



Ukraine. Liudila Khomenko walks away from her destroyed home, near Mariupol. The home was hit by a rocket. The family are now staying in a local sanatorium.
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Ukraine

Adapting Pre-Existing Housing Schemes to Meet IDPs' Specific Needs

1. Context

With over 90 per cent of Ukrainian households owning their homes,¹ the right to housing is particularly dear to the country's citizens. Article 47 of the Constitution of Ukraine requires the state housing policy to "create conditions that enable each citizen to build, buy or lease housing."² State and local governments may also need to provide free or affordable housing for citizens requiring social protection. Yet for Ukraine's over 1.4 million registered IDPs who fled the conflict that began in 2014 in Eastern Ukraine, housing remains one of the most pressing challenges³ inhibiting their ability to find a durable solution, particularly

for those who have been living with host families or in cramped, modular or collective accommodation for over six years.⁴

The national homeownership rate for IDPs is around 17 per cent,⁵ although the rate varies significantly across the country. For instance, in the southern region of Odessa, only three per cent of the 36,554 IDPs⁶ had purchased their homes by the end of 2019, with the vast majority renting accommodation (77 per cent), living in collective centers (10 per cent) or staying with host families (9 per cent).⁷ IDPs' housing requirements are complicated by the fact that many IDPs travel back and forth across the "contact line" between the government-controlled area and the non-government-controlled

area in Eastern Ukraine, since pensions and state social payments can only be received in government-controlled areas. Thus, even though IDPs may wish to eventually return to their place of origin, they still need long-term housing solutions in their present location.

The Government of Ukraine's assistance for IDPs is based on the 2014 law "On ensuring the rights and freedoms of internally displaced persons." Programme assistance is primarily channelled through the 2017 State Targeted Programme for Recovery and Peacebuilding in the Eastern Regions of Ukraine, which host the highest numbers of IDPs. Following a change in government in 2019, the Ministry of Reintegration of Temporarily Occupied Territories of Ukraine, responsible for coordinating the overall response to internal displacement, was, in 2020, developing a replacement for its 2017 "Strategy for the Integration of Internally Displaced Persons and Implementation of Long-Term Solutions to Internal Displacement for the Period until 2020" and an accompanying Action Plan.⁸

In addition to compensation for damaged or destroyed housing in the conflict,⁹ the Government of Ukraine has adapted a spectrum of existing housing schemes to meet IDPs' specific needs, from temporary housing, social housing for vulnerable groups, and affordable long-term housing solutions. The Ministry for the Development of Communities and Territories leads the government response to housing for IDPs, guided by its Action Plan entailing the "Strategy for the Integration of Internally Displaced Persons and Implementation of Long-Term Solutions to Internal Displacement for the Period until 2020".¹⁰ At the regional state level, "The Regional Program of Support and Integration of Internally Displaced Persons in the Donetsk Region for 2019-2020" includes a broad spectrum of programmes implemented by government authorities at all levels, NGOs, educational institutions and others, and specifically highlights the "creation of appropriate living conditions."¹¹ Notably, in 2016, the Ministry of Temporarily Occupied Territories and IDPs and UNHCR Ukraine

launched the national Cities of Solidarity Initiative in Mariupol for cities hosting IDPs,¹² followed by subsequent conferences in Kyiv in 2018 and in Kharkiv in 2019 that brought together representatives from 36 cities to identify further improvements for housing assistance for IDPs.¹³

2. Description of the practice

The City of Mariupol is widely reputed to have one of the best housing programmes for IDPs in Ukraine.¹⁴ Its housing programmes arose out of necessity, adapting to evolving conditions over time. In May 2014, the city of 475,000 people initially had sufficient capacity to meet IDPs' needs. But as thousands of IDPs fled to Mariupol over subsequent months, the ad hoc arrangements were no longer adequate. The mayor designated the Department for Family and Children to lead the provision of food, health services and emergency housing in collective centres for those who had no other place to go. In early 2015, with over 100,000 IDPs in Mariupol and few viable options for return, the city began investing in housing options with the support of UNHCR, which had previously assisted with the winterization of emergency collective centres, the European Union, national and international NGOs and others.

