

# Republic of Armenia

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# REPUBLIC OF ARMENIA

- Territory – 29743 km<sup>2</sup>
- Population – 3,2495 million, 98% which are Armenians
- Population resides in 48 cities and 866 villages
- 2.088 million people live in the cities (66 % of the population )
- 33 % of the total population and about half of the urban population live in the capital, Yerevan.
- Population density – 109 per km<sup>2</sup>  
in Yerevan city- 4919 per km<sup>2</sup>
- Total GDP- 9615.4 mln USD
- GDP per capita 2950 USD
- Religion - Christian
- Church - Armenian Apostolic
- Natural Resources -  
copper, iron, bauxite, molybdenum,  
gold, silver, lead and zinc.



# Housing Situation in Armenia

As with the overall socio-economic situation, the situation of Armenia's housing sector was severely affected by the

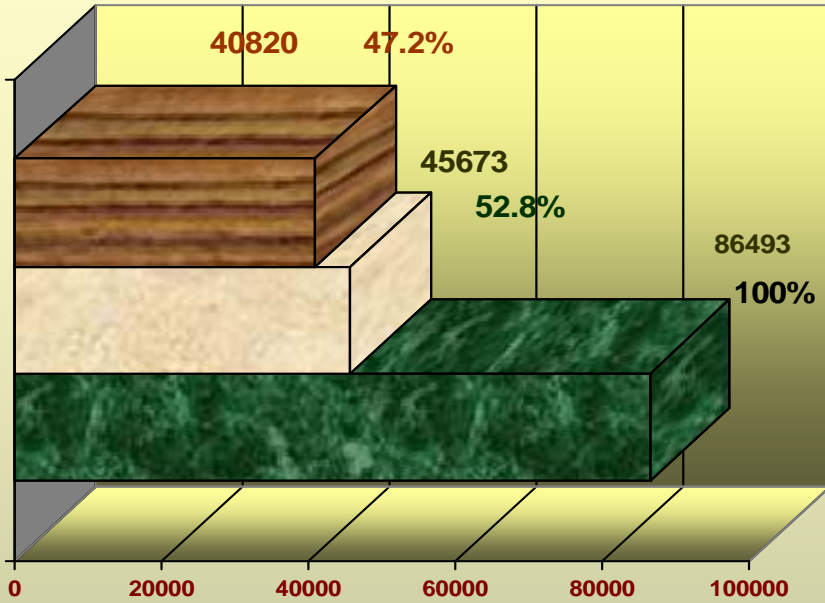
- break-up of the Soviet Union,
- the 1988 earthquake (500.000 homeless people, uninhabitable 17% Armenia's housing stock)
- the influx of a large number refugees (360.000 ethnic Armenian refugees)
- 25% of the settlements are covered by landslides
- the ensuing transition with its privatization policies (96% of housing stock is privatized)
- market-based housing management and maintenance weak system
- Weakly developed private rental market





