

# REPUBLIC OF ALBANIA PEOPLE'S ADVOCATE



# **SPECIAL REPORT**

# ON THE HOUSING SITUATION IN THE REPUBLIC OF ALBANIA

Tirana, November 2014

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#### 1. INTRODUCTION

The drafting of this report by the Ombudsman's Office originated from the need to reflect on the housing issues and to offer recommendations for improving and facilitating access for groups in need, such as the homeless, with the aim of establishing and fulfilling standards related to housing as a key social objective.

The Ombudsman's Office has paid great attention to this problematic issue and has carried out an intense institutional agenda vis-a-vis the reviewing of complaints lodged by individual citizens and families, especially in follow up to the issuing of the Normative Act No. 3 by the Council of Ministers, dated 01.08.2012, "For the release of housing to the rightful owners who have been expropriated, by the homeless citizens residing in the property belonging to the expropriated subjects". This Normative Act has significantly increased the number of homeless families, which still avail of no real alternatives or possibilities to benefit from rental social housing.

The right to housing is established as a social objective by paragraph 1/b of Article 59 of the Constitution of the Republic of Albania, which stipulates that the state, within the domain of its constitutional powers and the means at its disposal, as well as in supplementing the private initiative and engagement, aims at meeting the housing needs of its citizens.

Moreover, the right to housing is sanctioned and well established by various models provided by the European Social Charter,<sup>1</sup> according to which the parties commit to undertaking measures aimed at encouraging access to housing of adequate standards, preventing and reducting the incidence of homelessness with a view to its gradual elimination, as well as ensuring accessible pricing for those lacking sufficient resources.

Social Objectives differ from fundamental rights and freedoms, because they do not have the status of a *right* and can be challenged in courts. They comprise obligations representing actual capabilitis of the state, regardless of the standards set out in the Constitution and other legal and sublegal acts.<sup>2</sup>

#### 2. METHODOLOGY USED IN THIS REPORT

The People's Advocate has undertaken for the first time the initiative to prepare a Special Report on the housing situation in Albania.

<sup>&</sup>lt;sup>1</sup> The European Social Charter was ratified by Albania in 2002. The right to housing is stipulated in Article 31 of this Charter.

The methodology used for the drafting of this report has combined both quantitative and qualitative data. The qualitative methodological approach was given priority with a view to assessing the current situation and issues vis-à-vis the citizens' access to housing programs and the capabilities of central and local government authorities to fulfil this social objective.

Th collection of qualitative and quantitative data for the perioid November 2013-January 2014 wass conducted by the respective Municipalities.

In order to monitor the housing situation in the country, the institution of the People's Advocate addressed 65 official letters to local governments units (municipalities), requesting detailed information concerning the fulfillment of social housing targets.

For the monitoring period covered by this report, only 42 local government units responded to the request for information, whilst the remaining municipalities showed lack of cooperation and refused to provide the requested information and explanations which are needed to clarify issues and the complexity of the housing situation.

Part of the methodology of the report makes reference to the complaints handled during year 2013 by the People's Advocate institution and the recommendations addressed to the pertinent institutions with a view to improving the current situation.

# 3. Legal framework and housing policies under current legislation

With a view to assessing the level of fulfillment of social housing targets and procedures in place regulating access to benefits from social housing programs, the report evaluates the standing legal framework, pertinent strategies, as well as information obtained from the examination of complaints handled over the years.

The Constitution of the Republic of Albania, viz. in Article 59, stipulates that: "The State within the domain of its constitutional powers and the means at its disposal, as well as in supplementing the private initiative and responsibility, aims at meeting the housing needs of its citizens."

Furthermore, the right to housing is stipulated by international covenants ratified by the Republic of Albania, such as the European Social Charter, which in Article 31 states that parties commit to taking measures aimed at promoting access to housing of sufficient standards, preventing and reducing the incidence of homelessness with a view to its gradual elimination, as well as ensuring accessible pricing for those lacking sufficient resources.

Also, Article 11 of the International Covenant on Economic, Social and Cultural Rights<sup>2</sup> states that: "State Parties to the present Covenant recognize the right of everyone to an adequate

<sup>&</sup>lt;sup>2</sup> Law No. 9232, dated 18.05.2004, "On social programs for the housing of citizens in urban areas", amended; Council of Ministers Decision No. 814, dated 03.12.2004, "On the standards of housing for families benefiting from housing social programs"; Council of Ministers Decision No. 53, dated 28.01.2005, "On the designation of documentation needed for housing benefits"; Council of

standard of living for himself and his family, including food, adequate clothing and housing and the continuous improvement of living conditions. State Parties shall take appropriate measures to ensure the realization of this right, recognizing to this effect the essential importance of international co-operation based on free consent."

In the context of domestic legislation in place, issues concerning housing are regulated by Law No. 9232, dated 13.05.2004, "On social housing programs for the housing of urban residents", as amended by Law No. 9719, dated 23.04.2007, which represents the basic framework and provides definitions regarding the application modalities and the categories that eligible for social housing benefits.

Furthermore, with a view to ensuring the implementation of the abovementioned law, a number of decisions have been endorsed by the Council of Ministers, which complete the legal framework in this domain and include the following:

- 1. Decision of the Council of Ministers No. 814, dated 03.12.2004, "On rates of housing for families benefiting from social housing programs".
- 2. Council of Ministers Decision No. 23, dated 07.01.2005, "On the composition, organization and functioning of the national committee of housing".
- 3. Council of Ministers Decision No. 53, dated 28.01.2005, "On the determination of the necessary documentation, deadlines and procedures for obtaining housing programs of social rented housing".
- 4. Council of Ministers Decision No. 35, dated 24.01.2007, "On the procedures and forms of the sale of land, equipped with infrastructure for market purposes".
- 5. Decision of the Council of Ministers No. 258, dated 28.04.2005, "On the conditions and standards to be met by social rental apartments, which are purchased in the market".
- 6. Council of Ministers Decision No. 97, dated 03.02.2008, "On the privatization of housing", subject to Law No. 7652, dated 23.12.1992, "On privatization of public housing", and Law No. 9321, dated 25.11.2004, "On the privatization of housing and buildings, turned into housing funds companies and state-owned enterprises".
- 7. Decision of the Council of Ministers No. 148, dated 13.02.2008, "On establishing the procedure for purchase of housing, low cost, the market".

Ministers Decision No. 574, dated 29.08.2012, "On the designation of documentation that familities must submit in order to benefit housing from social housing programs"; Directive No. 6257, dated 02.09.2008, "On the determination of the level of subsidy for families benefiting from credit easing from the state"; and Directive No. 2348, dated 17.04.2008, "On some addenda and ammendments to Directive No. 6257, dated 02.09.2008".

- 8. Decision of the Council of Ministers No. 456, dated 16.04.2008, "On the evaluation and sale, as well as criteria for determining the selling price of land families that benefit low-cost housing".
- 9. Further on, Instruction No. 19 dated 13.09.2007, adopted by the former Ministry of Public Works, Transport and Telecommunications, "On establishing the rules of the implementation of the program of low-cost housing."
- 10. Instruction No.23, dated 30.12.2008, adopted by the former Ministry of Public Works, Transport and Communications "*On the content of the housing bonus*".
- 11. Instruction No. 6257, dated 02.09.2008, adopted by the former Ministry of Public Works, Transport and Telecommunications and the Ministry of Finance, "*On determining the amount of subsidy for families who receive loans facilitated by the State*", as amended by Directive No. 2348, dated 17.04.2009, Instruction No. 13 / 1, dated 08.09.2010, and Instruction No. 6, dated 17.02.2011.

Referring to the domestic legislation cited above, it is in place to underline that every individual seeking benefits from social housing programs must follow procedures set forth specifically by Law No. 9232, dated 13.05.2004, "On the social housing programs for residents of urban areas", as amended, which provides families eligible for social housing programs and the criteria for selection process for the applicants receiving benefits.

The enforcement of the said law directly affects the prospects of actual benefits made available to citizens and is contingent upon the financial resources at the disposal of local governing authorities for the implementation of social housing programs. These financial capacities are closely related to the level of grants and conditional ear-marked budget transfers endorsed by the central government.

According to the abovementioned legislation, citizens who are given priority in connection to social programs endorsed by the Decision of the Council of local governing units, must meet the following specifications:

- 1. Families providing proof that they have not benefited from implementation of Law No. 7652, dated 23.12.1992, "On privatization of state housing".
- 2. Families whose head of family is a women who is widowed or divorced.
- 3. Single-parent families with dependent children.
- 4. The elderly who have reached retirement age and have not been selected to be accommodated in public institutions of social care.
- 5. Individuals with disabilities enjoying the status of first-catgeory blind people, the paraplegics and tetraplegics, people with disabilities as a result of work, and people with disabilities as a result of the National Liberation War.
- 6. Families with multiple children.

