

**Housing
Forum 2024**

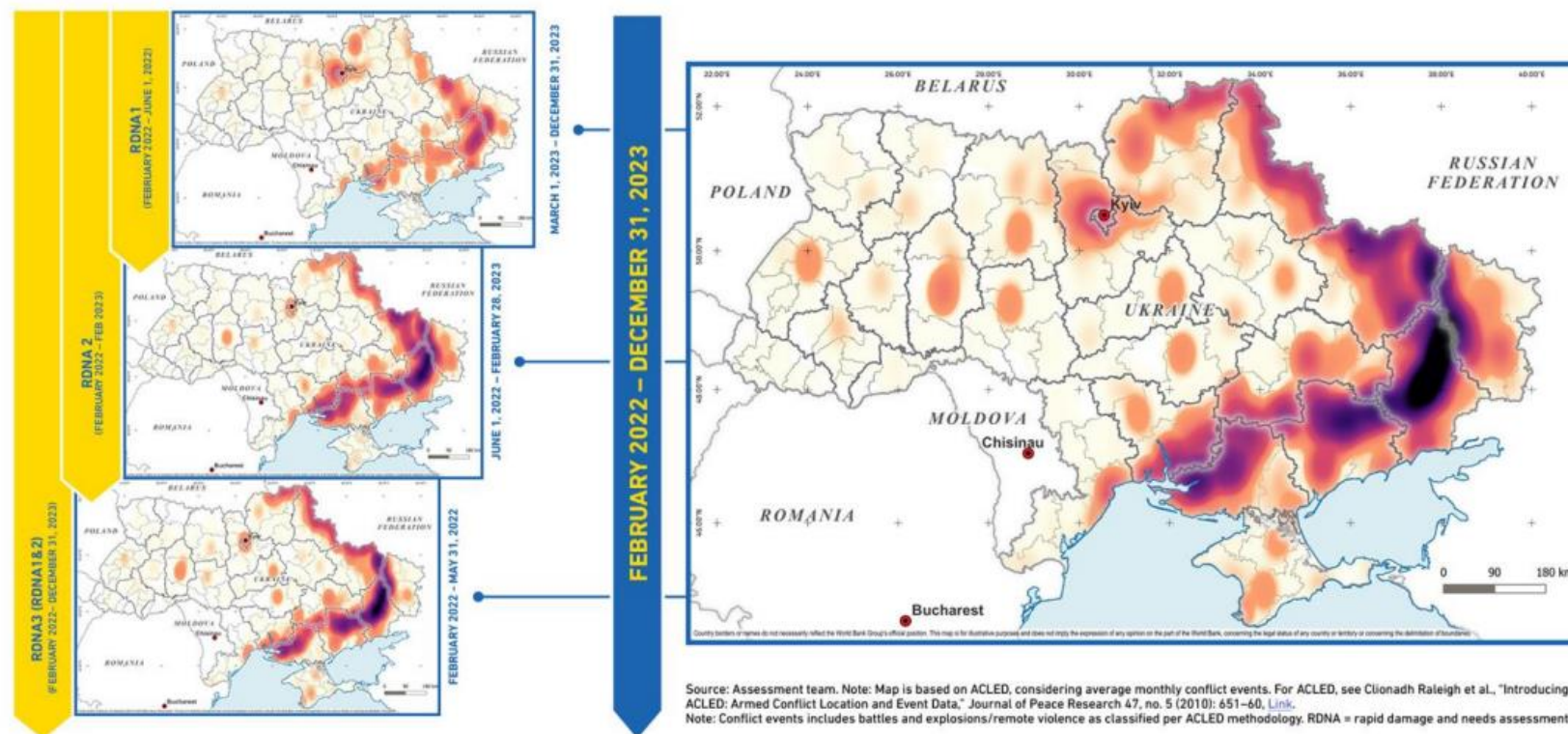
***Ukraine's housing reforms
(UP7) to build on Europe's best
practices and municipal
experiences***