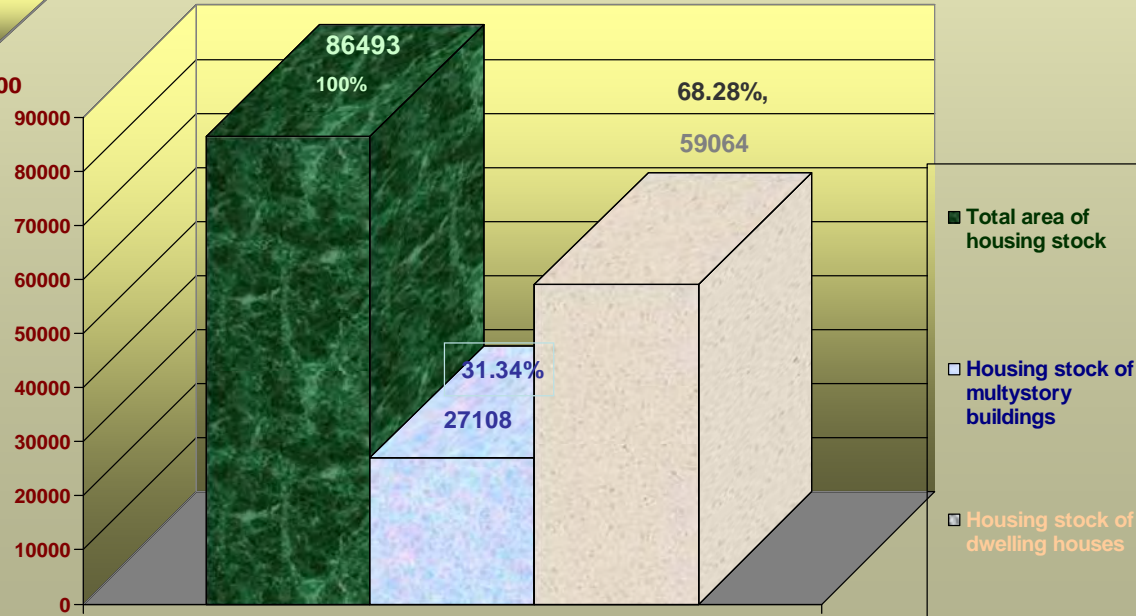
# HOUSING STOCK

Total area



- Rural housing stock
- Urban housing stock
- Total area of housing stock

Thousand square meter

