

URF
Thematic
Paper

Considerations for a housing sector recovery framework in Syria

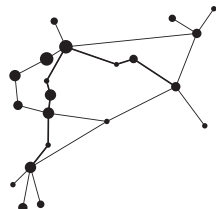
URBAN RECOVERY FRAMEWORK | July 2022

**URBAN
RECOVERY
FRAMEWORK**



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Considerations for a housing sector recovery framework in Syria



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Acronyms and abbreviations

CBS	Central Bureau of Statistics
ERW	Explosive Remnants of War
GDCA	General Directorate of Cadastral Affairs
GEH	General Establishment of Housing
GoS	Government of Syria
HLP	Housing, Land and Property
HNO	Humanitarian needs Overview
HSRF	Housing Sector Recovery Framework
IDP	Internally Displaced People
KfW	KfW Development Bank
LAU	Local Administration Unit
MoF	Ministry of Finance
MoLAE	Ministry of Local Administration and Environment
MoPWH	Ministry of Public Works and Housing
MTOS	Municipal Technical Office Support
NHP	Neighbourhood Housing Programme
NHAP	Neighbourhood Housing Action Plan
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
RPC	Regional Planning Commission
PPP	Public Private Partnership
PICC	Planning and International Cooperation Commission
UNCT	United Nations Country Team
UN-Habitat	United Nations Human Settlement Programme
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
UNSF	United Nations Strategic Framework
URF	Urban Recovery Framework
UXO	Unexploded Ordinance

Key terms and definitions

Demand Side Housing Interventions: Demand-side housing measures include measures that respond to demand for and increase access to housing, including "(i) developing property rights: ensuring that rights to own and freely exchange housing are established by law and enforced, and administering programs of land and house registration, ensuring land rights and regularization of insecure tenure; (ii) developing mortgage finance: creating and/or promoting the establishment of healthy and competitive mortgage lending institutions, and fostering innovative arrangements for providing greater access to housing finance by the poor, which includes micro-credit and micro-financing for housing and land acquisition; and (iii) rationalizing subsidies: ensuring that subsidy programs are of an appropriate and affordable scale, well-targeted, measurable, and transparent, preferably focusing on the demand side and avoid distorting housing markets."¹

Durable solutions²: Durable solution is achieved when internally displaced people (IDPs) and returning refugees no longer have specific assistance and protection needs that are linked to their displacement and such persons can enjoy their human rights without discrimination resulting from their displacement. A durable solution can be achieved through: Sustainable reintegration at the place of origin (also referred to as "return"); Sustainable local integration in areas where displaced persons take refuge (local integration); and Sustainable integration in another part of the country (settlement elsewhere in the country).

Entitlement: Resettlement entitlements with respect to a particular eligibility category are the total sum of compensation and other forms of assistance provided to displaced persons in the respective eligibility categories.

Illegal Buildings³: Buildings built without a permit or that violate the building license granted.

Informal Area: Those areas within the administrative boundaries of the governorate that are created in the absence of land division schemes that distinguish between public and private property. Informal areas vary in size and location and are not subject to planning rules⁴. They include: 1. Areas where groups of housing units have been constructed on land to which the occupants have no legal claim or occupy illegally; 2. Unplanned areas where housing does not comply with current planning and building regulations (i.e., unauthorized housing)⁵. These can include built up areas not subject to a master plan.

Land⁶: Land is the surface of the earth, the materials beneath, the air above and all things fixed to the soil. It contains structures, resources and landscapes of significant political, economic, cultural, spiritual and symbolic value. It represents a strategic socio-economic asset tied closely to complex relations of production, exchange and reproduction. A resource of limited availability and a high value asset, issues related to access, control and ownership of land are tied closely to power, wealth, identity and even survival for a large part of the world's population. Land forms part of economic, social, political, cultural and historical activity and is tied directly to peace and security, human rights and development.

Land Readjustment⁷: Land readjustment is a land acquisition tool according to which a community of private landholders give up proportion of their properties in exchange for a better, more efficiently planned neighbourhood and improved development of their lands through enhanced infrastructure and public services. Furthermore, another critical element of the development gains of land readjustment is the fact that affected rightsholders' lands, though made smaller in size, become capable of hosting multi-storey residential buildings which offer more living spaces, better living conditions and enhanced economic prospects compared to the extant substandard single-storey houses. Meanwhile, extra meterage freed up through land readjustment is used

1 World Bank, "Housing Enabling Markets to Work: A World Bank Policy Paper," 1993, cited in UN Habitat, A Practical Guide for Conducting: Housing Profiles, 2011, p27 (https://unhabitat.org/sites/default/files/documents/2019-07/a_practical_guide_for_conducting_housing_profiles_-_revised_version.pdf)

2 IASC Framework on Durable Solutions for Internally Displaced Persons, IASC, 2010

3 Decree 40, 2012

4 Policies and strategies for the development of informal areas, MoPWH, 2013

5 OECD Glossary of Statistical Terms (<https://stats.oecd.org/glossary/detail.asp?ID=1351>)

6 Guidance Note of The Secretary-General 'The United Nations and Land and Conflict', March 2019.

7 UN-Habitat, Analysis of Syrian Urban Law, 2022

by the local government to implement public services (roads, pipelines and cables, public spaces, public buildings) and even develop residential buildings for low-income categories.

Secondary Occupancy: The term refers to the situation in which a property that is owned or used legally by a person (or group of persons) is used or occupied by someone else, thus preventing the legal owner(s) or user(s) from returning and using the property.

Security or Tenure⁸: Describes an agreement between an individual or group to land and residential property, which is governed and regulated by a legal and administrative framework (including both customary and statutory systems). Security of tenure derives from the fact that the right of access to and use of the land and property is underwritten by a known set of rules, and that this right is justiciable.

Shelter⁹: Adequate shelter as defined in the Habitat Agenda means more than a roof over one's head. It also means adequate privacy; adequate space; physical accessibility; adequate security; security of tenure; structural stability and durability; adequate lighting, heating and ventilation; adequate basic infrastructure, such as water-supply, sanitation and waste-management facilities; suitable environmental quality and health-related factors; and adequate and accessible location with regard to work and basic facilities: all of which should be available at an affordable cost. Adequacy should be determined together with the people concerned, bearing in mind the prospect for gradual development. (Habitat Agenda (1996), para 60).

Supply Side Housing Measures: Supply-side housing measures include measures that increase the supply of housing, including, "(i) providing infrastructure for residential land development: coordinating the agencies responsible for provision of residential infrastructure (roads, drainage, water, sewerage, and electricity) to focus on servicing existing and undeveloped urban land for efficient residential development, which includes the establishment of

urban planning instruments to anticipate growth and development; (ii) regulating land and housing development: balancing the costs and the benefits of regulations that influence urban land and housing markets, especially land use and building, and removing regulations which unnecessarily hinder land delivery and housing supply; and (iii) organizing the building industry: creating greater competition in the building industry, removing constraints to the development and use of local building materials, promoting the establishment of lab testing and quality control, supporting green technologies and low-carbon practices in extraction, production and utilisation of building inputs, and reducing trade barriers that apply to housing inputs."¹⁰

8 UN-Habitat, Global Campaign for Secure Tenure: A Tool for Advocating the Provision of Adequate Shelter for The Urban Poor, Concept note, 2nd edition, 2004

9 UN-Habitat, A Practical Guide for Conducting Housing Profiles, 2011

10 *ibid* The focus is primarily on Government of Syria controlled areas although the outcomes of the conflict may, or may not, dictate that orientations proposed could become relevant for wider parts of the country.

Executive Summary

Now in its eleventh year, the crisis in Syria, which has displaced over 13.4 million people, has had a significant impact on the country's population, economy, infrastructure, services, and social fabric. Housing and infrastructure damage resulting from the conflict has severely affected Syria's housing stock and economy. An estimated 328,000 dwellings have either been destroyed or severely damaged due to the conflict and are unable to be reoccupied. A further 600,000 – 1 million dwellings were moderately or lightly damaged.

The paper is part of a series of policy papers developed as part of the Urban Recovery Framework (URF), which explores conditions and recovery options for Syria. It contributes with analysis of the housing sector and presents options to pursue housing sector recovery through area-based approaches that focus on accountable local public service delivery

The damage from the crisis further complicates the more recent history of housing development in Syria, which pre-crises, was heavily influenced by the rapid rural-to-urban migration that began in the second half of the 20th century, ultimately resulting in 55% of the population living in cities by 2011. Most of the formal systems, including regional and urban planning, failed to cope with this increased demand. As a result, massive areas of informality were created, particularly in peri-urban areas of major metropolitan areas and in secondary cities. Estimates indicate that 40% of Syria's urban population resides in informal areas.

Future demand for housing units in post-conflict Syria could range between 148 and 222% of 2010 levels, which was approximately 180,000 units/year, 66% of which were urban. This future housing demand estimate combines natural growth of 160,000 units/year (70% urban) and a rehabilitation/reconstruction estimated to accommodate returning IDPs and refugees, ranging between 108,000 – 242,000 dwellings/year, assuming a rapid return in 5 years of both IDPs and refugees.

The government's supply side approach to housing delivery, including slow Master Plan processes and large urban redevelopment schemes, have failed to meet demand in the past. Informality will outpace central government interventions and the problem of spontaneous settlements will continue to expand. Post-conflict housing supply in severely damaged heritage areas will require rapid assessment and should be prioritized to better understand these areas' technical and financial needs – including the specific needs of heritage building rehabilitation. Prior to the crisis, residential heritage areas were characterized by high rates of poverty. Poverty levels have increased in these areas during the crisis, resulting in increased numbers of people living in traditional residential buildings.

In the context of increasing informality, alternative approaches that support demand must be explored to kickstart local economies, providing security of tenure so that residents may invest and mobilize their own resources for rehabilitation and/or reconstruction. A balanced approach between supply side and demand side policies, which limits supply side funding to essential infrastructure, will be needed to capitalize on the resilience of local communities.

In 2020, the Government of Syria released the "National Development Programme for Post-War Syria", which articulates a goal to build "adequate housing that provides decent living conditions, taking into account the conditions of the different segments of the population". The Report provides a road map and targets for the housing sector, divided into four main stages: Relief Phase (2019), Recovery Phase (2020-2022), Recuperation Phase (2023-2026), and Sustainability Phase (2027-2030).

Within the Humanitarian Response Plan (HRP), which is an annual plan issued by international organizations, housing falls under Shelter and NFI Sector which aims to provide lifesaving and life-sustaining shelter and NFI support including emergency shelter, tents, distribution of emergency

shelter material, rehabilitation of IDPs centers; and reinforce an enabling protection environment and community cohesion by improving housing and related community/public infrastructure including rehabilitation of private damaged apartments, repair of community infrastructure, capacity building for stakeholders.

The United Nations Country Team further describes key consideration in the Right to Adequate Housing: unresolved HLP issues pose significant challenges to the safe, dignified and voluntary return of displaced populations; over the last ten years, HLP challenges have become compounded by the dynamics of protracted conflict and present a fundamental obstacle to the resilience of the most vulnerable communities in Syria; HLP documentation was lost or destroyed, leaving many without any means of realizing their rights or rebuilding their lives; and, the prevalence of ERWs/UXOs, as well as new laws and initiatives on urban development pose further HLP risks.

Current legislation focuses on development of new urban extensions or the formation of new urban communities through the extension or formation of master plans or detailed plans under Law 5 and various implementation pathways from Social and Cooperative Housing (Law 26) to Land Readjustment (Laws 23 and 10) to Real Estate Development (Law 15).

International precedent research reveals that housing recovery programmes in post-disaster and post-conflict settings can be successful when employing significant demand-side measures in the form of low-interest loans and / or non-repayable grants to affected households. In three of the post-disaster and post-conflict settings examined for this paper, the use of grant financing for housing reconstruction, repair, and land purchase was used to considerable effect. In post-Tsunami Indonesia (2004), post-earthquake Northern Pakistan (2005), and post-conflict Lebanon (2006), compensation payments to individuals were used in different ways to provide housing for households in more or less the same areas where their original homes were located. In all three cases, these demand-side initiatives represented the main element of recovery programming efforts. These grant programmes appear to be successful in no small measure because they involve beneficiary households in housing recovery to a greater degree than other recovery strategies.

In this context, there are many challenges to efforts that seek to address the critical need for housing, for existing and returning populations.

Access to Land/Housing and Social Cohesion

Physical displacement, damaged and destroyed housing and associated infrastructure, and limited access to land are the largest social impacts resulting from the conflict. Enabling returns to damaged housing or re-establishment of destroyed housing units presents one of the largest challenges to housing sector recovery.

Overdependence on Supply Side Solutions

One of the biggest challenges within the existing Syrian Legal and Regulatory Framework is the lengthy timeline to formalise land through a supply-side-focused masterplan process. Typical planning processes take 15 years or more before a single unit of housing can be built.

Financial Liquidity and Private Sector Responses (downside of Supply Side housing solutions)

A primary focus of Law 10 maintains that supply side housing solutions will solve the formidable challenge of damaged assets and physical displacement resulting from the ongoing conflict. The problem with this approach is that investors have been unable or unwilling to come to the table. As we have seen from other post conflict regions, responses that rely on supply side interventions and associated state funding or private sector investment have been unable to meet local demand for housing.

Lack of Funding within Public Sector-Led Recovery

GoS central budget estimates are insufficient to address the housing and infrastructure gap in the country. The budget gap is compounded by the extent of informal land and housing development and housing recovery efforts, and constraints within the current supply side housing models. Housing recovery can serve as a catalyst for generating government revenue if demand side models can be employed that support owner- or contractor-led initiatives alongside micro-finance models.

Inflation and Exogenous Shock

Inflation in Syria and the devaluation of the Lebanese Pound has resulted in a direct loss of purchasing power in Syria. Continuation of instability in the MENA region as well as impacts of peak oil to the oil-dependent MENA economies will continue to impair state finances and limit the effectiveness of macro-economic tools. Compounding this situation, if left

to the market, large-scale housing recovery and reconstruction efforts will result in an inflationary cycle and exert a negative downward pressure on household finances, further destabilising communities most in need of the benefits of housing recovery.

Sanctions and State Funding (War Economy)

The US-imposed Caesar Sanctions may limit the facilitation of multilateral, institutional, and private investment in housing recovery efforts. While Syrian businesses may come to the table, as discussed above, little investment has been forthcoming to date. Instead, a housing sector recovery plan must focus on what is possible within these constraints – including what external requirements may need to be met to facilitate donor and international support for the housing sector.

Vulnerability and the Local Economy

Vulnerability within Syrian society has increased exponentially over the course of the conflict due to the collapse of the economy and loss of household income coupled with mass displacement, housing destruction, inflation, and an absence of state services. Demand side housing sector recovery interventions must account for the ability of the most vulnerable Syrian households to access housing support in the course of housing rehabilitation or replacement. Ensuring sufficient protections in terms of guarantees to land access, housing assets, and on-going personal safety and security will be of primary importance to ensuring the success of any housing sector recovery programme.

Conventional methods, equipment, and materials in construction

As a result of the size and quality of the damage to the housing stock and related infrastructure in urban areas due to military operations (e.g., structural damage, tunnels, and military crossings under the buildings), conventional methods are insufficient to remove the huge volume of rubble and debris from the streets, such as building remnants.

Given these challenges, the following policy directions are intended to support and prioritise demand-side interventions:

Minimize Time Requirements for Housing Recovery Approvals and Focus on Demand Side Interventions to Catalyse Economic Recovery

Current regulatory processes require streamlining of local permit and planning approvals to mitigate

displacement impacts and to allow for financial support that requires guarantees of tenure for targeted beneficiaries. Implicit in this process are formalized channels for land access and ownership or rental claims to assets. There are existing channels for formally recognizing land status that is not yet within the cadastral record. These channels need to be utilized and adapted to allow for local oversight and registration of land tenure entitlements.

Facilitate an Affordable Housing First Approach

Focus efforts on ensuring responses target those most in need of (re)housing and ensure that financial instruments targeting lending to households are indexed to a household's ability to pay. Guarantees of ownership or tenancy are necessary both for long term safety and security of beneficiaries and for the purposes of lending, liquidity, and long-term financial stability, which is essential to the recovery of local housing markets. Lending institutions can utilise local tenure agreements that are “unopposed” by regulators for the purposes of housing recovery loans or grants.

Minimize Local Conflict through Community Mediation and Participatory Planning

As identified above, participatory and bottom-up planning is a key component of housing sector recovery that helps to identify and mitigate the residual impact and risk of conflict on local population. A participatory process can facilitate long term social license of housing recovery towards the re-establishment of local neighbourhoods and community identity. Furthermore, it is evident in the research that local participation is critical to successful housing recovery efforts both in terms of meeting local housing demand and supporting local economic recovery.

Create Lending Facilities with a Focus on Micro Grant and Micro Finance Strategies

Promote a broad range of lending and financial support initiatives to augment the current emphasis on private sector-led supply side interventions. The housing sector recovery programme can be more effective if it rolls out an associated lending or grant facility targeting micro-finance institutions or micro-grant programmes established by donors. This process will enable greater and more rapid uptake over centrally planned top-down housing initiatives by connecting available funds directly to local beneficiaries or community-based organisations.

Provide Centres of Service as Incubators of Recovery

Along-side the emphasis on public realm support, the creation of neighbourhood or community hubs to serve as focal points for housing recovery, as centres of needed health or education services, data and information centres, documentation and HLP service centres, participatory planning venues, community consultation focal points, and dispute resolution centres. Other programming focused on economic recovery, livelihood initiatives, and community-focused efforts can be aligned through these centres. These centres can also play a role in capacity and awareness building activities focused on housing recovery and coordination of engagement activities with housing stakeholders and actors.

The following policy directions are intended to improve performance in supply-side and demand-side interventions:

Establish Targets and a Plan for Recovery

Of primary importance to a Housing Sector Recovery Programme is the establishment of targets for housing recovery at both the national and city scale. Due to the urban nature of the conflict and ensuing migration to urban areas during the conflict, housing recovery is overwhelmingly an urban condition. The establishment of targets at a national or subnational level that define housing unit rehabilitation or replacement linked to specific urban areas will be a key component of enabling planning for basic service and infrastructure support.

Conduct Scenario Planning to Best Respond to Bottom-Up and Top-Down Demand

National push / pull factors are driving demand for housing and associated spatial configuration of population movement. Rehabilitation of existing neighbourhoods as well as construction of new neighbourhoods are the result of these push / pull factors. To date, these are less the result of strategic interventions and more the result of ad hoc forces resulting from conflict, migration, and the internal economy. Interventions that couple housing recovery efforts integrated within local or regional economic activity will be more effective at guiding and facilitating returns. At the same time, local municipal actors need to be involved in a process of participatory planning to identify scenarios for housing rehabilitation or replacement that inform and demonstrate the utility of national targets. Unto themselves, in the absence of the necessary rigour of local planning and participatory processes to support implementation, national targets will be

symbolic at best. Local municipal recovery plans must include areas for housing, infrastructure, and service centres as critical entry points.

Focus on the (Re)Establishment the Public Realm within Recovery Initiatives

Within Municipal Recovery Plans, define how private efforts can be organised around public initiatives. In other words, allow for a range of housing recovery efforts from self-recovery by owners and tenants to larger institutionally led recovery efforts, in an approach that maintains a standard for the public realm or those elements that are the organising components of the implementation plans for housing sector recovery. Public realm components include hard infrastructure such as roads, water, sewers, pathways, electricity, parks, facilities and service centres, associated services such as education, health, economic support, and other community-focused initiatives that can be integrated with housing recovery efforts and natural and cultural heritage components. These components should be identified, designed, built, and operated/maintained in a scalable and incremental manner to maximize the small amount of funding available and to minimize the impact on operation and maintenance costs for rehabilitated or new infrastructure and services.

Manage Risk and Define Red Lines within Recovery Efforts

Utilise a Safeguard approach within housing recovery efforts to maximize exposure and opportunity for engagement with international actors, donors, or future investors interested in defining red lines and supporting key components of a housing sector recovery in Syria. Utilise a safeguard approach to proactively manage risk within recovery efforts – with a particular emphasis on social, cultural, and natural heritage, governance, and finance, and environmental and HLP risks. A critical component of post-conflict housing sector recovery typically requires an understanding and management of social risk related to physical displacement. Central to managing displacement-related risk is a process for ensuring or demonstrating recognized access to land and ownership or rental rights to housing units (i.e., entitlement framework). Other key components involve a demonstration of beneficiary identification and verification through locally informed processes, grievance management, or a readily accessible and verifiable method for lodging and resolving disputes or grievances.

Identify a National Typology of Damage and Beneficiaries

A national damage typology will allow for the rapid identification of damaged and destroyed assets and associated infrastructure as well as identification of potential hazards from unexploded ordinance. Among others, damage typologies need to account for heritage properties and landscapes.

Control for Inflation while Integrating Local Economic Recovery

A critical component within successful recovery efforts is to control for inflation, which is primarily due to increased demand for materials and labour. Successful recovery efforts have ensured some control over housing-focused goods and services supply chains to minimize the impact of inflation. This is typically accomplished through centralized delivery of construction materials or through third party verification of pricing within supply chains. At the same time, maximize investment in housing recovery within the local economy by utilising local sources of building materials (at controlled prices), local labour and services, and / or sweat equity through owner or tenant-led initiatives to the extent possible.

Financial Instruments, Public Sector Funding and Institutional Recovery

Support creation of a venue for dialogue with international actors and stakeholders to define a roadmap or process for accommodating international support once international agreements are in place. Such a process would establish governance and operating frameworks for national level housing recovery, including readiness components, to assist national institutions and organisations to prepare to on-board international support with implementation-ready housing recovery initiatives. Assess the potential for Community Bonds / Social Impact Bonds and other social impact-based financial instruments that can tie available funding directly to community-supported infrastructure projects. Such instruments need to demonstrate that community investments are within sanction red lines and sufficient protections in are in place for potential investors.

This paper thus calls for a phased recovery model with implementation of selected interventions across timescales. The recommendations outlined in the final section of the paper follow a 'recovery ladder' structure that identifies phased priority interventions. The recovery ladder can be

divided into three "phases" with corresponding measures: Absorptive: responding to immediate needs for stabilization, including need for basic services and livelihoods; Adaptive: medium-term response, including conditions for improvements within the current legal and organisational setting; and, Transformative: longer-term, including disruptive and bounce-forward measures. These recommendations seek to stimulate policy dialogue on housing sector recovery, at a moment when there is acceptance in the notion that conflict-sensitive, area-based resilience programming may produce self-regenerating local recovery effects that extend beyond traditional humanitarian assistance.



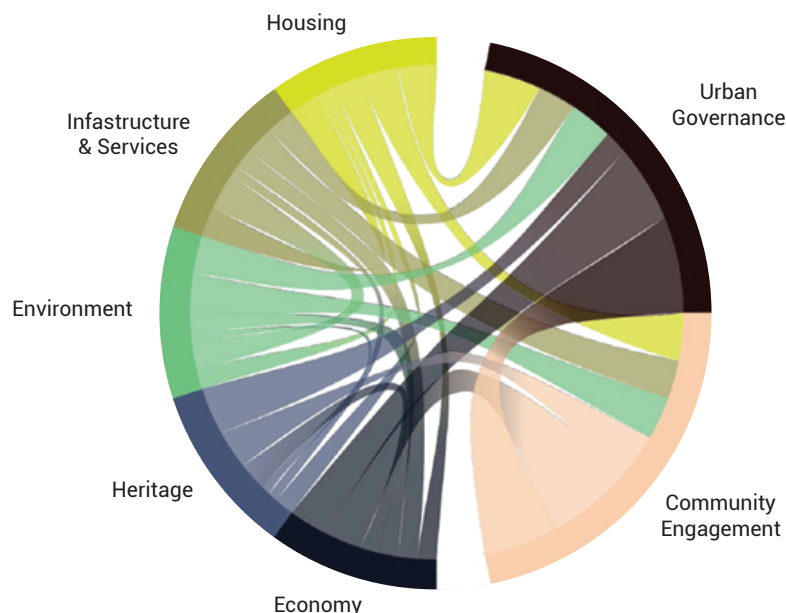
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INTRODUCTION

The paper is part of a series of policy papers developed as part of the Urban Recovery Framework (URF), which explores conditions and recovery options for Syria¹¹. It contributes with analysis of the housing sector and presents options to pursue

housing sector recovery through area-based approaches that focus on accountable local public service delivery. As such, it seeks to explore one of the seven URF pillars¹².

Figure 1: Sectoral inter-dependencies within URF area-based approach.¹³



UN Habitat and other UN agencies and partners are currently providing support to the restoration of housing and basic services to urban areas in Syria, within the URF and wider Shelter and Early Recovery efforts. Efforts to date have involved the preparation of urban recovery plans that include programming to assist in the rehabilitation of housing, related to the potential or actual return of internally displaced persons (IDPs) and refugees to locations impacted by the conflict.

While a National Housing Strategy has been under development by the Government of Syria since 2020, and while there is a gradually widening scope for integrated housing recovery interventions within the humanitarian architecture, significant gaps remain, both in terms of scale and scope, for the development of an effective housing sector recovery framework in Syria.

¹¹ The focus is primarily on Government of Syria controlled areas although the outcomes of the conflict may, or may not, dictate that orientations proposed could become relevant for wider parts of the country.

¹² For further analysis concerning other URF pillars, the reader is kindly redirected to complementary policy papers on infrastructure and services, environment, heritage, economy, governance and civil society.

¹³ UN-Habitat, Urban Recovery Framework Policy Brief, March 2022.

Against this backdrop, the objective of this paper is to provide the international community, as well as Syrian national and local authorities, and civil society, with recommendations that will support evidence-based policy dialogue on housing sector recovery in Syria. The paper builds on a variety of risk analyses, stakeholder engagements, piloted housing approaches and planning actions.

The paper comprises the following chapters:

1. Housing Sector Overview

This section provides an overview of relevant

housing context analysis, current housing supply and demand, institutional and policy framework, legal review, key challenges, and findings.

2. Housing Sector Recovery Precedents

This section includes a high-level summary overview of models of affordable housing and approaches to housing recovery in urban areas.

3. Considerations for a Housing Sector Recovery Framework

This section details critical interventions to be taken to support housing recovery.



HOUSING SECTOR OVERVIEW

Now in its eleventh year, the crisis in Syria, which has displaced over 11 million people¹⁴, has had a significant impact on the country's population, economy, infrastructure, services, and social fabric. In this context, there are many challenges to efforts

that seek to address the critical need for housing, for existing and returning populations. This section provides an overview of relevant housing context analysis, housing supply and demand, institutional framework, legal review, key challenges, and findings.

3.1. Housing Context Analysis

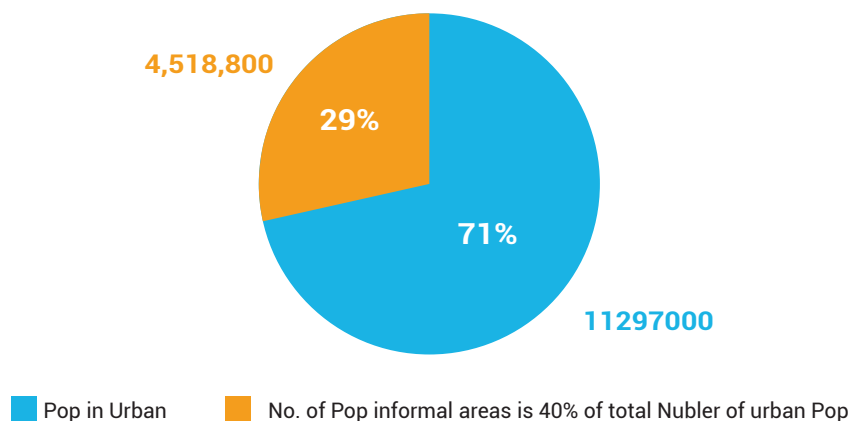
This section provides an overview of relevant housing context analysis, including a current understanding of housing development, housing damage, housing types, and housing economics.

Housing Development

Over the past 20 years, housing provision in Syria has relied on a combination of the private sector, not-for-profit sector, public sector, and, to varying degrees, informal sector developments. Housing development in Syria was heavily influenced by the rapid rural-to-urban migration that began in the second half of the 20th century, ultimately resulting

in 55% of the population living in cities by 2011.¹⁵ This internal migration generated a new and significant demand for housing in the main cities. Most of the formal systems, including regional and urban planning, failed to cope with this increased demand, and became an obstacle to development. As a result, massive areas of informality were created, particularly in peri-urban areas of major metropolitan areas and in secondary cities.¹⁶ Though there is no official source that identifies the percentage of the Syrian population living in informal areas, the Regional Planning Commission estimated that 40% of Syria's urban population resides in informal areas.

Figure 2. Urban Pop in Informal Area, CBS 2011



¹⁴ HNO, 2022

¹⁵ State of Syrian Cities Report, 2016-2017

¹⁶ State of Syrian Cities Report, 2016-2017

The onset of the conflict accelerated rural-to-urban migration and created urban-to-urban IDPs, which, in turn, led to further extensive development of urban informal areas, intensification of informal construction activities, as seen in Jaramana and Mazzeh 86 in Damascus, and informal renovations of formal buildings, such as the addition of new floors. In this context, agricultural lands were rapidly and informally urbanized in areas adjacent to major cities. This informal development has occurred in suburbs such as Daraya which, in turn, has led to the growth of informal areas and urban sprawl in and around Damascus.

The informal housing sector plays an important role in meeting housing demand in Syria. Prior to the conflict, formal housing development and supply in Syria was provided by the private sector, comprising numerous small, individual, private developers who focused their activities on one or two buildings, usually within approved master plans. The contribution of public and cooperative developers to housing provision was historically less than 25% of the total supply of housing. Together, all formal-sector housing projects (public, cooperative, and private) met less than a third of the total demand for urban housing over the past 20 years, with the balance met through informal housing developments around major cities.¹⁷ Despite this demand, the Syrian housing sector continued to build units that were primarily for investment purposes. In 2011, the Syrian Central Bureau of Statistics (CBS) estimated that 15% of houses in 2011 were unoccupied.

A centralised planning process in Syria characterized by long timelines and inadequate implementation resources is a persistent challenge that impedes housing development. Master Plans, for example, take years to be approved, owing to the presence of several layers of local and central bureaucracy. As plans proceed through this long approval and implementation process, they become obsolete, as informal settlements grow rapidly, outpacing formal developments.

The slow and complex pace of progress in housing development is exacerbated by a lack of coordination between state and national (Planning and International Cooperation Commission and Ministry of Public Works and Housing) strategic housing

plans, an absence of regional plans providing the necessary lands for provision of social housing, and the limited financial and technical capacity of local administration units to lead housing development projects.

An inefficient and otherwise limited banking system in Syria similarly impedes housing development, particularly with respect to provision of housing loans and mortgages. For example, prior to the crisis, the Real Estate Bank of Syria set onerous conditions on their loans, and, in any case, would only lend funds to cover up to 50% of the assessed value of a home. Many potential borrowers were ineligible to receive loans or the loan was insufficient to meet their financial need.