Dr Julie Lawson, RMIT

War has greatly impacted people's *homes*

- €138b direct damage to buildings and infrastructure from nearly two years of war
- Most affected has been housing (€ 51.8b, 37%)

Figure 1. Spatial evolution of the war until December 31, 2023, and Ukraine RDNA



Source: Assessment team. Note: Map is based on Armed Conflict Location and Event Data (ACLED), considering average monthly conflict events. For ACLED, see Clionadh Raleigh et al., "Introducing ACLED: Armed Conflict Location and Event Data," Journal of Peace Research 47, no. 5 (2010): 651-60, [Link](#). Conflict events includes battles and explosions/remote violence as classified per ACLED methodology. RDNA = rapid damage and needs assessment.

Housing is integral to recovery



Reform 7 – Ensuring access to housing for people in need

1. Legal reform: General principles, social and affordable housing, and asset fund
2. National housing strategy
3. Implementation measures to ensure social inclusion and energy efficiency
4. Digital needs - allocation data base

- Important role for **evaluation** of past, pilot project ongoing, good practices, drawing on experts, civil society and lessons from Europe

Ukraine Plan

2024 - 2027



Ukraine Plan

2024 - 2027

Reform

Adoption of new law on Basic Principles of Housing Policy – needs based access

Preparation of a National Housing Strategy

Reform of social housing laws

Reform 7

A “Comprehensive policy and regulatory framework for Ukraine to ensure access to housing for people in need” to be supported by the EU Facility

Actions

Define vision and goals of new housing policy responsibilities

Create policy, regulatory, financial and capacity building for municipal housing role

Transparent system of needs-based allocation and monitoring

Evaluation of pilots and learning from past practice

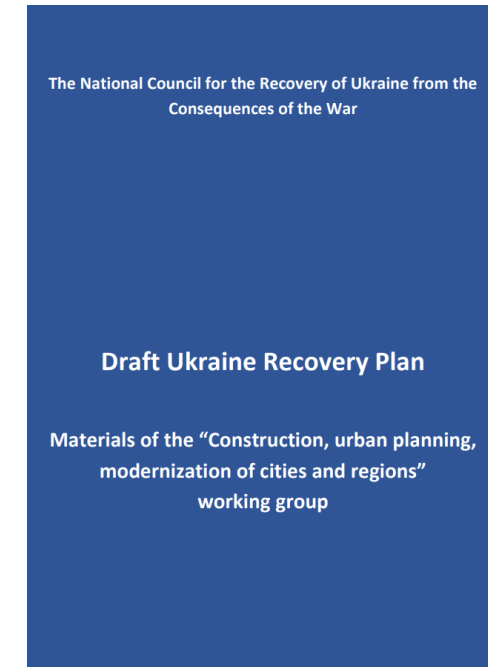
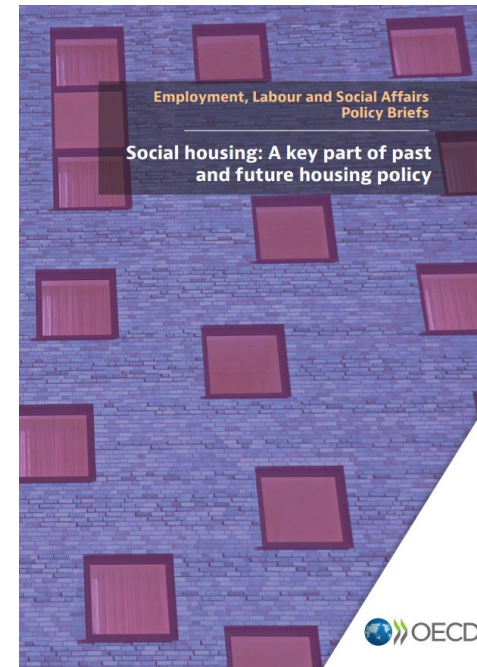
Relevant EU good practices studied