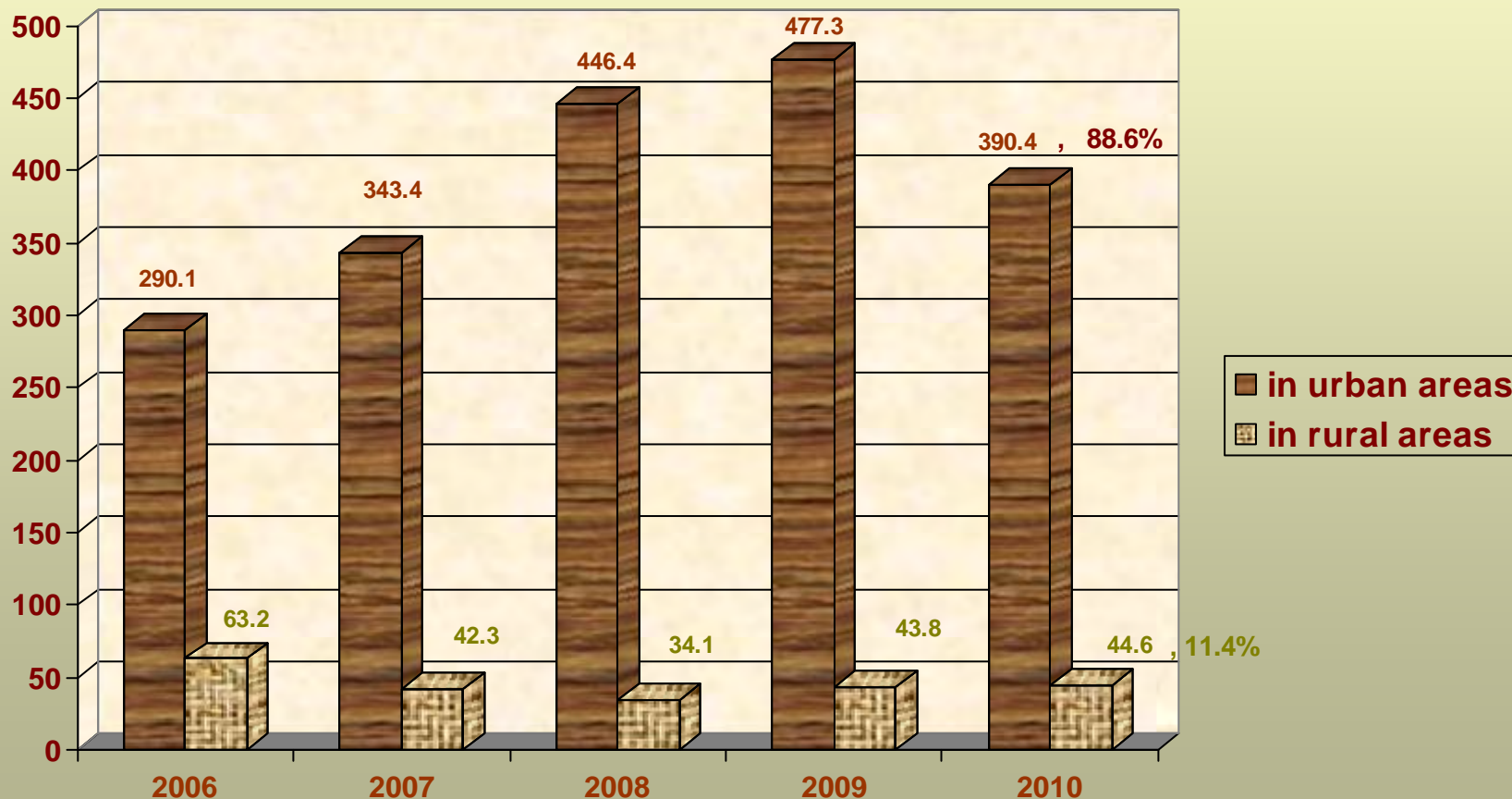


Thousand square meter

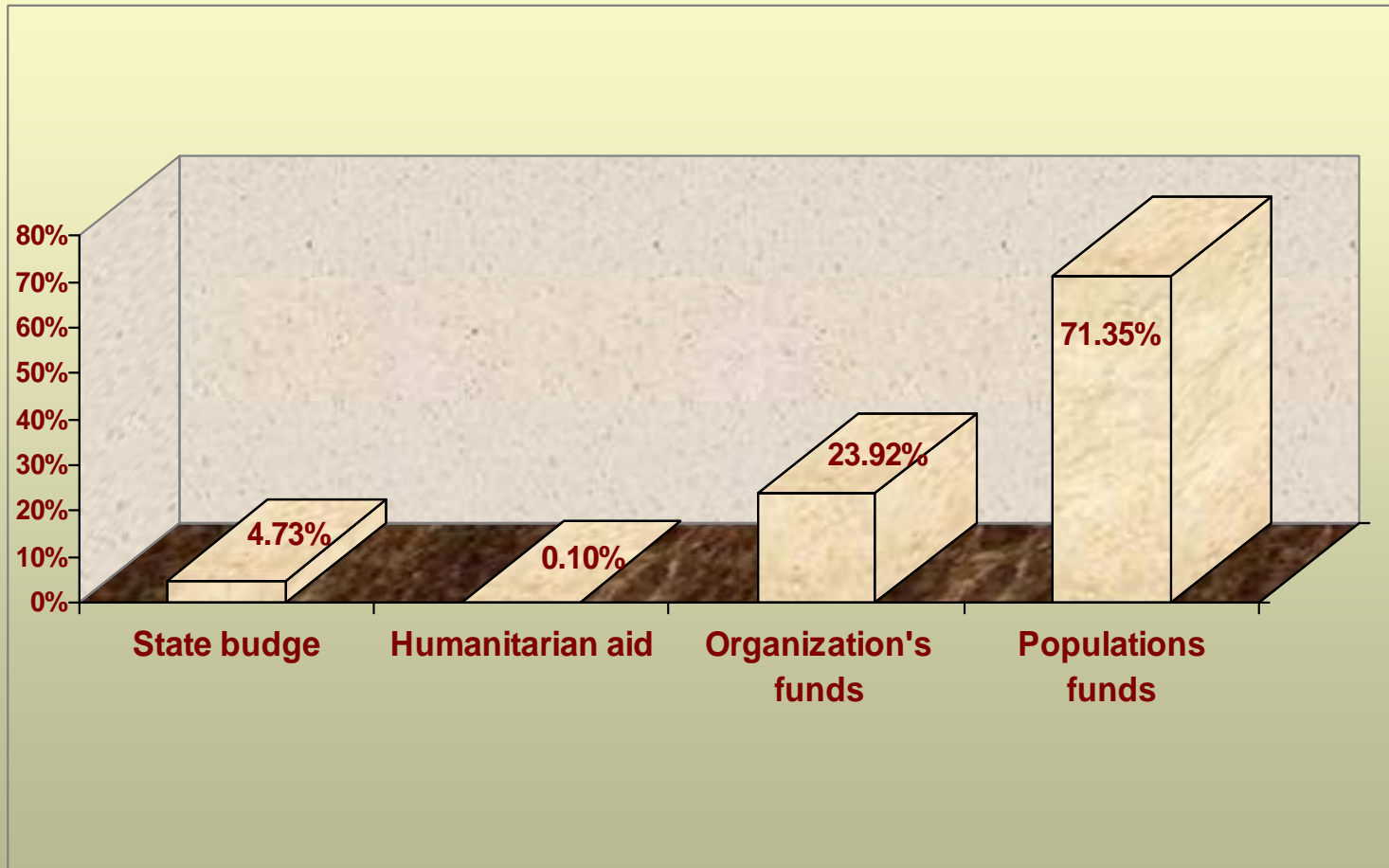
# The basic results of application of housing policy in the RoA