In an attempt to encourage greater investment in Syrian cities, the state introduced a series of new legislation beginning in 2008 that would open up urban development to greater private sector involvement in the housing sector, in the form of public-private partnerships (PPP). To encourage housing development via the PPP model, the state designated large plots of land where PPPs were to be established with private-sector real estate companies. While more than 35 companies were registered to take part in these interventions, the rigid regulatory framework for land administration proved to be an insurmountable barrier to housing development. None of the PPPs were able to deliver any housing units by the time the conflict erupted in 2011.¹⁸

Housing Damage

Housing and infrastructure damage resulting from the conflict has severely affected Syria's housing stock and economy. An estimated 328,000 dwellings have either been destroyed or severely damaged due to the conflict and are unable to be reoccupied. A further 600,000 – 1 million dwellings were moderately or lightly damaged. Table 1 provides a summary of estimated total damage by governorate. The damage requires over USD 30 billion to recover the loss in the private realm (not including the cost of restoring infrastructure linkages to urban infrastructure networks).¹⁹

17 State of Syrian Cities Report, 2016-2017

18 State of Syrian Cities Report, 2016-2017

19 State of Syrian Cities Report, 2016-2017

Table 1. Estimated Total Damage by Governorate²⁰

Governorate	Housing Units (2011)	Total Damage (%)	Total Damage (Units)
Aleppo	828,227	30%	249,098
Damascus	471,951	12%	56,792
Rif Dimashq	507,557	20%	100,052
Homs	312,397	18%	57,424
Hama	264,242	15%	40,382
Tartous	199,590	0%	0
Latakia	202,282	3%	5,230
Idlib	231,661	21%	48,247
Dara'a	158,513	16%	24,910
Sweida	74,920	2%	1,637
Quneitrah	12,134	11%	1,282
Raqqa	137,695	16%	21,888
Deir Ez-Zor	160,208	16%	26,405
Hasakeh	208,486	7%	15,180
Total	3,769,862	17%	648,527

A recent World Bank damage assessment of 14 cities, indicates that the war has affected up to 210,000 housing units (30,000 units totally destroyed and 180,000 units partially damaged, with total damage reaching US\$2.3-2.8 billion. According to the same study, a large share of Aleppo's housing stock has been destroyed, with up to 135,000 housing units damaged during the conflict, representing 21 percent of housing stock in the city and around 70 percent of all damaged housing stock across the 14 cities. Daraya has lost most houses relative to its original housing stock, with up to 43 percent of its housing stock damaged.²¹

in informal areas. Heritage areas in major cities have also experienced severe damage and destruction, particularly in Aleppo and Homs. Finally, it is important to note that not all destruction of housing is a consequence of the conflict. Some destruction of housing is the result of deliberate housing policies. For example, in Hama, two informal neighbourhoods were demolished (Masha'a al-Arba'een in September 2012 and Wadi-al-Joz in September 2013) as part of a government-led operation to evict occupants and remove illegal buildings.²²

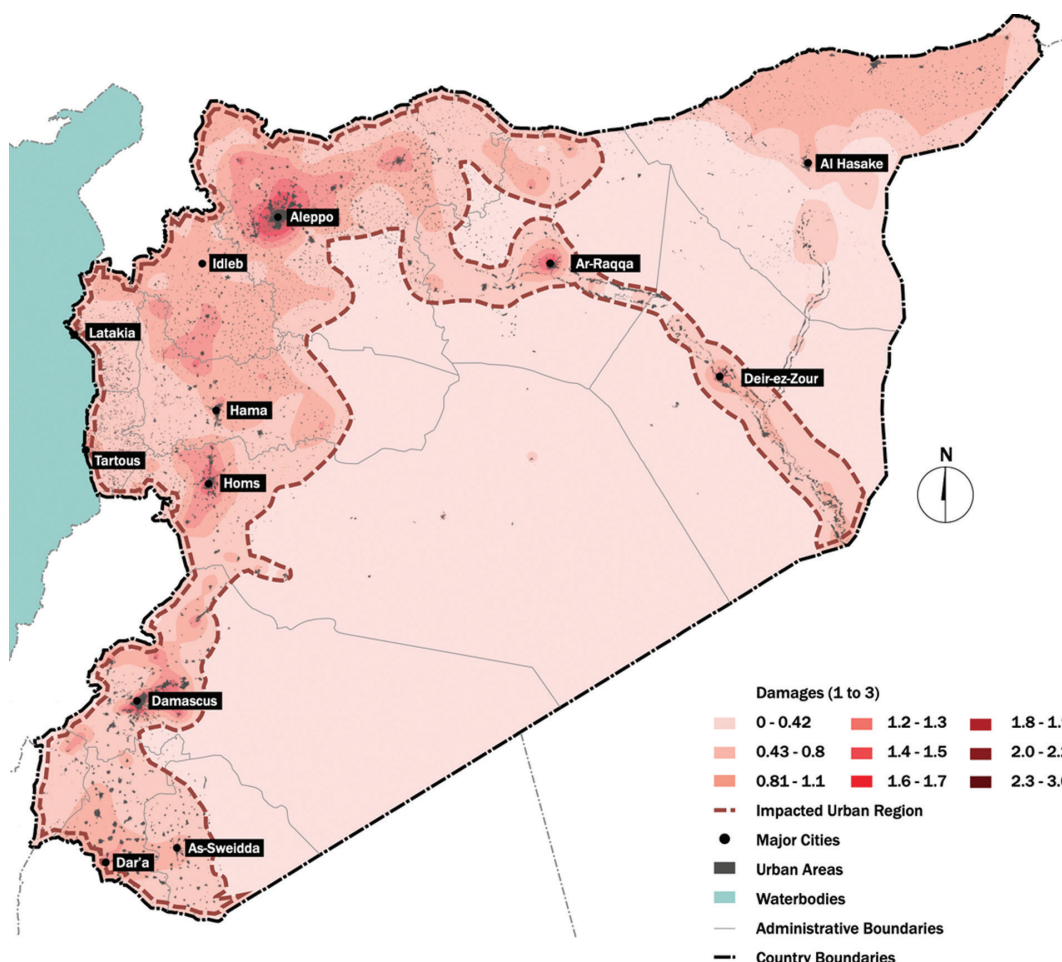
While damage rates vary across urban areas (Figure 1), the most severe cases of destruction can be found

20 Data sourced from Annex 1 of State of Syrian Cities Report, 2016-2017. Estimation based on Google Satellite Images correlated with data collected on the ground in select cities'

21 World Bank and European Union, Joint Damage Assessment of Selected Cities, 2022

22 Local news media (Arabic)

Figure 2. Level of Damage in Syria (Data Source: UN Habitat, 2014)



The precise nature and scale of damage to Syrian housing stock must still be determined. There are several sources of information documenting and quantifying damage to housing stock in Syria. Their reliance upon varying criteria, baseline data, and categorisation, makes comparisons difficult. A detailed damage assessment²³ of the housing stock in Syria will need to be completed at each geographic level by governorate, city, and neighbourhood, followed by categorisation of housing losses into informal, formal, and heritage. Further investigation is also required to determine whether moderately or slightly damaged units remain unoccupied due to the special nature of damages or due to the lack of availability of basic services.

In addition, a large yet unquantified number of housing units built during the conflict are still

standing. This will have important ramifications for the selection and approach of supply- or demand-side financing models for solving the challenge of returns.

Since 2015, UN-Habitat has worked with local communities in Syria to develop urban recovery plans. This was accomplished by enabling community representatives to influence local decision-making while engaging with administrative structures, as defined by the Local Administration Law (107/2011). UN Habitat's approach to assessing damage in Homs in late 2021 and early 2022, which catalogued and categorized the number and level of damage to housing units, is emblematic of the benefits of involving communities in damage assessment activities.

23 Satellite-detected damage analysis has been completed for several cities, however a detailed field assessment is required

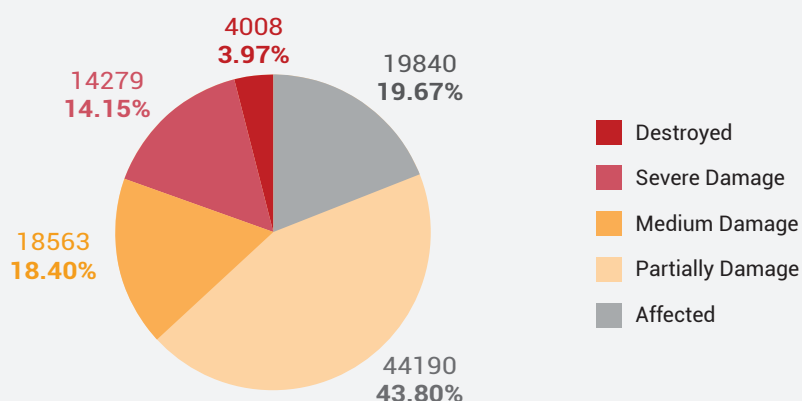
Case Study: UN Habitat: Involving Communities in Damage Assessment (Homs, 2021 – 2022)

Between December 2021 and January 2022, UN-Habitat conducted a detailed field assessment in 21 neighbourhoods of Homs City, covering all damaged neighbourhoods. The assessment was based on a wider consultation process and field assessment involving local community representatives. The assessment aimed to better understand displacement dynamics at the neighbourhood level in relation to housing damage impacts and the situation of internally displaced persons and analyse related findings.

The assessment showed there were more than 100,800 housing units in the target neighbourhoods, out of a total of more than 200,000 in the whole of Homs City.

- Only 4 per cent (4,010 units) of total housing stock was destroyed (D5²⁴ level)
- 18.4 per cent of housing units were structurally damaged (14,280 units) with further structural assessment being required to secure the access and rehabilitation (D4 level)
- 18.4 per cent (18,560 units) were moderately damaged (D3 level)
- 43.4 per cent (44,200 units) were partially damaged (D2 level)
- 19.7 per cent (19,900 units) were without damage (D1 level) but some buildings have been looted with a limited impact on common spaces and utility connections in shared apartment blocks.

Figure 3. Share of damage in 21 neighbourhoods in Homs City, 2022



These results were considered, taking into account return, housing and damage costing dimensions:

1. A comparative analysis between the results of the field damage assessment (ratios and distribution of damage in city neighbourhoods) and international assessments using remote sensing technology, showed a significant discrepancy. The results of the field survey showed that only 18 per cent of the housing stock (18,300 housing units) were completely or severely

24 UN Habitat classification of damage level (D1: Affected, D2: Partially, D3: Moderate, D4: Severely, D5: Destroyed).

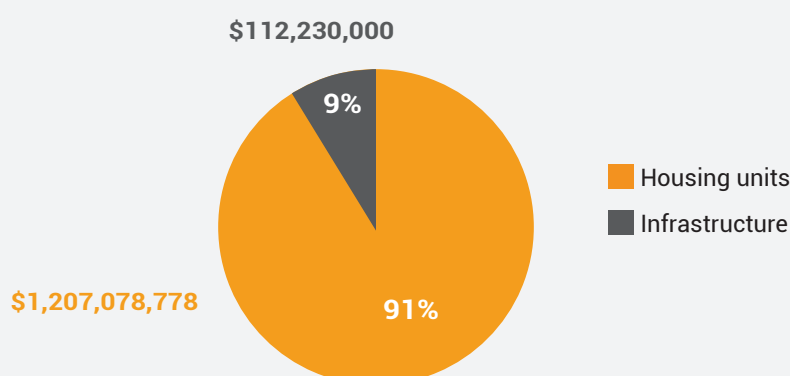
destroyed, whereas remote sensing supported assessments shows that as much as 57 per cent was severely damaged or destroyed.²⁵

2. The majority of returns took place to housing that falls under damage categories D1 and D2, with returns taking place in only about a third of D3 damage category properties.
3. Housing rehabilitation works were primarily carried out by returning families, with limited support from international organisations.

A further damage costing exercise undertaken by UN-Habitat revealed that the cost of physical damage to the entire infrastructure of target neighbourhoods including housing reached as much as US\$1,319,308,778, whereas the share attributed to physical damage of housing reached US\$1,207,078,778, or 91 per cent of total damages in the target neighbourhoods.

The cost of total infrastructure²⁶ damage in the target neighbourhoods stands at US\$112,230,000, with material damage in the health sector reaching US\$53,600,000, or 48 per cent of damages to infrastructure, since Homs national hospital (with 400-bed capacity) was destroyed.

Figure 4. Percentage of urban damage costing assessment in 21 neighbourhoods in Homs City, 2022



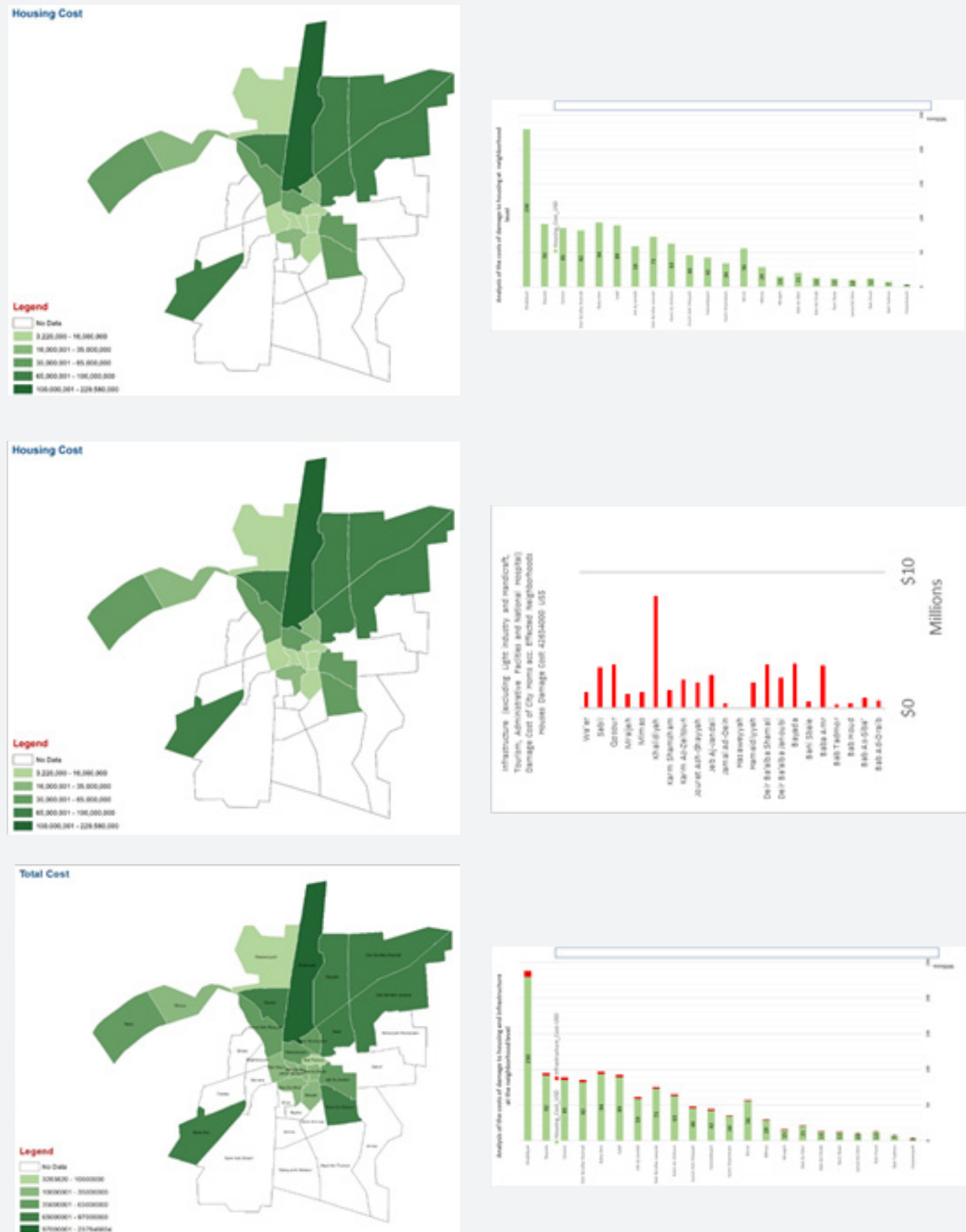
After analysing the results of the urban damage costs (housing and infrastructure) at the level of the city's neighbourhoods, they were classified into five basic categories.

- Al-Khalidiya neighbourhood had the largest share of damages in terms of housing and infrastructure, at a cost of more than US\$238 million, of which approximately US\$8 million would be required to restore the entire infrastructure in the neighbourhood.
- A second category (including Bab Amer, Byada, Sabil, Qussour, Deir Ba'alba Janoubi and Deir Ba'alba Shamali neighbourhoods) included damages ranging from US\$90 to 70 million, noting that Deir Ba'alba Janoubi and Shamali neighbourhoods are witnessing a comparatively high rate of return.
- A second category (including Karm al-Zaytoun, al-Waer, Jub al-Jandali, Jawdara Al-Shayah and Al-Hamidiyah neighbourhoods) included damages ranging from US\$40 to 65 million, noting that the neighbourhood of Karam Al-Zaytzen is also witnessing a high rate of return.

25 UNITAR damage assessment using satellite imagery-detected damage and destruction in Homs City, Homs Governorate, Syria. Acquired 21 April 2014.

26 Infrastructure includes local road network, drinking water and sewage networks, electricity and telephone, educational, health, commercial, tourism, administrative facilities, industrial areas in the city.

Figure 5. Spatial analysis of urban damage costs (housing and infrastructure) at neighbourhood level in Homs City



In Aleppo city, the damage to buildings is extensive, and, although a systematic assessment of the habitability of damaged buildings has not been undertaken, demolitions have taken place across the city, where 60 per cent of the damages were classified between severe and moderate. Destruction of housing in Aleppo was most pronounced in the old city and the city's eastern and southern areas.

The devastating effects of the conflict on land and infrastructure creates a challenge for meeting housing demand. In total, with the exception of Tartous Governorate between 2 and 30 per cent of the housing stock in each Governorate has been affected by the conflict (damaged or destroyed units, which does not factor in accessibility hazards related to lands contaminated by UXOs/ERWs)²⁷. Extensive damage to water, sanitation, health, education, and electrical infrastructure assets has also occurred. These conditions make the return of livelihood difficult or impossible.

Extensive damage and destruction of housing has resulted in significant displacement. Over 6 million people remain internally displaced and an additional 5.3 million people are registered as Syrian refugees in neighbouring countries.²⁸ Displacement continues to loom large over recovery efforts as evidenced by the spontaneous return of 1.4 million people between January and December 2018²⁹, most of whom were

IDPs, rather than refugees. It is important to clarify that in some areas, many people were displaced as the 2018 return occurred. In 2022, in Homs City, the rate of return to the neighbourhoods covered by UN-Habitat's field damage and urban information assessment was 48 per cent (187,160 inhabitants), amounting to approximately 59 per cent of the population of these neighbourhoods. The impact of returns on housing demand and infrastructure requires careful consideration. To avoid creating conditions that lead to further displacement and relocation, the objective should be, if undertaken voluntarily, that people return to their original units, with a focus on basic service restoration, rather than relocation within real estate development projects pursued under new land readjustment legislation.

Thus, the two critical housing demand factors are housing damage and population displacement. Both factors need careful consideration in a housing sector recovery strategy, as both focus on aspects that are critical to supporting housing initiatives: where are households located, how can the correct conditions be put in place to ensure returns can take place to their original housing unit, and how can individual households be supported to secure access to their housing unit. Importantly, these factors are not considered within supply-driven, pre-crisis housing tools, nor within the private-sector-led post-crisis tools.

Housing Types

Existing housing typologies in Syria fall generally into three urban areas: formal, informal, and heritage. It is important to note that further distinctions can be found within formal (e.g., formal, or partially formal) and informal (e.g., informal but regulated, or informal insalubrious). Prior to the conflict, housing units could be found within the following CBS typologies: private apartments (36%), dense popular housing (19%), countryside houses (21%), Arabic traditional houses (18%) and 4% villas. The following overview of housing types is a hybrid of the CBS categorisation and the Homs City categorisation.

²⁷ See Table 1

²⁸ OCHA, Humanitarian Needs Overview 2019

²⁹ OCHA, Humanitarian Needs Overview 2019

Residential buildings (Apartments Buildings): are usually built by contractors or contracting companies who then sell the apartments to individuals. The owners of the land may build the buildings themselves, though this occurs on a limited scale. The sizes, number of apartments, number of floors, and the quality of finishing vary from one neighbourhood to another, and from one city to another.

Residential buildings are typically concrete structures with cinder block walls, consisting of 2-14 floors. They occur within both formal and informal areas.

Figure 6. Apartment building (4 storeys) in Homs. Source: UN Habitat



Figure 7. Damaged Apartment buildings (5 storeys) in Homs. Source: UN Habitat



Arabic traditional houses: traditional construction that usually consists of a courtyard with several rooms distributed around it, consisting of one or more floors. We found this type mainly in old cities (e.g. Damascus, Aleppo, etc.). Arabic traditional houses are typically stone structures with timber beam ceilings, consisting of 2 – 3 floors in most cases. They occur within formal areas.

Figure 8. Arabic Traditional Housing within Old City of Damascus. Source: UN Habitat



Figure 9. Damaged Arabic Traditional Housing in Aleppo. Source: UN Habitat



Countryside houses: usually built by the landlord to accommodate their family. Countryside houses commonly consist of one or two floors. Countryside houses are typically concrete structures with cinder block walls, typically consisting of 2-4 floors. They occur within both formal and informal areas.

Figure 10. Countryside House (1 storey) near Homs. Source: UN Habitat



Figure 11. Damaged countryside house in Homs. Source: UN Habitat



Popular dwellings (private and public providers): usually built by housing associations, where the land is bought, and houses are sold to the members of these associations in instalments. Apartments within popular dwellings are small, usually consisting of fewer than 100m². Popular dwellings buildings are typically concrete structures with cinder block walls, consisting of 4-14 floors. They occur within formal areas.

Figure 12. Popular Dwelling (5 storeys) in Rural Damascus. Source: UN Habitat



Figure 13. Damaged Popular Dwelling (5 storeys) in Harasta. Source: UN Habitat



Villas: detached or semidetached, usually luxurious, dwelling houses. Villas are typically concrete structures with cinder block walls, consisting of 2-3 floors. They occur within both formal and informal areas.

Figure 14. Villa (3 storeys) in Yaafour, Rural Damascus. Source: UN Habitat



Agricultural House: usually built by a farmer to accommodate them during farming season, or in some cases for the whole year. Agricultural houses usually consist of a basic and poor finishing. Agricultural houses are typically concrete structures, or, in some cases, built from stone. They typically consist of 1-2 floors and occur within both formal and informal areas.

Figure 15. Agricultural houses near Homs. Source: UN Habitat



Figure 16. Damaged Agricultural House (1 storey) in Rural Homs. Source: UN Habitat



The Master Plan further groups housing types within common built form characteristics that generally reflect historic cores, heritage extensions to the core, as well as new areas:

Baldeh: occurring within the old core of the city, usually represented by attached (e.g., both side walls are shared with the next adjacent building) multi-storey heritage buildings with commercial space on the ground floor.

Figure 17. Arbin Rural Damascus. Source: UN Habitat



Baldeh extension: occurring within the heritage extension to the core, with detached multi-storey buildings, generally with commercial uses on the ground floor.

Figure 18. Arbin, Rural Damascus. Source: UN Habitat



New extension areas: new urban extensions with multi-storey buildings, with residential on the ground floors, using various combinations of setbacks.

Figure 19. Harasta, Rural Damascus Source: UN Habitat



Informal Settlements: The following photos illustrate common examples of informal urban areas. These informal settlements are typically found outside of urban areas subject to a Master Plan. They may also be found within Master Plan areas, where buildings do not comply with building regulations. In many situations this results in a horizontal or vertical patchwork of formality and informality.

Figure 20. Informal Settlement in Saydeh Zainab, Rural Damascus Source: UN Habitat



Figure 21. Informal Settlement in Harasta, Rural Damascus Source: UN Habitat



Figure 22. Damaged Informal Settlement in Daraa Source: UN Habitat



Housing Economics

The Syrian economy is currently experiencing the sharpest rise in inflation in its history. While ten years of conflict has damaged the economy, the current crisis is also a result of the indirect effects of the financial crisis in neighbouring Lebanon. Since October 2019, there has been a sharp devaluation of the Syrian pound. Due to this depreciation and the accelerated slowdown in economic activity over the course of the current year, the 2021 Syrian budget is 27 percent less than the previous year's and is the smallest budget since the conflict began in 2011 (in constant prices adjusted for inflation).³⁰ While the Syrian economy faces ongoing financial crises and many competing demands on the central budget, inflation is a key challenge and will be a decisive factor in defining any future post-conflict reconstruction strategy.

The already difficult economic situation has been exacerbated by financial and economic sanctions,

including the passing in December 2019 of the Caesar Act sanctions package by the United States.³¹ The current political impasse, associated sanctions and emerging illicit economies leave little room for international investment. At a local level, deteriorating economic prospects impede residents, IDPs and refugees alike from participating in local economy recovery.³²

As inflation will play a decisive role in post-conflict reconstruction and housing development, it is important to understand that supply side policies, while injecting cash into the economy rapidly, will have immediate negative impact on the value of the Syrian pound. Inflation due to top-down investments will pull the population further into poverty. Conversely, demand side subsidies have the potential to produce inflation only in the housing sector, which can stabilise over a period of time. Further, the lack of financial resources and the

30 <https://www.atlanticcouncil.org/blogs/menasource/2021-budget-reveals-the-depth-of-syrias-economic-woes/>

31 <https://www.mei.edu/publications/rampant-inflation-adds-syrias-economic-turmoil>

32 State of Syrian Cities Report, 2016-2017

effects of inflation impact the private sector in terms of adjusting to the cost of construction materials, receiving bank loans, sourcing skilled labour and connecting to infrastructure to develop properties.

Currently, the provision of housing to low-income residents by the state through the General Establishment of Housing (GEH) is impeded both by a lack of state financial resources and the negative effects of inflation on the income of

participating residents. A notable cyclical challenge is created whereby the lack of resources leads to implementation delays during which construction costs increase significantly due to inflation. This leads the GEH to greatly increase residents' monthly payment instalments. In turn, low-income residents, whose incomes have been eroded by inflation, find themselves unable to fulfil their financial obligations, leading to further implementation delays and increases in construction costs.

3.2. Housing Supply and Demand

This section summarises where to expect housing supply and demand in the future in Syria. A detailed summary of housing supply and demand is provided in Annex A.

Future demand for housing units in post-conflict Syria will combine both the need for construction to accommodate natural population growth and the need for rehabilitation and, eventually reconstruction, to replace damaged or destroyed units and address displacement. In total, demand could range between 148 and 222% of 2010 levels, which was approximately 180,000 units/year, 66% of which were urban.³³ This future housing demand estimate combines a construction estimate to accommodate natural growth of 160,000 units/year (70% urban) and a rehabilitation/reconstruction estimated to accommodate returning IDPs and refugees, ranging between 108,000 – 242,000 dwellings/year, assuming a rapid return in 5 years of both IDPs and refugees.³⁴ The rehabilitation/reconstruction demand will depend on a detailed evaluation of damaged dwellings after the clearance of debris and war remnants. It is important to note that housing demand varies significantly between locations. This is further complicated by a household's ability to pay. Any demand- or supply-side intervention will require accommodation of the financially vulnerable status of Syrian households.

Given this return scenario, the total supply is estimated to be 2 to 3 times its level in 2010, which was approximately 120,000 dwellings.³⁵ The government's supply side approach to housing

delivery, including slow Master Plan processes and large urban redevelopment schemes, have failed to meet demand in the past. Employing this same approach, coupled with a growing housing gap, will likely not meet future demand in an accessible, affordable, and sustainable manner, particularly in informal areas. Improvised local solutions will be faster than classical supply side policies. Informality will outpace central government interventions and the problem of spontaneous settlements will continue to expand.

Further, post-conflict housing supply in severely damaged heritage areas will require rapid assessment and should be prioritized to better understand these areas' technical and financial needs – including the specific needs of heritage building rehabilitation. Prior to the crisis, residential heritage areas were characterized by high rates of poverty. Poverty levels have increased in these areas during the crisis, resulting in increased numbers of people living in traditional residential buildings. These sites serve as local assets needed for long-term economic recovery, and thus balancing priorities of cultural identity and preservation with potential gentrification and densification will prove critical.

In the past, individual and local resources were mobilized to satisfy a large proportion of the demand for housing through small, individual private sector developers as well as through self-build development. In the context of increasing informality, alternative approaches that support demand must be explored to kickstart local economies, providing

33 Aita, S, Urban Recovery Framework for Post-Conflict Housing in Syria, The Cercle des Economistes Arabes, 2020

34 Aita, S, 2020

35 Aita, S, 2020

security of tenure so that residents may invest and mobilize their own resources for rehabilitation and/or reconstruction. A balanced approach between supply side and demand side policies, which limits

supply side funding to essential infrastructure, will be needed to capitalize on the resilience of local communities.

3.3. Institutional Overview

This Section provides an overview of state and international actors and policy regarding housing recovery in Syria and includes the following:

Section 2.3.1 identifies the state actors and their responsibilities in the regulation or production of housing are identified in Section 2.3.1.

Section 2.3.2 provides an overview of the National Housing Strategy including the key phases and targets established by the Government of Syria for the housing sector

Section 2.3.3 provides an overview of the United Nations Policy Framework including the UN Strategic Framework and the Humanitarian Response Plan which includes Shelter Sector initiatives.

Section 2.3.4 summarises the recommendations of the United Nations Country Team (UNCT) on the Right to Adequate Housing

building codes for implementation, and follow up on the procedures for its adoption, endorsement and ratification.

- Manage implementation of Master Plan, detailed urban plans and expropriation projects.
- Study requests for building, demolition and modification permits and follow them up until the issuance of the regular permits.
- Calculate the fees incurred for licenses and improvement of real estate in accordance with regulations.
- Secure public housing for eviction warrants and follow up on the procedures for distributing them to the eligible.

Local/City Council (cities which are not governorate capitals)

- Approving Recovery Plans, Master Plans and building codes.

Technical directorates in the Governorate

- Supervision of execution of the Master Plan and related detailed urban plans.

Executive office in the Governorate (Governorate Capitals)

- Endorsement of Master Plans, building codes and detailed plans.

Governorate Council

- Coordination with other local councils, central agencies and all activities of the public, private and civil sectors in preparing the Master Plan, emphasizing its consistency with the five-year development plan at the national level.
- Approve indicative development plans at the Governorate level for the long and medium term and linking it to the spatial regional plans.
- Approve annual economic, social and service plans that are binding on the Executive Office.
- Approve programmes to promote investment in the Governorate.
- Approve Master Plans and detailed plans.

3.3.1. Responsibilities of key state institutions in the housing sector in Syria

Two ministries are primarily concerned with the housing: the Ministry of Public Works and Housing and the Ministry of Local Administration and Environment. They share different roles in relation to this file but there are numerous other actors involved in the planning, engineering, financing, and social aspects of housing policy and practice. This has often resulted in deficient coordination at all levels: analysis, policy, planning and implementation.

Below is a list of the main stakeholders and their primary tasks in the regulation or production of housing:

Planning department/office in Local Administrative Units

- Prepare, either directly or with support of public or private urban planning agencies, Master Plans and, more recently, Recovery Plans, for Local Administrative Units, follow up on its development, define detailed urban plans with

Ministry of Local Administration and Environment (MoLAE)

- Tutelage ministry for Local Administrative Units with role in ensuring the implementation of Law 107 including the decentralisation of powers and responsibilities, to Local Administrative Units capable of planning and implementation processes, including Master Plans and Recovery Plans.
- General supervision of Local Administrative Units and ensuring coordination among them.
- Simplify procedures to ensure service provision to citizens, by establishing service centres specialized in granting all licenses and services.
- Framing general policy and plans necessary for environmental protection.

Ministry of Public Works and Housing (MoPWH)

- Prepare the national strategic plan for housing.
- Supervise the work of Regional Planning Commission.
- Plan and establish residential suburbs and subsidized housing projects through the Public Housing Corporation.
- Supervise the Real Estate Development and Investment Authority.
- Supervise the Syndicate of Engineers and Syndicate of Contractors.
- Develop manuals for urban planning and building code.
- Verify the adoption of urban planning foundations and standards during the preparation of Master Plans for all urban communities.
- Ratify the Master Plans (central cities by the Minister, other Local Administrative Units through the regional committees in which MoPWH has a representative).
- Tasks absorbed from the General Union for Housing Cooperation and housing cooperative unions in the Governorates following their dissolution in 2019 (Law 37).

