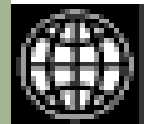


# Social Housing – Give People the Choice

Maurizia Tovo, World Bank



# Conceptual Premises

- **Think of housing in a holistic way** : it's not just a question of bricks&mortar, it's finding a home in a society for people who haven't found one yet

## “HOMING” vs HOUSING

- **Put housing in a broader context** : Housing is a means toward an end (the end being social inclusion)

**Housing is part of a package**

# Practical Premises

- **WB hardly an expert on Roma housing, but lots of experience in dealing with social exclusion and community participation around the world**
- **While the situation of Roma is in many ways unique, other countries have had to address the needs of ethnic minorities and other particularly vulnerable groups (e.g., IDPs and refugees) and their experiences may be useful to consider**

# EXAMPLE 1: Aboriginal Housing in Canada

## Background

- Aboriginal people are 3.8% of total population (1.17 million)
- Fastest growing segment of Canada's population – over half are under 25 years old
- About 26% live on reserves (where by law they cannot own land)
- Average income of non-reserve Aboriginals is only 83% that of non-Aboriginals

# Aboriginal Housing Situation

**Housing needs among Aboriginals are significantly higher than among non-Aboriginals:**

- 1 in 5 Aboriginal household is in “core housing need” compared to 1 in 8 for other Canadians
- Affordability is the main issue (>30% of income), but also overcrowding and adequacy (mold!) with related health problems
- Home ownership is 28.5% compared to 67% for non-Aboriginals
- Indian Act prohibits land ownership on reserves -> no collateral for mortgage loans

# Aboriginal Housing Program

## **Lots of money, but poorly targeted**

- Canadian federal government spends approx. \$300 million/year for reserve housing (where 24% Aboriginals live) but only \$151 million for off reserve housing
- National Aboriginal Housing Association estimates total urgent needs \$386 million, well within available budget envelope

**Despite inefficiencies, large well-funded aboriginal demonstration projects for past 40 years**

# The M'akola rental and social housing on Vancouver Island

**Set-Up:** 7 non-profit housing societies working autonomously under a governing council

## **Primary Strengths:**

Measures against nepotism and financial mismanagement

Structure reflects traditional aboriginal practices

Education provided on financial literacy and household maintenance

Long-term stability encouraged, help provided to avoid eviction

Tenants as members of a community

**Combine principles of social work with good rental housing management.**

# Main Lessons from Canada

- Effective demonstration projects have their basis in **community consultation, development, and administration.**
- Native peoples often need **training and technical assistance in construction, maintenance and administration,** particularly in rural and isolated areas.
- Promoting **home ownership** is a crucial policy decision, as is promoting access to mortgage and housing finance.

# EXAMPLE 2: Azerbaijan IDP Housing Project



# EXAMPLE 2: Azerbaijan IDP Housing Project

## Background:

- Low middle-income country, oil boom, huge decline in poverty (50% in 2001, 16% in 2008)
- 7% of population are IDPs (about 603,000 people) who left Nagorno-Karabakh in 1988-93 after Armenian forces took control
- Conflict unresolved, no going back any time soon
- IDPs more likely to be poor, unemployed, sick

# IDP Housing Situation

**Housing standards for IDP are significantly lower than for the non displaced**

- 42.5 % of IDP live in accommodation with only one “living” room (9.1 % of non IDP)
- Average 36 m<sup>2</sup> of living space (74 m<sup>2</sup> for non IDP)
- Lower access to electricity and hot water
- 9 % of IDP own their own house (89% of non IDP)
- 50% of IDP still live in 'collective centers'

# IDP Housing Program

- Since 2001 : new housing + access to a full range of services and infrastructure for 75,000

## **BUT:**

- New IDP settlements are highly expensive show cases and have created disparity among IDP
- IDP do not have property rights →
  1. No strategic, long-term development view (housing isn't meant to be 'sustainable')
  2. No motivation for good maintenance.

# Facing the Challenge

	GOVERNMENT	WORLD BANK
CONCERN	Housing	Social inclusion
PERSPECTIVE	Short term	Medium to long term
SOLUTION	Repair collective centers, provide new houses	Provide housing + livelihoods + social integration

# Finding a Compromise

**Project (\$50 M) will finance :**

- **Rehabilitation of collective centers**, but with selection criteria (e.g., good access to employment opportunities and livelihood assets such as markets, not isolated) and IDP strong involvement
- **Micro-projects** identified by IDP communities as top priority to improve living conditions
- Support to **self-reliance & livelihoods** (e.g., microfinance, business development training)

# Main Lessons from Azerbaijan

- **Housing is a political question** - need to understand the political reality and context in which the housing investments will be applied.
- **Short-term solutions can turn into long term realities** - better to get it right up front.
- **Housing should not be considered in isolation** - it can be a key determinant of social and economic well being.

# EXAMPLE 3: Community-driven development around the world

**Definition :** approach to development that supports participatory decision making, local capacity building, and community control of resources.

## **Pillars :**

1. community empowerment,
2. local government empowerment
3. accountability and transparency
4. learning by doing.

# Why is CDD relevant?

## Proven effectiveness in

- reaching the poorest, most marginalized communities
- containing costs, limiting misuses and abuses
- developing social capital and increasing accountability
- taking poverty reduction and social inclusion to scale

# CDD Experience

- Started in Latin America in the 1980s, now everywhere (including Europe)
- \$2 billion per year of World Bank funds
- Used mostly for multi-sectoral community investments (social funds) but also for specific sectors (e.g., health, urban development, water & sanitation)
- Much studied and evaluated (we know it works)

# Final words of wisdom

- Do “homing”, not housing
- Offer a full package
- Try a CDD approach