## Dwelling Houses in Operation

Sq. meters

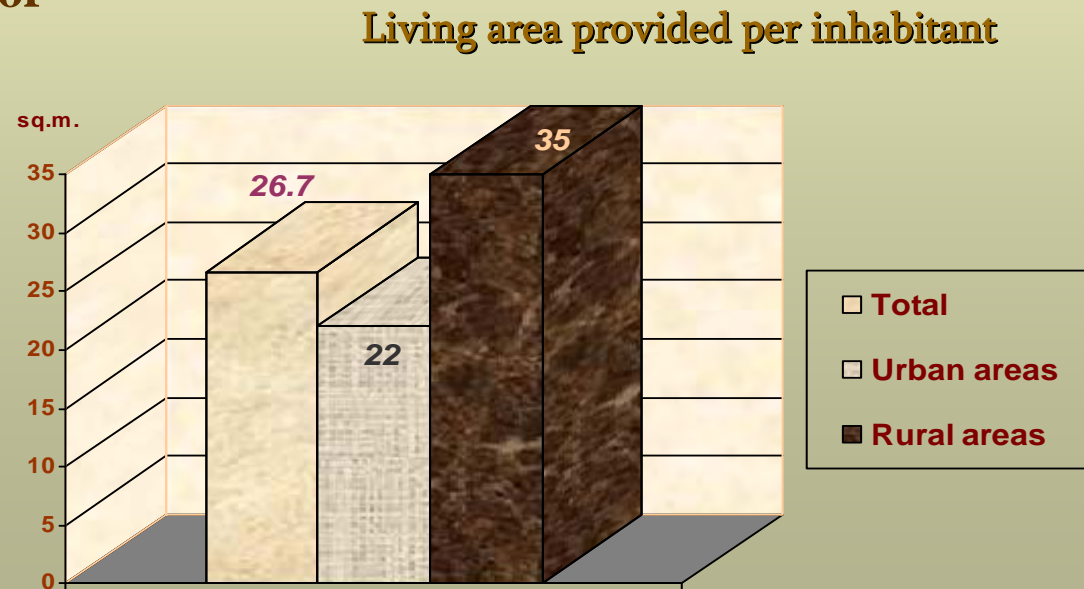


# Shares of different sources of funding in housing production



# The specifics of the housing problems of the RA

- Polarization of provision with housing
- Large number of housing needy families
- Management problems of existing housing stock



The government of RA has formed a principle of the program approaches for solution of the issues related to the priority of housing provision of homeless people who lost their homes in the result of

- Spitak earthquake in 1988
- The international conflicts and military actions in the region
- Ensuring the safety of citizens living in the emergency houses and in active landslide zones.



as well as for

- children remaining without parental care
- the socially vulnerable groups
- newly formed young families
- people with disabilities or partial mobility.