Regional Planning Commission (RPC)

- Prepare and monitor the implementation of regional plans, and national framework for regional planning together with Local Administrative Units and involved ministries.
- Follow up and monitor the preparation and implementation of regional plans and submit periodic reports on them to the Supreme Council for Regional Planning.
- Create a regional planning information system.
- Coordinate and consult with the Supreme Council, Ministries, State Planning Commission,

Governorates, and local councils on all issues related to regional planning.

Supreme Council for Regional Planning

- Adopt the general objectives and principles for regional planning.
- Approve the draft national framework for regional planning.
- Adopt and approve regional plans based on the recommendations of RPC.
- Develop framework for cooperation with international institutions and bodies, whether governmental or private.

Syndicate of Engineers

- Certify and audit technical engineering studies related to infrastructure and licenses for residential and service buildings and service facilities.
- Support the achievement of structural safety for damaged buildings.
- Issue technical standards related to construction and building works.

General Authority for Development and Real Estate Investment

- Provide the housing sector with necessary available land prepared for construction, buildings, services and facilities, through coordination and cooperation with the Local Administrative Units.
- Create integrated residential suburbs (new urban communities).
- Propose solutions for the management of informal areas.
- Elaborate projects to meet the housing needs of people with low incomes on concessional terms.

Planning and International Cooperation Authority (PICC)

- Study and analyse economic, social and environmental conditions, highlight weaknesses and strengths, and follow up on regional and international developments.
- Prepare studies on various issues to anticipate developments regarding the Syrian economy, in addition to proposing visions, general and strategic objectives, and plans for economic and social development, and proposing appropriate economic policies, in light of market analysis.
- Estimate basic macroeconomic balances and participate in determining necessary sectoral and investment programmes, as well as proposing programs to provide job opportunities

to reduce unemployment, combat poverty, and address the unequal distribution of income and wealth.

- Propose policies that encourage research, development and innovation, to attract and localize advanced technologies, and monitor the implementation of various plans.
- An institutional entry point for engagement with international actors on issues concerning economic and social development (not political, security or military).

Central Statistical Bureau

- Official body responsible for statistics and collecting data and information related to

economic and social activities and various public activities in Syria. Reports to the Presidency of the Council of Ministers.

Ministry of Finance

- Defines state financial policies, supervises their implementation, collects public revenues, oversees the treasury, supervises the disbursement of state expenditure, and prepares state budget. Manages public debt, in cooperation and coordination with the Central Bank of Syria

Public and private banks

- Provide loans to citizens to buy and rehabilitate housing.

2.3.2 National Housing Strategy

In 2020, the Government of Syria released the “National Development Programme for Post-War Syria”, which articulates a goal to build “adequate housing that provides decent living conditions, taking into account the conditions of the different segments of the population”. The Report provides

a road map and targets for the housing sector, divided into four main stages³⁶: Relief Phase (2019), Recovery Phase (2020-2022), Recuperation Phase (2023-2026), Sustainability Phase (2027-2030), as depicted in Table 2.

Table 2. Government of Syria Post War Syria Report Phases and Targets by Category

Category	Relief phase Target (2019)	Recovery phase Target (2020-2022),	Recuperation phase Target (2023-2026)	Sustainability phase Target (2027-2030)
Percent of households in need receiving housing assistance	10%	15%	25%	35%
Percentage of housing demand delivered by Social Housing Programmes	15%	20%	25%	30%

In the Post-War Syria report, the Government of Syria puts forward proposals on how to resolve housing issues resulting directly from the conflict, as well as pre-conflict issues. It identifies some factors that it considers essential to resolving housing-related issues, including: location of built up and extension areas, location of population, administrative responsibilities, land use, agricultural land management and conservations, sustainability, spatial planning and urban management, and

governance.

The National Housing Strategy, a component of the National Development Programme for Post-War Syria, sets out 6 key pillars, and associated stakeholders, to assist in the development of the housing sector in Syria, as indicated in Table 3 below. Table 3. Key Pillars and Stakeholders in the Government of Syria National Housing Strategy

36 The Post-War Syria report, 2020

	Pillar	Focus	Stakeholders
1	Data & Information	<ul style="list-style-type: none"> Standardization of indicators concerned with data collection and analysis. Implement general population and housing census using modern statistical techniques and tools. LAUs to list the number of totally or partially damaged houses, in coordination with the specialized authorities. CBS to make data available to concerned parties in the housing sector to determine actual and future needs. Develop urban and regional observatories to develop and update data. Activate subnational statistics directorates, in coordination with CBS. 	CBS + PICC + MoLAE
2	Regional Planning	<ul style="list-style-type: none"> Create National Housing Map as main axis of work from recovery to sustainability phase. Accurate and comprehensive database on Syria with the participation of relevant parties. Emphasize role of decision support directorates in Governorates (link between the local and regional levels). Activate Governorate urban observatories and LAUs to prepare local plans. Support Regional Observatory Directorate (RPC). 	RPC + PICC
3	Land and Construction	<ul style="list-style-type: none"> Follow up on assessment of the Master Plans and develop proposals according to a sustainable development vision. Coordinate between LAUs and parties in housing sector to develop an integrated vision for the provision of land and management of this sector. Develop executive matrix for allocating lands for habitation, through which the situation, procedures, concerned authorities, regulatory legislation, and implementation priorities are determined. 	MoLAE
4	Funding Sources	<ul style="list-style-type: none"> Financing through loans. Financing through Islamic and conventional government securities. Equity financing. Financing by attracting capital from abroad. Reconsidering tax system on real estate. Partnership with the private sector (financing or securing building materials). 	MoF with banks
5	Implementation Guidelines and Requirements	<ul style="list-style-type: none"> Develop implementation methods and achieve faster implementation. Develop new specifications for building materials. Adopt concept of green buildings. Develop technical specifications to keep pace with new technology. Build capacities of workers in the sector to use modern implementation techniques. 	Engineers Syndicate
6	Institutional and Legal Framework	<ul style="list-style-type: none"> Housing cooperation laws. Real estate development law. Urban planning laws. Tax system. Engineers and contractors syndicate laws. 	MoPWH + General Authority for Real Estate Development

The National Housing Strategy proposes various tools to support implementation and monitoring:

- Access to digital statistical mechanisms and a multi-source database that is automatically updated.
- Access to a housing map that includes all relevant and up-to-date data.
- Access to an integrated financing system that supports participation of the private and cooperative sectors.

The Strategy is not yet publicly available, although various discussion fora have taken place, under the leadership of MoPWH, related to the above pillars. In the absence of a more complete overview of the Strategy, a few initial observations can be made:

- It is characterized by a level of ambition that is not commensurate with the current economic and financial outlook in Syria, especially after 10+ years of multiple crises.
- The proposed institutional framework – to a certain contingent upon decentralisation – is not sufficiently mature, particularly given the need to situate housing recovery solutions at the level of local communities (and recognise changes in social structures).
- The data that underpins the strategy can be characterized as being general in nature and is not therefore of the necessary level of accuracy in terms of demography, displacement, damage, etc.
- Proposed tools are insufficient to analyse new population expansion models and scenarios for IDP and refugee return to cities, towns and villages of origin.
- Executive programmes for the housing sector are not articulated according to the four phases outlined in the Post-War Syria report.
- The absence of a strategy for informal areas, and self-initiated housing recovery models more generally, remains conspicuous.
- Over-reliance on supply-side measures such as coordinating approvals through the Master Plan regulatory process risks accelerating growth of informal settlements
- Key partners and stakeholders that will be important to engage in recovery processes that are underpinned by peacebuilding and rights perspectives, especially local communities, are not considered.
- There is an absence of robust monitoring and evaluation frameworks according to the aforementioned four stages.

2.3.3. United Nations Policy Framework

UN Country Team formulated a new Strategic Framework (SF) for the period 2022- 2024, during 2020 - 21. The scope of this document is limited to provide a multiannual socio-economic programming framework for the UN Country Team that focuses primarily on people's and communities' resilience, basic livelihoods, and early recovery activities, such as the ones recognized in the UN Security Council Resolution 2585, that complements the UN's humanitarian response, including activities conducted under the Humanitarian Response Plan's third strategic objective on increased resilience and access to basic services.

The SF 2022-2024 endorsed four pillars in its programming approach.

Pillar I: Availability and Access to Basic and Social Services

Key programming priorities addressed under this Outcome can be briefed as: Increased access to equitable and inclusive quality education; Support health services; Scale up crucial nutrition services; Equitable access to safe drinking water and clean sanitation as well as solid waste management; Contribute to the rehabilitation of critical civilian infrastructure linked to the delivery of basic and social service and the emergency restoration of damaged housing; Support small scale rehabilitation of electricity systems; Support cadastral and land administration services; Contribute to improving spatial connectivity through light rehabilitation of local roads and public spaces; and; Contribute to achieve integrated management of natural resources.

Pillar II: Sustainable Socio-economic Recovery

This pillar aims at inclusive and equitable participation of the most vulnerable people, and better integration of the least developed areas in the socio-economic recovery of Syria. It will use a multi-sectoral, issue-based approach to programming, with a focus on area-based recovery activities in the targeted areas, in order to strengthen livelihoods and socio-economic recovery while ensuring food security through small scale restoration of damaged vital irrigation infrastructure and sustainable management of natural resources, including adoption of improved on-farm water use.

Pillar III: Enabling environment for a resilient return

The focus of this Pillar is to: Support relevant institutions' capacities to ensure the provision of legal and administrative services; Enhance humanitarian access of relevant UN agencies to enable the provision of timely, well designed protection services, and reintegration support for returnees; Strengthen technical capacities related to analysis of population data at the municipal, sub-national and relevant national level; and; Enhance safety and dignity of voluntary return through technical advice on facilitating procedures, public health measures, and rehabilitation for access to critical basic services.

Pillar IV: People resilience and institutional responsiveness

This Pillar focuses on: Support national institutions and communities in the identification of the needs to achieve best standards of social protection, cohesion and inclusion; Strengthen technical capacities of the selected relevant national institutions; Promote administrative capacities in order to strengthen an effective local governance system; Raise awareness and support collective understanding and work, especially at community level; and; Support the establishment of community child and women friendly spaces.

The plan is mainly based on the sectoral-driven and emergency-responsive needs described in the annual Humanitarian Needs Overview (HNO) and it includes a focus on durable solutions and resilience of affected populations.

In addition to the above-mentioned UNSF, UN organizations work within another regulatory framework, the Humanitarian Response Plan (HRP), which is an annual plan issued jointly by international organizations and GoS. Housing falls under Shelter and NFI Sector which aims at achieving two objectives in line with HRP.

1. Provide lifesaving and life-sustaining shelter and NFI support including emergency shelter, tents, distribution of emergency shelter material, rehabilitation of IDPs centers
2. Reinforce an enabling protection environment and community cohesion by improving housing and related community/public infrastructure including rehabilitation of private damaged apartments, repair of community infrastructure, capacity building for stakeholders.

An initial evaluation of the impact of Shelter Sector

interventions in the last few years indicates some gaps including:

- Targeting individual and scattered housing units at a city level may reduce the desired impact of enhancing resilience in the targeted area.
- Targeting slightly damaged houses will not make a valuable impact since these houses are already inhabited by affected families, and could be repaired easily by these families, and in many cases could be inhabited even without the need for repairs.
- Restoration of basic services and infrastructure is a key factor in reviving the affected neighborhoods and facilitating the return of displaced families.
- In most shelter projects, the community was not involved in the preparation and planning process, which raised the expectation of the beneficiaries and had a negative impact on the outcome of the delivered assistance.
- Most organisations focus their work on light-damaged buildings and exclude the targeting of moderate-damaged buildings for easier and cheaper implementation, which leaves the most-in-need families with no choice but to either live in these buildings despite its high-risk or not return until receiving support as such cases require experts and specialists to carry out damage assessment and provide repair methods.

2.3.4. Right to Adequate Housing

In its joint report for the third Universal Periodic Review on Syria, UNCT noted several key considerations with respect to the central issues and gaps in the Right to Adequate Housing. In general, key gaps centred on unresolved HLP issues in a context of ongoing conflict and their unequal impacts upon vulnerable communities.

While identifying the GoS's laudable commitment to decentralising recovery and addressing unresolved HLP issues at the local level, the report recommended a legal and policy approach that would enable individuals to access their HLP rights and strengthen institution's ability to facilitate individuals' and communities' ability to claim rights and mediate and adjudicate disputes with respect to land.

Summary of the UNTC Joint Report for the Third Universal Periodic Review on Syria

Key Considerations for the Right to Adequate Housing

- Unresolved HLP issues pose significant challenges to the safe, dignified and voluntary return of displaced populations
- Over the last ten years, HLP challenges have become compounded by the dynamics of protracted conflict and present a fundamental obstacle to the resilience of the most vulnerable communities in Syria
- Much HLP documentation was lost or destroyed, leaving many without any means of realizing their rights or rebuilding their lives. A lack of civil documentation has exacerbated the situation. Cadastral records and registries have also been damaged or destroyed.
- The prevalence of ERWs/UXOs, as well as new laws and initiatives on urban development pose further HLP risks.

Achievements To-Date and Best Practices

- The GoS's commitment to decentralisation (under Law 107) promotes recovery and development at the local level. HLP issues may be addressed more efficiently if local capacities are developed and accountability mechanisms strengthened.
- Positive measures placed to (1) open up the cadastral and civil registry services to provide support; (2) waive fines and fees for registration of vital events and issuance of civil documentation; and (3) amend the respective timelines to be more lenient. Such measures remove critical obstacles and will increase the rate that individuals will be able to move forward with their HLP claims.

Recommendations

- Repeal any legislation and cease practices that restrict individuals from their HLP rights due to strict timelines for claiming rights, military status and / or political affiliation
- Develop a comprehensive strategy to systematically address HLP issues in their various forms leading to the ultimate goal of achieving Security of Tenure / Restitution. Within this strategy, it is recommended to include the following measures.
- - » Protect and preserve the HLP rights of the displaced, particularly those disadvantaged with additional vulnerabilities
 - » Build capacities of the relevant Government institutions to address HLP needs (cadastral offices, real estate courts, legal aid providers, etc.)
 - » Provide affordable/ free means to access/ recover HLP documentation
 - » Consider the adoption of alternative land tenure options for those with weak or no tenure security
 - » Adopt community-based dispute resolution mechanisms and community-based land adjudication exercises
 - » Develop system to process claims through efficient, fair/ equitable and effective process.

3.4. Legal Overview

This section summarises the relevant laws that govern housing development in Syria, including Laws 5, 23, 10, 15, 20 26, , 33, 40, 82 and 99. These Laws have been analysed to better understand the gaps/challenges and risks associated with their application, which are summarised below. Law 5 sets forth the requirements for the master plan process. Laws 10 and 23 set forth the master plan implementation requirements. Laws 15, 26, and 99 set forth the requirements for private sector and state or cooperative housing developers. Laws 33 and 40 set forth requirements for formalizing informal development in agricultural and urban areas. Law 20 sets forth the requirements for expropriation. Figure 23 illustrates the application of the laws from planning (Law 5) to implementation (Laws 23, 10, and 15). A further analysis of which laws are used to support supply and demand side development processes can be found in Annex C.

Law 5/1982 (Master Plan Law)

This law is the urban planning law in Syria that establishes and regulates the urban planning work mechanism for the Master Plan development and is concerned with the MoLAE and MoPWH.

Law 5 establishes the process of producing, reviewing, and approving Master Plans, including identifying all technical and procedural steps to produce the plans. The law introduced central regulatory mechanisms for the MoPWH and Governorates as the ultimate sources for ratifying general masterplans and detailed plans, respectively. The law gives MoPWH representatives veto powers over the regional technical committee mandated to review the process.

The main gaps/challenges associated with the law relate to long timelines required to implement Master Plans, which become outdated when spontaneous settlements develop faster. Though Law 5 was amended in 2002 to include strict timelines for plan ratification, in practice these time limits are rarely respected, as bureaucratic burdens and private interests hinder the process. For example, the master plan for Tartous was ratified in 2008 after 35 years and has yet to be implemented. The master planning process does not reflect the urgencies and requirements imposed by the large-scale destruction of housing and displacement resulting from the conflict. The main ensuing risk of

maintaining these outdated planning models is the recreation of conditions that lead to spontaneous settlements. It is recommended that the UN offers support by developing models for flexible, inclusive, and participatory planning, rapid assessment of existing Master Plans, and training of municipal staff and senior elected council members.

Law 23/2015 (Urban Planning Law)

This law establishes a process for the establishment of new urban zones, allowing state planning authorities to re-zone and redevelop urban areas damaged by natural disasters and acts of war. The law relies on state-led land acquisition to redistribute property rights for the purposes of land redevelopment, and, when applicable, entitles formal owners, right-holders, and tenants to compensation. Compensation can take the form of a new ownership share in the development zone, or through other entitlements such as those related to rental allowances and/or financial compensation for lost agricultural assets.

The main gaps/challenges associated with the law relate to the long timelines for implementation, financing, limited or absent public or beneficiary participation, and the lack of integration of informal areas outside of the eligible zone. The resulting risks due to the reliance on supply side land economics include insufficient accounting of the financial obligations by future owners due to project cost overruns and risks to social cohesion resulting from unresolved grievances of displaced residents. It is recommended that the UN offers support by discouraging further direct investments by public authority bodies and focus instead on regulating new land and providing infrastructure.

Law 10/2018 (Urban Planning Law)

This law establishes a process for the establishment of new urban zones. The law relies on state-led land acquisition to redistribute property rights for the purposes of land redevelopment. Formal owners, rights-holders, and tenants are entitled to compensation. Compensation can take the form of a new ownership share in the development zone, or through other entitlements related to rental allowances and/or financial compensation for lost agricultural assets.

The main gaps/challenges associated with the

law relate to limited or absent public or beneficiary participation, unclear timelines for appeals, land disputes and legal proceedings, access to financing, increased land costs, and an inability to adequately assess the feasibility of projects. The major resulting risk is that legitimate rightsholders, notably vulnerable groups, such as informal area residents, widows, and IDPs, may be denied their rights. The risk for informal area residents who do not have a right to their land is substantial, since, barring case-by-case decisions made by the Dispute Resolution Committee in favour of recognising informal land tenure rights, they are not eligible to receive shares in the redeveloped area. Therefore, unless they later purchase shares (which seems unlikely considering the increase in price the land will have upon redevelopment), these tenure holders will be displaced without compensation (apart from the potential alternative housing allocation or short-term rent compensation).

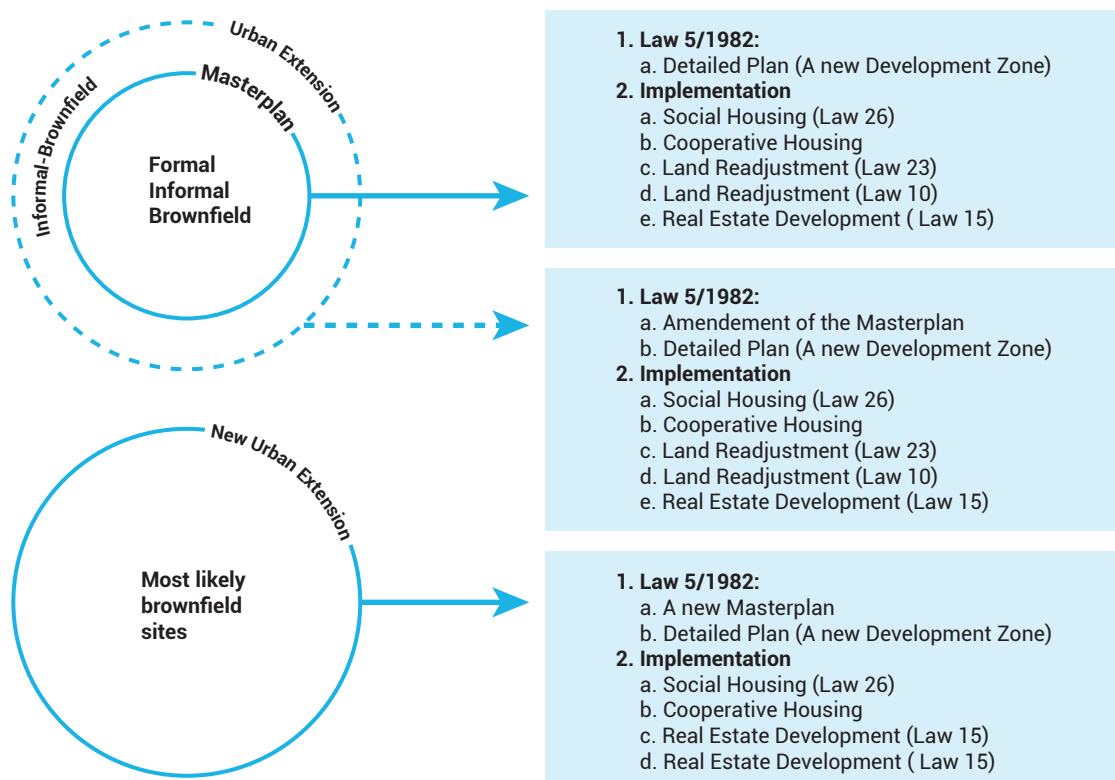
Additional resulting risks include delays to project implementation, inability to initiate projects due to red tape and lack of clarity on procedures and jurisdictions, prolonged periods of relocation for

displaced persons, or multiple displacements and economic displacements via gentrification if sufficient safeguards to preserve housing affordability are not in place for original rightsholders. It is recommended that UN-Habitat consider carefully engaging in these processes, as it risks being put under sanctions. It is recommended that UN Habitat focus on solidifying the cadastral system and supporting the General Directorate of Cadastral Affairs (GDCA) mandate to protect the rights of rightful tenure holders. There may be additional opportunities to increase participation and inclusiveness through training and capacity building.

Law 82/2010 (Enforcing the construction of vacant land plots)

Law 82 is applicable to individual unconstructed land parcels located within cities' boundaries and to those larger peri-urban development zones designated under Syria's land readjustment laws (either Law 23 or Law 10). It also applies to properties expropriated for housing projects, real estate development projects, cooperative housing projects and new urban community projects.

Figure 23. Development Types and Associated Laws – Cross Section



Law 26/2015 (General Establishment of Housing (GEH))

This law was established to regulate the public sector's contribution to meeting social housing needs in Syria and to prepare and implement housing programmes for lower income groups. Law 26 includes all planning and implementation measures for development, including expropriation, development, and selling units.

The main gaps/challenges associated with the law include:

- Competition for land allocation for low-income/ social housing vs new models of real estate development (Law 23, Law 10)
- Lack of financial resources leading GEH to sell their lands to private developers instead of carrying out affordable housing projects (this is particularly the case in some of the Damascus suburbs that, over the past few years, witnessed hundreds of residential buildings erected on lands purchased by building contractors)
- Inability of subscribers to the GEH projects to pay their due instalments because of the sharp erosion of incomes caused by the inflation of the Syrian currency
- Inability of municipalities or other agencies to provide infrastructure to new developments and the requirement of heavy state subsidies

The resulting risks include delayed implementation of projects and further unmet demand for affordable social housing. It is recommended that UN Habitat can support by not prioritizing this area of development beyond general training to technical staff.

Law 99/2011 (Cooperative Housing)

This law was established to regulate the cooperative housing sector's contribution meeting social housing needs in Syria. Cooperative housing projects are built on lands allocated by the public sector through local government or on private lands purchased by a cooperative. Generally, the main source of land for cooperatives has been through the private sector. Through the public sector, cooperatives would be allocated land within master planned areas. In theory, cooperative housing projects have priority over private developments in terms of lands, building materials, loans, and other subsidies.

The main gaps/challenges associated with the law include:

- The long process required to allocate lands for cooperatives whether through public authorities or the private sector. Given that the main source of land is via the private sector, where lands are purchased from individuals, this process requires time to address issues including individual owners' rights, the tenure registration process, inheritance, etc. Further, there is additional time and costs required to obtain building materials and build public infrastructure to support cooperative housing needs.
- The burdensome rules for property registration and sales for subsidized housing owners, in addition to the complicated procedures for the transfer of property rights from the temporary record of the association to the permanent record in the GDCA.

The resulting risks include delayed implementation of projects and further unmet demand for affordable social housing. It is recommended that UN Habitat can support by not prioritizing this area of development beyond general training to technical staff.

Law 15/2008

This law enabled the establishment of private real-estate companies and allowed them to enter into partnerships with the state, which would provide them with land for development via expropriation (according to Law 20/1983), when the land is privately owned). The real estate companies would have the option to develop the land and manage urban services in the future.

The main gaps/challenges associated with the law relate to lack of feasibility for developers, red tape, and lack of clarity over regulatory jurisdictions and appeal processes, and limited markets for upper-end housing that would offset requirements to provide social housing. The resulting risks include long delays, unmet demand for social housing, externalities that are not covered by private developers, and the eviction of residents living in spontaneous settlement areas. It is recommended that UN Habitat support in the development of standard guidelines for feasibility studies. It is also recommended that UN Habitat refrain from participating in large privately led developments in informal areas.

Law 33/2008

This law enables the subdivision of large agricultural estates that accommodate informal housing.

Typically, shareholders subdivide large agricultural estates through a system of informal use rights and construct housing based on an informal process of land subdivision. This law is intended to formalise large informal areas where residents held a right to the land but could not obtain building permits because the land had not been subdivided. Subdividing land is essential for residents requesting the inclusion of their lands into formal urban masterplans. Law 33 could be used with Decree 66/2012 (as well as other urban development laws, such as Laws 23, 10, and 15) as tools to recognise informal urban areas by transferring lands to housing use. Preceding any urban development, the application of Law 33/2008 will put informal owners in a stronger position vis-à-vis the developers, establishing them as individual freeholders with title deeds.

Supporting the implementation of this law will enhance security of tenure for residents in informal areas and facilitate subsequent implementation of urban development plans, while ensuring the rights of residents and owners of housing in informal areas.

Law 40/2012 (Building Violations Law)

This law was issued to replace Legislative Decree 59 (2008). The law prescribes punitive measures with respect to the settlement of building violations to curb the expansion of informal areas and illegal buildings. The new law stipulates a new procedure which does not rely upon the application of land readjustment (via Law 9/1974) as seen in earlier building violation legislation. The Law defines a type of moratorium on new construction of informal areas and illegal buildings. Structures or other assets constructed after the moratorium or effective date (May of 2012) are to be removed and relevant authorities can be penalised. Prior to the moratorium or effective date, Law 40 establishes criteria by which informal areas and illegal buildings can become formalised and considered for inclusion within a Master Planned Area.

The main gaps/challenges arise from the process for defining potential beneficiaries and legal process, including but not limited to assessing time of construction, identifying absent beneficiaries, defining a grievance management process that may resolve disputes prior to a court appeal process, and involving impacted households in the redistribution process. The resulting risks include social cohesion challenges resulting from unresolved grievances of impacted households. The UN can assist in technical capacity building and safeguarding of land

readjustment programmes that focus on housing recovery in informal and mixed tenure areas.

Law 20/1983 (Expropriation)

This law is general legislation that covers the expropriation of land for all public purposes by all government entities. Under the legislation, the municipality or expropriating authority can take possession of properties prior to payment of compensation.

The main gaps/challenges associated with the law relate to:

- Lack of public consultation with affected persons (only owners and formal rights-holders are recognised as interested or affected persons entitled to compensation),
- Poor communications / advertisement to compensation claimants (given owners and others may be, at the time of notice, located elsewhere in Syria or outside of the country),
- Lack of recognition of the difficulty in obtaining and providing documents that support ownership claims in the Syrian environment,
- Lack of an accessible grievance mechanism,
- Compensation does not cover full replacement cost,
- Relocation assistance is not provided,
- There is no compensation for loss of business, and
- Land-based compensation is not available for affected persons with land-based livelihoods or for collective owners.

The resulting risks include eviction for informal occupiers with minimal assistance and no access to replacement housing and an increased risk to social cohesion resulting from unresolved grievances of impacted households.

3.5. Development Process and Stakeholder Overview

Production of housing in Syria relies on an ecosystem of institutional actors with conflicting and overlapping mandates. These institutional actors are linked to the development process either directly or indirectly. Furthermore, development is reliant on a range of secondary actors such as the contractor's union, holding companies established by private industry or municipalities and funding and financing institutions that are necessary for formal development in Syria. In delivering housing through a development process, the inclusion of the various actors and coordination of their various requirements can be a complex and challenging process.

Appendix C provides a mapping of the development processes involved or potentially involved in the realization of housing recovery. The analysis maps out funding, upfront coordination and pre-approvals, applicable laws and legal tools, approval authorities and key decision-making bodies, appeal processes, gaps and challenges and risks associated with the following project categories that are grouped according to supply or demand side interventions:

Formal Supply Side Interventions which are comprised primarily of development processes that are promoted by the state to bring forward land or buildings for the purposes of development and consist of:

Cooperative Housing Process which includes state-supported cooperative housing actors that develop housing for professional associations, military and other associations in Syria.

Master Plan (State-led) Process which comprises the primary planning process for formalising and organizing land for development generally led by the state.

State Led Development Process which comprises the planning, organizing and financing of development projects by public sector actors which can be inclusive of cooperative or private entity partners.

Private Developer Led Process (Private-Public Partnerships (PPP)) which comprises development led by private development companies who typically finance and develop lands transferred by the state.

Informal Supply Side Interventions which are comprised of development processes that are available to the state to formalise land and buildings for the purposes of development:

State Led Informal Development Process which involve legal avenues available to the state to formalise informal lands or buildings for the purposes of existing residents and owners or for future redevelopment.

Private Developer Led Informal Development Process (PPP Development) which allows for private development companies to redevelop informal areas for the purposes of redistributing formalised lands.

Formal Demand Side Interventions which are comprised of institutional-, market- or owner-driven development processes that are located in formal areas and are supported or enabled by the state for the purposes of land or building development:

Owner-led Rehabilitation Process which involves landowners, contractors or developers that are engaged in recovery focused rehabilitation of damaged or destroyed housing units in formal areas or where tenure documentation is in place.

Temporary Camps (Refugee or IDP) comprising areas that provide temporary shelter to IDs or refugees under the administration of international or state organisation.

Palestinian Refugee Camps comprising areas dedicated to housing Palestinian refugees under the authority of GAPAR.

Informal Demand Side Interventions which are comprised primarily of market or owner-driven development processes in areas that are informal in nature with limited or no state support:

Owner-led Rehabilitation Process which involves landowners, contractors or developers that are engaged in recovery focused rehabilitation of damaged or destroyed housing units in informal areas where tenure documentation is not in place.

Notably, the legal tools and institutional actors identified in Appendix C that are linked to the above project categories are supply side focused. This overreliance on supply side solutions remains a serious challenge to supporting local recovery efforts as further discussed in Section 2.6 below. Further analysis of housing recovery challenges

and risks for each of the stakeholders participating development processes is provided in Appendix D. Stakeholder groups identified include Beneficiaries, Housing Developers, Decision Makers (regulatory), Financers/Donors, Suppliers and Civil Society. The key barriers, challenges and risks for each of these stakeholder groups is summarized in Table 4 below.