- 7. New families with a combined age of 55 years.
- 8. Families that have changed the country of residence for the purpose of employment.
- 9. Individuals with orphan status who can benefit starting from moment when they leave orphanage or care centers up to the the age of 30.

In order to address the housing needs of citizens, legislation in place requires that an application be submitted, based on the application form that can be obtained at the Legal Offices of local governing units where the applicant party is registered. Information required in all sections of the application must be truthful and the completed form ought to be notarized. Further supporting documents accompanying the application are required only after the housing offices have informed respective applicants that they are eligible for social housing.

#### Documents proving the conditions of the applicant family include:

- 1. Birth and family status certificate of the applicant from the relevant institution issued by the pertinent authorities within the past three months.
- 2. Notarized copy of identitification document (passport, birth certificate).
- 3. Proof of residency within jurisdiction of the local government unit receiving the request.
- 4. In cases of divorced couples who have borne a child/children, the relevant court's decision on the child's/children's custody.
- 5. Proof of employment by the employerfor each employed member of the family or self-employed member. The certification ought to be accompanied by <u>book (libreza)</u> or else the employment contract and ought to be confirmed by the <u>Institute of Social Security</u>.

#### Documents proving the housing situation of the applicant include:

- 1. Certification by the real estate registration office (ZRPP) that the applicant and his/her family members do not own any housing property.
- 2. Certification by ZRPP regarding land property owned by the applicant and his/her family members.
- 3. Certification by ZRPP regarding the availability of a premise owned by the applicant, wihch can be utilized for residential purposes.
- 4. A lease contract signed in front of a notary public, in case the applicant rents out a living space.

- 5. Original certification issued by the Municipal Technical Services unit, in cases where the applicant resides in housing premises of poor standards or else at risk of dilapidation.
- 6. In cases where the applicant is a new couple, <u>document of marriage</u> and pertinent certificates issued by local registration offices need for the calculation of the combined age.
- 7. In cases of relocation due to employment, certificate issued by ZRPP office at the place of origin, confirming that the applicant does not own any property that can be utilized for housing purposes.

#### Documents proving the family income of the applicant:

- 1. Pertient documentation issued by the employer, specifying duties and renumeration of the applicant and any other family member who is currently employed.
- 2. Documents from the tax authorities and proof of payment of social ensurance contributions, in the case where a family member is self-employed.
- 3. Proof of occasional employment (contract and annual income).
- 4. Proof of the amount paid by social care and social aid units at municipal authorities, in the case where the applicant's family members benefits from the economic aid program for people with disabilities.
- 5. Proof of amount paid by employment offices at the respective local government unitis, for those benefiting from the payment program for the unemployed.
- 6. Proof of payment paid by employment office at the respective local government units, for those benefiting from the economic aid program.
- 7. Certificate from social ensurance offices in the case of retired persons.
- 8. Statement of annual income from:
  - a) double employment;
  - b) Immigration;
  - c) real estate;
  - d) other sources.

In the case of immigrants, documentation issued by the pertinent governing authorities tasked with the administration and management of the required documentation. In particular, for people who have the status of "returning immigrant", "immigrant worker" and "asylum seekers, as following:

For "immigrants" and "migrant workers"

- a) Certification issued by the migration office;
- b) Certification issued by the National Employment Service Office;
- c) Certificate issued by the employment office.

For "asylum seekers", certification issued by the Directorate on Nationality and Refugees.

Document issued by the relevant institutions in the case of families whose members have lost life while on duty, including the State Police, the National Guard of the Republic of Albania, the Internal Control Service, the Fire Protection and Rescue Police, the Armed Forces, the State Intelligence Service, as well as the Prison Guards police.

- a) Confirmation issued by the State Police;
- b) Confirmation issued by the National Guard of the Republic;
- c) Confirmation issued by Internal Control Service;
- d) Confirmation issued by the Fire Protection and Rescue Police;
- e) Confirmation issued by the Armed Forces;
- f) Confirmation issued by the State Intelligence Service;
- g) Confirmation issued by prison police authorities.

Documents issued by the pertinent institutions for victims of domestic violence:

- a) Protection Order issued by the relevant District Court;
- b) Certificate issued by the National Service Center for Social Care for victims of domestic violence;
- c) Relevant medical report/documentation approved by the Ministry of Health and the medical report issued by the emergency health services.
- d) Verification issued by social services and by social centers for rehabilitation for victims of domestic violence.

Special requirements regarding the status of one of the family members.

In the case of persons with disabilities, official documentation certifying the particular disability status, as following:

- a) Visually impairment of category one;
- b) Paraplegic and quadriplegic disabilities;
- c) War invalid;
- d) Invalids of the anti-fascist national liberation war;
- e) Orphans.

# 4. IDENTIFIED PROBLEMS REGARDING THE CURRENT HOUSING SITUATION AND THE MEETING OF HOUSING NEEDS

The right to housing has been a priority area of engagement for the institution of the People's Advocate in exercising its constitutional functions for the protection of fundamental rights and freedoms.

With reference to year 2013, the institution of the People's Advocate has handled a total of 183 cases, including ex-officio cases and individual complaints filed by citizens. This figure represents a relative increase compared to previous years, also as a consequence of predicaments ensuing from the previously mentioned Normative Act concerning the release of housing property to original owners that were expropriated by the communist regime. (More detailed information can be found in Annex No.1, which includes a complaints' graph.)

Based on the information received by all municipalities responding to the request for information issued by the People's Advocate, main problems identified include: not duly informing applicants regarding the regulatory framework and the documents required for the application; delays in carrying out procedures for the review of relevant application files; lack of transparency concerning the determination of procedures for eligibility/selection criteria; as well as lack of transparency regarding the decision-making process administered by relevant commissions at local governing units.

With a view to exercising its constitutional and legal powers to protect the rights, freedoms and legal interests of citizens, the People's Advocate institution has requested detailed information from municipalities across the country, concerning:

- a) The total number of applicants who requested treatment with social housing.
- b) The exact number of people who have been benefited from social housing, including low-cost housing and rental social housing.
- c) Funds allocated for the fulfilment of the housing social objectives and the percentage share of the annual budget utilized for the construction of social housing.

Based on a thorough analysis of the information provide by the respective municipalities in follow up to the request for information<sup>3</sup> issued by the People's Advocate, it results that – in almost all municipalities – the total number of individuals who are entitled to the "homeless" status is considerably larger than the number of individuals who have benefited accordingly. Given budget limitations, this trend is even more pronounced in the case of smaller municipalities.

It is in place to note that out of the total 65 local governing units, only 42 have responded to the request for information issued by institution of the People's Advocate. The remaining

<sup>&</sup>lt;sup>3</sup> The institution of the People's Advocate addressed a request for information regarding the situation of housing to the Local Government Municipalities, through letter No.Prot.K3/I77-2, dated 18.11.2013.

local governing units showed a lack of cooperation and have flatly refused to provide information and explanations required with a view to clarifying the complex issues related to housing – thereby violating their constitutional and legal obligations to make available this information upon request by the People's Advocate.

By evaluating statistics gathered from the 42 municipalities, results show that while there is a total of **17,424 families** enjoying the "homeless" status, only **2,490 families** have benefit from the social housing programs in place.

Moreover, out of the 42 municipalities, only 7 municipalities (including the municipalities of Fier, Durres, Berat, Elbasan, Bilisht and Vlora) have availed of pertinent funding, in the framework of the project "Construction of rental social housing", co-financed by the Council of Europe Development Bank (CEB). For the remaining 35 municipalities, over the years there have been pronounced lack of funds and the construction of social housing has not been possible.

In the majority of cases, homeless individuals benefiting from these support services have been granted low-cost housing. With regard to individuals benefiting access to state-subsidized low-interest rate loans (at 3%), it is in place to underline that this group comprises a small share of the total due to the inability of applicants to meet the criteria set forth by the bank.

Based on the analysis and findings of the People's Advocate institution, the majority of municipalities have no budget allocated for the construction of social housing and are therefore unable to meet the housing social objectives. In the greater part of respondent municipalities, procedures for the distribution of social housing have dragged on for long periods of time and there is a lack of transparency not only concerning the decision-making process for awarding social housing, but also concerning the distribution process.