Mariupol's current housing strategy for its some 98,900 registered IDPs¹⁵ is integrated within the city's wider development strategy, which includes measures for IDP humanitarian assistance, support for livelihoods, investment in public transport, access to medical and psychological support, measures for people with disabilities, and cultural activities.¹⁶ The IDP household composition ranges from one or two people, such as elderly people evacuated from the conflict zone, to middle-income families with multiple children who came to Mariupol to seek work.¹⁷ Notably, in 2019, 55% of IDPs in Mariupol lived with host families, with only 41% reporting living in rented apartments.¹⁸

Given the city's vicinity to the contact line, some 38,000¹⁹ have settled in the city, with others moving back and forth to the non-government-controlled territories.²⁰

Mariupol implements the Government of Ukraine's IDP housing programmes and has developed its own local schemes. Mariupol's housing programme for IDPs and veterans is currently overseen by a Commission on IDP Housing, led by the Mariupol City Council, and includes two broad categories: temporary housing and affordable housing.

Under temporary housing programmes, IDPs receive free housing, and sometimes pay utilities, for as long as required. Between 2014-2016, the City of Mariupol financed, with support from the EU, changes to the pre-existing temporary housing programme for "vulnerable people" to include IDPs, who would not normally qualify under Ukrainian legislation. To address IDPs' needs, the City constructed and purchased new apartments and refurbished existing buildings for housing. Apartments were assigned through a newly created waiting list with revised eligibility criteria, recognizing that many IDPs lacked the documents normally required. This also ensured that regular applicants for temporary housing, some of whom had been waiting for 20-25 years to receive housing, would retain their position in the waiting list. In January 2018, the Ukrainian Cabinet adopted the Mariupol model to specifically include IDPs as a category eligible to receive temporary housing, which had been initially funded through both local and state budgets (50/50). In June 2019, the programme was expanded to create a separate housing stock for IDPs, which is funded through both local (30 per cent) and state (70 per cent) budgets. In addition, if they meet the income criteria, IDPs occasionally benefit from the pre-existing free social housing programme until their financial conditions improve. However, social housing remains largely for other vulnerable members of society, such as people with disabilities, orphans, or war veterans who receive housing at a nominal rental price for an unlimited duration.

Middle-income IDP families also had an opportunity to purchase affordable housing in Mariupol. Under the 50/50 model funded by the State Fund for Support of Youth Housing Construction²¹ (hereinafter, the State Youth Fund), IDPs and veterans could purchase newly constructed housing in the real-estate market with financial support from the government. Initially, the programme was created to facilitate the ability of young families (up to 35 years old) to purchase their own homes by requiring a 70 per cent contribution from a family supplemented by a 30 per cent contribution from the State. In 2017, this affordable housing programme was adjusted to reflect IDPs' lower level of income, requiring only a 50 per cent contribution from IDPs complemented by a 50 per cent contribution from the State Youth Fund.²² In Mariupol, the city set aside land for new apartment building construction to help meet the demand for this programme. In 2019, the State Youth Fund also financed a pilot programme for IDPs take out a 20-year mortgage loan with 3 per cent interest, and six per cent down payment, to purchase a home on the secondary real-estate market from a previous homeowner, as opposed to a newly constructed home.²³

In addition to the national programmes, the City of Mariupol and the Danish Refugee Council (DRC) were exploring the piloting of a new, third rent-to-own model with financing from the KfW Development Bank that had been put on hold at the time of writing. Under this model, IDPs would make monthly rental payments that would ultimately allow them to purchase the house over a ten-year period without paying interest. Around 70 per cent of IDPs with an income would be eligible, enabling less-affluent households to benefit, while still having the flexibility to return the housing if return ultimately became possible. The project aimed to begin with 600 houses, with income from the programme feeding into a revolving fund that would allow additional homes to be brought into the programme at scale. It was proposed that between 10-20 per cent of the housing would be earmarked

for host community residents to foster social cohesion.²⁴ The properties would be owned by Municipal Enterprise LLC, created by the City of Mariupol, for the duration of the lease agreement. The project would also engage the Ministry of Temporarily Occupied Territories to purchase real estate and to support service provision by DRC, such as through training for employees and board members of the Municipal Enterprise LCC.²⁵

3. Results for internally displaced persons and others

The housing programme in Mariupol has helped meet the needs of the most vulnerable IDPs, while expanding options for affordable housing for other IDPs that are employed but still need additional support. Although many IDPs in Mariupol have been able to find employment and feel relatively integrated,²⁶ discrimination by members of the host community with respect to employment and housing has been reported.²⁷ In some cases, IDPs were either denied rental accommodation or asked to pay above-market prices. The most vulnerable IDPs are still unable to pay even minimal accommodation costs.

To date, an estimated 750 families in Mariupol have received temporary housing, and the City plans to assist an additional 1,000 families with finance from both state and local budgets.²⁸ By December 2019, the 20-year mortgage modality had benefited almost 200 households nationwide (this figure includes both housing for IDPs and Anti-Terrorist Operation (ATO) veterans) prior to being temporarily suspended in 2020 due to lack of State funds.