Table 4. Key Challenges/Barriers by Stakeholder Groups

Stakeholders	Key Challenges/Barriers
Beneficiaries (Owners, Tenants)	<p>Large-scale displacement</p> <p>Demographic changes resulting from return of IDPs, resulting in risks to social cohesion</p> <p>Destruction of and damage to housing</p> <p>Urban Guidance for self-rehabilitation actions</p> <p>Proving rights of ownership, tenure and/or usage, mainly concentrated in informal areas</p> <p>Limited access to formal housing due to security approval for return</p> <p>Financial limitations</p> <p>Weak delivery of urban services discourages return of IDPs and refugees</p> <p>Illegal or contested occupation of housing, mainly in informal areas</p> <p>Facilitating returns for secondary occupants and legitimate owners/users</p> <p>Difficulties accessing financial support through banks³⁷</p>
Beneficiaries – Cross Cutting	<p>Women and Woman-headed Households:</p> <p>Housing, Land and Property (HLP) rights are limited by inheritance law</p> <p>Presumed widows' inability to prove their HLP rights</p> <p>Gender/social norms force women to sell their property</p> <p>Legal prejudices that may ignore women's rights and interests</p> <p>Youth:</p> <p>Unmet housing demand of large number of youths</p> <p>High rates of youth unemployment in informal areas</p> <p>Unmet housing needs will push returning youth towards spontaneous settlements</p> <p>Refugees and IDPs:</p> <p>Large-scale displacement</p> <p>Destruction of and damage to housing</p> <p>Absence of Urban Recovery Guidance for self-rehabilitation actions</p> <p>Proving rights of ownership, tenure and/or usage; missing HLP/ civil documentation</p> <p>Limited access to formal and informal housing due to security permissions</p> <p>Fears for personal security (e.g., the presence of ERWs/UXOs), prevent return of refugees to claim their property rights</p> <p>Inability to recover properties occupied by secondary occupants</p> <p>Poor levels of urban services discourage return of IDPs and refugees</p> <p>Limited or no participation of refugees and IDPs in development plans</p> <p>Various skills to meet housing rehabilitation requirements</p> <p>Dissolution of social networks that previously supported community-based security of tenure (especially in informal areas)</p>

³⁷ Bank loans are limited to finance formal buildings, with mortgage of the house or equivalent property. Private banks provide financing for only up to 60% of the house value. Public banks offer less financing

Stakeholders	Key Challenges/Barriers
Beneficiaries – Cross Cutting	<p>Greater difficulty in engaging with urban planning and other HLP legislation (especially with respect to rights claiming and appeals procedures) due to time limits, delays, inability to designate power of attorney, and / or limited public information available for those not in situ, etc.</p> <p>Inability of owners of units in multi-unit residential buildings to agree on rehabilitation of shared spaces (e.g., staircase, entrance, roof, etc.), which can impede access to the apartments and rehabilitation of individual units</p>
Housing Developers	<p>Access to financing and resources</p> <p>Availability of qualified human resources for construction activities</p> <p>Availability of cement and other construction materials and residential market price control</p> <p>Potential supply chain bottlenecks</p> <p>Land disputes and legal proceedings</p> <p>Challenges negotiating unclear and overlapping urban planning / regulatory frameworks</p> <p>Inability of potential purchasers to pay unaffordable and increasing instalments</p> <p>Inability to persuade private banks to participate in financing of development projects</p> <p>Lack of fuel, high cost of power solutions, limitations on importing spare parts for machinery, and lack of new construction technologies.</p> <p>Public Developers:</p> <p>Dependence on the availability of land designated in masterplans for development, or elsewhere on public/state land</p> <p>Scarcity of lands available for development requires revisiting many urban masterplans to identify land supply and demand</p> <p>Time extensive and bureaucratic processes for housing acquisition, especially in relation to financial requirements</p> <p>Lack of material, fuel, and high cost of energy</p> <p>Capacity limitations to develop alternative solutions for rapid constructions and new technology</p> <p>Contestation of jurisdictions between local and central institutions</p> <p>Large Private and PPP Developers:</p> <p>Inability to handle complex residential markets involving social housing as part of developments</p> <p>Flexibility of master plan process to respond to PPP demands and changing market conditions</p> <p>Inability to resolve issues such as environmental impact studies, expropriation of private lands, service levels and associated development levies, building codes, and zoning regulations, etc.</p> <p>Increasing land costs</p> <p>Infrastructure costs on large lots and limitation of demand in outputs of such projects, which limits advance cash flow to cover infrastructure costs</p> <p>Limitations due to sanctions</p> <p>Post-conflict inflation risk</p> <p>Inadequate compensation strategy for displaced persons in Development Zones (DZ)</p> <p>Small Developers:</p> <p>Increased land costs</p> <p>Limitations due to sanctions and banking de-risking policies</p> <p>Post-conflict inflation risk</p>

Stakeholders	Key Challenges/Barriers
Decision Makers	<p>Municipalities:</p> <ul style="list-style-type: none"> Extensive destruction and damage to housing and infrastructure Capacity of local institutions to implement policies varies regionally Urban management and project design challenges (e.g., missing feasibility studies, missing mechanisms for implementation, phasing of implementation – inability to manage large lots, connectivity to other systems, environmental and social cohesion issues) Administrative challenges in planning for recovery needs Limited capacity for risk management and development preparedness Efficiency challenges due to urban governance procedures and requirements in the master plan process Applying digital tools assessment and urban data management Lack of capacity to incorporate community-based or private sector contributions into housing recovery solutions Limited capacity to enforce their own visions as well as powers entitled to them by law towards the upper local governance level (governorate) and coordination with National Housing policies Limited capacity for engagement and consultation Limited budget to pay for infrastructure Limited access to credit lines Limited availability of specialized human resources and materials for the purpose of heritage conservation and recovery Failure to perform proper due diligence regarding the presence of mines or unexploded ordinance and include explosive hazard risk assessments in the project design poses a high safety risk for HLP interventions³⁸ Centralised, bureaucratic, complex, and lengthy decision-making procedures <p>Central Government:</p> <ul style="list-style-type: none"> Coordination between ministries where mandates overlap within urban areas and needed planning levels (national, regional and local), and the adoption the bottom-up vertical and transversal approaches Lack of national capacity building programmes for local administration, including with respect to consultation, decision making, financing, data management (e.g., urban observatory), and local implementation modalities such as community contracting No clear strategy or policy direction of for post-conflict urban recovery Lack of public debate of policies and strategic directions currently under development by a closed group of academics and bureaucrats. Mistrust of bottom-up solutions Effects of sanctions Ongoing financial crises and many competing demands on the central budget Mismatch between fiscal and monetary policies and the continuous devaluation of the pound Public pressure to demonstrate the government is doing something about the issue of housing and / or urban recovery Expectations of those impacted by the crises to return to housing or otherwise access housing. Inability of the supply side model to realise developments and meet housing demand

38 Due Diligence for the Use of Land for the UN, A Technical Guidance Note, UB-Habitat (2021)

Stakeholders	Key Challenges/Barriers
Decision Makers	<p>Long timelines to realise infrastructure and housing developments through the master plan process</p> <p>Fragmentation and incapacitation of land administration.</p> <p>Unresolved issues of land ownership claims and counter claims</p> <p>Contradictory legal frameworks and jurisdictions</p> <p>Limited human resources</p> <p>Uncertainty about future conditions and demand and where best to invest</p> <p>Major gaps in middle management conveys local problems all the way to the top of the bureaucracy and occupies policy makers' time and attention with matters of mundane day-to-day operations</p>
Financers/ Donors	<p>Sanctions and ability of financial institutions to operate both within and outside Syria (de-risking policies of banks)</p> <p>Adoption of the area-based logic for comprehensive housing recovery under the urban recovery framework</p> <p>Access to international financial lenders and the lack of trust on the part of Syrian depositors</p> <p>Perception of ESS and human rights impacts</p> <p>Understanding of supply chain</p> <p>Inflation and fiduciary challenges associated with housing projects in an inflationary climate</p> <p>Potential risks of indebting the population and the perception of bank loans as grants</p> <p>Limited offerings to tackle financial needs from micro to macro solutions</p> <p>Inability to secure collateral for mortgages</p> <p>Weak insurance systems and inability to secure re-insurance for housing loans</p>
Suppliers	<p>Potential bottlenecks in supply chain, the need for hard currencies, national balance of accounts and associated inflation</p> <p>Availability of cement and other construction materials</p> <p>Availability of qualified human resources for construction activities</p>
Civil Society	<p>Capacity of civil society to tackle scale of damage assessment and support the return of IDPs and refugees</p> <p>Capacity of civil society to apply digital tools to support efforts to engage in a broad a far-reaching engagement process</p> <p>Challenge of working in environments with health and safety concerns</p> <p>Adherence to out-dated, pre-crisis housing policies and processes</p> <p>Poor legal and regulatory environment for the work of CSO's</p> <p>Asymmetrical interests of donors to fund civil society</p>

3.6. Key Findings

Based on the preceding overview of the housing sector in Syria, the following key findings were observed:

- 1. Prioritize Demand Side Solutions:** There is a need to adopt approaches that will cover gaps in the housing market, including, but not limited to, those arising from housing damage and population displacement. Such an effort will address housing needs while also mitigating risks related to cost escalations vis-à-vis general inflation and vulnerable supply chains within a sanctioned environment. A demand side approach provides much faster mechanisms to accommodate return in the existing housing stock and maximises the use of the existing stock until supply catches up to demand. This approach needs to be aligned with damage assessments, land development, and housing types, with basic service provision and ability to pay. An initial focus on demand side solutions will, over time, build capacity to better prepare the sector to engage in large-scale rehabilitation programmes. Experience can be shared with housing sector actors in training the trainer packages on assessments, data analysis, rapid damage assessments, small scale housing rehabilitation and associated WASH services rehabilitation. Demand side efforts benefit from the application of scenario planning and area-based approaches for assessing return, damage, housing programmes and basic service provision.
 - 2. Prioritize Local Engagement, Mediation and Dispute Resolution within Demand Side Solutions:** Experts point to the recognition of rights and access to land and housing in informal areas as a potential deterrent to conflict. To avoid future conflicts, informality must be prioritised such that rights are recognised and formalised without leading to further disenfranchisement. Land must be made accessible, and housing must be provided to accommodate populations living in informal areas. Challenges presented by demographic changes resulting from resettlement of displaced persons and migration of property owners outside the country increase the likelihood of conflict. Therefore, the implementation of effective and accessible dispute resolution mechanisms is necessary to mitigate potential conflict, especially when
 - 3. Fast Track Access to Land and Housing:** A concerted effort must be made to resolve issues related to access to land, such as defining an entitlement framework, and other HLP challenges. Appropriate solutions must be implemented to fast-track registration of land tenure entitlements within a post conflict environment. These solutions need to be integrated within conventional and new approaches to land and housing management other than the master plan process. These solutions are inherently aligned with demand side solutions.
 - 4. Prioritize Demand Side Solutions that Enable or Facilitate Household Level Recovery:** The efficacy of current available regulatory tools is severely limited by the state's capacity to carry out the necessary works. Often, formal processes of urban development, such as the development and implementation of Master Plans, can take 15 years or more. However, various technical and legal tools exist that can be utilised to deliver housing in a fast-tracked and sustainable manner. As such, recovery efforts must place an emphasis on improving the capacity of the legal and technical institutions responsible for implementing the laws.
- Currently, most household recovery efforts are household-led, but the formal regulatory process does not support those efforts. Many of the existing laws regulating housing development require the establishment of entities (whether state, cooperative, or PPP) to carry out expansive, technically oriented development concepts that either depend on state funds or private investment to drive success. Priority should be given to provision of supports at the micro, or household level, where recovery occurs. This could be accomplished in part by enhancing community and housing stakeholder consultation processes, including use of digital tools, to enable community ownership and participation in housing recovery and improve urban governance.
- 5. Reliance on Supply Side Solutions Lead to Cyclical Informality and Informal Economic Development:** Based on housing recovery

efforts to date and the current state of household vulnerability, many of the units that will be recovered will be at a household level. Unless this is recognized, and without appropriate levels of support, most of the conditions that led to informal development prior to the crisis such as long lead times and limited access to household level financing will be exacerbated by the significant downward pressure placed on household and state finances. This will inhibit economic recovery and result in greater reliance on informal access to goods and services, in turn reducing government tax revenues. Given the need to repair and deliver basic services and the need to respond to public pressure placed upon local governments, capturing as much economic activity in the formal housing sector as possible, for example, through construction activities, which, in turn, generate aggregate demand for goods and services, is one plausible avenue at the government's disposal to avoid a negative

cycle of increasing informal development, and instead support local economic development through taxation and expenditure on services.



Housing Sector Recovery Precedents

4.1. Introduction

This section provides an overview of research into housing recovery precedents in post-conflict and post-disaster contexts and includes the following:

- Section 3.2 provides an overview of the precedents and presents key discussion points for consideration in the Syrian context
- Section 3.3 provides a comparative summary of the precedents against key thematic areas critical to housing recovery
- Section 3.4 draws lessons learned from the review the precedent studies
- A full description and review by thematic area of the precedents is provided in Annex E

4.2. Precedent Overview and Discussion

We use “supply side” to describe interventions that increase investment in housing construction through supports to private-sector housing and building materials producers or rental subsidies for landlords, public investment in infrastructure improvements, housing and shelter construction, and development of policies and other initiatives that make land available for housing development. We use “demand side” to refer to interventions that invest government finances and other resources in the economy to directly or indirectly increase households’ ability to purchase or rent housing, usually through increases in household income, rental subsidies, or access to mortgage or other loan products for home purchase or repair, thus supporting consumer demand for housing. Demand side interventions also include passage and enforcement of laws that enable household access to housing by establishing housing, land and property rights and regularizing insecure tenure, and policies and programs of land and house registration.

4.2.1 Demand-Side Interventions

Precedent research reveals that housing recovery programmes in post-disaster and post-conflict settings can be successful when employing

significant demand-side measures in the form of low-interest loans and / or non-repayable grants to affected households. Generating household demand for housing through fiscal support to households through mortgages and other loans, grants, and / or rental subsidies, can incentivize private-sector housing investment, which, in the Syrian context, has lagged behind expectations despite supply-side measures that would increase the supply of developable land. Generating household demand can also incentivize small scale, landlord-led housing renovation and repair initiatives (especially when aided by landlord subsidies) that increase the number and quality of rental housing stock relatively quickly. More importantly, and more likely to achieve immediate (albeit modest) success in a Syrian context characterized by bureaucratic delays, grants and loans to households can enable household-led housing recovery that builds expertise and capacity among local contractors and generates local economic activity, which, in turn, can generate tax revenues that can support the state’s ability to fund additional, necessary recovery efforts.

Facilitation of access to mortgage financing should be a prominent component of a long-term, sustainable programme for housing recovery in Syria. Ensuring that beneficiaries of housing recovery can

access relatively low-interest mortgage financing was a central tenet of post-World War II West German housing recovery as administered by the Marshall Plan through the Economic Cooperation Administration (ECA) and one of the few demand-side initiatives proposed by the Iraq National Housing Policy (2010). Facilitation of access to mortgage financing should be a prominent component of a long-term, sustainable programme for housing recovery in Syria.

In three of the post-disaster and post-conflict settings examined for this paper, the use of grant financing for housing reconstruction, repair, and land purchase was used to considerable effect. In post-Tsunami Indonesia (2004), post-earthquake Northern Pakistan (2005), and post-conflict Lebanon (2006), compensation payments to individuals were used in different ways to provide housing for households in more or less the same areas where their original homes were located. In all three cases, these demand-side initiatives represented the main element of recovery programming efforts. In the Indonesian case, grants were paid in installments to individual households who oversaw housing reconstruction in coordination with technical experts to maximize the seismic resistance of new housing. In the Indonesian province of Aceh and Island of Nias, grants for home reconstruction and land purchase (in the case of households whose land had been lost to the sea) were administered by individual families, entire communities, and were sometimes delegated to third parties. As well, some poor heads of household who previously lived as renters were given the opportunity to buy land. In Beirut's Southern Suburb, al-Dahiya, compensation payments to beneficiary households were voluntarily pooled and administered by the Wa'd Project, a Hezbollah driven programme to rebuild housing lost to Israeli air and artillery bombardment. The pooling of funds allowed the Wa'd project to efficiently align reconstruction with a Master Plan for the suburb. Beneficiaries played a role in the reconstruction process through Building Councils established to provide input into design and reconstruction programmes. These grant programmes appear to be successful in no small measure because they involve beneficiary households in housing recovery to a greater degree than other recovery strategies.

4.2.2 Support to Informal Residents

Offering demand side interventions in the form of fiscal and regulatory support to beneficiaries and residents of informal areas can help to increase the supply and quality of housing. In the Syrian context, where 40% of the urban population resides in informal areas, support for housing recovery in informal areas can aid in owner or household-led recovery to meet the needs of a significant portion of the population and, when accompanied by efforts to regularize informal areas and integrate them into the formal city, can yield a positive social benefit. The regularization of informal settlements within the City of Medellin, reviewed below, has been credited with a significant reduction in urban violence associated with poverty, unregulated internal migration from the countryside to urban areas, and civil conflict.

4.2.3 Support Bottom-Up Processes

Haiti's Post-Earthquake experience teaches us that, in heavily damaged urban areas, where both government, NGOs, and the private-sector are unable to take on the task of enumerating beneficiaries, establishing tenure, investing in, planning, and completing new housing projects, informal household-led housing recovery can be an efficient way to quickly house IDPs, refugees, and other homeless peoples. In Port-au-Prince, and, to a lesser, degree other affected areas, housing recovery occurred on an informal basis, much as it had prior to the earthquake. This recovery was aided in Port-au-Prince by landlord subsidies that were channeled into repair and expansion of existing rental stock, which likely guarded against rental price inflation when rental subsidies were introduced. Combined, landlord and rental subsidies were successful in providing permanent shelter in informal areas as an alternative to IDP camps, while guarding against inflation in the rental market.

4.2.4 Manage HLP Risk

Precedent research shows that demand-side initiatives that seek to identify beneficiaries, establish housing, land, and property rights, and, if possible, enable return of IDPs to their former lands and neighbourhoods are crucial to housing recovery in post-disaster and post-conflict settings. In Haiti, identification of beneficiaries and tenure rights was

not accomplished on any meaningful level, leading to frustrated NGO attempts to build new housing settlements. Housing recovery in the Indonesian province of Aceh and Island of Nias, on the contrary, was relatively successful owing to efforts to involve village leaders and community members in a process of identifying beneficiaries, participatory adjudication of HLP rights, and community village mapping. Following the process the government issued land titles to individual heads of household, thereby ratifying the results of village adjudication. A system was put in place to include women's names on land titles so they would not lose their HLP rights in the event their husbands had died or were missing. A similar system may benefit Syrian women whose husbands were casualties of the conflict.³⁹ Community involvement and participation in transparent programs that seek to establish housing, land and property rights and tenure are necessary in a context such as Syria's, where risks to social cohesion have the potential to frustrate recovery efforts, lead to inequalities in housing recovery, and potentially lead to violence.

4.2.5. Control for Inflation

Currency devaluation and scarcity of developable land and building materials mean that inflation will be a serious problem facing housing construction and ownership in Syria, where sanctions exacerbate the risk. Demand-side initiatives that increase household demand for housing and building materials will likely place upward pressure on prices within the housing sector in a context where the pace of dwelling construction and repair is not sufficient to meet demand. In this context, supply-side measures are necessary to combat inflation. Some of the precedents reviewed for this report suggest a path for combatting inflation within the context of housing recovery. As mentioned, in the Haitian context, landlord subsidies, which were invested in repair and expansion of a significant number of existing rental units may have been responsible for warding off inflation that might otherwise have arisen following the introduction of rental subsidies. With respect to land prices, Iraq's policy makers understood that land prices would increase rapidly following the removal of government subsidies that had kept prices below market value for decades. In order to stem land price inflation, the National

Housing Policy sought to streamline processes to create developable land to balance supply with demand. Syrian policymakers should make efforts to ensure this balance exists to counteract inflationary pressures caused by initiatives to shore up demand.

4.2.6. Secure Supply Chains

Provision of secure supply chains for building materials and supplies is also a good way to prevent price inflation in the housing construction sector. In Pakistan, policymakers feared that a scarcity of building materials in remote areas following the 2005 earthquake would result in price inflation for those goods in some areas. In response, the government enlisted private-sector partners to establish building supply depots in remote areas so households could access the materials they required at uniform prices across the affected area. The Marshal Plan similarly provided a regular and secure supply of goods and materiel needed for reconstruction to Germany and elsewhere in Europe, thus curtailing inflation.

4.2.7. Support Experienced Housing Actors in Supply Side Measures

Rigorous supply-side measures based on market principles, in the absence of corresponding demand-side interventions that support household-led recovery are unlikely to be effective in post-conflict and post-disaster scenarios. Where supply-side measures are necessary to provide needed infrastructure, servicing, and developable land, they should not be left to an inexperienced, incapacitated, or reluctant private sector. In Iraq, the Policy of relinquishing state authority over housing construction in favour of the private sector was not suitable in a context where the private sector lacked experience in housing provision and was not able to withstand the onset of a new sectarian conflict with ISIS. In countries, such as Syria, where the private sector lacks the experience and capacity to deliver the necessary infrastructure and dwellings to meet recovery requirements, supply-side measures may be more effective when administered by the state in cases where it has the experience and capacity to do so, such as provision of infrastructure.

³⁹ Other relevant gender-based actions would be important to be raised as well after reviewing the Syrian legislation and traditional contexts, in order to ensure women's HLP rights within the conflict context in Syria.

4.2.8 Increase Community Participation

Precedent research has shown that housing recovery programmes centred on community participation and leadership in decision making processes, such as those deployed in Indonesia, Pakistan, and Lebanon, stand a greater chance of both short and long-term success in terms of provision of dwellings, establishing housing, land, and property rights, and ensuring social cohesion, than those employing exclusively top-down measures. However, it should be noted that community-led participatory processes and owner-driven household reconstruction are not notable for their efficiency. The Indonesian process of village adjudication of HLP rights and owner-driven reconstruction of housing in post-earthquake Pakistan were both initially time-consuming processes, though timelines improved as standardized operating procedures were developed. By contrast, in terms of efficiency and timelines, while it integrated beneficiary input, the reconstruction of al-Dahiya likely benefited from the relatively centralized authority exerted by Hezbollah through the Wa'd Project. Thus, a balance of community participation and central planning may be required to achieve timely housing recovery success in the Syrian context.

1. Iraq National Housing Policy (2010)

Iraq's 2010 National Housing Policy was an attempt to address Iraq's housing shortage of approximately 2 million units following decades of war. Key challenges included supply-chain bottlenecks, land shortages, limited capital for dwelling construction, improvement, and mortgages, households' inability to afford quality housing, and inadequate housing policies. The Policy focused on enhancing the private-sector's ability to participate in housing construction while simultaneously narrowing the role of the public sector in housing provision. The Policy presumed a resumption of economic growth following the withdrawal of US and coalition forces.

2. Post-World War II German Housing Recovery ("Marshall Plan") (1949-1961)

Following World War II, West Germany's (FRG) housing shortage amounted to approximately 4 million units needed to house those whose

dwellings had been lost to Allied strategic bombing. The situation was exacerbated by the influx of approximately 12 million refugees from neighbouring states, including the Soviet Zone of Occupation. At pre-war rates of housing construction, it was estimated that it would take at least 30 years to make up the shortfall. The United States' Economic Recovery Programme, or "Marshall Plan" assisted housing recovery and economic recovery in general within FRG by establishing a secure supply chain of North American goods to housing producers, directing US and FRG funds toward housing construction and consumer mortgages, and curtailing currency and price inflation. While successful in closing the housing gap in FRG within 12 years, the German experience does not typify the Marshall Plan's impact elsewhere in Europe. In Britain and France, housing recovery occurred at slower pace, while elsewhere in Europe, it has been criticized as being detrimental to economic recovery.

3. Pakistan Post-Earthquake Rural Housing Reconstruction Programme (2005)

In 2005, a 7.8 magnitude earthquake devastated northern Pakistan, killing more than 70,000 and severely damaging more than 90% of dwellings throughout affected areas. In coordination with the World Bank and other international partners, the Rural Housing Reconstruction Programme (PRHRP) was established by the government to facilitate owner-driven housing reconstruction to seismic-resistant standards. The central feature of the Programme was a multi-tranche grant to households, with funds released at key intervals following inspections to ensure construction met seismic-resistance standards. The programme was supported by establishment of building supplies depots to prevent price inflation of building materials in remote areas and technical and administrative support for vulnerable households.

4. Haiti Post-Earthquake Shelter and Housing Recovery (2010)

In 2010, a 7.3 magnitude earthquake struck Haiti, killing over 300,000 people and destroying or damaging 300,000 structures, primarily in urban areas in the southern and southeastern parts of the country, including

Port-au-Prince. More than a 1,000,000 people were permanently or temporarily displaced. Housing recovery was donor-driven and involved identification of beneficiaries, development of plans to transfer donor financial assistance to beneficiaries, and training of actors involved in housing reconstruction with a view to transferring responsibility for reconstruction as soon as possible to local actors. Early efforts focused on construction of temporary shelter-units. These were successful in temporarily rehousing a significant portion of the 1.1 million IDP camp population. NGO attempts to construct new housing settlements were frustrated by difficulties in identifying beneficiaries and establishing tenure, while landlord and rental subsidies were relatively successful in moving people into permanent housing in urban areas.

5. Aceh-Nias Post-Tsunami and Earthquake Housing Recovery (Indonesia) (2004 – 2005)

Following the 2004 Indian Ocean Tsunami and 2005 8.7 magnitude earthquake on the Indonesian Island of Nias, more than 500,000 displaced coastal peoples from the Island and the Indonesian province of Aceh had to be rehoused. Initially, the objective of the Indonesian government was to rebuild housing in inland areas ("Promoted Zones") to mitigate vulnerability from future tsunami. However, most IDPs quickly returned to their former homes and sought to establish new dwellings on their former tenures. Except for those individuals whose land had been lost to the sea, the government eventually decided to support the return to coastal areas, ultimately adopting an owner-driven approach to reconstruction to empower communities. This was accomplished through a Community Driven Adjudication (CDA) process, that, while time consuming, produced an agreed-upon village map, containing the location of rebuilt homes and tenures. The government ratified the CDA process by issuing certificates of land ownership to beneficiaries.

6. Wa'd Project – Beirut Southern Suburb (al-Dahiya) Housing Recovery (Lebanon) (2006)

Following the 2006 conflict with Israel, infrastructure and residential neighbourhoods in Southern Lebanon and Beirut's Southern

Suburb (al-Dahiya), a traditional Hezbollah stronghold, were left severely damaged, with approximately 125,000 dwellings lost and 1.3 million civilians either permanently or temporarily displaced. Following the release of emergency cash grants (\$12,000) to households to cover rent and furniture for one year, the government's approach was to rebuild dwellings through cash grants of \$53,000 to affected households, who would then direct / supervise reconstruction of individual dwellings. In al-Dahiya, Hezbollah's development corporation, Jihad al-Bina collected and administered these government payments through the Wa'd project, which facilitated early return of beneficiaries to their former neighbourhoods, and, in general, sought to rebuild neighbourhoods and buildings in much the same fashion as they existed prior to the conflict. Communities were consulted primarily with respect to apartment unit dimensions and building finishes.

7. Project for the Development of Historic Cities in Yemen (PDHCY) (2007 – 2013)

In 2007, the PDHCY was launched as a GIZ-Yemeni initiative to provide technical support to Yemeni authorities to manage and develop the UNESCO World Heritage Sites of Shibam and Zabid. The preservation of historic cities was a key element of the government's Five-Year Plan (2006-2010) to create jobs, establish socio-economic stability, and reduce poverty. The objective of the PDHCY was to bring several stakeholders together, including national and local authorities, local residents and businesses, to manage the sustainable economic development of Yemen's historic cities.

8. Regularization of Informal Settlements and Barrio Renewal in Medellin Based on Principles of "Social Urbanism" (1993-Present)

From the mid-20th century onwards, the City of Medellin witnessed the steady growth of informal settlements as migrants from the countryside settled around the City, the result of reorientation of agricultural practices toward market production, civil war, and the preponderance of paramilitary organizations and other armed groups. The poorest barrios were characterized by high levels of poverty, unemployment, and violence. In the early 1990s,

attempts to regularize informal settlements and connect them to the city physically and socially met with mixed, albeit promising results. Prior to its discontinuation in 1997, the Integrated Slum Upgrading Programme of Medellín (PRIMED), financed by KfW, and the municipal and national governments, was successful in launching home improvements, provision of infrastructure, establishment of public spaces, providing temporary construction employment within targeted barrios, and, to a more limited degree, in legalizing tenure for residents. The project was impeded by difficulties in gaining community support for a process to establish tenure and

land titles and by the persistent presence of armed groups in the barrios. PRIMED set an important precedent for future urban renewal projects by developing a participatory process that involved communities in urban planning activities. "Social Urbanism," of which PRIMED was an early example, has come to define subsequent efforts to formalize informal housing settlements within the city, chiefly by bringing infrastructure (such as mass transit networks) and urban facilities (such as libraries) into the barrios. Social Urbanism has been widely credited for a marked reduction in violence in the city since the 1990s.

4.3. Comparative Summary of Findings

Drawing from these examples, key distinctions can be made with respect to the following criteria. A comparative analysis is provided in Table 5 of each of the criteria against the assessed precedents:

- **Relative emphasis on supply or demand side interventions**
This analysis uses "supply side" to describe fiscal, legal, and policy interventions that increase the supply of housing and land available for housing. "Demand-side" interventions are those that increase household's ability to access housing, whether through grants or loans to enable purchase or rental of dwellings, establishing or formalizing tenure, and establishing housing, land, and property rights.
- **Management of Housing, Land, and Property (HLP) Rights**
This analysis will focus on strategies developed by policymakers to enumerate beneficiaries and coordinate processes to establish formal and informal tenure rights. **Efforts to Prevent Price and Currency Inflation**
In post-conflict and post-disaster scenarios, increases in government and NGO spending within the economy and / or scarcity of land or building materials can contribute to increasing costs for land, housing, and building materials. The focus is on efforts by policymakers to control price inflation within the housing sector.
- **Governance systems and policy-making regimes**

shaping housing recovery

Different governance mechanisms can be adopted to advance effective housing recovery strategies, including various levels of governments and government-constituted institutions, and, in the case of post-war Lebanon's Beirut Southern Suburb, non-state organizations performing state functions.

- **Land Management & Approvals**
Structures and institutions responsible for administering and approving land-use planning processes and approvals.
- **Financing & Benefits Disbursements**
The manner in which funds and cash benefits and / or restitution are disbursed to beneficiaries and / or beneficiary groups.
- **Preservation of Historic Buildings & Neighbourhoods**
Using the case of the Project for the Development of Historic Cities in Yemen, an outgrowth of a successful initiative to rebuild the Old City of Shibam, the focus is on how preservation of historic neighbourhoods can stimulate housing recovery, economic activity, and employment in construction trades.

A summary of the analysis according to the above criteria appears in Table 5, below.