Imporantly, it is in place to emphasize that in some municipalities, individuals with the "homeless" status have not availed of social housing because there is indeed no social housing facilities to accommodate accordingly (such as in the case of the municipalities of Kruja, Krumë, Pogradec, Ballsh, Orikum, Patos, Çorovoda, Ura Vajgurore, Vau Dejes, Fushe Arres, Roskovec, Vora, Librazhd, Gjirokastra, Libohovë, Gramsh, Selenica, Sukth, Kamëz, Burrel, Kurbin and Bajram Curri).

While a limited number of homeless people have benefited from housing construction projects realized by the National Housing Entity, this number nonetheless represents an almost negligible share of the total number of people enjoying the "homeless" status countrywide.

More details on the housing situation for each of the respondent municipalities as follows:

#### 1. Municipality of Përmet

Cassification of requests for housing is based on a scoring system endorsed by the Municipality Council. The total number of applicants who are currently acknowledged as "homeless" has reached over 250 families.

The number of families who have benefited from low-cost housing from both stages of evaluation until 2013 is 10 in total. Through Directive No. 48, dated 18.04.2011, issued by the line ministry, there are 60 applicants benefiting from the scheme.

The extremely low number of people benefiting from the loan at 3% interest with maturity period for 30 years provided by National Commercial Bank relates to the difficult economic condition of the majority of applicants, who are unable to meet the conditions set by the bank under this program.

For this purpose by the Municipality has drafted a 10-year long program for housing.

In the famework of this program, both through a verbal and the formal written request letter Protocol No. 184/1, dated 12.03.2013, the Department on Housing Policies has been asked to provide support and alleviate the worrying housing situation in the city of Permet. In particular, the specific request was made for the continuation of the loan program at 3% interest, as well as for the provision of financial support for various programs in accordance with Law No. 9232, dated 13.05.2004, "On social housing programs for residents of urban areas." Notwithstanding the abovementioned requests and the disconcerting housing predicament in this municipality, there are nonetheless no funds allocated for social objectives regarding housing and there is no budget allocated for the construction of social housing.

#### 2. Municipality of Kruja

Based on the information received by the Municipality of Kruja, it results that there is a total of 194 families with the "homeless" status, as acknowledged by Decision No. 36, dated 12.12.2012, issued by by the Municipal Council. The exact number of people who have benefited from low-cost housing is 16 families in total.

The Municipality of Kruja has not been able to offer rental social housing for families in need because there are no such housing facilities available. Regarding social housing objectives, the approved budget of the Municipality of Kruja has no special funds allocated for this purpose. In this connection, the Municipality of Kruja has not been able to allocate earmarked funds for supporting and implementing housing programs.

# 3. Municipality of Krumë

In this municipality there is a total of 200 families qualifying as "homeless".

Currently there are 20 low-cost houses offered by the Municipality of Krumë, whereas there are no rented social housing because the municipal authorities avail of no such facilities.

There is no funding allocated vis-a-vis social housing objectives since the municipali budget comprises of 80% government grant share and 20% share accruing from tax revenues and services fees.

## 4. Municipality of Pogradec

The total number of applicants for access to credit with preferential terms is 365 in total. Of these, 138 families have applied for Category I (residents in former privately owned houses) loans at 0% interest, and 227 families for the preferential loans at 3% interest rate comprising applicants with the "homeless" status (Category II). With reference to these two categories, 11 families have benefited from 0% interest rate loans, whereas 112 families have benefited from the preferential loans at 3% interest rate.

No other social housing programs are in place, since there are no ear-marked state funds allocated for this purpose and there have been no other source of funding from donors. The annual budget approved for the Municipality of Pogradec does not foresee any funds for the homeless, because it is not financially possible to rent housing for this purpose or to adapt land property with the required infrastructure.

#### 5. Municipality of Leskovik

In 2013 there have been no requests related to the social housing objectives. There are no cases of low-cost rented housing or rental social housing and there are no funds allocated to meet this social objective.

#### 6. Municipality of Ballsh

There is a total of 300 homeless families. For the 2009-2011 period, there is a total of 130 families applying for housing benefits, with only 47 families effectively qualifying for this type of support. Whilst in 2012, due to the deferment of procedures for access to credit options, 34 families reapplied and all applications were approved. The exact number of cizitens benefiting from low-cost housing is 15 in total. Meanwhile, there have been no applicants and therefore beneficiaries for rental social housing. With regard to funding, there have been no ear-marked funds for the construction of social housing.

#### 7. Municipality of Bulqizë

Currently municipal authorities are in the process of evaluating the "homeless" status for inhabitants of Bulqiza, with 4 families having filed the due application documentation.

Notwithstanding the fact that the Council Decision No. 5, dated 18.11.2011, acknowledges 26 eligible requests for housing support, there are yet no beneficiaries of low-cost housing or rental housing treatment. In connection to allocation of funds to meet housing social objectives and the construction of social housing facilities, it is in place to note that there is a financial predicament related to the lack of budgetary funds from the previous year. Currently, the municipal authorities are in the process of reforming this particular sector, with a view to establishing a prospective categorizing of "homeless" for: (a) housing conditions, (b) social conditions, and (c) family conditions.

#### 8. Municipality of Fier

In year 2014, 300 applications for the "homeless" status shall be submitted for approval to the City Council of Fier. Meanwhile, new families facing a housing predicament and becoming "homeless" are entitled to the applying for housing support in the framework of pertinent social housing programs.

202 families have benefited through the social program for buying low-cost housing with 3% interest rate subsidized by the state. 96 families homeless families have benefited from the rented social housing scheme. In year 2013, the City Council of Fier endorsed a fund of 36.155 million ALL (in the framework of cooperation with the Council of Europe Development Bank, based on the agreement on the sub-loaning approved through the Council Decision No. 45, No. 46 and No. 47, dated 30.07.2008) for the construction of social housing.

With regard to year 2014, the Municipality of Fier is in the process of planning and following administrative procedures for the endorsement of the annual budget.

#### 9. Municipality of Orikum

Currently the total number of applicants with the "homeless" status is 10 families. A total of 5 families have benefited from low-cost housing for the period of 2010-2012. With regard to rental social housing in the Municipality of Orikum, there are no budgetary funds foreseen for the construction of social housing for meeting social housing objectives.

#### 10. Municipality of Patos

Currently the number of applicants etitled to the "homeless" status, as endorsed by the relevant decision issued by the City Council, is 16 families in total. 5 families benefited from low-cost housing, while there are no case of families benefiting from rental social housing. There is no budgetary funds allocated vis-a-vis the social housing objectives.

#### 11. Municipality of Corovodë

In the Municipality of Çorovodë, approximately 250 families have applied for access to the low-cost housing program. Over the years there have been no fund allocated for this purpose.

#### 12. Municipality of Ura-Vajgurore

The Municipality Ura-Vajgurore has not allocated any funds with a view to fulfilling social housing objectives. The total number of homeless families is 18, including families from before 2007; 4 have been moved to the low-cost housing program, however they have not been effectively benefited from housing support due to failure to meet deadlines and follow through with procedures in place. The list of people with the "homeless" status, there are 2 families with the "invalid" status from work and one person with disabilities; albeit, due to serious financial contracts faced by the municipal authorities, it has not been possible to provide the needed housing support.

# 13. Municipality of Vau Deja

The number of people with the "homeless" status in the Municipality of Vau Deja is 134 families in total. There are no beneficieries from low-cost housing and rental social housing. This municipality has no available funds to support the construction of social housing.

#### 14. Municipality of Fushe Arrëz

In Fushë Arrëz there are 286 families with the "homeless" status, comprising the following categories:

- a)  $1^{st}$  group A/1, one family
- b) 2<sup>nd</sup> group A/2, 108 families
- c) 3<sup>rd</sup> group B, 103 families
- d) 4<sup>th</sup> group C, 50 families
- e) 5<sup>th</sup> group Ç, 25 families

Categories 1 and 2 represent the priority groups in light of the risks faced accordingly. The number of persons benefiting from housing support is a total of 18 families, through the approval of the National Housing Entity of Shkodra. In the Municiaplity of Fushë-Arrëz there are no funds allocated for the construction of social housing or else the acquisition of apartments for this purpose.

#### 15. Municipality of Berat

The total number of families that are homeless is currently 700. Applicants who have been able to effectively benefit from housing aid is 135 families in total, of which 65 families have been treated under the low-cost housing scheme (66 with 3% interest rate and 2 families with 0% interest rate) and 48 families have benefited from rented social housing.

Since 2004, this municipality has not allocated any funds for social housing programs.