Results

Clear vision and legal authority to act and capacity to implement

Institutional framework to supply and operate good quality needs focused social and affordable housing

Responds to local communities and displaced households in need



Affordable social housing – part of a just housing system and Ukraine's recovery - Europe has many best practices to draw on

Lessons from Europe

After World War II, Europe rebuilt itself, producing some of world's most livable cities. Land policy and purposeful circuits of investment were key to recovery efforts

Austria

Strong national low-profit housing legislation
In Austria, 24% of housing is provided by Municipal Housing Companies, Limited-Profit Housing Associations (LPHAs)

Finland

Purposeful national housing agency funding social housing
Over 66,000 new dwellings planned for construction between 2020 and 2023 in Helsinki, ARA Finland works to co-finance 18,200 as social housing

Denmark

National housing fund and closed financial circuit for social housing
LBF was established in 1967 and is funded by tenant rents from social and affordable housing provided by non-profit housing organisations

the Netherlands

Purposeful local land policy for social housing and diverse neighborhoods
For decades after WWII, the supply of much needed housing was accelerated via local public land assembly and central government subsidies to non-profit housing associations

Vienna

Municipal housing company and land bank to assure long-term affordable housing provision
Since its inception in 1984 Wohnfonds Wien has provided more than 3.7 million square metres of land for more than 51,400 subsidised apartments

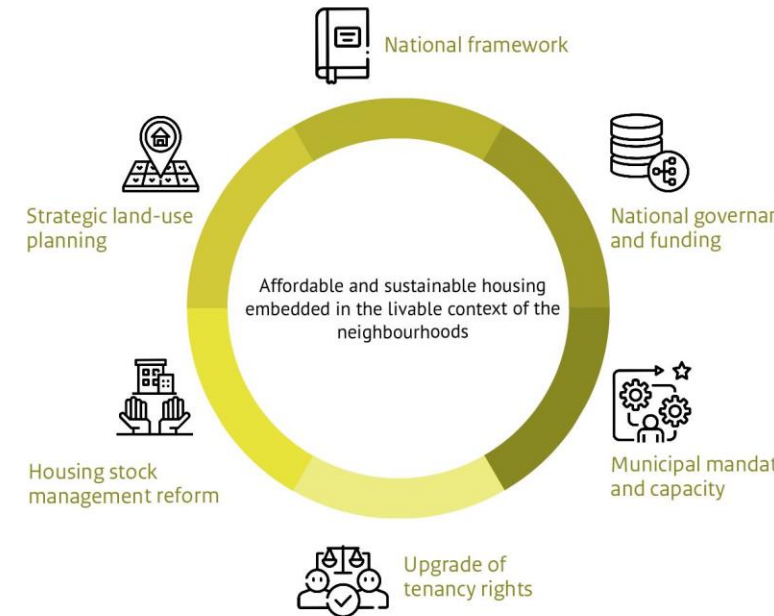


European social housing fabric



REBUILDING A PLACE TO CALL HOME

<https://www.pbl.nl/en/publications/rebuilding-a-place-to-call-home-sharing-knowledge-for-the-recovery-of-ukraine>



Rebuilding a Place to Call Home

The Hague PBL Symposium 2023



- Major international discussion in the Hague
- Followed up by a detailed report
- Launched in Kyiv May 2023
- Well received by key stakeholders

Draft General Principles Housing Law – suggested improvements during consultation