Table 5. Summary of Housing Recovery Precedents

Precedents	Iraq National Housing Policy (2010)	Post-War Germany (European Recovery Programme) (1949-1960)	Pakistan Rural Housing Reconstruction Programme (2005-2006)
Supply Side	<ul style="list-style-type: none"> Removal of government subsidies for state-owned housing producers Make public land available for private housing development Off-site servicing of developable land / service upgrades 	<ul style="list-style-type: none"> State investment in new housing Securement of supply chain 	Securement of supply chain
Demand Side	<ul style="list-style-type: none"> Support for mortgages Targets rental subsidies at low-income families 	21% of ECA counterpart funds for housing were used to support workers' mortgages	Cash grants to households for housing to rebuild repair housing
Housing, Land and Property Rights	Policy is silent	-	Participatory survey to identify beneficiaries
Inflation Controls	Making more land available to combat land price inflation following removal of land price subsidies	Local currency removed from circulation and held in US managed accounts to prevent currency inflation	Securement of supply chain through establishment of building supplies to control materials price inflation
Governance	Governance model not specific to post-conflict scenario	Centrally directed funding agency accountable to US Government	Rural Housing Reconstruction Programme (PRHRP) institutions worked with communities to establish owner-driven housing reconstruction and establish uniform reconstruction policies
Land Management & Approvals	Devolution of central government land management responsibilities (subdivision, servicing) to provinces and large municipalities.	<ul style="list-style-type: none"> Municipalities to provide land for housing Housing projects and design (e.g., plot size, unit size) heavily influenced by US policy 	Land suitable for housing reconstruction was identified by the Earthquake Rehabilitation and Reconstruction Authority in coordination with local governments
Financing & Disbursements	Government offers low-interest mortgage financing to low-income households	Low interest mortgages channelled to target groups (e.g., industrial workers) through KfW and other lenders	Cash grants were paid directly to beneficiary households via commercial banks (several public and private institutions helped beneficiaries open accounts)

	Haiti Earthquake Shelter and Housing Recovery (2010-2012)	Indonesian Tsunami (2004)	Wa'd Project - Beirut Southern Suburb (2006)	Regularization of Informal Settlements in Medellin
	<ul style="list-style-type: none"> Construction of T-Shelters Landlord subsidies Limited financing for new housing construction 	Release village land for resettlement	<ul style="list-style-type: none"> Limited supply-side measures to support housing recovery Hezbollah funds to raise damaged buildings and remove debris 	<ul style="list-style-type: none"> Extension of infrastructure to informal settlements Building public spaces Extension of mass transit Construction of public facilities
	Rental subsidies	Cash grants for dwelling reconstruction administered by community and households	<ul style="list-style-type: none"> \$12,000 cash grants paid to each household for temporary rental housing (grants renewed in 2007 / 8) Further \$53,333 cash grant provided to households per destroyed unit, collected and administered by Jihad al-Bina' 	Home improvement subsidies (equivalent of 15 months of minimum salary)
	Programme characterized by lack of planning and inability to establish tenure or title	Village led adjudication of tenure rights	-	<ul style="list-style-type: none"> Programme to establish tenure and issue titles to residents in informal settlements brings mixed results Process of applying for land titles is costly and complex, and many residents opt out
	-	-	-	-
	<ul style="list-style-type: none"> Role of government limited to donor coordination NGOs used a multitude of strategies and policy frameworks to design recovery and reconstruction interventions 	Aceh-Nias Rehabilitation and Reconstruction Agency (BRR)	<ul style="list-style-type: none"> Wa'd Advisory Board composed of a General Manager, architects, academics, and, urban planners under de facto controlled of Hezbollah Lack of participation by affected municipalities or central government 	<ul style="list-style-type: none"> Urban planning decentralized from central government to municipality Community based organizations are involved in planning and leading small local projects
	Large area (approximately 33 km2) north of the hardest-hit area was expropriated and declared a 'public utility' by the central government for IDP camp construction and housing recovery. Within affected areas housing recovery occurred informally.	Community maps were adjudicated at the village level through a participatory, community-based process. When necessary, villages would release land for purchase by beneficiaries or other uses.	<ul style="list-style-type: none"> Wa'd Advisory Board responsible for master plan and approvals In practice management decisions were subject to Hezbollah approvals and oversight 	-
	-	Cash grants paid to beneficiary households and, to a lesser degree loans provided to households, were a cornerstone of housing recovery	The majority of beneficiary cash grants were collected and administered by Hezbollah NGO, Jihad al-Biya'	-

4.4. Lessons Learned

Notwithstanding that the individual precedents are highly contextual; each offers lessons that may be applicable to the Syrian context.

Limited Capacity of Private Sector to Lead Housing Reconstruction in Post-Disaster / Post-Conflict Settings

By 2018-2019 Iraq's housing shortage amounted to approximately 1 million units, with approximately 30,000 new units produced annually by that time.

The private sector, envisioned as the main driver of housing production by the National Housing Policy, was unable to take on the mantle of leadership.

Weak following decades of public sector dominance in housing production and wars of the 1980s, 1990s, and 2000s, the national housing and construction sector could not withstand persistent terrorism activities, war with ISIL, and an unfavourable investment climate. Given the constraints facing the private sector, the Policy vision for government, which all but eliminated the role of the public sector in housing construction was likely not appropriate.

By contrast, the Marshall Plan's effort to engage the private sector to produce housing was likely successful in part because there was an experienced (if initially under-supplied and under-capitalized) housing sector capable of responding to the challenge. Even still, the Marshall Plan relied on considerable state investment in housing construction. Success was likely the result of a balance of demand and supply initiatives to invest in and build demand for housing.

In post-earthquake Pakistan, considerable international expertise was brought to training of local contractors and unskilled construction workers, including several hundred inspection teams to ensure housing was constructed to seismic-resistant standards. In post-Tsunami Indonesia, reliance on inexperienced local contractors resulted in considerable delays in housing reconstruction despite the relative security of government and NGO financing.

Securing Supply Chains Key to Success in Post-Conflict / Post-Disaster Settings

It is unlikely that without a secure supply chain of goods and services that German producers would have been able to construct housing at the pace

witnessed between 1950 and 1961.

Similarly, Pakistan's post-earthquake housing response was in part successful because the government, in coordination with the private sector, was able to provide a secure, affordable source of materials.

Support for Household-Led Housing Reconstruction Can Accelerate Reconstruction Programme

The examples of Iraq and Haiti suggest that supports for the informal housing sector, that is, self-help repair and reconstruction, may have contributed significantly to housing reconstruction objectives. In Haiti, permanent housing recovery following the earthquake was led by self-help repairs and building by the informal private sector. In that context, more rigorous rental subsidies may have resulted in more investment by landlords to improve and expand the country's private rental housing stock. Similarly, programmes that supported repair and upkeep of continuously occupied dwellings may have benefited recovery in urban areas. In Iraq, coordinated support to improve informal settlements through servicing and repair of key infrastructure may have accelerated housing recovery in a context where the formal construction sector lacked capacity.

Prefabricated and Imported Shelter / Dwellings Can be Inappropriate in Post-Disaster Settings – Haiti, Pakistan

In post-earthquake Pakistan, the government considered utilizing pre-fabricated homes as the basis for shelter reconstruction. However, upon review of international precedents, the government made the decision to focus on household-led reconstruction using familiar materials, supported by technical assistance in seismic-resistant design and construction. In Haiti, though T-shelter units were successful in reducing camp populations, they depended on imported materials, which did little to stimulate the economy, and were largely inapplicable to renters living in urban areas.

In Indonesia, deforestation had resulted in a lack of traditional organic building materials such as timber and grasses, necessitating reliance on external sources of industrialized building materials, which may have suppressed local production capacity.

Community-Led Land Management Can Ensure Buy-In for Housing Reconstruction Plans

In post-tsunami Indonesia (Aceh and Nias), communities were deeply involved in identifying beneficiaries and establishing land tenure. In Indonesia, surveys identified housing need and beneficiaries. Then, through a process of community adjudication that resulted in location of an agreed-upon map of the community and issuance of certificates of land ownership to beneficiaries. If and when necessary, communities would release land for the purposes of identifying land for purchase by former renters and poor heads of household. This bottom-up process helped to reduce conflict around distribution and redistribution of community land to beneficiaries.

Mechanism to Establish Land Tenure Improves Likelihood of Housing Reconstruction Success in Post-Disaster Settings

In contrast to the Indonesian experience, Haitian housing reconstruction, including identification of beneficiaries, following the earthquake was severely impeded by an inability to establish land tenure and informal ownership. Much of this difficulty was related to a lack of government records and a lack to support for communities seeking to find housing solutions within either the formal or informal system.



Consideration for a housing sector recovery framework

The following is a draft housing white paper for review by housing actors, including, but not limited to the Government of Syria (GoS), UN Agencies and civil society (Syndicate of Engineers, bar association, NGOs, academia, etc.) detailing critical interventions to be taken to support housing recovery.

5.1. Goal

Enable recovery of the Syrian housing sector through improved housing delivery for Syrians impacted by the conflict.

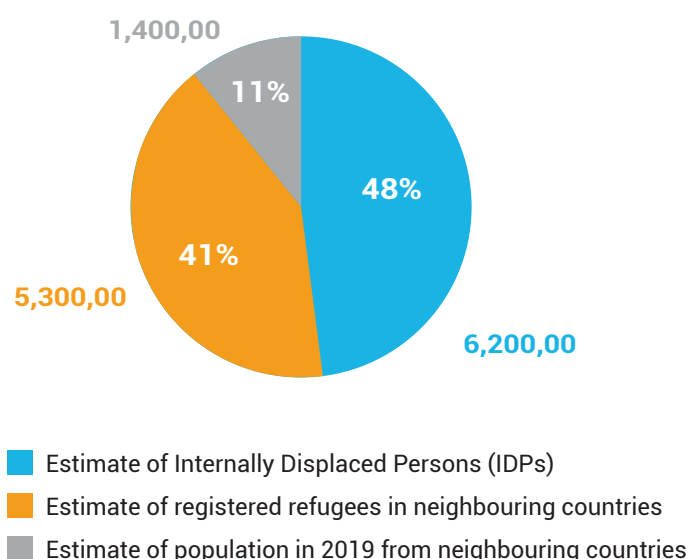
5.2. Objectives

- Meet the short- and long-term housing needs of Syrians impacted by the conflict with priority placed on meeting the needs of the most vulnerable members of the population
- Support dialogue between housing actors and policy makers
- Improve the legal framework governing the housing sector, including incorporating mechanisms to address conflict-related challenges
- Direct housing investment and effort to meet immediate housing demand while accommodating longer term demand for housing and infrastructure recovery in accordance with SDGs and NUA
- Engage and mobilize impacted communities within a housing recovery process that provides for long term safety, security, sense of identity, and opportunity
- Utilize, adapt, and streamline existing tools and processes to accelerate delivery of housing, accounting for housing, land, and property protections
- Manage the risk of renewed conflict through a participatory planning process with a focus on community mobilisation and support
- Support local economic opportunity within housing sector recovery initiatives, including incorporating impacted communities within housing recovery and supply chain initiatives
- Prepare for and minimize the impact of inflation and exogenous economic impacts within the national economy through appropriate mitigations
- Balance the financial burden of recovery through multi-faceted top-down and bottom-up financial approaches to housing recovery

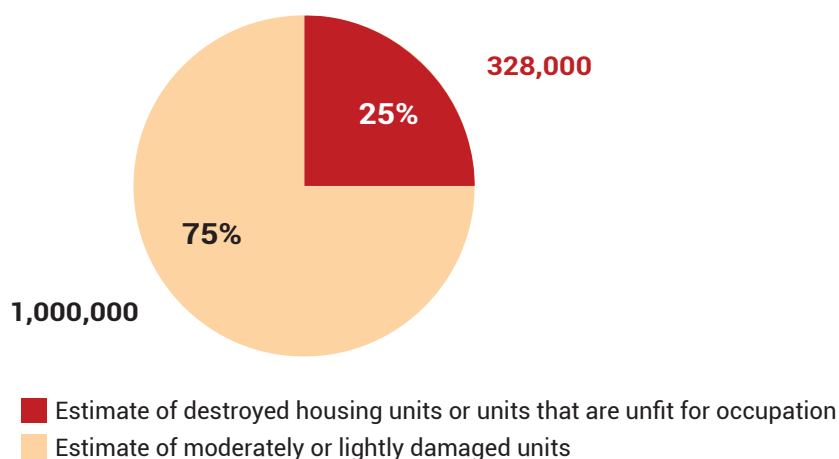
5.3. Summary of the Impact of the Conflict

- 6,200,000 - estimate of Internally Displaced Persons (IDPs)
- 5,300,000 - estimate of registered refugees in neighbouring countries
- 1,400,000 - estimate of population return in 2019 from neighbouring countries
- 328,000 - estimate of destroyed housing units or units that are unfit for occupation
- 600,000 – 1,000,000 - estimate of moderately or lightly damaged units
- \$30,000,000,000 - estimate of cost to recover damage to housing, 25% of which is the estimate to recover damage to basic services through infrastructure recovery
- 13 of 14 Syrian Governorates Impacted by Conflict.

Percentages of changes in the population model (displaced person, refugees, returnees) at the national level



Estimation of damage rates in the housing stock at the national level



5.4. Summary of the Housing Context

Housing in Syria is in part driven by demand for new and recovered housing units, the cost of housing, and available resources:

- 288,000 units per year for new or recovered housing
 - » 158,000 units to meet organic growth
 - » 130,000 units to meet recovered units
- \$6,649 – estimate for the average cost of infrastructure per recovered housing unit
- \$3,000 – estimate for the average recovery cost per damaged unit
- \$26,000 – estimate for the average new unit of housing
- 30% - estimate of informal rate of housing in major cities in 2011 (pre-crisis)
- \$2,800,000,000 - estimate GoS 2020 Annual Budget comprising operating budget
- \$66,000,000 - estimate of GoS Budget dedicated to Infrastructure (2.36%)
- \$200,000,000 - estimate allocated through the UN Strategic Framework

5.5. Key Challenges to Recovery of the Housing Sector

The following challenges were defined based on housing context analysis and the lessons learned among the precedents and key distinctions.

#1: Access to Land/Housing and Social Cohesion

Physical displacement, damaged and destroyed housing and associated infrastructure, and limited access to land are the largest social impacts resulting from the conflict. Enabling returns to damaged housing or re-establishment of destroyed housing units presents one of the largest challenges to housing sector recovery. Given that the majority of housing assets are located in informal areas and that one of the long-standing grievances that led to the conflict was with respect to the lack of recognized guarantees of informal land tenure, access to land must be a central component of housing sector recovery. It cannot be overlooked that informal areas were also key contributors to the pre-conflict economy, both in terms of housing workers and in terms of the economic activity generated by housing activity. A formal process for recognizing a household's claim to assets in informal areas is critical to mitigating ongoing risk to social cohesion and local economic recovery. Youth and female-headed households are primary focal points for ensuring programming will be successful in mediating land and housing-related conflict at a local level.

#2: Overdependence on Supply Side Solutions

One of the biggest challenges within the existing Syrian Legal and Regulatory Framework is the lengthy timeline to formalise land through a supply-side-focused masterplan process. Typical planning processes take 15 years or more before a single unit of housing can be built. Even within the reconstruction process favoured by the GoS in Laws 10 and Law 23, the regulatory requirements are such that no immediate, rapid response to conflict-induced displacement is forthcoming. In fact, current regulatory processes will only add fuel to the expansion of the informal housing sector and miss an opportunity to achieve some early and recognizable "wins" in terms of housing and economic recovery. Housing recovery requires additional attention to urban governance and urban management of master plan issues. Phasing process, attracting private sector, community engagement, M&E process (for planning development, execution of the planning and plots construction), adoption of the urban recovery plans which should guide to the right interventions within master plans. Its pursuing to urban data management and monitoring systems development.

#3: Financial Liquidity and Private Sector Responses (downside of Supply Side housing solutions)

A primary focus of Law 10 maintains that supply side housing solutions will solve the formidable challenge

of damaged assets and physical displacement resulting from the ongoing conflict. The problem with this approach is that investors have been unable or unwilling to come to the table. As we have seen from other post conflict regions, responses that rely on supply side interventions and associated state funding or private sector investment have been unable to meet local demand for housing. Often, this results in an on-going situation of vulnerability within local populations and resulting dependency of local populations on external actors. Certain legal instruments such as Law 23 may improve the ability of policy makers to respond to the needs of informal residents impacted by a loss or damage to their housing asset.

#4: Lack of Funding within Public Sector-Led Recovery

GoS central budget estimates are insufficient to address the housing and infrastructure gap in the country. The budget gap is compounded by the extent of informal land and housing development and housing recovery efforts, and constraints within the current supply side housing models. Housing recovery can serve as a catalyst for generating government revenue if demand side models can be employed that support owner- or contractor-led initiatives alongside micro-finance models. The critical component is to facilitate tenure arrangements that are bankable, which will require initiatives that offer tenure guarantees for occupants and owners within informal settlements and mixed tenure development.

#5: Inflation and Exogenous Shock

Inflation in Syria and the devaluation of the Lebanese Pound has resulted in a direct loss of purchasing power in Syria. Continuous instability in the MENA region as well as impacts of peak oil to the oil-dependent MENA economies will continue to impair state finances and limit the effectiveness of macro-economic tools. Compounding this situation, if left to the market, large-scale housing recovery and reconstruction efforts will result in an inflationary cycle and exert a negative downward pressure on household finances, further destabilising communities most in need of the benefits of housing recovery.

#6: Sanctions and State Funding (War Economy)

The US-imposed Caesar Sanctions are an impediment to the facilitation of multi-lateral, institutional, and private investment in housing recovery efforts. While Syrian businesses may come

to the table, as discussed above, little investment has been forthcoming to date. Instead, a housing sector recovery plan must focus on what is possible within these constraints – including what external requirements may need to be met to facilitate donor and international support for the housing sector. Emphasis on targeted beneficiaries, avoidance of the war economy, management of reputational risk, and alignment with Environmental and Social Safeguards and Do No Harm principles are critical to obtaining international support in this effort.

#7: Vulnerability and the Local Economy

Vulnerability within Syrian society has increased exponentially over the course of the conflict due to the collapse of the economy and loss of household income coupled with mass displacement, housing destruction, inflation, and an absence of state services. Demand side housing sector recovery interventions must account for the ability of the most vulnerable Syrian households to access housing support in the course of housing rehabilitation or replacement. Ensuring sufficient protections in terms of guarantees to land access, housing assets, and on-going personal safety and security will be of primary importance to ensuring the success of any housing sector recovery programme.

Currently, available data on housing at the national level are insufficient for many factors, such as lack of financial resources, inaccessibility, shortage in human resources, etc. This situation is further exacerbated by poor coordination mechanisms and a lack of data management among public housing actors.

#8: Conventional methods, equipment, and materials in construction

As a result of the size and quality of the damage to the housing stock and related infrastructure in urban areas due to military operations (e.g., structural damage, tunnels, and military crossings under the buildings), conventional methods are insufficient to remove the huge volume of rubble and debris from the streets, such as building remnants. New approaches, equipment, and technical training are required to accomplish this task.

5.6. Policy Directions

The following policy directions are intended to support and prioritise demand-side interventions:

Minimize Time Requirements for Housing Recovery Approvals and Focus on Demand Side Interventions to Catalyse Economic Recovery

Current regulatory processes require streamlining of local permit and planning approvals to mitigate displacement impacts and to allow for financial support that requires guarantees of tenure for targeted beneficiaries. Implicit in this process are formalized channels for land access and ownership or rental claims to assets. There are existing channels for formally recognizing land status that is not yet within the cadastral record. These channels need to be utilized and adapted to allow for local oversight and registration of land tenure entitlements. If impacted households or households seeking support for new home construction can demonstrate tenure security, then additional partnerships can be defined to bring in necessary support in the recovery of existing, or construction of new, housing units. Furthermore, with recovery efforts located in the formal economy, local government can collect appropriate taxes to help pay for infrastructure and basic service recovery. See Annex F for further modelling of formal housing and economic recovery.

Facilitate an Affordable Housing First Approach

Focus efforts on ensuring responses target those most in need of (re)housing and ensure that financial instruments targeting lending to households are indexed to a household's ability to pay. Guarantees of ownership or tenancy are necessary both for long term safety and security of beneficiaries and for the purposes of lending, liquidity, and long-term financial stability, which is essential to the recovery of local housing markets.⁴⁰ Lending institutions can utilise local tenure agreements that are "unopposed" by regulators for the purposes of housing recovery loans or grants. Tenure agreements can be further utilised for the purposes of (re)connecting services or bundled together to support the extension/ re-establishment of municipal infrastructure.

Local stability within the housing market will be a major factor in re-establishing the local tax base,

providing much-needed resources to government to further support post-conflict recovery.

Minimize Local Conflict through Community Mediation and Participatory Planning

As identified above, participatory and bottom-up planning is a key component of housing sector recovery that helps to identify and mitigate the residual impact and risk of conflict on local population. A participatory process can facilitate long term social license of housing recovery towards the re-establishment of local neighbourhoods and community identity⁴¹. Furthermore, it is evident in the research that local participation is critical to successful housing recovery efforts both in terms of meeting local housing demand and supporting local economic recovery.

Importantly, having local representation to mediate and facilitate disputes in the municipal recovery planning process is the most expedient way to deliver housing recovery at scale. Affiliated programming will require adherence to standards and guidelines in order to meet funding and finance requirements. Building on the local facilitation of participatory planning processes within the context of Municipal Action Plans as is currently underway in Syria is one avenue to achieve formal recognition of plans prepared with local actors. Utilisation of Neighbourhood Planning and Community Implementation Agreements can effectively guide funding towards community improvement projects identified within Municipal Action Plans. It will be critical to ensure that local community representatives, local government representatives and municipal actors are involved in the process of housing recovery planning.

Create Lending Facilities with a Focus on Micro Grant and Micro Finance Strategies

Promote a broad range of lending and financial support initiatives to augment the current emphasis on private sector-led supply side interventions. The housing sector recovery programme can be more effective if it rolls out an associated lending or grant facility targeting micro-finance institutions or micro-grant programmes established by donors. This

⁴⁰ Aspects of Law 33 and Law 40 provide a good opportunity to address mass building violations in a pro-poor approach adhering the right to adequate housing enshrined in several international instruments, especially affordability and security of tenure. Within these laws, the following possibilities exist: Damaged housing units, for instance, can be restored to their original conditions before the conflict; Floors added to formal buildings before 2012 can be formalized by modifying the building code; and Informal tenure rights can be registered before development projects take place.

⁴¹ Existing models include: <https://gltn.net/tag/pilar/>

process will enable greater and more rapid uptake over centrally planned top-down housing initiatives by connecting available funds directly to local beneficiaries or community-based organisations.

Further, to meet the housing demand gap, it will prove beneficial to investigate and develop new financing models for housing, including new private banking regulations. There should also be a greater focus on short-term housing rehabilitation in damaged cities through a community-based contracting approach.

Provide Centres of Service as Incubators of Recovery

Along-side the emphasis on public realm support, the creation of neighbourhood or community hubs to serve as focal points for housing recovery, as centres of needed health or education services, data and information centres, documentation and HLP service centres, participatory planning venues, community consultation focal points, and dispute resolution centres. Other programming focused on economic recovery, livelihood initiatives, and community-focused efforts can be aligned through these centres. These centres can also play a role in capacity and awareness building activities focused on housing recovery and coordination of engagement activities with housing stakeholders and actors. Examples of soft service support exist in active programmes such as URF, where urban recovery processes are supported by UN-Habitat Syria. Assessment tools and analysis can be supported within these centres through the use of remote sensing and urban systems functionality assessments, community engagement and damage assessment processes.

The following policy directions are intended to improve performance in supply-side and demand-side interventions:

Establish Targets and a Plan for Recovery

Of primary importance to a Housing Sector Recovery Programme is the establishment of targets for housing recovery at both the national and city scale. Due to the urban nature of the conflict and ensuing migration to urban areas during the conflict, housing recovery is overwhelmingly an urban condition. The establishment of targets at a national or subnational level that define housing unit rehabilitation or replacement linked to specific urban areas will be a key component of enabling planning for basic service and infrastructure support. These targets will help establish national, regional and municipal recovery plans directing urban recovery efforts, with an emphasis on accommodating displaced populations

and contributing to economic recovery. Further, there is a need for integrated rehabilitation and reconstruction plans (which would include technical and financial assessments) for damaged Old Cities containing heritage assets (special attention to yards rehabilitation, interior facades, etc.), to prevent ad hoc rehabilitations/reconstructions that neglect the historic urban framework and longstanding HLP rights within these areas. These should be incorporated into broader National Reconstruction Policies. See Annex F for structure and policy designations for either a stand-alone housing sector recovery plan or one that is integrated within urban recovery plans.

Conduct Scenario Planning to Best Respond to Bottom-Up and Top-Down Demand

National push / pull factors are driving demand for housing and associated spatial configuration of population movement. Rehabilitation of existing neighbourhoods as well as construction of new neighbourhoods are the result of these push / pull factors. To date, these are less the result of strategic interventions and more the result of ad hoc forces resulting from conflict, migration, and the internal economy. Interventions that couple housing recovery efforts integrated within local or regional economic activity will be more effective at guiding and facilitating returns. At the same time, local municipal actors need to be involved in a process of participatory planning to identify scenarios for housing rehabilitation or replacement that inform and demonstrate the utility of national targets. Unto themselves, in the absence of the necessary rigour of local planning and participatory processes to support implementation, national targets will be symbolic at best. Local municipal recovery plans must include areas for housing, infrastructure, and service centres as critical entry points.

Focus on the (Re)Establishment the Public Realm within Recovery Initiatives

Within Municipal Recovery Plans, define how private efforts can be organised around public initiatives. In other words, allow for a range of housing recovery efforts from self-recovery by owners and tenants to larger institutionally led recovery efforts, in an approach that maintains a standard for the public realm or those elements that are the organising components of the implementation plans for housing sector recovery. Public realm components include hard infrastructure such as roads, water, sewers, pathways, electricity, parks, facilities and service centres, associated services such as education,

health, economic support, and other community-focused initiatives that can be integrated with housing recovery efforts and natural and cultural heritage components. These components should be identified, designed, built, and operated/maintained in a scalable and incremental manner to maximize the small amount of funding available and to minimize the impact on operation and maintenance costs for rehabilitated or new infrastructure and services.

A few initiatives have already been implemented in Aleppo and Homs, most of which were supported by international aid agencies, including UNDP and the Agha Khan Fund, however their focus was on rehabilitation of old souks and distinguished monuments such as Aleppo's Omayyad Mosque.

Manage Risk and Define Red Lines within Recovery Efforts

Utilise a Safeguard approach within housing recovery efforts to maximize exposure and opportunity for engagement with international actors, donors, or future investors interested in defining red lines and supporting key components of a housing sector recovery in Syria. Utilise a safeguard approach to proactively manage risk within recovery efforts – with a particular emphasis on social, cultural, and natural heritage, governance, and finance, and environmental and HLP risks. A critical component of post-conflict housing sector recovery typically requires an understanding and management of social risk related to physical displacement. Central to managing displacement-related risk is a process for ensuring or demonstrating recognized access to land and ownership or rental rights to housing units (i.e., entitlement framework). Other key components involve a demonstration of beneficiary identification and verification through locally informed processes, grievance management, or a readily accessible and verifiable method for lodging and resolving disputes or grievances. Other important components include managing for reputational risk of donors or international actors involved in the process to ensure alignment with international sanctions and agreements for operating in Syria.

The Land Acquisition and Resettlement Framework (LARF) defines the safeguard, content and process requirements for housing or land-based programming.

Identify a National Typology of Damage and Beneficiaries

Work is already underway, with the Syndicate of Engineers and the UN, to establish a process for assessing damage. Indeed, in many cities, neighbourhoods have been assessed and a damage typology already established. A national damage typology will allow for the rapid identification of damaged and destroyed assets and associated infrastructure as well as identification of potential hazards from unexploded ordinance. Among others, damage typologies need to account for heritage properties and landscapes.

In addition to a national damage typology, it will be necessary to categorise/harmonise existing building damage assessments conducted by different sources. Further, there should be a continued shift towards an integrated damage assessment that not only includes infrastructure, but also services and local jobs. Many LAUs in several governorates have initiated integrated damage assessments.

Control for Inflation while Integrating Local Economic Recovery

A critical component within successful recovery efforts is to control for inflation, which is primarily due to increased demand for materials and labour. Successful recovery efforts have ensured some control over housing-focused goods and services supply chains to minimize the impact of inflation. This is typically accomplished through centralized delivery of construction materials or through third party verification of pricing within supply chains. At the same time, maximize investment in housing recovery within the local economy by utilising local sources of building materials (at controlled prices), local labour and services, and / or sweat equity through owner or tenant-led initiatives to the extent possible.

Financial Instruments, Public Sector Funding and Institutional Recovery

Support creation of a venue for dialogue with international actors and stakeholders to define a roadmap or process for accommodating international support once international agreements are in place. Such a process would establish governance and operating frameworks for national level housing recovery, including readiness components, to assist national institutions and organisations to prepare to on-board international support with implementation-ready housing recovery initiatives. Assess the potential for Community Bonds / Social

Impact Bonds and other social impact-based financial instruments that can tie available funding directly to community-supported infrastructure projects. Such instruments need to demonstrate that community investments are within sanction red lines and sufficient protections are in place for potential investors.

In terms of land readjustment and LAUs, autonomous municipal financing (which allow municipalities to recover the cost of investments and even generate revenue from land value capture) has been critical in the success of land readjustment in international experience.

5.7. Recovery Ladder

In the Syrian context, the above recommendations will need to be addressed carefully and sequentially, taking account of the various limitations and risks that exist concerning full external engagement in a housing sector recovery effort. This paper thus calls for a phased recovery model with implementation of selected interventions across timescales. The recommendations outlined in this section follow a 'recovery ladder' structure that identifies phased priority interventions. Possible strategic entry points to target both stressors and root causes of outlined challenges in Syrian cities are also considered within recommendations at different geographic levels. This is a starting point to identify opportunities for absorptive, adaptive, and transformative measures using area-based approaches such as the URF. These recommendations can be embedded into urban recovery efforts through cross-sectoral and multi-stakeholder engagement, with the aim to implement initiatives with the greatest potential impact and value for money.

The recovery ladder can be divided into three "phases" with corresponding measures:

- **Absorptive:** responding to immediate needs for stabilization, including need for basic services and livelihoods
- **Adaptive:** medium-term response, including conditions for improvements within the current legal and organisational setting
- **Transformative:** longer-term, including disruptive and bounce-forward measures

The reader should consider that these recommendations are not intended to present a complete picture of all URF priorities; further guidance can be found in complementary policy papers that tackle other URF pillars.

The timeframe for these phases is not set in stone; they need not be strictly consecutive. That is, one

phase may start while the previous one is still ongoing. Furthermore, if the conditions allow for a progressive policy dialogue based on clear reform orientations, different stakeholders may find it meaningful to outline conditions by which it will be possible to take significant steps towards a more advanced set of interventions foreseen within the next phase of the recovery ladder.

The Housing Recovery Ladder recognises an intermediate phase that rests along a trajectory between a humanitarian response, on the one hand, and an eventual reconstruction phase, on the other, where:

- Critical peace and stabilisation factors are not yet in place to allow for a full transition in international assistance towards reconstruction.
- Areas are heavily affected by internal population movements (i.e. influx and presence of displaced, returnees, etc.), triggered by various internal push - pull factors; including security conditions, livelihood options, access to services, or property, while still local and international actors are playing a primarily reactive, as opposed to, proactive role;
- Accurate assessments of damage are still largely limited to remote sensing, with only a handful of practically implemented field damage assessment cases applied to date.
- HLP and vulnerability risk factors are emerging as prevalent factors that will influence housing recovery and integrated service delivery strategies, if long - term stability and durable solutions considerations are to be taken into account.
- Participation of communities, institutions and local government actors is essential for the piloting of area-based recovery initiatives; not only to ensure that planning and programming responds to return considerations and informs HLP and vulnerability risk management, but

also to demonstrate progress in recovery and stabilisation; a critical component of building trust and social cohesion within communities and offering scalable programmes and approaches.

Absorptive

General Objectives: Measures primarily target the piloting of conflict-sensitive, innovative and cost-effective integrated housing recovery initiatives.