In the official response letter by the Municipality of Berat, we are informed of joint project for the "Construction of rented social housing", with an overall 12% share equivalent to 20,754,226 ALL (Lek). This project is considered particularly important in view of finding a solution to the housing predicament in this municipality and could also serve as an example to be applied by other municipalities.

#### 16. Municipality of Saranda

636 families have been granted the "homeless" status and have been included in the social housing program with low-cost loans, as following:

- a) In 2010, a total of 93 requests;
- b) In 2011, a total of 236 requests;
- c) In 2013, a total of 307 requests;

Of the total 123 available application quotas, 88 families have effectively benefited from the 3-year long low-cost housing support.

In 2010, a total of 24 families have benefited flats built by the National Housing Entity. For the 2010-2013 period, there were no budgetary funds allocated for the construction of social housing in the Municipality of Saranda. Given the level of revenues and financial predicaments of local governing units, it has been not possible to fund the construction of low-cost housing with a view to meeting the needs and resolving the demands for social; even though the municipality has offered two possible construction sites for social housing, no funds have been made available from the National Housing Entity.

#### 17. Municipality of Himara

The Himara Municipality does not avail of social housing and therefore has not established criteria for eligibility for this type of housing. The number of applicants who have the "homeless" status in Himara is 5 families in total.

With regard to applications for access to low-cost housing, a decision has been issued by the City Council acknowledging the entitlement to this type of treatment; however, these applications have not been endorsed by National Housing Authority and the Bank. Since the Municipality of Himara is applying for the first time the procedures vis-a-vis homelessness, there are various difficulties related to the criteria of selection, the relaevant budgeting and

the procedural aspects, also because of the lack of any facilities that can be adapted for social housing purposes.

### 18. Municipality of Elbasan

The total number of applicants for the "homeless" status in the Municipality of Elbasan is 2073 families. The actual number of beneficiaries from low-cost housing is 145 families in total, while there are 96 families benefiting from rental social housing. The Municipality of Elbasan has built social housing through a cooperation project with CEB. Based on the agreement between the parties, the municipal governmental contribution is 40%, while CEB covers the remaining 60% share in the form of a loan that will be paid by the Municipality of Elbasan starting from year 2015. The value of the loan is 1.2 million Euros. In the framework of this project, four 6-story apartment buildings have been constructed, comprising in total 96 apartments which have been distributed to homeless families through the pertinent decision issued by the City Council.

#### 19. Municipality of Roskovec

In this municipality, there is a total of 3 families which have applied for treatment through credit easing and are currently following relevant procedures. In the case of the Municipality Roskovec, there are no cases of families benefiting low cost social housing or treatment with rental social housing; no funds have been allocated with regad to the social housing objectives.

#### 20. Municipality of Belsh

The Municipality of Belsh has had no funds available, neither from the state budget nor from municipal revenues, to address the housing issues and as a result has not been able to establish practices related to these issues. Given the lack of funds, the Municipality has not kept a records and relevant files for families in need of housing. The lack of pertinent aedministered files does not imply that the Municipality of Belsh has no families that meet the criteria for the "homeless" status.

# 21. Municipality of Vora

The City Council of the Municipality of Vlora has endorsed two decisions: 5 out the 16 applications have been approved through Decision No. 31, dated 21.05.2010, whilst 7 out 27 have been approved through Decision No. 16, dated 30.04.2013.

Both these Decisions have been submitted to the National Commercial Bank and the line ministry to follow up with relevant procedures and measures.

The Municipality of Saranda has not allotted funded for social housing due to the budgetary constraints vis-a-vis the state budget and municipal revenues.

#### 22. Municipality of Librarhd

The Municipality of Librard has a population of 11,500 inhabitants with about 2,810 families. The total number of families considered homeless in this municipality reaches 184 families with low income.

Currently there are no families that have benefited from subsidised housing or rental social housing. 17 Families have benefited from low-cost housing apartments that are owned by the municipality (former depots adapted into apartments in 2010), of which around 60% of the beneficiaries are Roma.

Under the low-cost loans scheme, 40 Families have benefited from 2010 onwards and a further 7 families are in the process of assessment. The Municipality of Librardh has not had in the past and currently does not avail of any ear-marked funds social housing.

Almost every year, the local governing authorities have submitted a request to the the former Ministry of Welfare, Transport and Telecommunication, through the General Directorate for the Construction Policy and Housing, to construct an apartment building – in view of the fact that, since 1997, about 20 families have occupied the campus of two former dormitories within the "Wilson Blloshmi" secondary school, which is faced with urgent needs for teaching facilities, given that since the occupation of the facilities, classes for pupils are held in two shifts and the number pupils per class is above the allowed limit. The construction of the building with financing from the state budget solves two problems: first, it eases the aggravated housing situation, and secondly it improves the teaching conditions at the school.

#### 23. Municipality of Korça

In the Municipality of Korça 164 families hve been granted low-cost social housing. Meanwhile there are no projects for the construction of rented social housing, excluding the 96 apartments built a year ago, which are expected to be allocated by the City Council in 2014.

In connection to the construction of rented social housing through the funds of the European Development Bank, the Municipality of Korça has contributred by making available the cost of the land property and relevant land property infrastructure (water supply and drainage, etc.). The same contributions have been provided also in the framework of construction projecfts of low-cost rented social housing through state budget funds. In both cases, the investment by the municipality amounts to 15% share.

#### 24. Municipality of Manëz

In this municipality, there are two families with the "homeless" status. There are no families that have benefited from low-cost housing or rental social housing. In the Municipality of Munez there are no fund allocated for the construction of social housing, also due to the very low level of revenues generated by the municipal authorities.

## 25. Municipality of Kavaja

Currently, the number of families who have applied for access to benefits from social housing programs is 300 in total. The number of beneficiaries is 111 families, based on the approval issued by the Council of Kavaja, of which 40 families have received apartments constructed from the funds of the National Housing Agency, whereas 71 families have benefited from the preferential loan at 3% interest rate.

Regarding access to rented social housing, no selection of beneficiaries has been made due to the fact that the pending handover of apartments to be distributed. For 2013 there were no funds for the construction of rented social housing, while municipal authorities are assessing the possiiliy to allot pertinent funds for year 2014.

#### 26. Municipality of Gjirokastra

Currently the total number of applicants with the "homeless" status in Gjirokastra is around 400 families, of which 100 families are categorized under the "former owner" status. Until November 2013, 100 families have benefited from low-cost loans, with 28 of them representing the "former owner" status. There have been no funds ear-marked for rental social housing.

Given the current situation, the Municipality of Gjirokastra is making efforts that in 2014 pertinent funds are increased, also in view of the rise of requests for social housing.

# 27. Municipality of Libohovë

At the Municipality of Libohovë, over 20 families have applied for a loan for social housing but none have benefited from this scheme.

Currently the number of requests for housing is 20 families, of which 5 families are considered homeless and live in rented buildings. The Municipality of Libohovë has not been able to allocate any funds vis-a-vis the housing social objectives.

# 28. Municipality of Gramsh

In the Municipality of Gramsh there is a total of 244 families that have applied to receive social housing support. According to the decisions issued by the Municipal Council, up to the reporting period, 44 applications have been approved but only 12 families have effectively benefited the flats by signing contracts with the National Commercial Bank and the National Housing Entity. Meanwhile 32 other families with the "homeless" status are suffering from particularly difficult situation since they have not yet been given social housing support.

Currently there is no family that has been awarded social housing to rent and no funds have been allocated for the construction of social housing – notwithstanding the repeated requests that the pertinent bodies have addressed to the central government.

#### 29. Municipality of Selenicë

In the Municipality of Selenicë 37 families have the "homeless" status, albeit no family has been able to receive any social housing support. The only progress made relates to the meeting of the Municipality Council, approving 17 applicantions for low-cost loans support. However, no funds have allocated towards social housing which makes the fullfilment of these objectives impossible, particularly so in the case of small municipalities.

# 30. Municipality of Konispol

In this municipality there are citizens who have granted the "homeless" status. There have been no applicants by people or families to be treated under the different social programs and approved by the City Council. Furthermor4e, there are citizens that have been treated with low-cost housing or with rented social housing.

No funds or grants have been allocated for meeting social housing objectives. Notwithstanding the constant requests for support and estimations of housing needs carried out by local governing authorities, as of yet there has been no support provided by the central government.

#### 31. Municipality of Sukth

There are no decisions by the City Council or other official documentation regarding the treatment of "homeless" applicants through rented social housing and low-cost housing.

