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*On implementation of the recommendations set by
UNECE experts in Country Housing Profile of Belarus*

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Dear participants and organizers!

On behalf of the Ministry of Architecture and Construction of the Republic of Belarus let me thank the Committee on Housing and Land Management of UNECE for the invitation to participate in annual session and for the organization of this event.



Republic of Belarus

Full name:

The Republic of Belarus

Government type:

presidential republic

Capital:

Minsk (1 million 840.1 thousand as of May 1, 2009)

Population: 9 million 664.5 thousand as of May 1, 2009

Major languages:

Belarusian, Russian

Monetary unit:

Belarusian ruble (Br)

In accordance with the resolution of 67th session of the Committee on Housing and Land Management of UNECE (September, 2006) the international group of experts headed by Ms. Christina von Schweinichen and national experts had been elaborated Country Housing Profile of Belarus during the years 2007 and 2009.

The Country Housing Profile is resumed by the recommendations to national and local authorities. According to the UNECE opinion the implementation of these recommendations must improve housing policy and land management in Belarus.

In accordance with the resolution of 70th session of the Committee 10 December, 2009 in Minsk, capital of Belarus, the launch event of CHP had place. The event attracted numerous participants, including the stakeholders from different state organizations, representatives of mass media.

The key aim of the launch event was informing all participants and decision-makers involved in housing sector of Belarus about the results of study and given recommendations.

The launch event was attended by Mr. Marco Keiner, director of the Department of environment, housing and land administration of the Committee on housing and land administration of UNECE, Mr. Jacob Krupka, coordinator of the Program for country housing profile, Ms. Tatiana Khabarova, head of UN-Habitat in Russian Federation.

Belarusian part was presented by the Minister of architecture and construction of the Republic of Belarus Mr. A. Seleznev, there representative of Parliament of the Republic of Belarus, heads of other ministries, representatives of Minsk City mayor's office and Minsk region, participants from research and scientific organizations, private companies, local experts who worked together with international experts providing them with the information on main chapters of Country Housing Profile.



Within the discussion it was noted that international experts have given quite high evaluation to the measures undertaken towards the housing policy in the republic. **It was also mentioned that majority of the recommendations have been already realized or realizing or planned to be implemented in a little while.**

At present, partly using the recommendations, the following measures are undertaken in the country: search of alternative financial tools for housing, establishment of mortgage system, housing cooperatives, rent. Besides in the republic the regional housing programs are implemented.

The most popular topics of the discussion were participation of private and foreign organizations in housing construction in Belarus.

In general the participants have marked that Country Housing Profile is well-timed and independent case-study. It contains recommendations which could be further used while implementing the measures on housing construction at the national and local levels.

At the launch event the participants mentioned that during the years 2007 and 2009 the legal base in housing have been reformed:

- the Law “On mortgage” was developed and is in force;
- the draft of the Law “On housing savings” was developed and is under consideration of the Government;
- the draft of new “Housing Code” was developed;
- the “Concept of construction (reconstruction) of affordable and comfortable housing for the citizens of the Republic of Belarus” for the period 2008-2015 was developed and is implemented;
- the Program on design, construction and reconstruction of energy-saving houses till 2020 was accepted.
- in June, 2008, with entering in force the Decree of the President of the Republic of Belarus No 382 the order of issuance of soft loans for people who are registered as needy in improvement of housing conditions, was adjusted;



- to motivate share participation in construction, the order of price formation, including of income of developer with observance of rights of all participants, was improved by the Decree of the President No 55 dated 31 January 2008;
- the Decree of the President No 301 dated 10 June, 2009 establishes the measures for protection multi-families and other categories of citizens, which use soft loans for housing condition improvement (repay for soft loans for multi-families was reduced from 3% to 1% per year);

1 January, 2009, with entering in force the Land Code of the Republic of Belarus the opportunities for buying plots of land were enlarged. The conditions for buying the land into private property will allow to use land recourses more effectively and to attract private investments.