4. IDP participation

A new national law was passed in December 2019 that allows IDPs to vote in local

elections. Proponents of the law hope it will compel local authorities to seek out the views of the internally displaced and find solutions to their specific challenges. In Mariupol, the City Council conducts regular surveys to assess IDPs' housing needs.

5. Challenges

The City of Mariupol publicly embraces the IDPs' presence, even as their large number places a significant strain on an already overstretched social housing system and limited number of affordable housing units for sale or rent.²⁹ In January 2018, Mariupol's City Council began applying a vulnerability scoring system to prioritize the distribution of temporary housing to the most vulnerable IDPs, as well as IDPs who continued to work in medical and educational facilities and serve in law enforcement.³⁰ At the same time, its housing policy seeks to increase the overall stock of housing available for IDPs by restoring or reconstructing existing structures, and purchasing apartments on the secondary market. Under the mayor's leadership, the City was able to receive significant financial support from the EU and other donors, as well as benefit from Ukrainian state funds for temporary housing, which provided the municipalities with 50 per cent of the costs of purchasing or renovating buildings to accommodate IDPs. However, despite significant progress, budgetary restrictions, further compounded by the COVID-19 pandemic response,³¹ are hindering Mariupol's ability to meet IDPs' housing needs at scale.

While it is hoped that housing programmes to enable IDPs to purchase their homes will help decrease the demand for social housing, such programmes may have hidden costs that place an additional financial burden on IDPs. For example, under the 3 per cent mortgage modality, IDPs need to pay for supplementary documents and for a private house inspection. Participation in programmes such as the rent-to-own

model may also require IDPs to give up their registered status, which could, in turn, mean losing other social benefits. Thus, it is important to ensure that IDPs are fully aware of the implications of participating in a specific housing scheme, including the need to collect documents, anticipate unexpected costs, and be aware of the implications of changes in the family (e.g., death or divorce). DRC has drawn on its experience of IDP housing initiatives in other protracted displacement contexts to develop a “playbook” that outlines the do’s and don’ts, risk assessment and mitigation strategies of housing initiatives. This includes issues such as bank accounts, documentation, communication, housing counselling and grievance redressal, and the resource will be shared with all humanitarian actors when completed.

6. Lessons learned

Accurate and timely data about the displaced population and their needs is critical to ensuring needs are met. During the initial stages of displacement, the City of Mariupol lacked accurate information and clear systems for responding to the needs of IDPs. The creation of a national IDP registry in November 2014 helped the City understand the overall needs of its newly displaced residents, many of whom had fled without identification. Since 2016, IOM has been conducting regular national surveys and face-to-face interviews to measure IDP’s material well-being, social integration, and housing needs, which helps assess the success of IDP programmes.³²

Mariupol’s experience similarly underscores the importance of understanding how IDPs’ needs may evolve over time, and in turn, require programme adjustments. For instance, as the response shifted to permanent housing, the State Youth Fund’s regular 70/30 affordable housing programme was adjusted to 50/50 contributions for IDPs and veterans when IOM’s national monitoring

report found that only the top 11 per cent of displaced families had sufficient resources to contribute to a housing purchase.³³ The City itself has taken the initiative to work with international and local partners and develop innovative housing solutions that meet a broader spectrum of displaced persons’ housing needs, including rent-to-own models, cooperative housing, and public-private partnerships to enable renting from local councils.

7. Why this is a good example to share

The Mariupol experience highlights the importance of ensuring that municipal bodies have the legislative authority to develop their own programmes as soon as possible, based on need and context. Even though internal displacement was not foreseen in national housing programmes, the City of Mariupol was able to draw on authority granted under Articles 9 and 11 of the national IDP law³⁴ to address IDPs’ housing needs. At the same time, effective collaboration between the State and the municipality is also critical in addressing internal displacement. Mariupol later benefited from State contributions to local housing programmes to purchase and refurbish buildings for IDP temporary housing.

Action at the municipal level can also usefully inform and guide the development of national strategies and legislation, building on practical realities, challenges, and solutions faced by local governments and IDPs. Mariupol’s mayor worked closely with the Ministry of Temporarily Occupied Territories and IDPs, members of Parliament and others to advocate for changes in national legislation that would support the municipality’ capacity to help all people living in its borders, not just regular residents. Through the mayor’s efforts, national legislation was adapted to extend temporary housing programmes to include IDPs based on Mariupol’s experience.³⁵

Endnotes

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