During the previous years that has been no budget allocated for social housing, also there have been no applications for social housing support. Following our request, the Municipality Sukth has not disclosed any information the number of applying families.

#### 32. Municipality of Kamëz

The number of applicants with the "homeless" status in the Municipality of Kamza is 61 families in total. 17 families have benefited from low-cost housing support, while no families have benefited form the rented social housing scheme. The Municipality of Kamëz does not have any funds allocated towards the construction of social housing.

#### 33. Municipality of Burrel

The total number of families that have applied to the municipal authorities for the "homeless" status and social housing support reaches 103 families. The number of families benefiting from social housing programs (treatment with low-interest loans to purchase housing) in the 2010-2011 period is 18 families in total. The Municipality has not allocated any funds vis-a-vis the housing social objectives and is unable to allocate budgetary funds for the construction of social housing.

## 34. Municiplity of Bilisht

Currently no applicantons for the "homeless" status have been submitted, while 217 families have applied for low-cost housing support.

The City Council has approved 206 applications by families who meet all the requirements set forth by the relevant legislation in place. Of these, 13 were re-endorsed because they had previously failed to submit all relevant documentation to the National Commercial Bank. 36 families have been granted low-cost housing, whil 5 families have been treated with rented social housing.

Fund for the housing social objectives have been allocted for construction of 4 housing premises for the Roma community, with 8,111,000 ALL made available by the former Ministry of Welfare, Transport and Telecommunications.

# 35. Municipality of Rrëshen

The number of applicants granted the "homeless" status in the Municipality of Rrëshen is 302 families in total, of which only 50 families have received treatment with low-cost housing, while no family has received rented social housing.

The Municipality of Rrëshen has not allocated any funds for the construction of social housing.

# 36. Municipality of Vlora

Based on the date from applications gathered up until the end of 2007, the housing committee in the Municipality of Vlora has drafted a 10-year long plan on housing, which was approved by the City Council Decision No. 2, dated 31.01.2008.

In the framework of this program, requests have been categorized in keeping with the thre three programs provided for by the pertinent legislation in place, as well as the costs have been assessed with a view to 1, 3 and 10 year long timeframe. However, due to the pending transfer and registration of properties to the Municipality of Vlora, as well as the fact that the municipal budget does not provide funds for the implementation of the program of social housing for rent and low-cost housing, so far only the requests for social housing support have been submitted by the families in need, demanding access to the credit easing scheme of social housing loans.

Given the fact that housing is a problem has its own dynamics and development, a problematic issue is that the pertinent legislation does not specify fixed deadlines terms for residents submitting requests for housing to the local governing authorities.

Until now 1,200 families have submitted their request for social housing, of which 800 families have been treated with low-cost housing and 350 families have been treated with rented social housing. In Vlora, 160 families have benefited from the low-cost apartment project with preferential loans through the Decision No. 6257, dated 02.09.2008, issued by the Ministry of Finance and the former Ministry of Public Works, Transport and Telecommunications.

30 families, have benefited from the housing bonus for monthly rental payments from the Municipality of Vlora budget, amounting to 2.2 million ALL; of which 25 homeless families living in the houses of former original owners expropriated during the communist regime and 5 other families facing severe social and economic conditions.

#### 37. Municipality of Cërrik

Currently there are 93 families in the Municipality of Cerrik with the "homeless" status. Out of the total, only 9 families have benefited from treatment with low-cost housing, whereas there are no families that have benefited from treatment with rental social housing.

Over the years, the municipal budget has no ear-marked funds for housing and there have been no constructions of social housing due to the financial constraints.

#### 38. Municipality of Durres

The city of Durres has a population of about 207,592 people, with about 62,624 households, out of which there are 6,200 homeless families – with 1,500 families belonging to the "ç" status living in housing that were formerly privately owned, and 640 homeless families in dwellings (constructed as extension to original buildings) through state funding, as well as voluntary contributions on home owners and annexes.

Currently, the total number of applicants is:

• 420 families residing in the house of the former owners

- 260 families homeless have different status
- 2,070 families that do not have the status of homeless

National Housing Agency, Regional Directorate of Durres has funded the construction of 647 apartments which have been built in the period 1993-2005 respectively:

- 569 apartments for the period 1993-1996
- 15 apartments for 2001
- 15 apartments for 2002
- 48 apartments for 2005
- 48 apartments for 2010

Construction of 695 apartments is specified under the following divisions:

- 364 emergency apartments (316 +48)
- Apartment 331 World Bank

Homeless families separated by groups:

- Family group "C", a total of 219 apartments
- Family group A1, A2, B, C, D total of 317 apartments
- Family expropriated 22 apartments
- 57 apartments family P.Politike
- Families of Disabled / War 13 apartments
- Families who have received extension 67 apartments

Durres City Council has available to share 126 apartments (rental social housing).

# 39. Municipality of Ersekë

According to the Decision of the Municipal Council of Erseka, the number of applicants entitled to the homeless family status is 125. Out of the applying homeless families, only 4 have benefited from low interest rate loacs, whereas 2 families have benefited from rental social housing in premises owned by the Municipality of Erseka. Over the past 5 years there has been no municipal budget or ear-marked state budget allocated for the construction of social housing.

# 40. Municipality of Delvina

Based on Decision No. 16, dated 08.03.2013, and Decision No. 21, dated 08.05.2013, adopted by the Municipal Council of Delvina, homeless families who have sought housing loans with preferential rates are 74 in total.

Accorning to the information received, the number of families benefiting from the eased crediting through housing loans at 3%, as initially approved by the City Council and subsequently administered by the National Housing Entity, is 15 in total.

Number of families who have acquired the "homeless" status, belonging to the category of former private ownership, which have benefited from the 0% interest loans for housing, according to information from the National Housing Entity is 7 in total.

The number of Roma families and other families with the "homeless" status, which cannot benefit from eased crediting options for housing loans due to the inability to meet the established application criteris, is 36 in total.

#### 41. Municipality of Kurbin

At present, the number of applicants with the "homeless" status in the Municipality of Krubin is 2,050 in total. The number of familes benefiting from low-cost social housing is 40 in total; meanwhile there are no families benefiting from rental social housing.

The municipal budget has funds ear-marked for the construction of social housing.

#### 42. Municipality of Bajram Curri

The number of homeless families who have submitted documentation and filed a request for housing in the Municipality Bajram Curri is 89 in total. During the 2008-2012 period, the City Council endorsed a Decision to the benefit of 61 families, however only 7 of them have effectively accessed preferential housing loans.

The housing predicament represents a very acute issue with significant social consequences, because the Municipality does not avail of funds to provide assistance for the homeless. There are quite a few persons with disability and people suffering from health conditions that are seeking a shelter and that the Municipality is unable to support because of the lacking means and facilities. The only option available to and pursued by the Municipality of Bajram Curri has been the adoption of a municipal council decision for the beneficiaries of loans offered by the National Commercial Bank and the National Housing Entity. Given the considerable long time that no social housing has been constructed in the Municipality of Bajram Curri, the situation is particularly problematic.

The graph in Annex 1 displays the overall number of persons applying for the "homeless" status, the total number of persons who have benefited from social housing programs, as well as the distribution of funding for investments in the construction of social housing for the 42 respondent local governing units.

#### 4.1 Shelters as an alternative for the accomodation of vulnerable groups

As noted above, the number of people with the "homeless" status in Albania is high and the housing predicament for the majority of them has yet to be addressed.

Given the current situation, the institution of the People's Advocate values that <u>shelter centers</u> can provide an alternative solution to mitigate the housing predicament for the "homeless" families and vulnerable groups. In this connection, the People's Advocate has undertaken the initiative to further pursue this alternative option.

The People's Advocate institution has recommended that local governing units make preparations and establish temporary shelter centers for groups in urgent need, such as the nomadic people, the homeless, members of the Roma community, as well as any other citizen pleading for the support of state institutions. This alternative option is particularly important in order to circumvent situation that would endanger the lives or health of the abovementiond categories in need.

In follow up to the Recommendation issued by the institution of the People's Advocate, a part of the municipalities display the following situation:

# 1. Municipality of Sukth

In the Municipality Sukth there are families with housing problems not only for members of the Roma community, but also other communities. The municipal budget is insufficient and there is no funds available with a view to providing social housing alternatives.

Local government authorities have addressed the predicaments faced by these families by providing economic aid and also providing free textbooks for their children, and remains committed to make every effort with a view to alleviating the difficulties faced by these families.