According to the Decree of the President of Belarus No 667, financial recourses from land use, and recourses from public sales are taken to certain local budgets and are used for land protection, land administration and land cadastre management, including cadastre assessment of land, plots of land, construction (reconstruction, renewal) of social facilities.

According to the legislation on protection and usage of land, the foreign citizens can rent the plots of land during 99 years.

The regulation of the Council of Ministers No 624 was adopted in May, 2009. The regulation provides 49% of reducing of number of administrative procedures led by the State committee on property and the competent organizations. 83 administrative procedures were improved and facilitated.

To facilitate the procedure of registration of the rights to real estate and to protect the right of private property it was adopted the number of normative and legal acts which enabled Belarus to be number 10 in the World according the World Bank report “Vision of business 2010” concerning the registration of rights to real estate.



- ◆ Land tax and land rent payment are taken on the territory of the Republic of Belarus according to cadastre cost of land in terms of functional use.
- ◆ During 2010, since the launch event on Country Housing Profile has been led, numerous achievements in normative and legal base towards sustainable development of housing sector occurred in Belarus.
- ◆ The system of bank loans, in particular, housing loans, was improved. Through the Decree of the President of the Republic of Belarus (dated 2 June, 2009 No 276) the number of banks which are eligible to operate with mortgage loans and land mortgage loans were enlarged.

By 1 January, 2011, the issuance of the loans for citizens in currency will be prohibited as it has quite high risks, in particular, risk of non-repay of loans. The realization of this norm will allow to reduce risks as for banks as well as for citizens who get their wages in Belarusian rubles.

Adoption of alternative financial schemes for housing, in particular, the system of housing savings, is in process now. This system will operate through the Law “On housing savings”. It will enable the citizens to get bonuses through free budgetary recourses which come to the banks from compensations of interests from repays of soft loans given to citizens for housing construction. The system of housing savings will also give the possibility for citizens to obtain bank credits by lower interest rate rather than common credits.

In accordance of the decision of the President 1 March, 2010 № 120 the system of soft loans issuance was improved. For example, interest rate was reduced to 1% for the citizens which live and work in settlements with population less than 20 thousand inhabitants (small-sized towns). Maximum size of soft loans for housing was increased for multi-families.

The specialty of the urban settlements structure of Belarus consists in prevalence of the number of small-sized settlements (about 81%). From 206 urban settlements of the republic 168 are small-sized towns with number of population less than 20 thousand inhabitants. 17% of urban settlements of the country live in these settlements. Taking into account this factor, the Government pays big attention to development of this type of human settlements and territories.

State program for development of regions, small-sized and middle-sized urban settlements for the period of 2007-2010, State program for rural settlements and territories revival for the period of 2005-2010 were developed and now are implemented. Since the year 2003 the programs forwarded to maintaining the order and accomplishing the territories have been implementing. National program for tourism development for the period of 2006-2010 is under realization at present. State program on small business support for the period of 2010-2012 was developed and approved in December, 2009.

Small- and middle-sized urban settlements represent the most numerous group of urban settlements. They play important and specific role as they are recourses and keepers of history, national identity, culture and traditions. Being the obstacle for urbanization small-sized towns jointly with surrounding agricultural districts, are buffer zones between large urbanized centres and areas of nature protection such as national parks and reserves.

In 2007 the President of Belarus approved Main courses of state urban planning policy for the period of 2007-2010 and National plan of territorial development until 2015. According to National plan all settlements of the country, including small- and middle-sized towns, must be provided with master plan to achieve balanced territorial development.



At present development of all urban settlements is based on master plans and detailed plans which specify efficient allocation of public centres, residential and industrial districts, landscapes, transport, engineering and technical systems, etc.

Therefore urban planning, expressed in elaboration of master plans and detailed plans, play the key role in allocation of new residential districts.

Today Belarus has good statistic indicators in housing within CIS countries. By 1 January, 2009 housing provision in the country consisted of 23 sq. m of common space of housing per 1 person. To compare – in Russia and Moldova it was 22 sq. m, in Kazahstan – 18, Ukraine – 23, Armenia – 26, in other countries this indicator is rather small.