- Principles need to be **closer to international goals** and best practices and apply OHCHR definition of **Adequate housing**.
- Strengthening of **integrated planning, sustainability and governance** dimensions.
- Need to **clarify role, responsibilities and co-operation** arrangements – such as intergovernmental and multi-level governance, funding agreements and advisory bodies, for example via an Adequate Housing Supply Council and National Housing Advocate.
- Address **resource and other capacity deficiencies** of local government, which could be overcome by dedicated and strategic resource co-operation agreements on joint land policy, co-investment and professional development
- Need to make **link to renovation of multi-family buildings**, which requires structural reform of current ownership and building management arrangements to ensure effective investment for repair and improvements
- Need to make **link to energy efficiency deficiencies** in existing buildings, requires commitments to lift and promote standards to near zero and channel required investment to address energy-related poverty
- Outline **mechanisms to raise and allocate funds** and co-ordinate investment on housing and infrastructure are not specified, such as a National Housing Agency and National Housing Financial Intermediary
- Most **efficient investment** and financing should be the priority, not simply private investment per se
- Need for a clear mechanism for **revolving invested public support**, especially if assets are able to be privatised.
- Emphasis is on consumer quality, but needs actual **links to strategies and standards**, such as EE and near zero goals

#EU4Ukraine Europe is already providing relevant know how on Housing..



Ukraine Plan requires relevant European models of affordable social housing to be studied (Ukraine Plan, Reform 7). These models have been presented at various UN and EIB workshops for Ukraine in 2022, -2024.

So far [EU member states](#) and [cities](#) of Finland (national housing agency, municipal agreements, cost rental system), Austria (Vienna model and common good housing law), Ireland (financial intermediation), Germany (integrated planning, municipal housing), Denmark (nonprofit cost rental housing) and Estonia (retrofitting) have played a useful role on models of affordable social housing. The COEB has also showcased its regional Balkans approach.

[Housing Europe](#) offers support to the EU, CEB, EIB and UNECE on housing, based on the joint UNECE/UN-Habitat/Housing Europe #Housing2030 initiative.



These approaches can also inform the IO Durable Solutions Working Group, led by IOM, UNHCR and UNDP, of which UN-Habitat is also a member and the UN4Kharkiv efforts.



Who is responsible for implementing the Housing reforms and who will monitor progress?

- The Ministry of Economy - Co-ordinates and monitors Ukraine Plan with EC Ukraine Service
- The Ministry for Communities, Territories and Infrastructure Development (Ministry for Infrastructure) - coordinates sectoral strategies including housing policy, housing and communal services and energy efficiency.
- The EC Ukraine Service of the European Commission approves milestones for Facility funds



How will housing be grown?

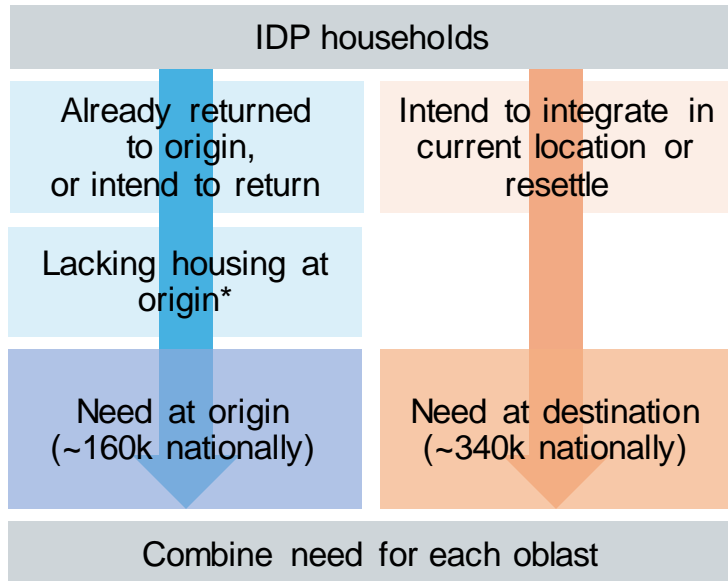
- Needs Based Capital Investment required: 30-84 billion euro ten years
- **Design of investment pathway greatly influences accessibility, quality and cost of program.**
- Learn from small and larger scale pilot efforts
- Involve Team Europe in building a capable system