#### 2. Municipality of Gramsh

The municipal authorities are taking due technical and organizational measures for the adaptation of available sites for prospective social housing for emergencies facing vulnerable groups, however there are currently no nomadic/homeless cases.

# 3. Municipality of Fushe Arrez

Homeless people, nomadic people and the Roma community are faced with serious issues especially so due to extreme weather conditions and significant drop in temperatures.

Given the intense rainfall and snow in this mountainous area, necessary measures have been take in order to ensure the sheltering of categories in need.

#### 4. Municipality of Vau Deja

The Municipality of Vau-Deja avails of the following facilities for social housing or temporary shelters in response to urgent needs:

- 2 hotels with a capacity of approximately 100 people;
- The train station in the village of Mjedë;
- Army barracks in the Vau Deja city downtown area.

# 5. Municipality of Memaliaj

For the reporting period there are no cases of social housing issue pertaining to members of the Roma community, nomadic people, homeless people or those in extreme poor conditions.

With regard to specific conditions or emergency situations, there exist limited spaces that can be adapted for the shelt and a fund for civil emergencies.

#### 6. Municipality of Orikum

The Municipality fo Orikum has no homeless families, nomadic individuals, or persons of belonging to the Roma community in need of social housing. In the event that such cases arise, the Municipality of Orikun is committed to ensure that all appropriate measures are taken, in order to provide immediate relief assistance and shelter, so to prevent situations that might endanger the lives or health of the affected citizens.

# 7. Municipality Patos

In the Municipality of Patos there are no suitable shelter premises or facilities that can be adapted for temporary housing purposes. According to the municipal authorities, there are no cases of nomadic or stray people.

With regard to members of the Roma community, there are about 15-20 families that have by now been integrated in the local community and indeed face difficulties shared by other fellow ctizens.

# 8. Libohovë Municipality

In the territory of the Libohovë Municipality there are no shelters or temporary housing facilities, since such facilities have been built before 1990 and are currently delapidated and completely out of use.

#### 9. Bulqizë Municipality

It results that in Bulqizë Municipality there are no nomadic, homeless people, including from the Roma community, seeking aid from local governing units and in imminent need of shelter.

With regard to the setting up shelter and temporary settlements, the local authorities attach maximum value to this objective, albeit there is a lack of facilities or funds for this purpose.

As per the above, requests have been submitted to the central government to provide needed funding for the creation of permanent shelters and settlements, with a view to making them accessible to such ases, especially so giventhe climate of Bulqiza city, with temperatures reaching –15 Celsius degrees.

# 10. Ballsh Municipality

Concerning the setting up of shelters, we have been informed that this problem has been consistenly brought up during over the past 20 years, since there have been no interventions to clean, rehabilitate and put to use these shelters. The Ballsh Municipality does not have adequate budgeting to financially support the needed investments.

Wuith regard to temporary shelter, there exists a facility that has also been used on previous occasions as a temporary shelter facility, which is still accessible in emergent situations. However, in the Ballsh Municipality ther are no nomadic or homeless people, including from the Roma community living outdoors.

#### 11. Ersekë Municipality

In the city of Erseka this phenomenon is at low levels, however it has been considered as a priority area. The municipality avails of sufficient facilities requiring small investments in order to be adapted as shelters or temporary settlements for vulnerable groups in need in emergent problematic situations.

#### 12. Municipality of Saranda

Given the recent precarious weather conditions and the low temperatures expected through the winter season, emergency measures have been take to provide for the needs of various social groups, including nomadic people, homeless people, and the Roma community, in order to precent situations that endanger their life or health, partituclarly so for children.

In keeping with Law No. 8756, dated 26.03.2001, "On civil emergencies", amended, all due administrative measures have been undertaken with a view to preparing shelters and tempororary housing for groups in need faced with such emergent difficult situation.

The personnel of the Saranda Municipality and other local governing units have conducted an analysis of all pertinent laws and regulations. Specialized working groups have been established in pertinent institutions and a program has been prepared in order to prevent situations that might endanger the lives or health of these categories in need.

The emergency unit at the municipality and subordinate units has been equipped with staff members and relevant instructing. Temporary premises asisgnd include: the city orphanage, the polyfunctional daily center, and the building nearby the the police station of Saranda.

Given that the municipality's budgeting for the coming year is being drafted, work is being carried out with a view to establishing an ear-marked fund for civil emergencies for 2014. In this connection, continuous communication and cooperation with inspectors from the police authorities so as to cover the various city's neighbourhoods and suburbian areas as well. Meetings have been held at prefecture level concerning the winter season emergencies, the reporting on the situation and coordination of responsabilities. This approach has made possible avoiding difficulties with unexpected occurrences that may pose a threat to the life or health of vulnerable groups and especially children.

#### 13. Municipality of Puka

Puka Municipality has identified and filed requests for aid in keeping with the regulations in place, including for emergiences involving nomadic people, homeless people and members of the Roma community.

Families that have been subject to damages due to natural disasters or other human disasters have received first aid and have been provided with temporary shelter.

Roma families have relied on social assistance provided by various associations. This support has been significant to circumevent situations endangering their life or health. Depending on the specific timing and particular cases, appropriate organizational arrangements are made in order to provie relief to groups in need.

#### 14. Municipality of Kamëz

Kamza Municipality has designated the facilities that are suitable for the accommodation of persons in urgent need of shelter. This is with reference to the implementation of measures vis-a-vis housing and temporary shelter for groups in need, including nomadic people, the homeless, members of the Roma community, as well as any other citizen filing a request for state aid from local governing units – with a view to preventing situation that threaten their life or health.

#### 15. Municipality of Fier

Based on the verification carried of the physical infrastructure, shelter facilities are in good standing and some 35 shtelters underneath high-rise buildings require reconstruction work. The Municipality of Fier shall plan the allotment of rehabilitation funds contignent upon the financial resources available.

#### 16. Municipality of Lushnjė

Th city Lushnja has not received funding for the construction of social housing. All public facilities that could have been adapted for sheltering purposes have been privatized and are now in private ownership by citizens.

# 5. NORMATIVE ACT FOR THE RELEASE OF HOUSING TO ORIGINAL OWNERS AND ITS IMPLICATIONS VIS-A-VIS HOUSING POLICIES

The institution of the People's Advocate has examined the effects of the implementation of the Normative Act No. 3, dated 01.08.2012, "On the release of housing to the rightful owners from the shelterless citizens, residents in the property of the expropriated subjects", which has had a bearing on issue of housing for various categories.

The institution of the People's Advocate has received an increasing number of complaints by citizens living in the houses belonging to original owners expropriated during the communist regime, as well as by subject entitled by law to address their needs for housing. These complaints are related to the effects stemming from the implementation of the Normative Act No. 3 of the Council of Ministers, dated 01.08.2012, "On the release of housing to the rightful owners from the shelterless citizens, residents in the property of the expropriated subjects".

From a chronological perspective, the complaints submitted have initially been related to the content of the Normative Act No. 3 of the Council of Ministers, dated 01.08.2012. Subsequently, upon approval by the Albanian Parliament, complaints have been related to the effects ensuing from the implementation of this normative act.

With reference to the subject matter of the Normative Act No. 3, dated 01.08.2012, in follow up to the carrying out of a detailed analysis, the People's Advocate addressed its opinion on the elements of non-compliance of the Normative Act vis-a-vis the Constitution of the Republic of Albania, through letter No. Prot. 249, dated 11.09.2012, to the Speaker of Parliament, the heads of all parliamentary political groups and to the independent members of the parliament. The People's Advocate proposed that the Parliament not endorse this normative act, since it would bring about serious consequences for those who are subject to this law and would provide grounds for potential social risks and new conflicts.

In spite of the aforementioned opinion and proposals issued by the People's Advocate institution, the Parliament endorsed the normative act. All the meanwhile, various associations of tenants in housing premises belonging to original owners expropriated during the communist regime filed a case with the Constitutional Court, demanding the annullement of this normative act. Upon the review of the case, the Constitutional Court issued a decision to annul the said normative act.

Notwithstanding the above, the institution of the People's Advocate has received 103 complaints filed by individuals or else families tenant at houses belonging to originally expropriated owners by the communist regime. These complainants currently avail of no solutions or options to their housing predicament.

In this connection, various municipalities across the country have requested our cooperation with a view to find a solution to the existing situation, since they lack actual resources and real options for their accommodation through social housing rent.

The Normative Act No. 3 of the Council of Ministers dated 01.08.2012, lays down detailed procedures and provisos for competent authorities, while also foreseeing the approach and measures for the treatment of the housing issue for citizens lacking shelter, tenants in housing premises under the ownership of originally expropriated owners.