By the end of 2009 in Belarus 793 thousand of families or 2,5 million inhabitants were registered as needy for improving of housing conditions. **Therefore almost each fourth inhabitant of the republic has right to improve living conditions and the demand for housing is huge.**

Table 1 – Number of families in the Republic of Belarus, registered as needy for improving their housing conditions

Indicator	2005 год	2006 год	2007 год	2008 год	2009 год
Number of families registered as needy for improving their housing conditions (by the end of the year), thnd.	525,0	623,1	717,5	701,0	793,1
including, in rural settlements	30,9	46,5	57,9	52,9	69,7
In urban settlements and townships	494,1	576,6	659,6	648,1	723,4

Annually the state increases expenses for social support of the population, in particular, for the families registered as needy for improving their housing conditions through the system of state support while constructing (subsiding of poorly, multi-families, soft loaning, social housing, etc.).

Existing system of differential so called “address assistance” to the citizens who participate in housing construction using their own savings include:

Crediting of purchase (decoration, reconstruction and modernization) of housing;

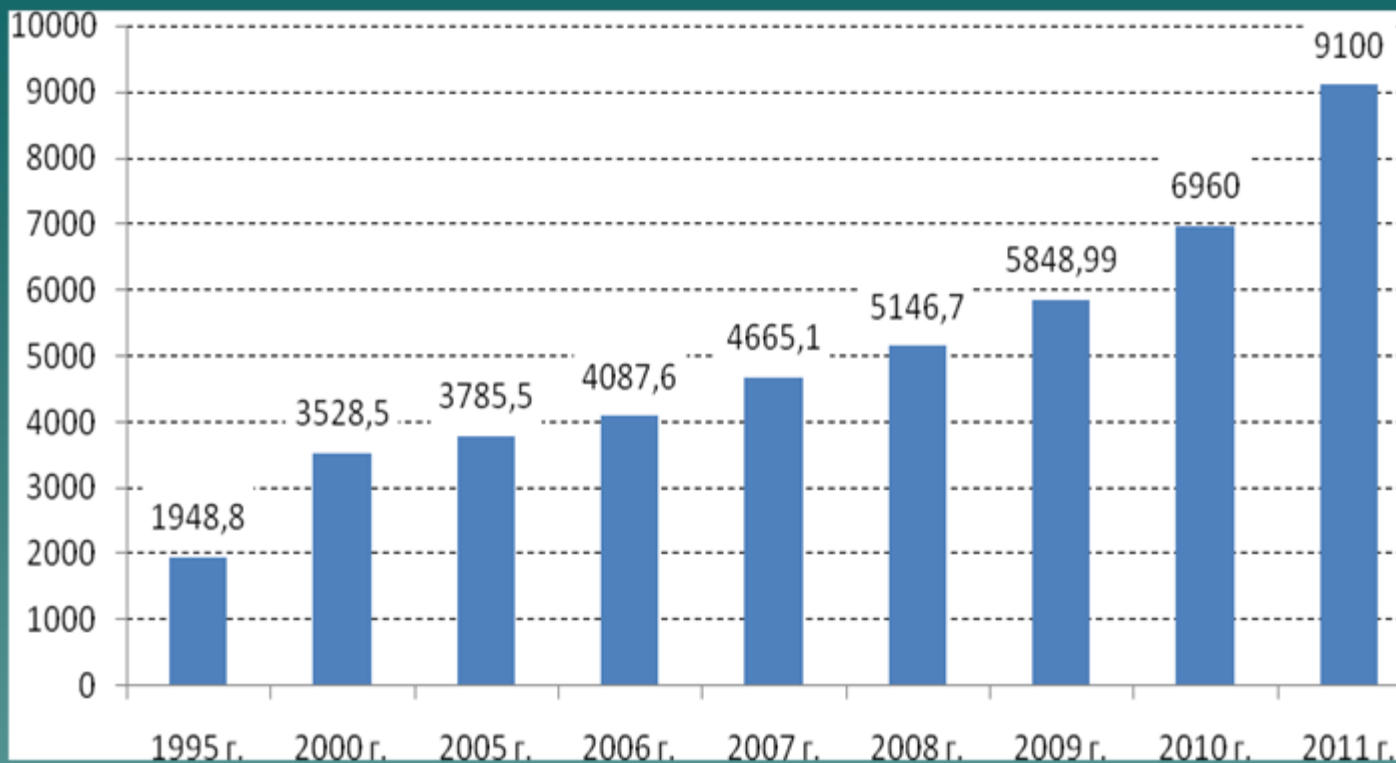
State support of citizens during construction, that includes: issuance of one-time free of charge subsidies for budgetary fund, soft loans, credits of organizations for construction;