# Based on separate laws and government decisions separate projects have been implemented to support mainly

- Earthquake-displaced persons
- Refugee households
- Residents in apartment buildings subject to demolition
- Those deprived of housing because of taking of land for state and community needs
- Internally displaced persons
- Residents in wooden houses
- Residents living in the zones prone to landslides and failing rock
- Children without parental care
- Families of dead soldiers
- Households along the state border
- Military servants

The Armenian government's action plan for 2008-2012 pays special attention to housing projects for earthquake-displaced persons, refugee households and socially vulnerable groups. The basic programs are in a realization stage

## 1. The Earthquake Recovery Zone Complex Program, approved by the RA Law



Within the Program a complex building of settlements affected by the earthquake is carried out according to the sanitary and urban planning norms of seismically stable construction. Complex building programs has to be completed by the end of 2012.



## 2. The State Target Program addressed to the provision of housing for the persons forcedly moved from Azerbaijan in 1988-1992.

On the basis programs, besides the direct funding of housing construction a principle of the state financial support is applied by provision of housing certificates for acquisition of houses in the market.

## 3. The State Target Program “Affordable housing for young families” .

The state program is based on provision of mortgage loans. The interest rate of the loans makes 10.5 percent conditioned by repayment of loans not less than within 10 years. While 2 percent of the provided loans is subsidized by the state.

## Legislation on improvement of housing conditions

- ✓ The issues on improvement of the housing conditions are regulated by Constitution of Armenia and Civil Code.
- ✓ Draft law on improvement of housing conditions of citizens
- ✓ Draft Concept Paper on housing provision for residents of emergency houses – subject to demolish.
- ✓ In stage of elaboration the Social Housing Concept Paper
- ✓ State programs aimed to solve certain issues existing in housing sphere

There is a necessity to adopt a corresponding legal act instead of the abrogation of the Housing Code in 2005 (adopted in 1982), which will be aimed at creation of preconditions for the implementation of constitutional right to improve the housing conditions of citizens by formulation of directions and purposes of housing policy

- to establish a social and rental housing institution,
- to create a sustainable incentives of partnership between state and private sectors
- for organization of state housing administration within the context of existing social-economic situation in the country.