# In concrete terms, the Normative Act provides for the following options for the housing of the implicated:

- 1. Access to loans by the National Commercial Bank, with maturity up to 30 years with a 0% interest rate.
- 2. Treatment by borough councilsthrough accommodation in social housing, with due priority allotted to programs of social housing for rent.
- 3. For the elderly who are unable to look after themselves and have no dependents, in cases where there is not written expression of interest to avail of housing with rent and upon verifications it can be ascertained that they are unable to look after themselves, their accommodation arrangements are made with care centers for the elderly.

In order to have a clear picture of the possibilities for implementing these methods foreseen in the abovementioned Normative Act, the institution of the People's Advocate has addressed respectively:

- The Ministry of Public Works, Transport and Telecommunications and the Ministry of Finance, with a view to providing official information on the feasible options available for the treatment of these families with long-term loans at 0% interest rate, as well as with social housing. Furthermore, this official request for information also refers to the information on the availability of funds foreseen for the loan programme, in view of budgetary reallocations for local authorities.
- The Ministry of Labour, Social Affairs and Equal Opportunities, with a view to providing information concerning the actual possibilities for the housing of elderly people who are unable to look after themselves and have no dependents, in care centers for the elderly. Information requested also included that on the actual number of these care centers, their accommodation capacities and their actual host capacities.
- The National Housing Authority, with a view to providing information on issues, including:

- The number of shelterless people who were tenants in houses owned by former expropriated subjects during the communist regime, with detailed confirmed information on the named subject that were referred to the National Commercial Bank for accessing ear-marked loans, in keeping with Article 1 of the said Normative Act.
- 2. The number of homeless people compiled by the National Entity for Housing, which has been submitted to the National Commercial Banks, prior to 5 September 2012, as stipulated in Article 2 of the Normative Act.
- 3. Information on cases whereby owners of the property or their legal representatives has filed because of the refusal of the existing tenants to move away from the premises.
- 4. The number of orders issued by the competent Court for the abovementioned cases;
- 5. Informatin on the cases of verifications required by provisos of Article 6 of the Normative Act, and the results of these verifications.

Likewise, the institution of the People's Advocate has addressed the Municipality of Durres and the Municipality of Tirana, with a request to provide information and clarifications regarding their real possibilities to address the numerous demands for social housing from tenants in the properties of original owners expropriated during the communist regime.

The official reply issue by the Ministry of Labour, Social Affairs and Equal Opportunities regarding the information by the People's Advocate, amongst others informed that, in the framework of the process of decentralization, social care services have been been transferred for compentence to the local governing units.

On the basis of enacted legislation in this domain, within the past two years 19 residential care institutions have been transferred, out of which four copmirise public centers of resistential care (Kavaja, Gjirokastra, Fier, Shkodra).

Meanwhile, with a view to fulfilling the needs across the entire territory of the Republic of Albania, the Ministry confirms that the State Social Service also administers the Retirement Home in Tirana, with an overall capacity of 40 beneficiaries and currently accommodating 32 residents.

The National Housing Entity, in its answer addressed through official letter No. Prot, 5352 /1, dated 20.12.2012, provides clarifications regarding the institutional ambit foreseen by the stipulations of abovementioned Normative Act, while also annexing tables with information with reference to the specific request submitted by the People's Advocate.

More specifically, the National Housing Entity has submitted to the National Commercial Bank a total of 1.066 names, in keeping with Article 1 of the Normative Act, and a total of 3.295 names in keeping with Article 2. Therefore, the overall number of cases submitted is 4.381.

As of the report's publishing, the institution of the People's Advocate has yet not received an official response from the Ministry of Public Works, Transport and Telecommunications and the Ministry of Finance.

Furthermore, the information requested from the Municipality of Tirana has yet not received an official response. Meanwhile, the Municipality of Durres has informed that various individuals who have been affected by the implementation of the Normative Act No. 3, dated 1.08.2012, have been enlisted as applications for social housing for rent, though the problem has yet to be resolved.

In concrete terms, complaints filed with the People's Advocate institution by tenant families upon the entry into force of the Normative Act have brought to the fore various problematic issues:

- A large number of the tenant families have filed complaints because even though they
  hve applied for a loans at 0% interest rate at the National Commercial Banks, as
  foreseen by the said Normative Act, they have not been able to benefit from such loan
  option because according to the National Commercial Bank they do not meet the
  required criteria.
- Families have filed complaints because even though have duly applied for social
  housing treatment, they have not been able to benefit from this treatment and indeed
  have not received an official response letter from the respective municipalities
  regarding this matter.

Particular municipalities (such as the Muncipality of Kucova), have sought the help of the People's Advocate with a view to ensuring that housing and ear-marked loan options are accessible for the affected families, since they lack financial means or social housing to address the respective tenant families in accordance with the provisos of the Normative Act.

Based on complaints filed with the institution of the People's Advocate during the reporting period, it results among others that a significant share of the affected tenant families include persons with disabilities, mostly paraplegics and quadriplegics, as well as unemployed, elderly persons without any alterantive means of support, and even former political prisoners during the communist regime, and importantly families receiving income that is disproportionately low compared to the number of family members.

From all of the above, it shows that the Normative Act has not been based on a preliminary study and sound analysis of the concrete situation on the ground, the number of tenant families sheltered in houses belonging to owners formerly expropriated during the communist regime, and the feasible options and reals possibilities to address their needs for housing.

In the context of close cooperation with the civil society, so as to reach practical solutions to the emergent situation and the feasible options at hand, the institution of the People's Advocate has learned about the correspondence between the "Res Publica" Center and various municipalities across the country regarding this matter.

According to this correspondence, the Municipality of Berat has confirmed, by way of Letter No. Prot. 2001/1, dated 11.09.2012, that it has not benefited from any ear-marked funding from the state budget with reference to the Normative Act No.3, dated 01/08/2012. In the absence of funding, there is no planned project for housing construction; meanwhile, the municipality does not avail of any free apartment spaces.

The Municipality of Shijak confirms, by way of Letter No. Prot. 876/1, dated 7.11.2012, confirms that it has received any ear-marked funding from the state budget for the implementation of the effects of the Normative Act No. 3, dated 01.08.2012. In the absence of funding, there is no planned project for housing construction. The municipality currently avails of only 2 social housing apartments, while 295 citizens have been included in the waiting list for social housing, all the meanwhile excluding the figures involving the tentants in housing belonging to original owners expropriated by the communist regime.

**Municipality of Çorovodë**, by way of letter No. Prot. 1072, dated 01.11.2012, confirms that it has received no special funding from the state budget for the implementation of the effects of the Normative Act No. 3, dated 1.08.2012. In the absence of funding, there is no planned project for housing construction. The Municipality of Çorovodë avails of no social housing facilities.

**Municipality of Vlora**, by way of letter No. Prot.1072, dated 01.11.2012, confirms that it has not received ear-marked funding from the state budget for the implementation of the effects of the Normative Act No. 3, dated 1.08.2012. Even though a 10-year-long program for social housing has been drafted, there is no planning for housing constructions, because of the lack of funds No planning for housing construction, as there is a lack of funds and that it currently does not have a municipal social housing available for eligible homeless categories.

**Municipality of Pogradec**, by way of the document No. Prot. 756/1, dated 31.10.2012, confirms that there is no special funding from the state budget ear-marked for the implementation of the effects of the Normative Act No. 3, dated 1.08.2012. There is a lack of funds for construction of new social housing, while there is currently no social housing available.

**Municipality of Gjirokastra**, by way of the letter No. Prot. 2503/1, dated 31.10.2012, confirms that it has received no funds for the construction of housing for these families and that it has no planned funds from the annual budget ear-marked for addressing needs to accommodate families qualifying for aid with shelter.

At least with reference to the cases reported to the People's Advocate institution, it results that, notwithstanding the stipulations of the Normative Act foreseeing the provision of access to homeless citizens and tenants in houses belonging to original owners expropriated by the communist regime, both to long-term loans at 0% interest rate and to social housing options to be provided by local governing authorities cannot be effectively met. Furthermore, from the official datat provided by the line ministry, it results that it also not feasible to address the

accommodation at the elderly care centers for the affected old persons who cannot look after themselves and have no dependants.

Based on an objective assessment of the factual situation, it is can be affirmed that the content of provisions stipulated in the Normative Act No. 3, dated 01.08.2012, is not based on a sound analysis of the situation of parties affected and therefore it creates the grounds for potential infringement of their rights.