Providing with social housing, built at the expense of national and local budgets.

Crediting system of housing construction is priority tool of support citizens who need to improve their housing. The main course of crediting is soft loaning for the needy citizens.

Existing system of soft loan issuance is pointed at majority of Belarusian population.

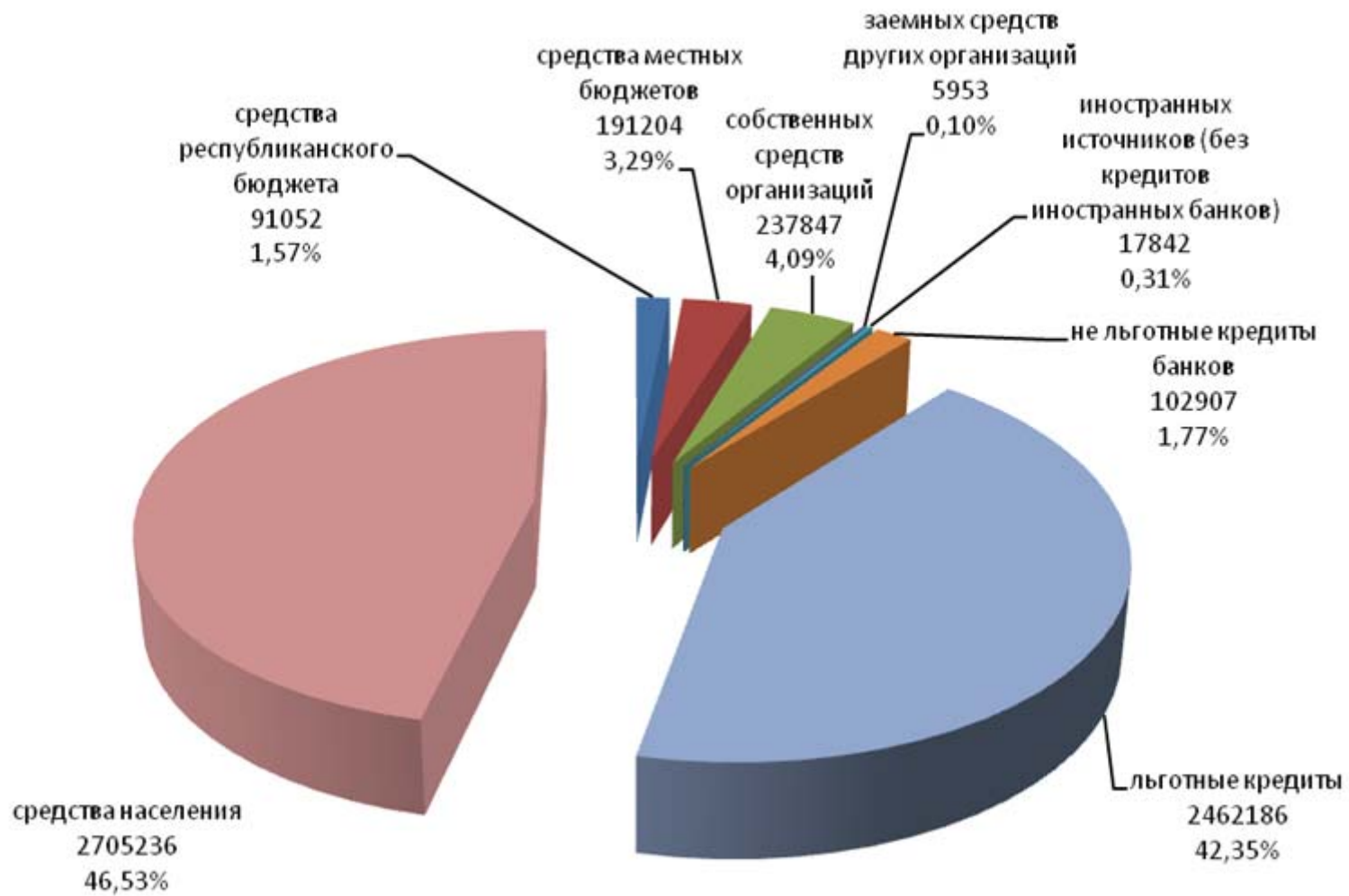
Besides social character, existing system of housing financing allowed to increase the volumes of dwellings put in place. Today construction organizations is able to put in place 6-7 million sq. m of common space of housing.