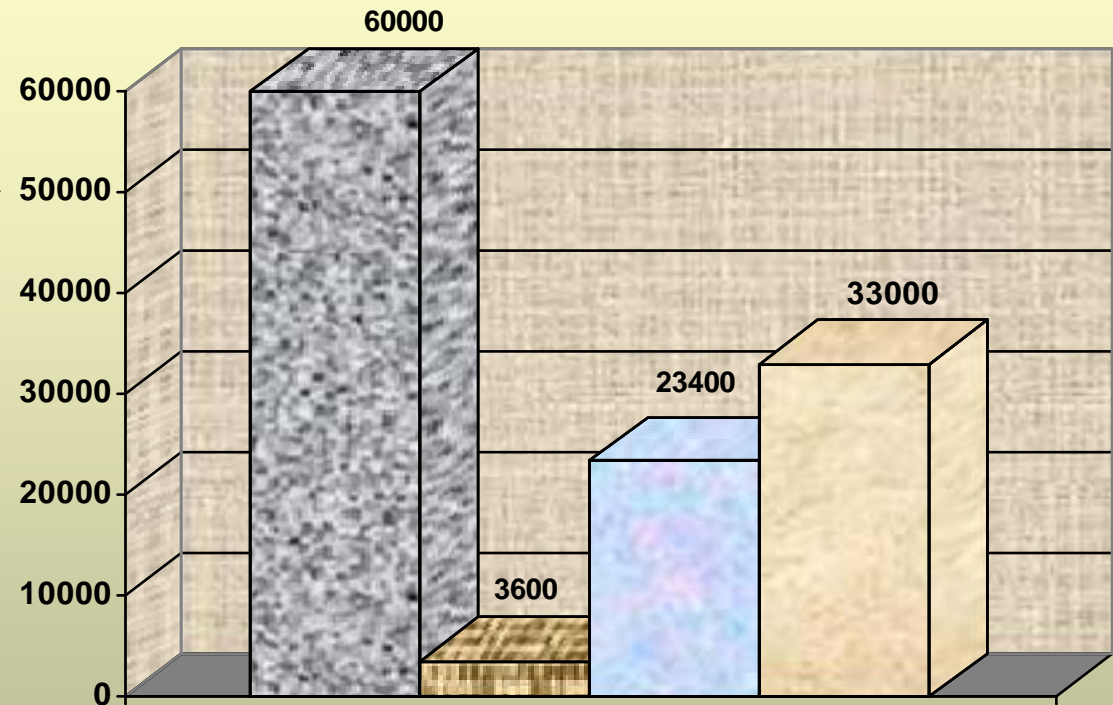


# Housing Demands

About 7% of the population of the Republic needs in improvement of their housing conditions

There are families in need for both in permanent housing, and improvement of housing conditions (people living in overcrowded apartments in one-room 4 and more persons and in communal apartments).

Families, which are not involved within the adopted state programs and do not have resources to improve their housing conditions without assistance conditioned by economic reasons, first of all extreme poverty.



- Total
- families who have lost their homes or live in damaged houses in the result of natural and technogene disasters
- families which have not been covered by the current state housing programs and can not afford the improvement of their housing condition
- families which live in overcrowded apartments and in temporary dwellings

❑ The Republic is located in seismically active zone. The problem of safety of the habitants of multistory houses is allocated where more than half of population of the Republic live.

❑ About 90% of multi-apartment buildings is built before 1990 and do not meet applicable planning norms of seismically stable construction, revised after the Spitak earthquake 1988.

96 % of apartments of multistory buildings belong to citizens on the property rights and according to applicable legislation the apartment owners are responsible for the preservation of their property. As a result of existing

costs-based utility structure of the housing stock maintenance in the premarket period the necessity of significant investment appears to bring the housing stock in an appropriate technical condition and the solution of that problem only at the expense of the owners becomes not real in the prevailing socio-economic conditions.

❑ About 25% of the settlements of Republic are covered by landslides. Provision of safe and healthy housing for citizens living in multi-apartment houses, as well as for citizens living in the settlements covered by active landslides becomes more actual.

Breakdown of Building “Ages”





The solution of these problems is seen in the implementation of complex measures to:

- Assessing the technical condition of houses through overall certification of dwelling houses;
- Establishment of appropriate financial mechanisms of assistance aimed at the provision of participation of the deprived layers in the expenses related to the maintenance and repair of multi-apartment dwelling houses;
- Introduction of the institution for professional management of multi-apartment housing stock aimed at the improvement of issues related to the operation and maintenance;
- Implementation of programs directed to the rooting among the population the comprehension of the ownership of being in general share property/ownership/ areas of multi-apartment dwelling houses;
- Ensure the safety of citizens living in the active landslide zones, through the implementation of a resettlement program as well as programs directed to the preventing the landslides

Within the “Improving Energy Efficiency in Buildings ” ongoing project, funded by UNDP & GEF, is envisaged to improve existing legislative field with application of energy efficiency norms and standards.

Within the Earthquake Recovery Zone Complex Program with the assistance of UNDP/GEF realization of the demonstration project for construction of several houses with application of actions for increase of energy-efficiency of buildings is envisaged.

### The problems to ensure ecological housing include:

- Wasteful use of energy in the housing sector
- Low use of renewable energy in housing and communal services
- Lack of certification of building materials
- Lack of energy audit and energy passports for residential buildings
- Lack of specific legislation in use of ecologically friendly local materials for construction
- Lack of effective solid waste management.



# Conclusions

- ✦ There is a need for more integrated and comprehensive legislation on affordable, healthy and ecological housing.
- ✦ Limitation of budgetary funds as well as free financial resources for the implementation of large-scale programs addressing to affordable, healthy and ecological housing issues.
- ✦ There is a need for creation of enabling conditions for private investment and new effective financial mechanisms for construction of affordable , healthy and ecological housing and the rehabilitation and improvement of the existing housing stock.
- ✦ There is a need for developed institutional structure.

Thank you for your attention