In view of the above, the People's Advocate presents the two following solutions to the predicament of individuals or tenant families that are homeless upon leaving premises of houses belonging to original owners expropriated during the communist regime:

- Access to loans at 0% interest rate, by providing the respective amount needed to avail of housing based on market prices, either through a government-managed scheme bypassing bank procedures or else through the endorsement by state authorities as guarantor to applications by eligible citizens requesting loans from the National Commercial Bank.
- 2. Speedy endorsement of allocation of sufficient funds from the state budget to the benefit of municipal authorities, ear-marked for the construction of social housing, in keeping with the requests submitted by the local units, with a view to addressing the priority needs of individuals or tenant families in houses owned by original proprietors and were subject to expropriation during communism.

The institution of the People's Advocate concludes that the implementation of these solutions demands that amendments and improvements be made to the existing legislation which specifically regulates these matters. The best option, however, would be the endorsement of a new Normative Act by the Council of Ministers that addresses and regulates the emergent problematic.

Whereas the abovementioned Normative Act aimed at providing a solution to the existing problematic situation, its endorsement has resulted in an emergent compounding situation for individuals and tenant families resident in property belonging to original owners expropriated during communism. This situation requires timely and coordinated response by all relevant state institutions.

The People's Advocate has consistently been and shall remain fully committed to finding an optimal solutions as soon as possible for all the affected families and individual citizens, who are currently facing a housing predicament and are not provided with feasible solutions notwithstanding the provisos of the Normative Act No. 3, dated 1.08.2012.

As per the above, in keeping with Paragraph 3 of Article 63 of the Constitution of the Republic of Albania, which explicitly states that: "The People's Advocate is entitled to make recommendations and propose actions when violations of rights and freedoms by public administration bodies", and pursuant to Article 24 a of Law No. 8454, dated 4.02.1999, "On the People's Advocate", as amendmended, the institution of the People's Advocate submitted a Recommendation to the line ministries so that, in accordance with Paragraph 1 of Article 81 of the Constitution of the Republic of Albania, they exercise the right to

legislative initiative, with a view to amending and improving the legal framework in placethat, in order to enable the provision of housing options in a shorter period for individuals and tenant families in houses belonging to original owners who have been subject to expropriation during the communist regime.

In October 2013, the People's Advocate institution reissued this Recommendation and addressed the Prime Minister of the Republic of Albania; however, there has yet been no official follow up on this matter. In the meantime, the institution of the People's Advocate has continued its correspondence with the National Housing Entity with a view to identifying and substantiating the various issues brought forth by our institution.

#### CONCLUSIONS AND RECOMMENDATIONS

#### **Conclusions**

- 1. Based on the monitoring and analysis of housing issues, the institution of the People's Advocate has evidenced that housing continues to represent on of the most pressing social issues.
- 2. The greater part of families that qualify for the homeless person status cannot avail of social support programs because of their inability to fulfil the formal criteria foreseen by the law.
- 3. Municipalities at large and smaller municipalities in particular do not avail of adequate funding, which is needed to provide practical alternatives for sheltering, rent housing and allocation of social housing.
- 4. A large share of municipal authorities are not prepared to guarantee shelters and housing options for vulnerable groups in urgent need for support, such as nomadic people and the homeless, notwithstanding the pertinent Recommendation issued by the People's Advocate institution.
- 5. Upon entry into force of the Normative Act No. 3, dated 1.08.2012, tenant families faced a housing predicament because of the lack of support by respective municipal authorities with social housing or else access to state-subsidized long-term loans at 0% interest rate. All the meanwhile, municipalities at large are lacking sufficient funding allocated by the state budget.
- 6. The issuance of Normative Act No. 3, dated 1.08.2012, has not been based on a sound analysis and feasibility study taking into consideration the actual housing predicament, the number of tenant families residing in properties belonging to original owners expropriated during communism, or the real practical resources available to address their need for housing.

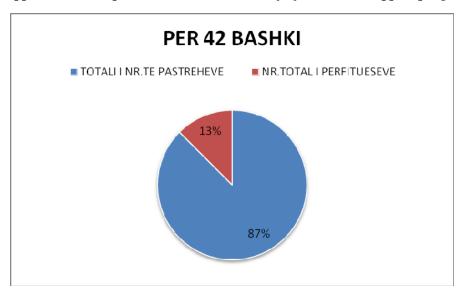
#### Recommendations

In concluding its opinion on various issues of concern to the social objective vis-a-vis housing and the capacities of state institutions to fulfil this objective, the institution of the People's Advocate considers it important to present a series of recommendations that would serve the subsequent improvement of the situation and the improvement of a legal framework that effectively address the housing needs for citizens facing a housing predicament.

- 1. Responsible state institutions ought to undertake a review of policies on the distribution of funds to local governing authorities nation-wide and integrating this in the framework of the Administrative Territorial Reform.
- 2. Local government units ought to gurantee the observance of homeless status, in keeping with the legislation in place, and ought to avoid delays in the administration of relevant documentation.
- 3. Local governing units are recommended to increase the transparency of procedures conducted for the designation of eligibility critieria and eventual decisions taken for each case.
- 4. Pertinent state institutions ought to ensure the priority treatment of particular cases and those affected people from vulnerable groups, particularly so persons with disabilities, the Roma community, etc.
- 5. Responsible institutions ought to review to review the mechanisms and policies regardeing social programs, with aview to primarily avoiding prohibitory criteria and policies that are detrimental to the interests of eligible beneficiaries, particularly so vis-a-vis cases from vulnerable social strata.
- 6. Pursuant to the Recommendation of the institution of the People's Advocate, studies and analysis ought to be understanken, with a focus on the effects ensuing from the implementation of the Normative Act No. 3, dated 01.08.2012, "For the release of housing to former owners", especially in light of the direct impact it has had on the increased number of homeless people.
- 7. The respective line ministries are recommended that, in keeping with Paragraph 1 of Article 81 of the Constitution of the Republic of Albania, they exercise the right to legislative initiative, with a view to amending and improving the legal framework in place and to enable the timely addressing of the needs for the individual and tenant families resident in properties belonging to original ownders that were subject to expropriation by the communist regime.
- 8. The Ministry of Urban Development and Tourism and the Ministry of State for Local Government ought to take into account the effects of the territorial reforms on housing policies and the pertinent financial implications.
- 9. Central and local governing authorities are recommended to take due measures in order to restore and make functional temporary housing facilities as a practical option for the sheltering of vulnerable groups.

#### Annex 1

Graph No. 1 shows the total number of homeless people, based on information provided by the 42 municipal authorities, as well as the percentage figure of beneficiaries that have applied to the respective institutions to benefit from social support programs.

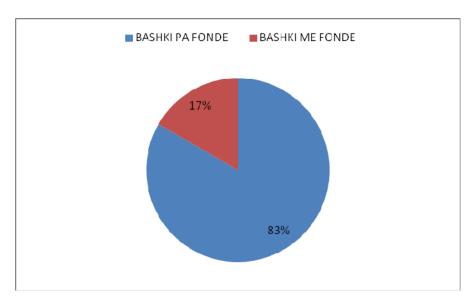


#### **42 MUNICIPALITIES**

#### TOTAL NUMBER OF HOMELESS PEOPLE

#### TOTAL NUMBER OF BENEFICIARIES

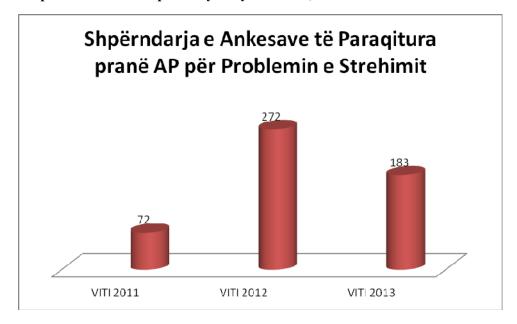
Chart No. 2 shows the percentage share of municipalities that have benefited from funds ear-marked for the fulfilment of the housing social objective. The graphical depiction reveals a discriminatory treatment of various units availing of such funds and those units that have not accessed financial support and relevant grants over the years. It is in place to note that this chart displays information solely regarding the 42 local governing units; data from the remaining 23 local governing units confirms the trend and indeed makes the disproportiate treatment even more pronounced.



MUNICIPALITIES WITHOUT FUNDING

MUNICIPALITIES BENEFITING FUNDING

Graph No. 3 shows the distribution of complaints lodged with the institution of the People's Advocate respectively for years 2011, 2012 and 2013.



Distribution of complaints filed with the People's Advocate regarding housing issues