Housing put in place in the Republic of Belarus
in 2006-2009 and planned indicators for 2010 and 2011,

The main factor of limited proposal of housing earlier was lack of construction enterprises in the country as well as their high physical and moral depreciation. Beginning from 2006, through the State program for development of technical and recourse base of construction sphere this problem have been resolving. As a result, in 2005 the volume of housing put in place increased by 2064 thousand square meters, or 1,55 times as much. 69760 flats were built, including 60% for the needy. Thus in 2009 average term of waiting for housing consisted 19 years (for comparison in 2008 – 23 years). By the end of 2011 it is planned to put in place 9100 thnd. sq.m of housing and provide the term of waiting as 10 years.

Further the main financial sources of housing construction will remain the means of population and bank loans, mainly soft loans



Structure of financial sources of housing construction by the end of 2009, sq.m of common space, %

Meanwhile, in the republic the legislation on mortgage is created at present as well as the base for the system of housing construction savings and system of participation in share construction are developed. **It is foreseen that in future the system of soft loans will be replaced by the systems of non-budgetary financing of housing construction which operate in developed countries.**

Efficient operation of economic branches of the Republic of Belarus depends on energy-saving issues during maintaining the buildings. For example for heating and hot water providing annually it is used one third part of total volume of energy resources of Belarus.

Recently the Republic of Belarus has undertaken cardinal measures towards saving and efficient use of energy resources – from legal acts such as Directive of the President No 3 dated 14 June 2007 «Saving and efficient use are the main factors of economic safety of the country» to improvement of technical and normative base on raising of normative indicator of thermal resistance of the structure for construction and reconstruction.

During 2007-2010 in the republic were significant changes in housing policy implementation, however perspective courses towards improvement of housing conditions and providing with housing still exist.

Country Housing Profile of Belarus was first joint project in construction sphere. The Ministry of architecture and construction is concerned in continuation of cooperation with UNECE, UN-Habitat, parallel ministries of European region within implementation of certain recommendations given by international experts.

Considering the interest of the Republic of Belarus in creation of system of social rent housing, in accordance to resolution of meeting of the Commission on partnership between UN-Habitat and Intergovernmental Council on cooperation in construction sphere for CIS (Sankt-Petersburg, 26-27 January, 2010) in Minsk will be held first training course for participants from CIS countries «Affordable housing».

The training is planned for 15-21 March, 2011.

During the first training course for CIS countries «Affordable housing» it is planned to study the best practice on establishment of legal base for social rent housing, financial issues, maintaining of such type of housing.

In conclusion I would like to note the open and efficient character of multilateral interaction within activity of UNECE, the leading regional economic organization of UN.

We highly appreciate the attention of the UNECE Secretariat towards cooperation with the Republic of Belarus and with other countries with economics in transition. Participation of Belarusian representatives in UNECE work enables using European results of activity and experience, in particular, contemporary approaches to economic development, especially towards housing policy improvement, regional development, development of small- and middle-sized urban settlements, for its subsequent dissemination in our country.



Let me express the confidence in
further success of the
cooperation between the
Republic of Belarus and
UNECE.

Thank you for your attention!