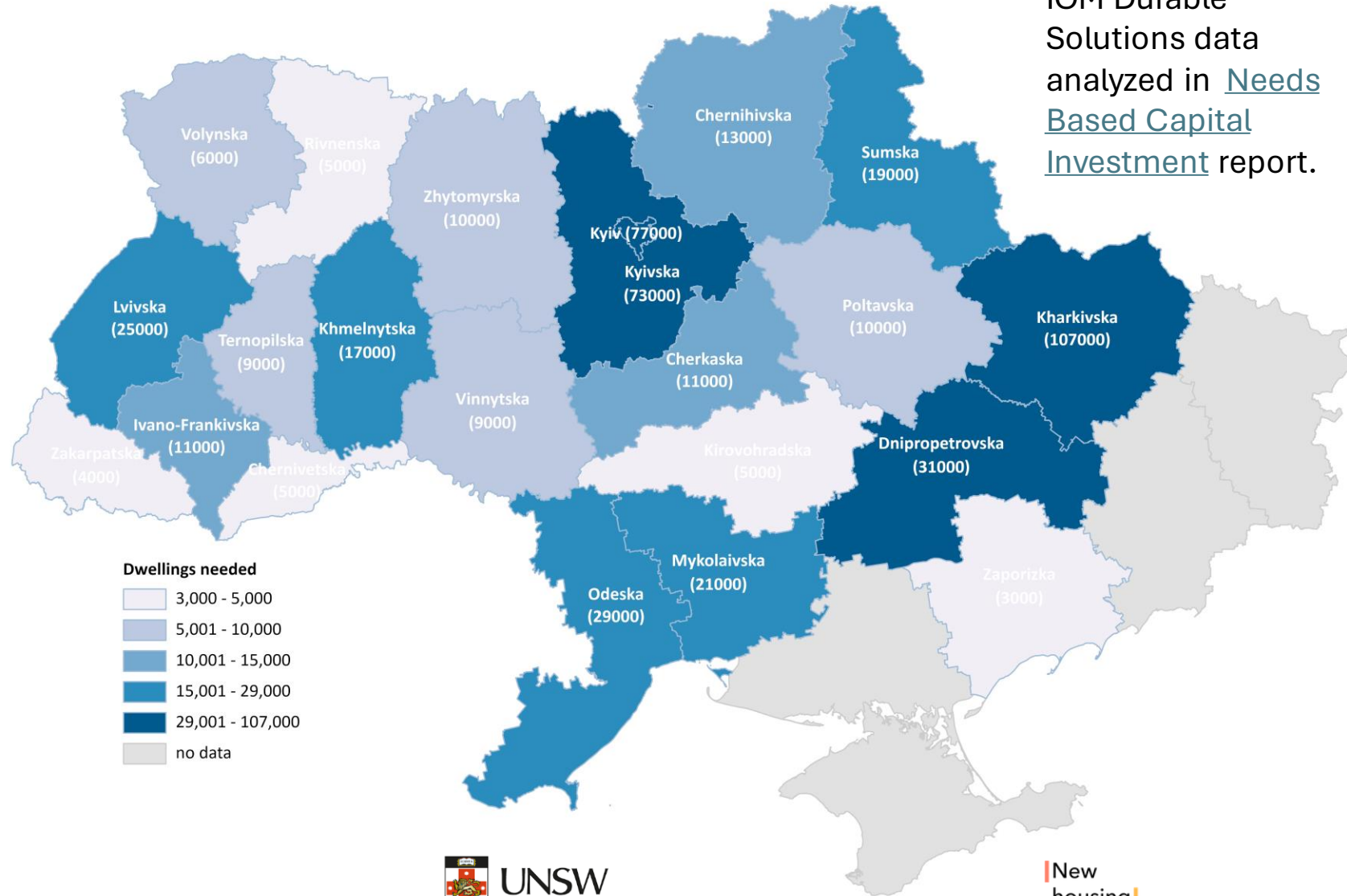
Needs based approach - also a required by EU Facility

Internally displaced population (IDP) as proxy for those needing housing support.