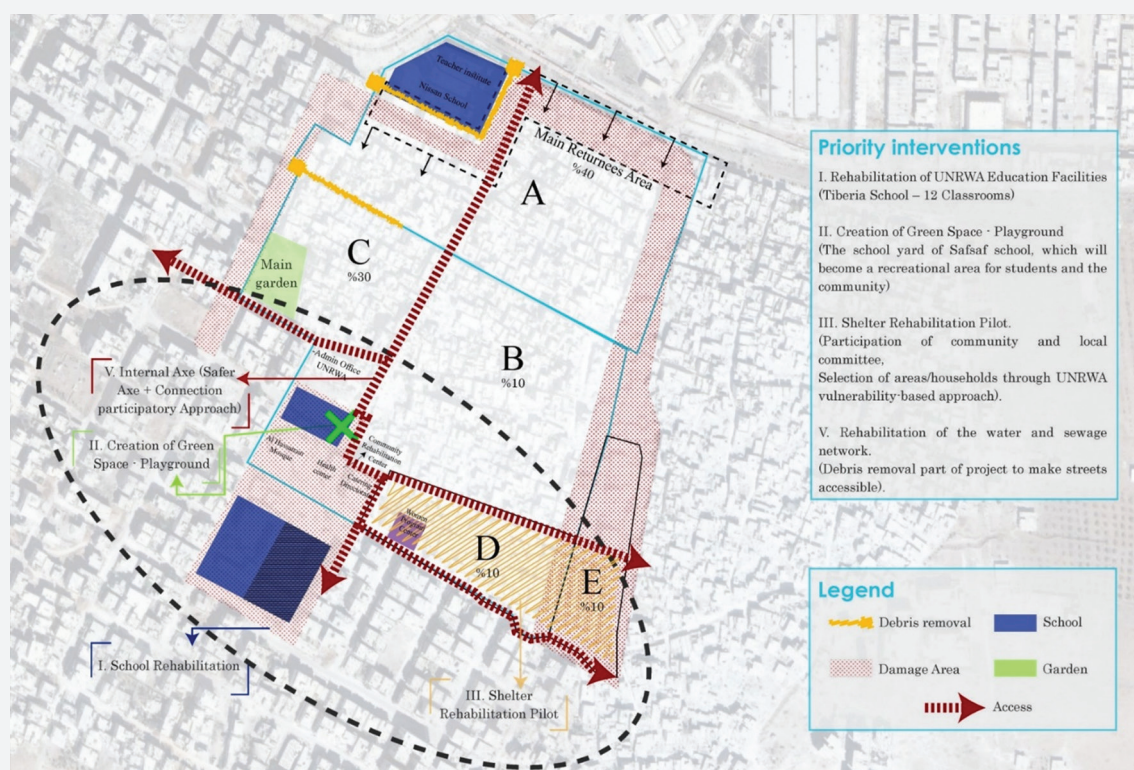
1. Continue to iteratively develop and scale up participatory, area-based recovery programming (analysis-planning-implementation-monitoring) that focuses on the restoration of basic services, mobility and access, economic recovery, social cohesion and building back better, and consider integration within the response architecture.
2. Expand participatory processes including:
 - a. Participatory damage assessments that feed urban recovery planning processes.
 - b. Consultative meetings between mukhtars and neighbourhood committees and other community representatives (community leaders, CSOs, professional groups, etc.) to ensure inclusivity in recovery processes, reflecting the needs and priorities of all groups, including women, youth, minorities, and displaced persons.
 - c. Ensure voices of the displaced and refugees are accounted for in local decision making through digital tools, INGOs and NGOs.
 - d. Integrate peacebuilding into recovery planning processes, to mitigate spatial inequality.
 - e. Leverage Law 107 to encourage participation through mixed committees for development.
3. Pilot temporary systems for formalising housing tenure that can be “caught up” over time within the formal regulatory process.
4. Include livelihoods creation as an integral part of integrated housing recovery initiatives. Specific consideration should be given to opportunities and modalities for vocational training for youth and jobless men and women focusing on damage assessment and construction-related skills, targeting small scale rehabilitation projects targeting shelters, shops open spaces and public services at the neighbourhood level.
5. Pilot centres within cities and neighbourhoods to:
 - a. Serve as focal points for housing recovery that are aligned, where possible, with existing institutional facilities
 - b. Provide soft services related to tenure registration and verification, dispute resolution and mediation, and basic service support
 - c. Provide debris holding, sorting, and recycling facilities alongside new material depots for use in housing and basic service recovery
 - d. Facilitate the treatment of debris for removal, if necessary
6. Employ environmental and social safeguards to manage risk and impact within housing recovery efforts and maximize opportunities for ‘safer’ engagement of international actors, donors, and potential investors.
7. Consider within the humanitarian (shelter) and strategic framework response architecture policies to mitigate conflict-induced impact to housing, including:
 - a. Cost-benefit analysis on individual shelter repair modality against integrated housing recovery modalities.
 - b. Embed HLP risk analysis and pursue tenure assurances/guarantees.
 - c. Asset recovery for housing and infrastructure.
 - d. Alignment of economic and housing recovery.
8. Establish a common UNCT/HCT position for phasing / implementation that:
 - a. Defines a “Roadmap” for housing recovery in Syrian cities.
 - b. Identify possible alignment with different investment sources, specifically targeted at enabling vulnerable household recovery efforts.
 - c. Identifies tools to support implementation, including guidelines that considers heritage protection, environmental sustainability, climate resilience, as well as due diligence in in housing recovery and land-based programming.
9. Analyse the emerging National Housing Strategy (2022 – 27), considering the New Urban Agenda, SDGs and potential HLP risks:
 - a. Make use of existing analysis on Syrian urban and HLP-related laws.
 - b. Identifies risks and opportunities within the National Housing Strategy.
 - c. Consider necessary changes / amendments to existing legal and regulatory (including Law 37 on Local Finance) framework.

10. Make use of available guidance and capacities on HLP risk screening in area-based programming.
11. Pilot innovative and cost-effective integrated housing recovery initiatives that focus on integrated services that enable housing self-

recovery ('Shelter-Multiplier'), housing recovery and integrated services ('Shelter+') housing recovery, integrated services and economic recovery ('Shelter++'), with an emphasis on right to adequate housing for the most vulnerable.

Integrated recovery ('Shelter+') in Dar'a Palestine Refugee Camp

Dara'a Palestine refugee camp suffered severe destruction during the conflict, forcing the camp population to flee. Pre-conflict population at 10,500 Palestine refugees, an estimated 600 Palestine refugee families have returned (3,000 individuals). Based on a need's assessment in November 2018, it was confirmed that all UNRWA facilities including three school buildings and a clinic were found to need substantial repairs or complete rebuilding. A camp profile developed jointly by UN-Habitat and UNRWA concluded that HLP risks differed between areas in the camp.



A joint UN-Habitat - UNRWA initiative in 2021 – 22 targeted a number of interventions aimed at supporting integrated housing recovery ('Housing+') in the camp, including the self-repair (and associated vocational training) of approximately 200 households, rehabilitation of related basic infrastructure and services (sewerage line repairs and solar street lightning), the rehabilitation of an UNRWA school and community playground in an area connecting camp residents with wider Dar'a communities. As a part of an area-based recovery logic, all interventions took place in one neighbourhood within the camp. The early results show a positive impact in terms of returns and social cohesion.

Integrated recovery ('Shelter-Multiplier') in Harasta

Harasta was a growing city of 125,000 residents hosting more than 1,000 small-scale industries and administrative and health facilities in Rural Damascus before the crisis. The population significantly decreased during the conflict, and the conflict caused 45 per cent of building partial damaged and 14 per cent completely destroyed. The current total population is around 40,000. In 2019, UN-Habitat supported the development of an area-based urban recovery plan. The identified priorities include filling the tunnel network that was created during the conflict (which posed a structural risk to apartments and buildings), debris removal, restoration of infrastructure for basic services such as electricity, water, sewage, and solid waste management, and the rehabilitation of markets and services, garden and houses.

With the support of Syria Humanitarian Fund, UN-Habitat is implementing an area-based intervention in a specific neighbourhood with the intent to focus on multisectoral service restoration. One of the specific objectives is to secure safer access to housing by removing debris, filling tunnels to secure the structural stability of apartments, rehabilitating the sewage network, and installing solar street lighting. The interventions were selected according to identified priorities under the recovery plan. UN-Habitat is also supporting tenure security by assisting the Municipality to provide housing and cadastral support to their people by applying Social Tenure Domain Model.

v

The impact of the programme has been observed with over 500 families returning to their homes from other neighbourhoods of Harasta city or neighbouring municipalities, within 6 months of implementation. The project created an environment where people could return and returnees were able to rehabilitate and reconstruct their properties (e.g. apartment units) through their own efforts.

Adaptive

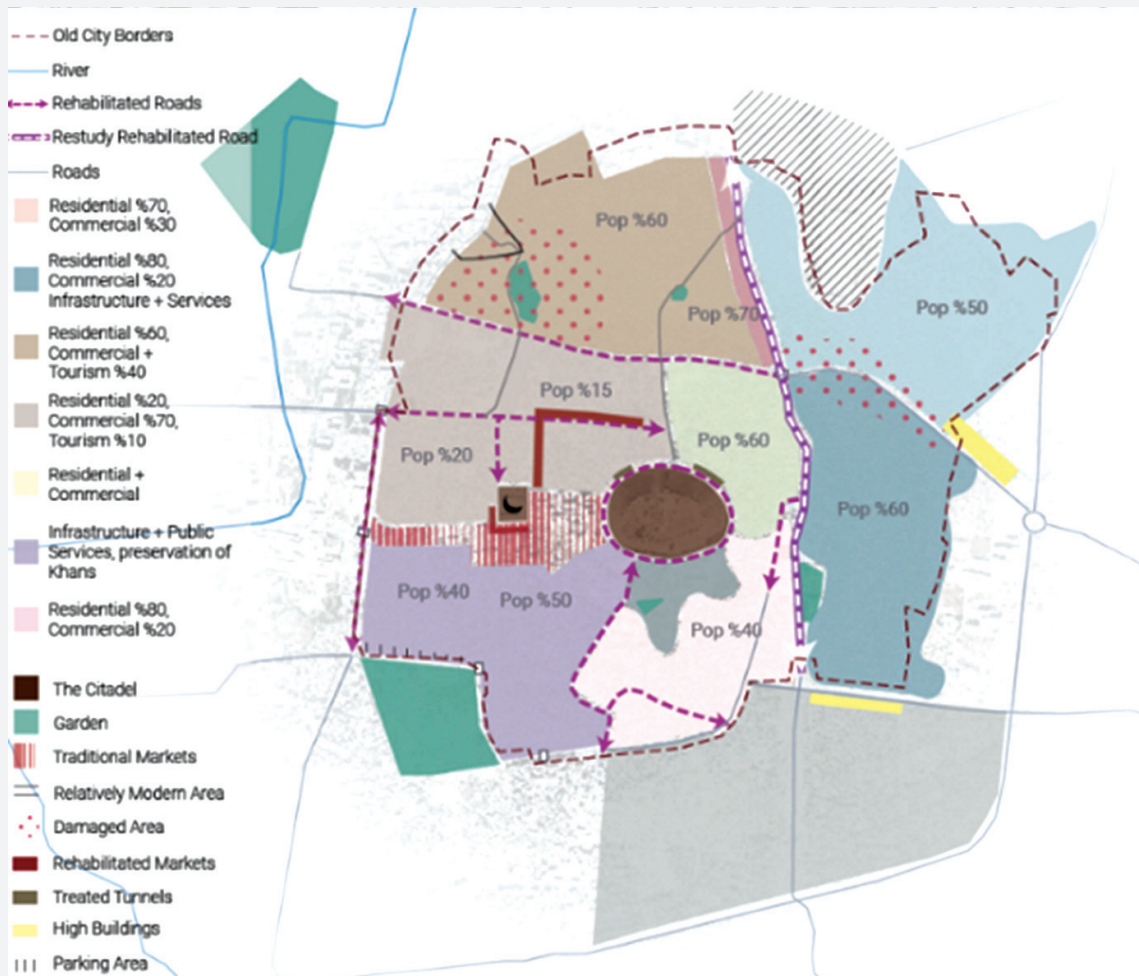
General Objectives: Consolidate experiences of participatory data collection, recovery planning and integrated housing recovery pilots, and consider policy framework(s) that will allow for a more complete and sustainable housing recovery engagement.

1. Continuation of common UNCT/HCT analysis, advocacy and implementation effort:
 - a. Adopt a common methodology and role division for participatory, area-based recovery planning.
 - b. Include resources dedicated to facilitating and supporting engagement, dispute resolution and grievance management.
 - c. Identify a continuum of housing response that can be supported by a range of actors from owner/tenant-led initiatives to entity-led initiatives and that are linked to economic recovery (including heritage preservation).
 - d. Link interventions and programmes based to available recovery mechanisms (e.g., areas for micro-finance recovery).
 - e. Identify means for materials purchasing and pricing controls for utilisation within grant-approved projects.
 - f. Manage displacement-related risk through linking damage assessments and prioritization to typologies based on built form and tenure (including advocating for temporary tenure registration).
 - g. Rollout capacity building for UNCT and related actors on safeguards management, methods, and tools applications.
 - h. Develop a monitoring, evaluation, and learning process and establish a housing data tracking and monitoring programme.
 - i. Include arguments for integrated housing recovery in funding appeals.
 - j. Engage with private and banking sector to

- understand expectations and pre-conditions for a sustainable housing recovery approach in Syria.
2. Elaborate conflict sensitive approach to engagement in policy advocacy on National Housing Strategy and its relevant components:
 - a. Emphasise tenure security for vulnerable populations, in line with prevailing (or new required) legislation.
 - b. Prioritise rehabilitation of damaged housing units (as opposed to a heavy orientation towards new units under land readjustment schemes) and a revisiting the social housing framework.
 - c. Analyse risks with current proposals within the National Housing Strategy to establish real estate financing companies, and outline proposals for a rights-based housing financing framework that include:
 - Microfinancing with affordable loans for rehabilitation of damaged individual units.
 - Transparent channels for remittances targeting household rehabilitation (within urban directives and construction buildings codes).
 - Community contracting for common repair and rehabilitation.
 - Develop creative approaches to benefit from municipal own-source revenues in housing recovery.
 3. Develop a common approach to damage assessment and typology definition that classifies damaged assets and associated infrastructure as well as:
 - a. Areas with potential risk of UXO or ERM hazards.
 - b. Areas with heritage property and landscapes.
 - c. Guidelines for rapid typology damage assessment and detailed damage assessment.
 4. Advance engagement of housing recovery in informal areas:
 - a. Review existing analysis on tenure security in informal settlements.
 - b. Based on analysis and piloted temporary recognition of tenure, advocate for interim approval requirements for informal areas and illegal buildings within the National Housing Strategy.
 - c. Ensure time requirements are kept at a minimum to allow for rapid uptake of registration and verification of informal housing units.
 5. Develop guidance for recovery of the public realm, including approaches to organise institutional and private responses for housing recovery (a spectrum ranging between individual self-recovery and large institutional recovery efforts), inclusive of guidelines, standards, and toolkits (see Annex A) to support rapid housing recovery. Ensure guidelines contain provisions for improvements associated with public spaces, cultural heritage, and other cohesion building elements central to community identity.
 6. Assist local stakeholders to define assistance packages for the rehabilitation or replacement of housing, basic services and related fields within urban areas.

Integrated Services and Economic Recovery ('Shelter++') in Aleppo Old City

The Old City of Aleppo, one of the world's longest inhabited cities, is home to 300 kilometres of alleyways, 12 hectares of covered souks and over 240 historic monuments. Once Syria's economic motor, the City of Aleppo has been heavily affected by Syria's decade-long conflict. UNESCO estimates that more than 60 per cent of its Old City was severely damaged in the crisis, and 30 per cent was destroyed.



Within the framework of the Recovery Plan for Aleppo Old City, UN-Habitat aims to implement a project that will contribute to socio-economic recovery through interventions that target the revival and protection of urban cultural heritage. The project aims:

1. To enable representative and broad community participation in the recovery processes that support the prioritization of interventions targeting heritage restoration, economic recovery, basic service restoration, social cohesion and return preparedness.
2. To deliver urban heritage asset and critical infrastructure restoration through participatory rehabilitation, protection and management of historic neighbourhoods.
3. To enhance social cohesion in the delivery of interventions, which recognize spatial connectivity and decent livelihoods opportunities.



The project, designed to be modular and therefore implementable at different scales, may include the community-based restoration of souks, city ramparts, historic monuments, mosques, traditional houses / hotels, khans, hammams, small textiles shops and factories, as well as the rehabilitation of critical infrastructure and services. At the core of the project lies a focus on the rehabilitation of residential and commercial units (and associated preservation of cadastral documents) and associated local economic recovery activities.

Transformative

General Objectives: Enhance advocacy efforts that will support the creation of an enabling environment for a rights-based approach to housing recovery.

1. Initiate a forum for dialogue with GoS to identify and assess the potential for international engagement in housing recovery, including:
 - a. Advocate for tenure security for vulnerable populations and proposed necessary modifications to prevailing (or new required) legislation and/or implementing provisions.
 - b. Outline the risks associated with supply-side orientation towards new units under land readjustment schemes, in terms of tenure security for vulnerable groups and anticipated exponential gaps in demand-side interventions and increased informality.
 - c. Prioritise a policy based on private rehabilitation of individual housing units with public (and international) investments in access/mobility and integrated basic service delivery, as foreseen by recovery plans.
 - d. Build awareness and familiarity with operating frameworks focused on housing initiatives, including social housing.
 - e. Clarify the institutional arrangements for housing sector recovery, with consideration to Local Administration Law 107, and other related legislation.
 - f. Expose GoS to international precedents for large scale housing recovery (as elaborated in section x of this paper).
 - g. Bundle tenure assurances to leverage community based social investment, such as community bonds that support infrastructure recovery.
 - h. Assessment of domestic funding sources and mechanisms that could support recovery efforts foreseen in recovery plans, utilising locally sourced materials.
2. Utilise existing mechanisms to secure tenure within informal areas including use of existing tools (e.g., the application of Laws 26, 23, 33, 40 and 99).
3. Scale up recovery planning and integrated housing recovery, within a new multi-sectoral framework for humanitarian and resilience response by international actors.
4. Put in place mechanisms for 'self-initiated' integrated local economic recovery:
 - a. Establish building material depots to provide access to materials and control for price increases.
 - b. Establish price verification process for local suppliers participating in recovery programmes.
 - c. Incentivise the use of local recycled materials where possible.
 - d. Consider institutional capacity building needs for micro-finance mechanism.
 - e. Engagement of private sector to revive supply chains, local and national markets, and stimulate local labour markets and work opportunities.



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Annex A: toolkit and contents for a housing sector recovery framework

1.0 Tool Kit

The following tools are recommended to be part of the housing recovery plan initiative:

- Syrian Housing Recovery Agency
- Housing Recovery Financing Framework
 - » Neighbourhood Action Plans
 - » Urban Geo data base/City dashboard and stakeholder mapping, SDGs indicators
 - » Community engagement and participation
 - » Housing Recovery Planning Facilitation and Mediation
 - » Land Tenure Guarantees
 - » Social Baseline Requirements / Ability to Pay
 - » Community Implementation Agreements
- Recovery and Rehabilitation Guidance Note:
 - » Aligned with Housing Recovery Plan Areas
 - » Community Contracting for Implementation and monitoring
 - » Participatory Planning and Urban Recovery Guideline – to assist in detailing recovery and rehabilitation efforts according to damage typology
 - » Informed by the National Typology of Damage and Recovery Targets inclusive of:
 - » Area Based Approach linking beneficiaries, land, and damaged assets to recovery initiatives
 - » Safeguard Approach – including Land Access and Resettlement Framework – which details an approach to identification of beneficiaries and entitlements within the Housing Sector Recovery Plan
 - » Micro-finance Guideline – provide guidance to the establishment and funding of micro-finance institutions in support of housing recovery at local scales
- Supplier and materials database

2.0 Housing Sector Recovery Plan – Possible Table of Contents

Introduction

Housing Recovery Plan

- Recovery Targets
- Targets specific to urban areas in Syria
- Policy (refer to Policy Directions #1 to #12)
- Municipal Recovery Plan Schedule (see Designations in Annex E)

Housing Programme

- Eligibility
- Housing Supports
- Beneficiary Registration

Institutional Organisation

- Agency responsible for housing sector recovery
- Coordinating mechanisms
- Approvals process

Planning and Engagement

- Stakeholder Engagement and Participation
- Grievance Management and Dispute Resolution
- Community Implementation Agreements

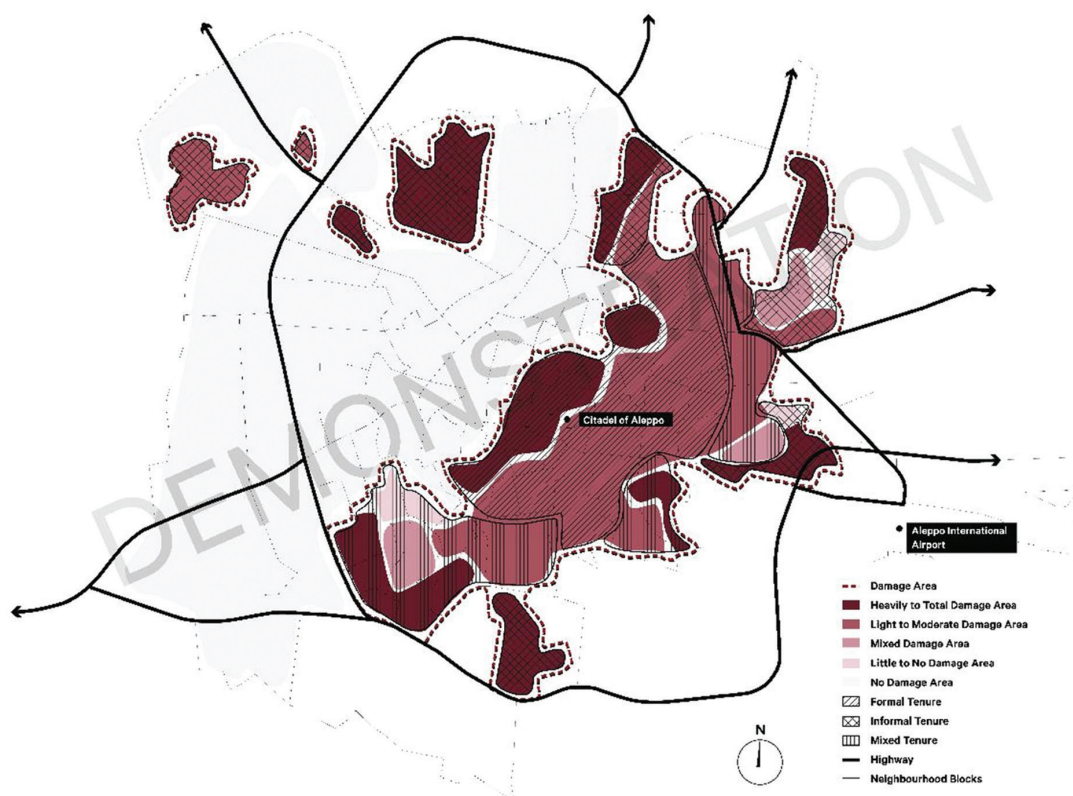
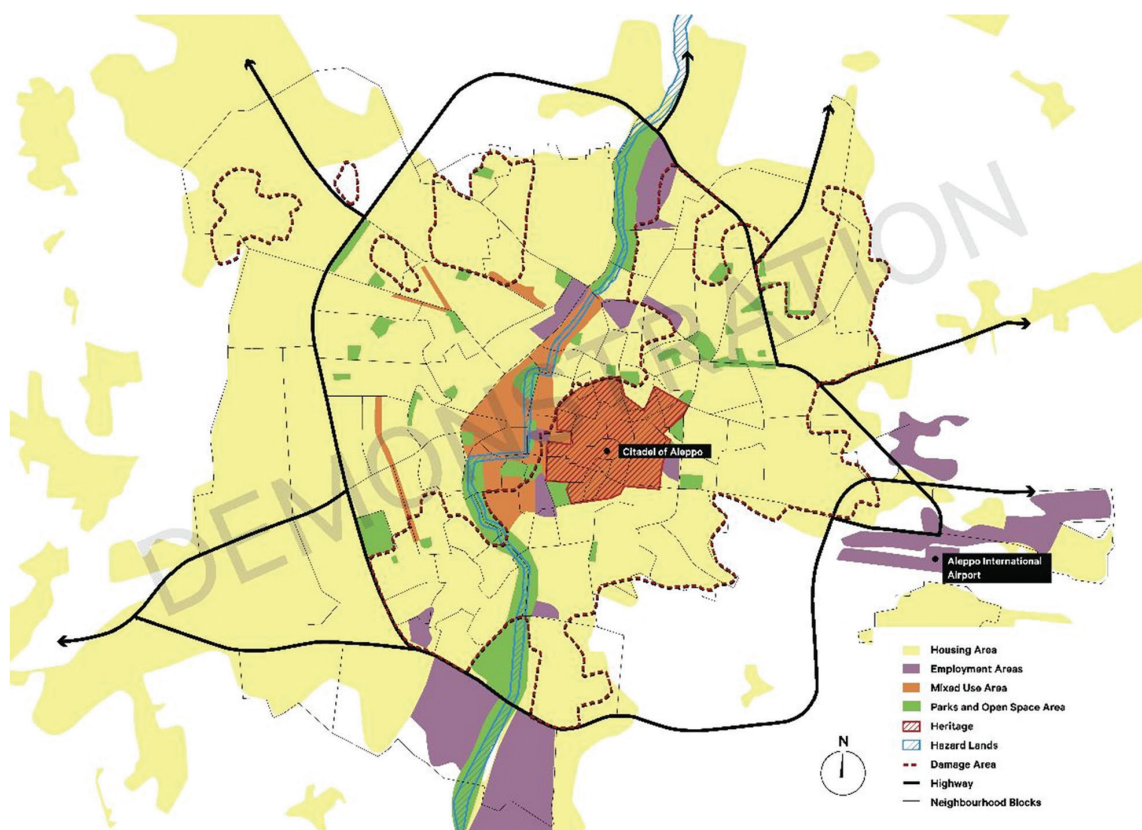
Implementation

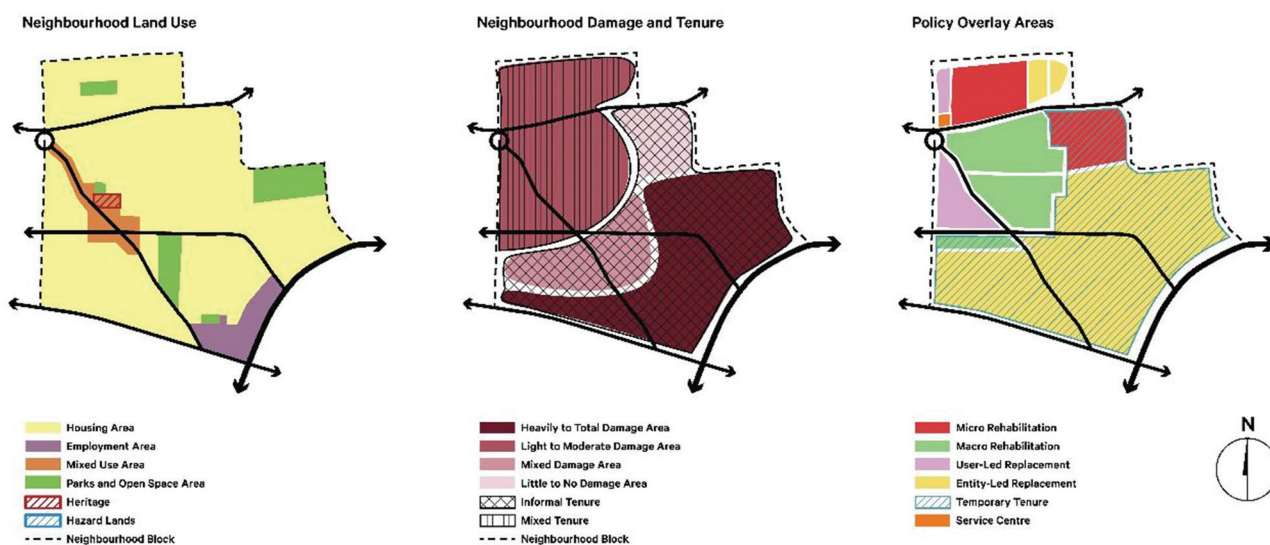
- Ministerial Order
- Review of Targets
- Monitoring
- Plan Renewal

Definitions

Demonstration Plans

- The below Demonstration Concept presents a way to integrate policy directions within an Urban Recovery Framework. See Table Z for further description of policy designations.





Illustrative Cross Section

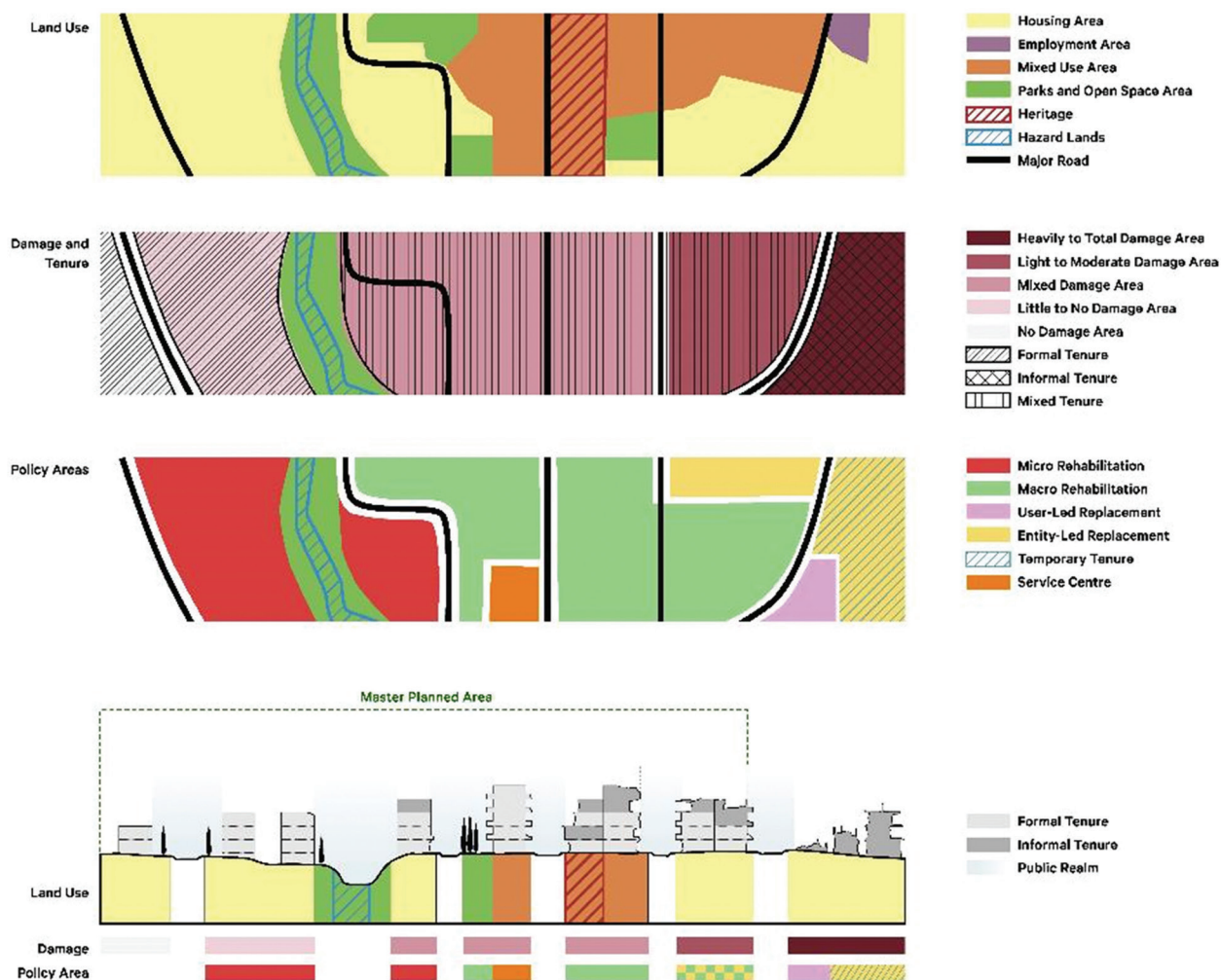


Table 6: Housing Recovery Plan Structure and Policy Designations

Urban Typologies*		Definition	
Built Up Area	Areas/corridors with the presence of buildings and other structures/facilities	Can be further refined according to Density or Built Form	
Land Use Overlay			
Housing Area	Areas/corridors comprised of lands used for housing purposes.		
Employment Area	Areas/corridors comprised of lands used for industrial and/or commercial purposes, institutional areas (ex. universities) serving as major employment centres.		
Mixed Use Area	Areas/corridors comprised of lands and buildings of mixed use.		
Parks and Open Space Area	Areas/corridors comprised of lands used for parks and open space purposes.		
Environmental and Cultural Heritage Overlays			
Heritage	Network of social and cultural elements that can include immovable features (e.g. town centres and antiquity sites), moveable features (e.g., artefacts that can be easily transported), and intangible heritage (e.g., traditional belief systems and cultural elements).	Each City has code identifying: <ul style="list-style-type: none"> Heritage designated buildings and sites – includes buffer Heritage zones (cities and historic sites, ex. old city) – includes buffer 	
Environmental (watersheds, aquifers, forested, etc).	Connected system of natural areas that accommodates native flora, fauna, and related geological features and landforms. The NHS may include natural core areas (e.g., forests, wildlife habitat), natural corridors (e.g., wadis), and natural connecting links (e.g., tree line) that connect natural core areas and corridors.		

