited only by persons not included in the census	190	107	83
Dwellings for secondary purposes or seasonal use	83,493	39,796	43,697
Vacant dwellings	218,514	103,603	114,911

Source: Instat 2012 (p. 121)

TABLE 2: Population, buildings, and dwellings

	Number
Total resident population	2,821,977
Total resident population enumerated	2,800,138
Total number of households	722,600
Total number of buildings used for residential purposes	598,267
Total number of dwellings	1,012,400
Inhabited conventional dwelling ⁵⁷	706,046
Non-inhabited conventional dwellings ⁵⁸	302,197
Non-conventional dwellings	3,819
Collective living quarters ⁵⁹	338

Source: Instat 2012 (p. 40)

TABLE 3: The number of beneficiaries by municipality

Municipality	Number of beneficiaries
Tirana	1271
Shkodra	400
Vlora	312
Korça	240
Elbasan	200
Fier	200
Durrës	150
Berat	138
Peshkopi	130

⁵⁷ A conventional dwelling (*banesa te zakonshme*) “is defined as an independent room or suite of rooms and its accessories (for example lobbies, corridors) in a permanent building or structurally separated part thereof which, by the way it has been built, rebuilt or converted, is designed for habitation all the year round” (Instat, 2012, p. 38). This is equivalent to the concept of housing unit used here.

⁵⁸ Non-inhabited conventional dwellings include “dwellings inhabited only by persons not object of the census, dwellings for secondary purposes or seasonal use, vacant dwellings and refusals” (Instat, 2012, p. 40).

⁵⁹ Collective living quarters (*banesa kolektive*) refers to “premises which are designed for habitation by large groups of individuals and which, generally, are used as the usual residence of at least one person at the time of the census” (Instat, 2012, p. 38).

Saranda	123
Lezha	120
Pogradec	120
Kukës	100
Kuçova	85
Gjirokastra	75
Kavaja	75
Gramsh	70
Lushnja	70
Përmet	60
Rubik	58
Ballsh	50
Rrëshen	50
Vau I Dejës	50
Librazhd	47
Kruma	40
Laç	40
Bilisht	36
Erseka	36
Kruja	35
Prenjas	35
Kamza	32
Mamurras	30
Memaliaj	30
Bajram Curri	30
Peqin	30
Puka	30
Delvina	23
Fushë Kruja	20
Këlcyra	20
Burrel	18
Rrogozhina	16
Cërrik	15
Maliq	15
Tepelena	15
Klos	10
Patos	10
Selenica	10
Vora	7
Bulqiza	5
Çorovoda	5
Fushë Arrëz	5
Himara	5

Koplik	5
Libohova	5
Orikum	5
Poličan	5
Roskovec	5
Shijak	5
Ura Vajgurore	5
Leskovik	3
Kashar	1
Belsh	0
Divjaka	0
Konispol	0
Manza	0
Sukth	0

Source: Ministry of Urban Development and Tourism 2014. These numbers refer to the period 2005 – 2012.