'Return', 'integrate' or 'resettle' intentions reveal geography of need.



~7% of returnees identified as 'high' on lack of accommodation access nationally, but rate varies by oblast. Rate of returnees lacking housing applied to those intending to return.



IOM Durable Solutions data analyzed in [Needs Based Capital Investment report](#).

Learn from municipal experiences in Ukraine

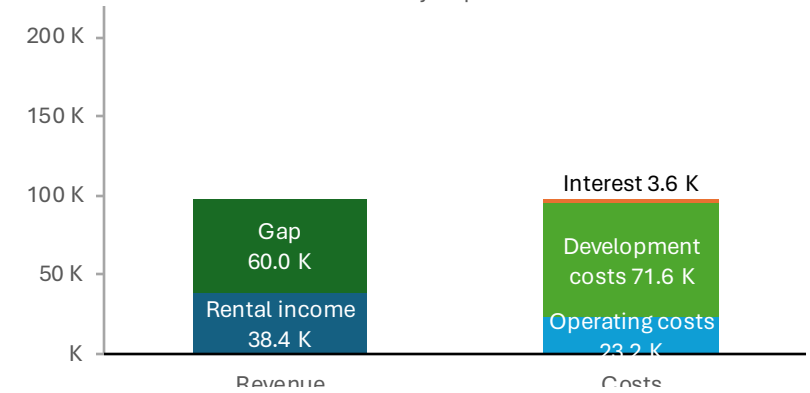
Housing initiative	Purpose of the initiative	Potential contribution to national reform
Affordable Rental Housing Program with municipalities (Ministry for Reintegration of the Temporarily Occupied Territories, c)	<ul style="list-style-type: none"> Establishing systems of affordable rental housing with municipalities to address local and IDP needs. 	<ul style="list-style-type: none"> Practical development experience with diverse municipalities, piloting affordable rent mechanism, also in war zone and occupied territories.
Support for Municipal Housing (5 grant agreements almost 1000 dwellings for IDPs with IFC)	<ul style="list-style-type: none"> Administering and implementing a large program of investment in public housing for municipalities. Online presence. 	<ul style="list-style-type: none"> Mechanism established for supporting large scale development of public housing in Lviv and other cities.
Ten Cities IDP Housing (various cities and funded by EU and managed by NEFCO)	<ul style="list-style-type: none"> Implementing direct investment in new energy efficient housing for IDPs with selected municipalities 	<ul style="list-style-type: none"> Energy efficient renovation experience in five cities.
City of Kharkiv (UN4Kharkiv with GIZ and IWO)	<ul style="list-style-type: none"> Establishing a new municipal housing entity building on German best practices. 	<ul style="list-style-type: none"> Exploration of municipal entity structure.
Ukrainian Homes for All (Mykolaiv and Danish consortium)	<ul style="list-style-type: none"> Piloting a sustainable model of non profit cost recovery housing in Ukraine with public and NGO actors 	<ul style="list-style-type: none"> Input to national law on social housing based on a model of non profit cost rental housing involving municipal actors
Co-Haty (NGO Metalab and various donors)	<ul style="list-style-type: none"> Converting disused buildings for IDP housing 	<ul style="list-style-type: none"> Strategic planning for integrating IDP projects in municipalities Legal and design processes for restoring and converting buildings for IDPs
Spatial Development Agency (Municipality of Vynitsia)	<ul style="list-style-type: none"> Applying different urban planning strategies to develop affordable housing 	<ul style="list-style-type: none"> Ambition to grow municipal role from small base, through own initiative and international co-operation. Aware of key capacity barriers. Project development experience, Evidence base of local needs, with attention to local and IDP needs.