Urban Typologies*		Definition	
Hazard Lands (Floodplain, earthquake zones, etc).	Property or lands that could be unsafe for development due to naturally occurring processes including flooding, erosion, poor drainage, instability associated with ravine, river valley or stream processes, earthquake zones, etc.		
Damage Overlays			
Light to Moderate Damage Area	Light to Moderately Damaged (according to Damage Assessment)		
Heavily to Total Damaged Area	Heavily Damaged (Buildings structurally unsound)		
Little to No Damage Area	Built areas with little to no damage		
Mixed Damage Area	Areas/corridors with a mix of types of damage		
Population Movement Overlays			
Influx/Return Area	Areas experiencing or could experience influx of economic or institutional (ex. students) migrants, IDP households or refugee returns	<ul style="list-style-type: none"> Returning refugees Squatting (happening at unit/apartment/building level not by area) 	As this is fluid, need to update overlay regularly
Outmigration Area	Areas that are experiencing outmigration of populations		
Mixed Area	Areas that are transitional, experiencing high population movement in and out		
Tenure Overlays			
Formal Tenure	Lands with households with formal tenure documentation generally within Master Planned Area. (Further differentiation to be described).	Define overlay and subcategorisation: by floor, building, land?	

Urban Typologies*	Definition		
Informal Tenure	Lands with households without formal tenure documentation generally outside of Master Planned Area. (Further differentiation to be described).	Define overlay and subcategorisation: by floor, building, land?	Informal vs Illegal <ul style="list-style-type: none"> • Informal Areas are those areas within the administrative boundaries of the governorate that were created without previous land division schemes based on public property or private property that led to unplanned random urban expansion. The area is not required to have a specific area. They vary in size and space spontaneously and are not subject to planning rules. (Policies and strategies for the development of informal areas, MPWH, 2013). • Illegal Buildings are those built without a permit or that violates the license granted (Decree 40, 2012)
Mixed Tenure	Lands with households with formal and informal tenure documentation and/or without formal tenure documentation generally within Master Planned Area.		Could be defined in further detail by building, land areas, street
Land Management Overlay			
Master Planned Area	Areas/corridors regularised within a Master Plan		
Extension Area	Areas/corridors with unbuilt areas within Master Plan		
Peri-Urban Area	Areas/corridors with low density peri-urban areas with productive agricultural lands (can be in or outside of Master Plan)		

Housing Policy Areas*	Definition	Policy Recommendations
Micro Rehabilitation Overlay	Area to facilitate rapid assessment and rehabilitation of owner or tenant-led rehabilitation works. Precondition is tenure security.	
Macro Rehabilitation Overlay	Area to organise larger community-based lending for the purpose of hiring technical contractors, skilled labour and purchasing construction materials.	
User-Led Replacement Overlay	Area for Household or Household + Contractor-led redevelopment	
Entity-Led Replacement Overlay	Area for Co-op, Company or Community Based Organisation (CBO)-led redevelopment	
Temporary Tenure Overlay	Area of rapid temporary tenure approvals based on community review of household use rights for structures and land access. Apply to informal overlay areas. Requirements set in Land Acquisition and Resettlement Guidelines (LARG).	
Service Centre	Location of urban based services to facilitate delivery of services targeting housing recovery including but not limited tenure verification services, debris storage and recycling, material depository and other housing recovery services.	

*Note: List only pertains to urban conditions, does not include rural classifications. Further subcategorization to be confirmed. For example, subcategories of built-up area can be further refined according to density or built form

Annex B: housing supply and demand

The following provides a detailed overview of housing supply and demand, covering pre-conflict demographic trends, current demographic trends, housing starts and available land supply.

Pre-conflict Demographic Trends

Prior to the conflict, the country experienced a 'Baby Boom' in the 1980s through to the 1990s, which was then followed by a 'Youth Bulge' in the late 2000s which was later magnified to become a 'Youth Tsunami' in urban areas due to increased and accelerated rural-urban migration. The youth bulge in the late 2000s contributed considerably to the growth in number of households in the country overall at the time, as they reached the age of marriage. Syria also experienced a second 'Baby Boom' in the early 2000s which will eventually lead to a sudden 'Youth Bulge' that will be entering the housing market for the first time in 2023. This fact will have additional implications for housing demand across Syria.

In the preceding years to the conflict, the structure and composition of the Syrian household was experiencing a noticeable change. The size of households decreased over a period of years from: 6.1 (1993) to 5.5 (2004) to 5 (2009).⁴² However, while the population growth rate decreased from 3.6% to 2.7% between then 1980s and 2009, the household growth rate was higher between 3 and 4.7%.⁴³

Finally, urbanisation of Syrian society was also accelerating at a rapid pace prior the conflict. The share of urban population evolved from 33% in 1950 to 56% in 2010.⁴⁴

Current Demographic Trends

Due to the conflict, Syria experienced a massive out-migration to neighbouring countries including Turkey, Lebanon, Jordan, Egypt and Iraq as well as to Europe.

As a result, the size of the population and number of households has dropped drastically, however the natural growth is increasing again and is expected to reach their pre-conflict rate soon.⁴⁵

The urbanisation of Syrian society, while experiencing a drop in 2014 due the conflict, increased in 2018, where the share of urban population went from 51% to 54%, almost reaching pre-conflict levels.⁴⁶

Due to massive rural-urban migration during the conflict, and reformed or new urban areas (where some larger cities shrank, mid-sized cities grew and rural settlements transformed into towns overnight⁴⁷), the World Bank estimated that the share of urban population has reached 72.6%⁴⁸ of the resident population in 2018.

In addition to the demand for housing for IDPs and returnees willing to return and their natural growth, the natural growth of the still residing population must be taken into account. As noted previously, the second baby boom experienced in the early 2000s, will contribute to a youth bulge entering the housing market in 2023.

42 Aita, S, 2020

43 Aita, S, 2020

44 CBS, Statistical Abstract, 2011 and World Bank 2019.

45 Aita, S, 2020

46 Aita, S 2020

47 Hallaj, O. A, et. Als. 2018.

48 World Bank, 2019 without documenting this assessment.

Annex C: institutional risk mapping

Key housing development processes, responsible stakeholders for approvals and associated issues/challenges in development

Development Type	Project Categories	Funding	Pre-Approvals (Key Decision-Making Bodies)	Applicable Laws and Legal Tools	Approval Authorities and Key Decision-Making Bodies
All Development (Extension/ New Areas)	Co-operative Housing (Legally not State-led but operate under heavy State regulation)	N/A	<p>Ministry of Public Works and Housing through its directorates of housing (Tight oversight over housing cooperatives to ensure that proposed development is in line with National Housing Plans and policies in place)</p> <p>Regional Planning Commission (Study and policy recommendations)</p> <p>Governorate (Oversight over MoH directorates at the local level)</p> <p>Municipalities (Allocating sites based on Masterplans and expropriation of lands for housing cooperatives)</p>	<p>Law 26/2015 – (General Establishment of Housing)</p> <p>Law 60/1979 and amendment law 26/2000 (expansion of cities and restricting expansion to public expropriations and cooperative housing)</p> <p>Legislative Decree 99/2011 (law of cooperative housing)</p> <p>Law 9/1974 (planning and regularizing cities) most aspects of this law are repealed by law 23/2015 but it still defines expropriation mechanisms in green field areas</p> <p>Law 20/1983 (organizing the expropriation of brown field lands)</p>	<p>Ministry of Public Works and Housing</p> <p>Governorate</p> <p>GEH (if it was the source of land)</p> <p>Municipality (Issuing building permits)</p> <p>Regional Planning Commission (Mandated to review all major public and private developments to assure compliance with environmental, heritage concerns in addition to overall regional planning objectives)</p>

ment process.

	Appeal Process	Gaps/Challenges	Risks	How UN Habitat Can Support
	<p>Ministry of Public Works and Housing has become main focal point for all appeal processes for this law as the role of the intermediary "Cooperative Housing Establishment"</p> <p>Legal oversight for expropriation of land.</p> <p>Administrative Justice Courts can be addressed to contest municipal authority for expropriations as well as for resolving property title among public bodies (though in many cases these latter issues are resolved through political decisions by the governor)</p>	<ul style="list-style-type: none"> • Competition of land allocation to cooperatives with new models of real estate development under law 23/2015 and law 10/2018 • Inability of municipalities to provide infrastructure to new developments as per law 60/1979 and amendments. • Many lands allocated to cooperatives were blocked by squatter settlements • Inability of many cooperative subscribers to pay their instalments and their status is under strong polemics • Requires heavy state subsidies, and given the unavailability of public funds the municipalities are tending to go for PPP and not commit to allocate new lands to cooperatives 	<ul style="list-style-type: none"> • Delayed implementation of projects • Many housing cooperatives have not yet delivered their HLP records to the cadastral system • Corruption allegations led to the disbanding of the General Federation of Housing Cooperatives and there is lack of clarity on how the directorates of housing within the Ministry will pick up the slack. • Most housing cooperatives were sold to upper market investors and the stock produced does not match demand for social housing. Most vacant and redundant housing produced in Syria is in this sector. It is not likely the municipalities will be able to subsidize this market segment given the over saturation of that market. 	<p>UN Habitat should not prioritize this area beyond general training to technical staff.</p>

Development Type	Project Categories	Funding	Pre-Approvals (Key Decision-Making Bodies)	Applicable Laws and Legal Tools	Approval Authorities and Key Decision-Making Bodies
All Formal Development	Master Plan ⁴⁹ (State-led)	State-Funded	<p>Municipality (Develop Proposal – adhere to Ministry's Planning Principal)</p> <p>Governorate (Modify/ Approve or Send Proposal to Ministry if for settlements, and while law 107/2011 for Local administration has shifted the urban planning role to municipalities (incl. smaller cities, towns, townships), the Directorate of Public Services is still directly implicated in masterplans of secondary and tertiary cities and towns)</p> <p>Ministry of Public Works and Housing (Modify/Approve Proposals of Central Cities) Oversight over regional Technical committee</p> <p>Residents They can challenge the published draft</p>	<p>Law 5/1982⁵⁰ (and amendment Law 42/2002) and Technical guidelines for physical planning of neighborhoods/ cities</p> <p>Law 23/2015 (In particular, clauses related to absolving municipalities from previous zoning regulations and cancelling old masterplans that are relevant)</p>	<p>Approval authorities for all urban settlements: Ministry of Public Works and Housing (Reps given veto power over Regional Technical Committees⁵¹)</p> <p>Ministry of Local Administration and Environment (Decision-making power, under Law 23 and Law 10 the Ministry has clear mandate to issue the development zone in the first case and suggest it in the second)</p> <p>All secondary and tertiary cities: Technical Services Dept. at the Governorate level (This was principally shifted by law 107 to the municipalities but it is still being managed from the governorate level dept.)</p> <p>Technical Bodies providing studies incl.: General Company of Engineering Studies (State-owned firm, no special privilege over private firms) Or Private Sector Or Municipality Or University Studies Departments</p>

49 Mandatory process for all development modalities prior to development and implementation using Laws 20, 23, 10, and 15.

50 Law 5/1982 describing the process of producing, reviewing and approving masterplans including identifying all technical and procedural steps to produce the plans. This included the production of structural plans to be included in the planning program of the areas under planning, then the production of land use plans, building regulations and allocation of budgets. The law introduced heavy central regulatory mechanisms for the Ministry of Housing as the ultimate source for ratifying masterplans and its representatives were given veto powers over the regional technical committee that was mandated to review the process.

51 Regional Committee (Head of Committee – Governor; includes experts from Ministry of Housing, RPC and local level)

	Appeal Process	Gaps/Challenges	Risks	How UN Habitat Can Support
	<p>Public notified to provide comment; Municipality reviews and considers any objections in revising of proposed master plan. Regional Technical Committee is the arbiter of objections. (Ministry representatives used to have veto powers (until approx. 9 years ago, through issuance of special by-laws in contradiction to the law), officially they lost that right, but the ministry is not likely to approve the plan if its representatives were outvoted in the RTC</p> <p>Administrative courts can be engaged to address issues of jurisdictions between concerned public authorities.</p>	<ul style="list-style-type: none"> • Masterplans take a long time to produce and approve and as soon as they are produced, they become outdated as spontaneous settlements are faster. • Corruption in directing masterplans towards areas representing special interest • Masterplans are produced without clear assessment of the capacity of municipalities to funds their implementation • Masterplans are not produced with strong environmental assessment procedures • In regulations and policies, as well as in practice, Master planning exercise doesn't reflect the urgencies and requirements imposed by the large-scale destruction and displacement • Masterplans are not produced with sufficient analysis of natural resources and capacity of current infrastructure. 	<ul style="list-style-type: none"> • Continued focus on outdated planning models will recreate conditions for spontaneous settlements • Infrastructure networks are destroyed or damaged and linking them to new masterplans will overburden the functionality of remaining networks. 	<p>Develop models for flexible planning and rapid assessment of existing masterplans</p> <p>Training municipality staff and senior elected council members</p>

Development Type	Project Categories	Funding	Pre-Approvals (Key Decision-Making Bodies)	Applicable Laws and Legal Tools	Approval Authorities and Key Decision-Making Bodies
Formal Redevelopment / New Development	State-led Development	<p>Private or public provision of infrastructure and financed through land equity.</p> <p>In many cases the municipality can advance payments and then collect from landlords.</p>	<p>Governorate</p> <p>Municipality</p> <p>Council of Ministers (for pre-financing of projects, through the Public Credit Fund, Not mandatory, but in cases where municipality does not have the cash to advance.)</p>	<p>Law 23/2015⁵² (Giving Local Admin. bodies authority to develop or re-develop land in their jurisdiction)</p> <p>Law 26/2015 (regulating the new mandate of the General Housing Establishment)</p> <p>Legislative Decree 12/1975 (Military Housing Establishment)</p>	<p>The president of the republic (A DZ is established through a decree (issued by the president based on the governorate's approval)</p> <p>Governorate</p> <p>Municipality</p> <p>Military Housing Establishment (MHE is not active as a developer today but is still responsible for many housing suburbs around major cities. Any changes to urban plans and or individual sites is subject to their approval.)</p>
	Private Developer-led (PPP Development)	<p>Private or Public Owned Private Development Companies (companies registered under law 15/2008)</p>	<p>Real Estate Development Companies (Develop Proposal)</p> <p>Real Estate Development Commission (Main pre-approval entity. Additionally, oversight over registration of development company and preapproval of DZs)</p> <p>Governorates and Municipalities for approval of land zoning</p>	<p>Law 15/2008⁵³</p>	<p>Prime Minister based on Real Estate Development Commission submission of approved proposal</p> <p>Bank/Creditor (Pre-feasibility studies indicated that most developers would actually need full or partial financing)</p> <p>Municipalities (Approving plans and linkages to public infrastructure)</p>

52 Law 23 provides zoning provisions and was supposed to reconcile the apparent contradictions between established masterplans and new plans to steer land pooling projects.

53 Law 15 enabled the creation of private real-estate companies and would enable them to even enter into partnership with the State that would provide them with land for such development. The real estate companies would have the option not only to develop the land but to also manage urban services in the future.

	Appeal Process	Gaps/Challenges	Risks	How UN Habitat Can Support
	<p>All listed issues above for master planning. Ministry of Public Work and Housing for resolving bureaucratic challenges between public entities and their properties.</p> <p>Administrative Courts for resolving issues of jurisdictions and contestations with the public authorities.</p>	<ul style="list-style-type: none"> • Long timelines for implementation • Financing • Public participation and/or beneficiary participation is limited or absent • Informal areas are only included in development through redevelopment, requiring demolishing. • Poor transparency in the distribution of plots and claims of corruption in the management of housing projects. • Public band width for managing public development makes it difficult to focus on other alternatives. 	<ul style="list-style-type: none"> • Increased social cohesion risks • Fiduciary risk • Opportunity cost leading to locking public funds in supply side projects at the cost of more flexible and demand adaptive solutions. • Push factor for further informal development and squatting • Large tracts of zoned and undeveloped land • Mismatch between supply and demand (geographic distribution, typologies of housing and diversity of tenure options) 	<p>Habitat should discourage further direct investments by public authority bodies and focus instead on regulating new land and providing infrastructure.</p>
	<p>Real Estate Development Commission</p> <p>(Head of commission can cancel developments not adhering to provisions of law)</p> <p>Court of First Instance (disputes between the developers and individuals)</p> <p>The Council of State (the highest body in the administrative court system - for disputes between the developer and the municipality (governorate))</p>	<ul style="list-style-type: none"> • Most developers found prospects of feasibility under the current law to be dim • Red tape and lack of clarity over jurisdictions of regulatory bodies • Lack of clarity on appeal process • Many developers were allocated lands ten years ago but failed to develop them because of the current conditions in the country and are facing litigations as public authorities are revoking expired agreements • Limited markets for the upper end housing that would offset requirements to provide social housing 	<ul style="list-style-type: none"> • Large delays • While the law considers low-income, social housing and informal settlement development, in practice development companies find this unfeasible and as a result have targeted the upper end of the housing markets and neglecting the social housing components • Externalities are not covered by the private developers and there is a lack of clarity on who would cover them (environmental impacts, increased demand on public infrastructure outside the DZ) 	<p>Develop standard guidelines of feasibility studies</p>

Development Type	Project Categories	Funding	Pre-Approvals (Key Decision-Making Bodies)	Applicable Laws and Legal Tools	Approval Authorities and Key Decision-Making Bodies
Formal Redevelopment / New Development	Private Developer-led (PPP Development)		<p>Municipalities in particular cases where allocation of public lands are part of a project.</p> <p>Regional Planning Commission (Approval is required to ensure compatibility of plans with regional planning strategies)</p>		Real Estate Developer (As he can be entitled by municipality to prepare the planning programme and detailed master plans of his development area)
	Private Developer-led (PPP Development)	Private-funded with Provision of Municipal Land	<p>Public Private Development Company (established by Municipality)</p> <p>Ministry of Local Administration and Environment (Proposal from Minister)</p> <p>President of the Republic (for issuing ordinances to designate DZ)</p> <p>General Directorate of Cadastral Affairs (to provide initial land titles for a development)</p>	<p>Law 10/2018</p> <p>Law 19/2015 (establishing joint venture holding companies for local administration units)</p>	<p>Municipality (Mayor, Inventory Committee)</p> <p>Bank/Creditor (Pre-feasibility studies indicated that most developers would actually need full or partial financing)</p> <p>Municipalities for approving plans and linkages to public infrastructure</p> <p>Municipalities and governorates for signing the PPP agreements</p> <p>Council of Ministers for ratifying PPP companies and granting initial lines of credit for PPP to launch projects (cover demolition and basic infrastructure)</p>

	Appeal Process	Gaps/Challenges	Risks	How UN Habitat Can Support
	<p>Additional 2 appeal modalities from other laws (but not explicitly expressed in this law): The DZ's master plan/detail plan can be challenged in accordance to law 5 (1982) The expropriation decisions can be challenged in accordance to the expropriation law</p>		<ul style="list-style-type: none"> • In theory evicted residents must receive alternative housing or equivalent compensation, however many of the DZ involve eviction of residents from spontaneous settlement areas due type of documents they have (ex. tenants) who receive little compensation or are not a priority in new settlements which are often unaffordable. 	
	<p>No procedural rules are set out. Dispute resolution committee has power of a court but not subject to the deadlines and principles of the Code of Procedure.</p> <p>Administrative Courts for resolving disputes over transfer of public lands to the PPP.</p>	<ul style="list-style-type: none"> • Public participation and/or beneficiary participation is limited or absent • Unclear timelines for appeals • Land disputes and legal proceedings • Access to financing • Increased land costs • Infrastructure costs on large lots • Compensation is not defined for relocation assistance (period between compulsory land acquisition and receipt of entitlements) • Inability to adequately assess feasibility of projects • Subject to increased pressure under the sanctions regime. 	<ul style="list-style-type: none"> • Delays to project implementation • Inability to initiate projects due to entangled red tape and lack of clarity on procedures and jurisdictions • Reputational and financial risk due to ongoing and onerous court challenges • Prolonged period of relocation for displaced persons or multiple displacements (i.e. once from the conflict and a second from land readjustment) • Formalizing illegitimate HLP rights • Denying legitimate rightsholders of their rights (notably vulnerable groups such as IDPs, widows and informal settlement residents) • Law of diminishing returns will reduce the profitability of these projects 	<ul style="list-style-type: none"> • UN Habitat should consider very carefully engaging in these processes as it risks being put under sanctions. • Habitat can focus on solidifying the cadastral system and supporting the General Cadastral Authorities' mandate to protect the rights of rightful tenure holders.

Development Type	Project Categories	Funding	Pre-Approvals (Key Decision-Making Bodies)	Applicable Laws and Legal Tools	Approval Authorities and Key Decision-Making Bodies
			Real Estate Developer Municipality (Proposal) Governorate (Approval of Proposal) President of the Republic (Issues a decree designating DZ) General Directorate of Cadastral Affairs (to provide initial land titles for a development)	Law 23/2015 Law 5/2016 (defining regulations for public private projects and investments)	The president of the republic (A DZ is established through a decree (issued by the president based on the governorate's approval) Governorate Municipality
Informal Development	State-led	State-Funded	Municipality Governorate Ministry of Public Works and Housing	Law 5/1982 (and amendment Law 42/2002) Law 23/2015 Law 20/1983 Expropriation in brown field	Ministry of Public Works and Housing Technical Bodies
		State-Enabled	Municipality Governorate Ministry of Public Works and Housing Regional Planning Commission (for designating informal areas)	Potentially applicable laws in informal development (formalizing/upgrading not redevelopment) Law 26/2000 (enabling municipalities to re-zone informal areas, though this law had a statute of limitations it can be evoked referring to the Homs case)	Directorates of service line ministries to provide basic infrastructure in informal areas Municipalities For issuing settlements of building violations General Directorate of Cadastral Affairs (for approving land subdivisions and issuing land titles in informal areas) Ministry of Public Works and Housing for approving re-zoning of masterplans

	Appeal Process	Gaps/Challenges	Risks	How UN Habitat Can Support
	<p>All listed issues for master planning. Ministry of Public Work and Housing for resolving bureaucratic challenges between public entities and their properties.</p> <p>Administrative Courts for resolving issues of jurisdictions and contestations with the public authorities.</p>	<p>Same as above, and including:</p> <ul style="list-style-type: none"> • Longer timelines for implementation (due to more stringent rules regarding addressing all appeals and more due diligence with regards to HLP rights) 	Same as above	
		<ul style="list-style-type: none"> • Unclear/unresolved land tenure, ownership • Long timelines for implementation • Financing • Public participation and/or beneficiary participation is limited or absent 	<ul style="list-style-type: none"> • Increased social cohesion risks • Fiduciary risk 	Habitat should advocate against these solutions and focus on approaches leading to gradual and participatory formalization of informal areas.
	<p>Legal oversight over cadastral subdivisions</p> <p>Real Estate Court (for resolving land demarcations in informal areas where owners have subdivided land arbitrarily and the process of formalization requires recognizing de-facto subdivisions)</p> <p>Governors (for untangling overlapping local jurisdictions and providing political cover)</p>	<ul style="list-style-type: none"> • Precedents are very limited and have not been properly evaluated. • Limited finance for people to upgrade their properties. • Severely damaged areas may be difficult to upgrade • Lacking standard operating procedures. • Many residents have been displaced and initiating participatory processes may be difficult • Limited finance to provide basic infrastructure • Lack of institutional culture for participatory approaches 	<ul style="list-style-type: none"> • Long term process • Absentee owners and tenure right holders may lose their ability to participate and therefore risk their informal tenure rights. • Owners of land occupied by squatters may lose rights or be forced to sell under duress. • Women may be less prone to establish HLP rights 	<ul style="list-style-type: none"> • Review of previous precedents in Homs and other places. • Provide case studies from best practices • Capacity building for municipal technical and political staff • Adopting a pilot project

Development Type	Project Categories	Funding	Pre-Approvals (Key Decision-Making Bodies)	Applicable Laws and Legal Tools	Approval Authorities and Key Decision-Making Bodies
Informal Development	State-led	State-Enabled		Law 20/1983 (for managing limited expropriations for basic infrastructure needs) Legislative decree 166/1967 and amendments (regulating the subdivision of collective lands and improvements of land; relevant as most informal areas have taken over agricultural lands) Law 33/2008	
	Private Developer-led (PPP Development) *Requires Master Plan	Private-Funded	Same as in Formal Areas (see above)	Law 15/2008	Same as in Formal Areas (see above)
			Same as in Formal Areas (see above)	Law 10/2018	Same as in Formal Areas (see above)
Formal Area	Owner-led Rehabilitation *require tenure documents	Self-Funded	GDCA, Courts, Notary Office or other relevant body (Tenure Approval) Bank (to secure approval for funding) Public Safety Committee (for evaluation of status of pre-existing building)	Building Code (each city has its own) Law 222/1963 and amendments (for historical buildings)	Municipality (for obtaining Building Permits in secondary and tertiary cities) Governorate Technical Service Directorate (for obtaining permits in smaller towns) Syndicate of Engineers (Where Moderate Damage Requires Assessment)

	Appeal Process	Gaps/Challenges	Risks	How UN Habitat Can Support
		<ul style="list-style-type: none"> Many tenure documents have been lost or are contested. 		
	Same as in Formal Areas (see above)	Same as in Formal Areas (see above)	Same as in Formal Areas (see above)	UN Habitat should particularly refrain from privately led massive developments in informal areas.
	Same as in Formal Areas (see above)	Same as in Formal Areas (see above), however major challenge: <ul style="list-style-type: none"> Unclear/unresolved land tenure, ownership 		
	<p>The City Executive Bureau (for challenging decisions by the municipal technical service dept.)</p> <p>Administrative Courts for challenging permit decisions by the municipality.</p> <p>Arbitration process (for resolving disputes among co-proprietors)</p>	<ul style="list-style-type: none"> Safety, security and standard of living contingent on various level of damage to services, infrastructure and networks Potential longer timelines for construction Lack of training or technical oversight on construction Tenure disputes and erased demarcations of property lines. 	<ul style="list-style-type: none"> Delayed permit procedures. Initial demand on material and labour will induce inflation Inadequate design and supervision will produce poor quality buildings and the next generation of housing stock will likely be substandard. Women may not be able to develop their properties as they have little recourse to obtain property titles and finance. 	<ul style="list-style-type: none"> Develop a general matrix on procedural issues facing private owners. Training municipal staff Coordinating with the Syndicate of Engineers to survey damaged areas and issue building safety certificates. Training Syndicates of Engineers on managing damage survey for entire neighbourhoods as opposed to single buildings. (setting up data bases)

Development Type	Project Categories	Funding	Pre-Approvals (Key Decision-Making Bodies)	Applicable Laws and Legal Tools	Approval Authorities and Key Decision-Making Bodies
Formal Area	Owner-led Rehabilitation *require tenure documents	Self-Funded	<p>Municipality (for approval of demolition of existing structures on site and changing zoning designation)</p> <p>General Directorate of Cadastral Affairs (for approving subdivisions and obtaining cadastral plans and for historical zones)</p> <p>General Directorate of Cadastral Affairs in main cities or Governorate level Technical Services Directorate for smaller towns (for demarcation of land)</p>		
Informal Areas	Owner-led Rehabilitation and/or Redevelopment	Self-Funded	<p>General Directorate of Cadastral Affairs (to ensure common property is subdivided and shares are respected in zones where the informal settlements is built on large plots of agricultural lands)</p> <p>Governorate (for agreeing on collective measures for basic infrastructure, through popular work schemes)</p>	(See state enabled developments in informal areas above)	(See state enabled developments in informal areas above)

	Appeal Process	Gaps/Challenges	Risks	How UN Habitat Can Support
		<ul style="list-style-type: none"> • Agreeing among neighbours on the physical status of the building and the need for reconstruction • Availability of funds • Inflation of building materials and labour • Disposal of debris (especially hazardous debris) • Some of the building previous building co-proprietors may have legal junctures against them which hinder the issuing of permits for the rest of the owners. • Poor quality of public infrastructure and the inability of municipality to repair public infrastructure in a timely manner. • Sorting out inheritance rights of co-proprietors. 	<ul style="list-style-type: none"> • Public infrastructure will not be repaired, and many neighbourhoods will have poor and environmentally sub-optimal infrastructure. • Building violations will likely increase as corruption and inexperienced technical staff will not be able to ensure proper regulation. • Uneven reconstruction processes will tilt return prospects and cause demographic shifts. 	<ul style="list-style-type: none"> • Developing models and procedures for disposing of building debris and recycling them. • Developing guidelines for rapid assessment of neighbourhoods (based on pilots done by Habitat) and training municipalities to conduct their own surveys. • Awareness programmes on handling damaged buildings and coordinating with other UN to raise awareness about unexploded objects.
	(See state enabled developments in informal areas above)	(See state enabled developments in informal areas above)	(See state enabled developments in informal areas above)	(See state enabled developments in informal areas above)

Development Type	Project Categories	Funding	Pre-Approvals (Key Decision-Making Bodies)	Applicable Laws and Legal Tools	Approval Authorities and Key Decision-Making Bodies
Camps	Temporary Camps for Refugees and IDPs			Further info required on Emergency Laws and Procedures	
	Palestinian Refugee Camp Development		GAPAR	All development activities are subject to the same laws in Formal and Informal areas.	GAPAR

	Appeal Process	Gaps/Challenges	Risks	How UN Habitat Can Support

Annex D: Stakeholder risk mapping

Key risks and challenges as they relate to relevant stakeholders in housing recovery in Syria.