Choice of investment pathway determines cost of any housing program

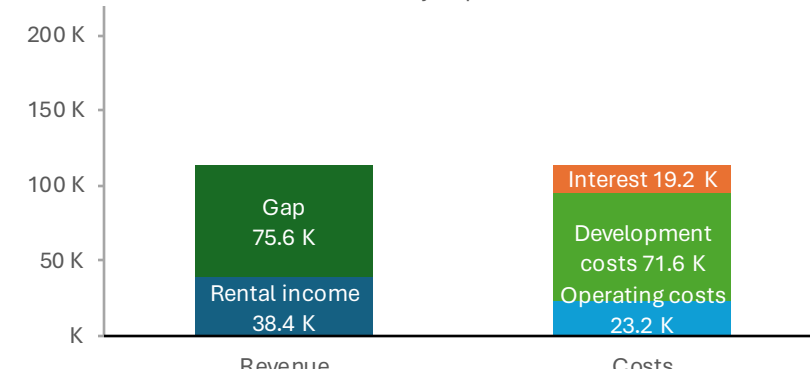
Housing subsidy *cannot be avoided*, but

1. Upfront capital investment (land and conditional grants) substantially reduces long term recurrent subsidy
2. Less efficient finance increases need for public subsidy – therefore keep these costs to a minimum
3. It is important that any public investment be retained and revolved for a public purpose through effective governance.

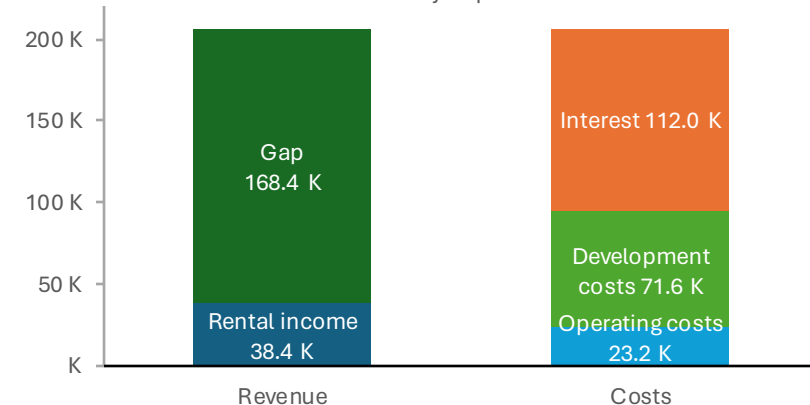
Model 1 Capital funding, discounted finance (4%) in Euro: Per Dwelling SubsidyGap



Model 2 Discounted finance (4%) loan term 25 years Euro: Per Dwelling SubsidyGap



Model 3 Private finance commercial loan 25 years (16%) Euro: Per Dwelling SubsidyGap



Sustaining a national system beyond crises

Dimensions of capacity building	What they cover
Resource capacity:	<ul style="list-style-type: none"> Fairer and appropriate budget transfers, long term funding agreements, reasonable borrowing limits, positive lending environment.
Organisational capacity:	<ul style="list-style-type: none"> Commitment to a clear vision, well defined roles, effective leadership, client driven, professional.
Programmatic capacity:	<ul style="list-style-type: none"> Ability to plan long term and steer strategic actions to achieve desired housing outcomes
Networking capacity:	<ul style="list-style-type: none"> Integrating not isolating, effective inter-governmental relationships, working with partner providers, community ally not an island
Political capacity:	<ul style="list-style-type: none"> Effective framing of the problem, linking more influential agendas, forming constructive alliances, sophisticated relations with private sector, using the media wisely

What could this look like?

- A clear vision for housing, reformed social housing law, a national agency, financial intermediary and public interest housing providers.
- Inclusive urbanism, socially integrated and well connected
- Energy efficient and decarbonised homes and neighbourhoods
- Healthy places to grow, create, work, learn, and age well



Thank you!

Julie Lawson (Poland): julie.lawson@rmit.edu.au