Stakeholders	Gap/Challenges in Housing	Risks
Beneficiaries		
<p>Tenants</p> <p>Tenants includes those with lease hold agreements, property pawn loan agreements and short-term investment deposits.</p> <p>Tenants include a range of occupants that face varying degrees of challenges and risks including tenants in informal dwellings, refugees and IDPs and woman-headed households (defined further below).</p>	<ul style="list-style-type: none"> • Large-scale displacement • Extensive destruction and damage to housing • Proving rights of tenure and/or usage • Limited access to formal housing • Inflation of rents • Illegal forced evictions • Owners denying tenants permission to renovate to pressure them to leave • Owners are absentee and do not cover costs of structural repairs • Lack of information on housing policies and planning decisions (incl. lack of disclosure of interventions) • Disrupted local networks of the informal housing sector • Tenant-led rehabilitation challenges including: <ul style="list-style-type: none"> » Safety, security and standard of living contingent on various level of damage to services, infrastructure and networks » Access to micro finance » Access to technical support » Access to records 	<ul style="list-style-type: none"> • Prolonged displacement • Increased precarity and vulnerability due to lack of housing • No affordable/formal channel to housing (gentrification, rent gaps) • Conflict-related security risks • Displacement through urban development without proper compensation • Risk of multiple displacements
<p>Owners</p> <p><i>Ownership includes those in possession of deeds or tenure rights in formal and informal areas. The Syrian civil code recognises the right of surface (the rights of an owner on buildings erected on a land of another). In some cases, owners may own the land, but the construction was performed without a specific license. Occupants of a dwelling who benefit from an usus right (usage</i></p>	<ul style="list-style-type: none"> • Large-scale displacement • Extensive destruction and damage to housing • Entanglement of property rights in complex inheritance problems • Fragmentation of title among many and dispersed inheritors who have different interests (small fraction of owners having one of the inheritors wanted by the authorities will delay any transactions on the property) 	<ul style="list-style-type: none"> • Prolonged displacement • Increased precarity and vulnerability due to lack of housing • Degradation of housing rights • Conflict-related security risks • Selling properties under duress • Risk of multiple displacements • Risk of defacement or destruction of heritage elements to avoid heritage listing • Compromised integrity of heritage assets due to illegal construction of poor quality

<p>for shelter). The rights of usage are legitimate and can be transferred by inheritance</p> <p>Several types of ownership exist who face varying degrees of challenges and risks. These ownership types include those with various types of documentation including: Permanent Record/Green Tapu (Title), Temporary Records, Cooperative deeds, Long-Term Awqaf Lease and Agricultural Land Shares, to name a few.</p>	<ul style="list-style-type: none"> • Proving rights of ownership (in informal areas or for constructions built illegally as additions to formal housing) • Lack of information on housing policies and planning decisions (incl. lack of disclosure of interventions) • Financial limitations • Avoiding confiscation for speculation • Resolution of illegal construction, squatting and secondary occupation on property • Heritage listing of properties • Owner-build/Self-build related challenges: <ul style="list-style-type: none"> » Safety, security and standard of living contingent on various level of damage to services, infrastructure and networks » Potential longer timelines for construction » Lack of training or technical oversight on construction » Weak supply chains for material and scarcity of skilled labour 	
Squatters and Secondary Occupants	<ul style="list-style-type: none"> • Illegal or contested occupation of housing • Facilitating returns for secondary occupants and legitimate owners/users 	<ul style="list-style-type: none"> • Prolonged displacement; delayed return of original residents • Increased precarity and vulnerability due to lack of housing • Increased squatting and secondary occupation • Conflict-related security risks • Refrain of both original and owners from maintaining the property and the gradual degradation of the stock
Beneficiaries – Crosscutting		
Women and Woman-Headed Households	<ul style="list-style-type: none"> • HLP rights are limited by inheritance law; women are customarily forced to give up the HLP rights to male family members. • Widows inability to prove their HLP rights following the death or departure of their husband during the conflict. • Mine clearance and land release procedures fail to include women, limiting HLP rights. • Gender/social norms force women to sell their property because socially they are unable to engage in public transactions needed to manage their estates. 	<ul style="list-style-type: none"> • Difficulty to include women and woman-headed households in HLP-related interventions • Lack of access to judicial remedy • Reinforced gender inequities • Deprived access to land • Complete loss of HLP rights • Prolonged displacement • Increased precarity and vulnerability due to lack of housing • No affordable/formal channel to housing • Conflict-related security risks • Risk of multiple displacements

Stakeholders	Gap/Challenges in Housing	Risks
Women and Woman-Headed Households	<ul style="list-style-type: none"> • Legal prejudices including in traditional mediation processes which typically ignore women's rights and interests. • Missing civil documentation (birth, death, marriage, divorce, etc.) makes it difficult for women to access their HLP rights. 	<ul style="list-style-type: none"> • Forced marriages of girls to usurp their property rights • Gender-based violence to force women to relinquish their rights
Youth	<ul style="list-style-type: none"> • Unmet housing demand of large number of youth entering housing market at the same time • High rates of youth unemployment in informal areas • Huge demand on housing when large numbers of youth who have left the country begin to return. • Unmet housing needs will push returning youth towards spontaneous settlements 	<ul style="list-style-type: none"> • Prolonged displacement • Increased precarity and vulnerability due to lack of housing • No affordable/formal channel to housing • Conflict-related security risks • Risk of multiple displacements • Increased risk of radicalisation due to lack of HLP rights and unmet housing needs
Refugees and IDPs	<ul style="list-style-type: none"> • Large-scale displacement • Extensive destruction and damage to housing • Proving rights of tenure and/or usage; missing civil documentation hinders access to HLP rights • Limited access to formal housing • Lack of information on housing policies and planning decisions (incl. lack of disclosure of interventions) • Fears of refugees of security related challenges to return and claim their property rights • Inability to recover properties occupied by secondary occupants • Weak delivery of urban services to encourage people to return 	<ul style="list-style-type: none"> • Prolonged displacement • Increased precarity and vulnerability due to lack of housing • No affordable/formal channel to housing • Conflict-related security risks • Risk of multiple displacements • Difficulty to include refugees and IDPs in HLP-related interventions • Lack of access to judicial remedy • In informal areas, inability to prove tenure rights due to loss of social networks (testimony of neighbours and kin used to prove contested tenure and/or blurred demarcation lines between properties) • Inability to return • Social cohesion-related issues • Inhibited ability to re-establish their rights and engage in political processes or public discourse upon return.
Housing Developers		
Public Developers incl. Cooperative Developers (Quasi-Governmental⁵⁴) <i>Public developers are mainly concerned by developing social housing for sale or rent to</i>	<ul style="list-style-type: none"> • Access to financing and resources • Availability of qualified human resources for construction activities • Availability of cement and other construction materials • Potential bottlenecks in supply chain 	<ul style="list-style-type: none"> • Delays to project implementation • Inability to initiate projects • Inability to adequately assess feasibility of projects • Asymmetry in the distribution of projects

54 Cooperative development are in principle private developments with very strong public sector oversight in return for high levels of subsidies.

<p><i>low-income groups at cost or with small margins of profit. The cooperative developers focus mainly on middle class housing, with historically a small share of total construction. These developments are a minor portion of housing development in Syria.</i></p>	<ul style="list-style-type: none"> • Land disputes and legal proceedings • Dependence on the availability of land designated in masterplans for development • Scarcity of lands available for development requires revisiting many urban masterplans • Contestation of jurisdictions between local and central institutions 	<ul style="list-style-type: none"> • Poor correlation of supply and demand • Opportunity costs are very high, the cost of public supply of housing is much higher than alternatives • Locking of public resources in long term projects limits the flexibility to meet housing demands. • Inability to meet demand creates bottlenecks for distribution of housing outputs and encourages corruption in the distribution.
<p>Large Private and PPP Developers</p> <p><i>The large private and/or PPP developers are mainly focused on prime locations in cities and their suburbs with high rent-seeking by real estate valuation for housing development. This development is a minor portion of housing development in Syria.</i></p>	<ul style="list-style-type: none"> • Inability to handle complex residential markets involving social housing as part of developments • Challenges negotiating unclear and overlapping urban planning / regulatory framework • Inability to resolve issues such as environmental impact studies, compatibility with regional plans, expropriations of private lands, linking to city infrastructure grids (who would cover externalities), building codes and zoning regulations, etc. • Land disputes and legal proceedings • Access to financing and de-risking policies of banks • Increased land costs • Infrastructure costs on large lots and limitation of demand in outputs of such projects which limits advance cash flow to cover infrastructure costs • Limitations due to sanctions • Availability of cement and other construction materials • Potential bottlenecks in supply chain, the need for hard currencies • Availability of qualified human resources for construction activities • Post-conflict inflation risk (expected that municipalities will transfer the inflation risk to private developers even at the cost of losing some of their expected returns) • Inadequate compensation strategy for displaced persons in Development Zones (DZ) 	<ul style="list-style-type: none"> • Delays to project implementation • Inability to initiate projects • Inability to adequately assess feasibility of projects, resulting in less profitable projects over time • Reputational and financial risk due to ongoing, overlapping and onerous court challenges • Prolonged period of relocation for displaced persons or multiple displacements (i.e. once from the conflict and a second from land readjustment) • In DZs, no assurance that the share the owner receives will turn out to be as valuable as the property the owner contributed and may not result in free transfer of the new parcel. • In DZs, no assurance that needs of the poor and vulnerable will be addressed including improving or restoring livelihoods and standard of living.

Stakeholders	Gap/Challenges in Housing	Risks
Small Developers <i>Most of the housing development in Syria is made by the numerous small private developers, focusing on individual buildings or in limited cases two or three buildings. These small developers could be formed around one future owner of a dwelling or a small number of co-proprietors. Activities include small-scale new development, redevelopment and rehabilitation.</i>	<ul style="list-style-type: none"> • Challenges negotiating unclear and overlapping legal and regulatory requirements • Land disputes and legal proceedings • Access to financing • Increased land costs • Limitations due to sanctions and banking de-risking policies • Availability of cement and other construction materials • Potential bottlenecks in supply chain, the need for hard currencies • Availability of qualified human resources/manpower • Post-conflict inflation risk (expected that municipalities will transfer the inflation risk to private developers even at the cost of losing some of their expected returns) 	<ul style="list-style-type: none"> • Delays to project implementation • Inability to initiate projects • Inability to adequately assess feasibility of projects • Fiduciary risk from impacts to project costs and timelines • Cash flow shortages may force financiers and lenders to foreclose on properties
Institutional Developer (Institutional Development Companies) <i>(Incl. Military Housing/Construction Establishment)</i>	<ul style="list-style-type: none"> • Refer to Large Private and PPP Developers section 	<ul style="list-style-type: none"> • Refer to Large Private and PPP Developers section
Decision Makers		
Municipalities <i>Municipalities are responsible, and accountable, for overseeing service provisions by line ministries and their local directorates; as well as representing their population constituency towards regional, central authorities, and public utilities.</i>	<ul style="list-style-type: none"> • Extensive destruction and damage to housing and infrastructure • Capacity of local institutions to implement policies varies regionally • Urban management and project design challenges (missing feasibility studies, missing mechanisms for implementation, phasing of implementation – inability to manage large lots, connectivity to other systems, environmental and social cohesion issues) • Limited capacity for engagement and consultation • Limited budget to pay for infrastructure • Limited access to credit lines, forcing municipalities to engage in undesirable PPP to satisfy their short-term cash needs which in turn can contribute to corruption • Availability of specialized human resources and materials for the purpose of heritage conservation and recovery 	<ul style="list-style-type: none"> • Increasing housing gap that varies regionally • Inability to facilitate project implementation and phasing • Risks related to assuming the externalities of large public and private development projects • Delays to project implementation • Deteriorating heritage assets • Lack of social acceptance from communities • Risk of gentrification through government “upgrading” projects of informal areas • High safety risk for interventions due to unknown location of UXOs • Increased financial costs to clear UXOs

	<ul style="list-style-type: none"> • Failure to perform proper due diligence regarding the presence of mines or unexploded ordinances and include explosive hazard risk assessments in the project design poses a high safety risk for HLP interventions. 	
Central Government <i>Ministry of Local Administration and Environment (MoLAE)</i> <i>Ministry of Public Works and Housing</i> <i>Council of Ministers</i> <i>Regional Planning Commission</i>	<ul style="list-style-type: none"> • Coordination between ministries where mandates overlap within urban areas (e.g., housing and infrastructure) • No clear strategy or policy direction of urban recovery after conflict • Mistrust of bottom-up solutions • Limitations due to sanctions • Ongoing financial crises and many competing demands on the central budget • Mismatch between fiscal and monetary policies and the continuous devaluation of the pound • Social pressure to demonstrate doing something about the issue • Expectations of those impacted by the crises to return to housing or to access housing • Supply side model inability to realise developments and meet housing demand. • Long timelines to realise infrastructure and housing developments through the master plan process. • Unresolved issues of land ownership claims and counter claims. • Contradictory legal frameworks and jurisdictions • Limited human resources • Uncertainty about future conditions and demand and where best to invest • Major gaps in middle management shoots local problems all the way to the top and occupy the band width of policy makers with mundane day to day operations 	<ul style="list-style-type: none"> • Threatened security of HLP interventions and may impede implementation • Mistrust of bottom-up solutions • Fiduciary risk – throwing money into solutions without results • Governance risks of top officials who fail to deal with problems • Supply side approach, unresolved HLP issues and long timelines for master plans indirectly creating push factor towards informal settlements and squatting. • Increased social cohesion risks. • Further sanctions • Expropriation leading to endless cycles of legal action • Unresolved tax backlogs - reduced and/or zero tax base

Stakeholders	Gap/Challenges in Housing	Risks
Financers / Donors		
Financial Institutions	<ul style="list-style-type: none"> • Sanctions and ability of financial institutions to operate both within and outside Syria (de-risking policies of banks) • Access to international financial lenders and the lack of trust by Syrian depositors • Perception of ESS and human rights impacts • Understanding of supply chain • Inflation and fiduciary challenges associated with housing projects in inflationary climate • Potential risks of indebted population and perception of bank loans as grants • Limited offerings to tackle financial needs from micro to macro solutions • Inability to secure collateral for mortgages • Weak insurance systems and inability to secure re-insurance for housing loans 	<ul style="list-style-type: none"> • Financial risks relate to the implementing agency's budgeted capacity to complete the intervention according to the necessary and required standards. • Reputational risk – understanding the supply chain • ESS risks – understanding environmental, social, health and safety risk • Inflation and the devaluation of portfolios
Suppliers		
Services, Labour, Materials	<ul style="list-style-type: none"> • Potential bottlenecks in supply chain, the need for hard currencies, national balance of accounts and associated inflation • Availability of cement and other construction materials • Availability of qualified human resources for construction activities 	<ul style="list-style-type: none"> • Delays to project implementation • Inability to initiate projects • Inability to adequately assess feasibility of projects • Environmental risks due to over exploitation of natural resources to produce building materials and dispose of debris • Transfer of labour forces towards cities with better prospects for reconstruction would create a vicious cycle of intense urbanization in some areas and depopulation of others.
Civil Society		
Civil Society (Incl. Syndicate of Contractors / Syndicate of Engineers)	<ul style="list-style-type: none"> • Capacity of civil society to tackle scale of damage assessment and support of return • Challenge of working in environments with health and safety concerns • Adherence to formalized housing process from pre-crises era • Poor legal and regulatory environment for the work of CSO's • Asymmetrical interests of donors to fund civil society 	<ul style="list-style-type: none"> • Safety and security risk • Project management risk to timelines and budgets • Governance risk from many overlapping and competing demands for technical support • Fiduciary risk associated with donor funds • Emerging of new forms of patronage and corruption

Annex E: Housing sector precedent context

This Annex includes the following:

- Section E.1 which provides an overview of each of the precedents including lessons learned
- Section E.2 provides an analysis of the precedents against key thematic housing recovery criteria pertinent to the situation in Syria aggregated according to supply and demand side interventions

E.1 Precedents

The following section provides an overview of each of the eight precedents reviewed as part of the analysis.

E.1.11 Iraq National Housing Policy

Context

Post-Conflict / Post Disaster. Wars and government negligence stalled implementation of Iraq's General Housing Plan. As of 2010, Iraq's housing shortage amounted to approximately 2 million units. At that time, UNH calculated that Iraq's centralized system of housing delivery was unable to address the country's housing deficit. Key challenges to delivery of housing included supply chain bottlenecks, shortage of buildable land, limited capital for home improvement loans and conventional mortgages, declining infrastructure service levels, an undercapitalized construction sector, households that could not afford decent housing, and inadequate housing policies.

Objective

Iraq's 2010 National Housing Policy was an attempt to increase the role of the private sector in housing production while narrowing the public sector role to that of policy maker with special responsibility to provide housing to low-income Iraqis. The policy would facilitate access to housing for all Iraqis, increase efficiencies in production, provide choice to Iraqis with respect to housing type, location, and tenure, improve environmental sustainability of housing, and improve homeowner's ability to improve / expand existing shelters.

Approach

The underlying assumption of the Policy was that economic recovery following the war would drive demand for housing. By removing regulatory barriers that made land acquisition difficult and eliminating preferences for public-sector housing producers, the government could create a level playing field for private producers and drive investment in the housing sector.

Land Management approaches under the policy would create more flexibility for private sector actors to acquire and subdivide serviced and un-serviced public land with a view to providing a range of housing unit types and tenures for public consumption. Concomitantly, sub-national governments would take steps to properly inventory available land and remove land acquisition subsidies to allow private companies to compete with public housing projects.

The housing production approach centred on reducing the role of government in housing production, allowing the public sector to focus on delivery of units to those who cannot be served by the private sector. To stimulate private housing production, the approach focused on reducing construction costs for private developers and eliminating financial support and taxation advantages provided to public-sector housing producers and producers of building materials. Building materials costs would theoretically come down if materials producers could access commercial financing to make their businesses more efficient and productive. Under the policy the government would facilitate this lending through wholesale loans to commercial banks.

The housing finance approach centred on creating housing demand by establishing a mortgage financing system based on enabling commercial banks to enter the mortgage finance business and re-establishing the REB and NHF as second-tier lenders to the banks, effectively removing them from the commercial loan sector except for the neediest households. Smaller housing extension and improvement loans would be used to improve the quality of existing housing stock to avoid mortgages being diverted for this purpose. Finally, laws would be updated to ensure efficient enforcement of lending terms.

Government would support these initiatives by improving and extending infrastructure into under and un-serviced areas and promote private sector participation in infrastructure improvement and extension. The government would also support maintenance and upkeep of existing housing stock through regular inspection and privatization of government maintenance responsibilities. In all cases subsidies and other advantages provided to public companies would be removed while privately owned local producers of environmentally sustainable building materials would receive government incentives.

Lessons Learned

By 2018-2019 Iraq's housing shortage amounted to approximately 1 million units, with approximately 30,000 new units produced annually by that time.

The private sector, envisioned as the main driver of housing production by the Policy was unable to take on the mantle of leadership. Weak following decades of public sector dominance in housing production and wars of the 1980s, 1990s, and 2000s, the national housing and construction sector could not withstand persistent terrorism activities, war with ISIL, and an unfavourable investment climate.

Given the constraints facing the private sector, the Policy vision for government, which all but eliminated the role of the public sector in housing construction and narrowed the role of government to regulatory responsibilities, was likely not appropriate. Research of other housing precedents, including Iraq's historical precedents, suggests that at least a temporary role for the public sector in housing construction may have been effective until private sector leadership became sustainable. In particular, government intervention to support informal settlements through infrastructure servicing may also have contributed to housing needs, at least on an interim basis.

E.1.2 Post-World War II Germany (European Recovery Programme, i.e., "Marshall Plan")

Context

Post-Conflict. Allied bombing had left many German cities in desperate need of repair following World War II. Already severe housing shortages were exacerbated in West Germany (FRG) by the influx of approximately 12 million mainly ethnic Germans from neighbouring states during and following World War II and by confiscation of quality units to house Allied military forces. Refugees and the homeless settled where they could with families, in suburban and rural areas, in basements, and in impromptu shelters constructed amidst urban rubble. Construction of temporary housing was undertaken to house some of these refugees and homeless. At war's end the country lacked more than 4 million units; it was anticipated following the war that it would take at least three decades to make up the shortfall at the rate of production witnessed in the interwar period.

Following the war, the United States launched the European Recovery Programme, or "Marshall Plan," in order to assist Western Europe's economic recovery and re-build critical infrastructure, including housing. The Programme operated in Germany through the Economic Cooperation Administration. Together the ECA and military government directed ERP-generated funds to housing production in Germany.

Objective

The ECA would help Germany rapidly scale up housing by importing materials and directing Marshall Plan funds to the FRG to produce low-cost housing for workers in key industrial sectors. The goal was to attract workers to key industrial sectors such as coal production to increase industrial production, grow the economy, and create demand for housing. In addition to stimulating economic growth, a key objective of the significant investment of ECA and state funds in housing was to create social stability, a key plank in the ideological struggle against communism in the immediate post-war period. The decision to invigorate the FRG's refugee housing programme to prevent radicalization of the homeless was taken in early 1949.

Approach

The ECA performed three key functions, that is, providing a secure supply chain of goods and services

to producers, directing financing toward housing projects and mortgages, and ensuring that housing projects would serve key industrial sectors that could stimulate economic growth and employment. With the FRG's supply chain and productive capacity severely damaged during the war, the ERP shipped American materials across the Atlantic for sale to German companies. The proceeds of the sales ("counterpart funds") were allocated to ECA-administered accounts, which were tightly controlled and released to the FRG to finance projects in key areas of the economy such as housing. By requiring the FRG to allocate funds only to ECA-approved projects, the ECA could effectively allocate national funds to priority projects. Similarly, ECA funds were also directed to support KfW financing for housing. As these funds made up a significant portion of KfW financing for housing, the ECA had a large say in how KfW-financed projects would be administered (e.g., location, design, and target groups). Cities targeted for ECA-funded housing were required to provide suitable land and take on the cost of improving the land.

Housing design and tenancy regulations in the first wave of home building were tightly controlled to encourage low-cost construction methods and to first establish housing for targeted groups (e.g., industrial workers, initially and crucially in the coal-producing Ruhr region). Funds were also directed almost exclusively to new builds and for political reasons (i.e., to increase buy-in from the working class) were constructed to offer a higher standard of living than was typical of pre-war German working-class housing. The higher standard of living provided by the new housing units encouraged more workers to migrate to industrial areas and encouraged old or original workers to stay on. Significant portions of the funds were also set aside to support workers mortgages so they could afford to purchase these new homes in targeted locations. Refugees from the GDR were entitled to additional benefits, and, between 1953 and 1958 over 320,000 dwellings were built in FRG for this class of refugee, both to draw skilled workers into key sectors and to alleviate homelessness and unemployment in Berlin, which was isolated from the FRG in the Soviet zone of occupation.

Overall, Marshall Plan funds administered by the ECA resulted in the construction of many more new dwellings in West Germany than in France or Great Britain. The housing gap in FRG was closed by 1961.

Lessons Learned

It is unlikely that without a secure supply chain of goods and services that German producers would have been able to construct housing at the pace witnessed between 1950 and 1961.

The Marshall Plan housing programme in coordination with military government and FRG housing initiatives was successful because they provided for both additional strenuous supply-side interventions (e.g., land acquisition and improvement mechanisms) and demand-side interventions (linking housing production to key economic activities, shoring up consumer lending, and introducing strong rent controls and subsidies for low-income renters).

The programme's effort to engage the private sector to produce housing was likely successful in part because there was an experienced (if initially under-supplied and under-capitalized) housing sector capable of responding to the challenge. Similarly, the program depended on capable and effective policymakers and regulators carried over from the pre-war and wartime governments and shored up by Allied, and particularly US civilian and military personnel.

E.13.3 Pakistan Rural Housing Reconstruction Programme

Context

Post Disaster. In October 2005 a 7.8 magnitude earthquake struck northern Pakistan, killing approximately 73,000 and destroying or severely damaging more than 90% of all dwellings. More than 2.8 million people were left in need of shelter. To restore housing the Government of Pakistan in coordination with the World Bank and other international partners launched the US\$1.5 billion Rural Housing Reconstruction Programme (PRHRP) to restore housing to the homeless using seismic-resistant design features. The programme focused on multi-tranche financing to households to both replace or repair housing to seismic-resistant standards.

Objective

The RHRP's objective was to ensure owner-driven housing reconstruction while providing technical assistance and inspection to simultaneously ensure seismic safety. Immediately following the earthquake, the government faced pressure

to show immediate results, with the most likely candidate being prefabricated homes. However, the government was determined to avoid use of these units. International experience suggested that approaches involving prefab units met with mixed results in post-disaster settings, with many being viewed as alien environments that do not respond to the needs of local households, particularly among rural households. Another objective of the owner-driven approach to homebuilding was to help households get over the trauma of having lost their homes by having a direct say in how their homes would be rebuilt.

Approach

The approach was two-pronged, focusing on multi-tranche financing and inspection. Following a damage assessment and beneficiary eligibility survey, government grants were channelled through commercial banks into beneficiary bank accounts. As the affected area was overwhelmingly rural, commercial banks had to be mobilized rapidly to facilitate opening of new bank accounts for those who had never used banks. Financing terms were agreed upon beforehand via Memoranda of Understanding (MOUs) with beneficiaries. Grants were released at different milestones according to an inspection schedule that verified the seismic resistance of the dwelling.

Partner organizations provided technical assistance for reconstruction / repair and training for local individuals and builders, including many unskilled workers who joined the construction sector. 600 inspection teams were mobilized throughout the duration of the programme, that is, between 2005 and 2008 to ensure dwellings were constructed to specifications, the key condition of financing.

To ensure even / equitable access to materials throughout the affected area, the government enlisted the private sector to establish a building materials supply chain with building materials hubs erected throughout the Programme area.

Vulnerable households, such as those headed by women and the elderly were provided with additional supports (e.g., processing of paperwork and technical assistance). The poorest households were provided with livelihood cash transfers to support them throughout the recovery period.

By 2008 approximately 94% of needed dwellings were rebuilt or repaired to new seismic-resistant standards.

Lessons Learned

The World Bank estimates that the model for housing reconstruction employed by the PRHRP was well-suited to a post-disaster context for which there were few precedents. It provided flexibility in the absence of directly pertinent examples.

A major objective of the Programme was to ensure that new dwellings would be resistant to a similar seismic event. Accordingly, hands-on, on-the-job training and capacity building programmes that engaged a variety of stakeholders, from design experts and inspectors to local craftspeople and homeowners, were necessary to make sure that pre-disaster materials and methods would not be employed to rebuild housing. The staged, tranche financing coupled with inspection were crucial to ensuring that new dwellings were built to seismic-resistant design specifications.

At the time of the earthquake, Pakistan did not possess a centralized disaster management administration because the country did not have a recent history of similar disasters. A central lesson of the recovery programme was that a central administration that transcends a federal system of government and involves various level of government is essential to preparing a rapid response.

E.1.4 Haiti Housing Recovery, 2010 – 2012

Context

Post Disaster. In 2010 a 7.3 magnitude earthquake struck Haiti, killing more than 300,000 and destroying or damaging more than 300,000 structures. The earthquake's impact was felt primarily in urban areas, including Port-au-Prince and several cities in south-eastern and south-western parts of the country. In Port-au-Prince, 1.1 million displaced persons were temporarily housed in 891 temporary camps. An additional 165,000 found shelter elsewhere. The response to emergency and long-term post-earthquake housing recovery was donor driven. A multitude of frameworks and strategies were employed to achieve recovery objectives.

Objective

Generally, the goals of an early needs assessment were to transfer financial assistance to beneficiaries, train all actors involved in housing reconstruction in risk-resistant construction, and allow local actors

to take over as quickly as possible from humanitarian aid organizations.

Approach

Initially there was an immediate need for emergency shelter for affected populations. The Shelter Sector Response Plan set out goals to provide emergency shelter within 3 months, full transitional shelter within 12 months, and also, within 12 months, a plan for providing durable shelter.

Semi-portable, hurricane-proof T-shelters were conceived early on to be a user-friendly temporary solution that could easily be maintained and upgraded by beneficiaries. These were financed and built almost exclusively by international donors. Immediately following the earthquake, financial and material support was also provided to families hosting IDPs who had left urban areas as well as rental subsidies for those in urban areas. Each of these interventions were moderately successful in providing transitional shelter, though the T-shelter programme received the majority of funding and technical assistance.

With respect to housing recovery, there was no overarching strategy similar to the shelter response plan. This was likely the result of the lack of a pre-earthquake housing plan. Instead, housing recovery in post-earthquake Haiti proceeded as it had prior to the earthquake, with individual households rebuilding and repairing dwellings incrementally in the absence of technical assistance. However, incremental repairs by landlords made rental assistance programming feasible. This came in the form of a Rental Support Cash Grant (RSCG) for renters, introduced a year after the earthquake, was successful because, in that time, landlords had repaired their rental units.

International aid organizations initiated several new housing settlements, though ultimately provided relatively few units than may have been possible through repair and reconstruction of existing units.

Lessons Learned

Prior to the earthquake, the presence of international donor's in the Haitian economy was significant, and these organizations played a large role in Haiti's development. It is possible that this presence was beneficial to housing recovery. However, according to the World Bank, donors were not prepared to coordinate the influx of support that poured into Haiti following the earthquake. Furthermore, many international agencies working in Haiti prior to the

earthquake lacked direct experience working in shelter and housing.

Transitional shelters (T-shelters), though they made up 75% of early shelters, were not well adapted to the Haitian situation. They were best suited to beneficiaries who owned land and difficult to build in urban areas, where tenure was difficult to establish and rubble impeded construction. Nevertheless, they were responsible for a significant decline in IDP camp populations.

The emphasis on T-shelters and general lack of understanding among international donors of the Haitian housing market meant that proven interventions that had been successful in relieving homelessness in urban areas, such as those that supported hosting of IDPs in the provinces and rental subsidies did not receive adequate funding and were not pursued aggressively in the medium and long-term. Similarly, supports that may have facilitated household self-recovery, including repair and upkeep of continuously occupied damaged structures using locally available materials, the most common method of Haitian housing recovery, could have benefited the recovery in urban areas.

With respect to housing recovery, efforts were compromised throughout by a lack of pre-existing government housing plans and policies, incomplete data regarding needy households, and land tenure. Ultimately the informal housing sector and economy provided housing for displaced persons in the two years following the earthquake.

E.1.5 Housing Recovery Following the 2004 Indian Ocean Tsunami (Indonesia)

Context

Post Disaster. In December 2004 a 9.1m earthquake struck the Indian Ocean west of the Indonesian Island of Sumatra. The resulting Tsunami devastated many coastal areas surrounding the Indian Ocean, with the Indonesian province of Aceh suffering particular damage. A second earthquake measuring 8.7m struck the nearby Indonesian Island of Nias in March 2005 resulting in further death and destruction.

More than 500,000 displaced peoples migrated from coastal areas in Aceh and Nias.

Objective

The initial objective of the government-led Aceh-Nias Rehabilitation and Reconstruction Agency (BRR) was to reconstruct 140,304 houses within 4 years, with reconstruction restricted to a "Promoted Zone." Coastal areas that had been severely impacted by the Tsunami were to be closed off to housing reconstruction efforts to avoid damage from future earthquakes and / or tsunami. Additionally, new housing was to be designed to seismic-resistant standards.

Approach

Generally, the approach to rehousing the displaced populations of Aceh and Nias involved international donors, government, and owners, with donors providing resourcing and owners leading construction. First, a survey was designed to identify housing need. This was done with the support of a variety of NGOs as well as officials at the village and sub-village level. Further survey was undertaken to identify beneficiaries. This occurred at the village level.

Early planning favoured relocation / resettlement the displaced outside of impacted areas in favour of coastal buffer zones was a prominent early planning solution, but this was abandoned early in the process. Instead, displaced communities largely led a return to return to their former communities and sought to re-establish their former tenures.

In order to establish land title, difficult in Aceh at the best of times because tenure was in most cases held according to local custom, was particularly difficult because much land had disappeared into the sea. The Reconstruction of Aceh Land and Administration System Project (RALAS) set about certifying land. This was done through Community Driven Adjudication (CDA) which produced a map which was approved by the landowner and village head. Neighbours would then approve the map. The National Land Agency would issue a certificate of ownership based on the CDA results. A system was developed to include women's names on the land title to protect their property rights (and those of their heirs) in cases where their husbands had died, but this mechanism was rarely used.

While international donors provided significant funding and other resourcing to support reconstruction, broadly NGO's (UNHCR, UN-HABITAT, UNICEF, and World Vision) favoured an owner-driven approach to reconstruction that would empower

communities. This was accomplished using two sources of aid, that for housing (BDR), and that for environment (BDL). BDR aid assisted with housing reconstruction and repair. The aid was administered by individual families, entire communities, and sometimes by third parties. A government Housing Facilitator monitored the use of funds.

Housing units were built using a combination of government (39%) and NGO (61%) funds. Initially the BRR sought out small, local contractors to undertake building using their funds. A registry of qualified contractors was established, and the government could award contracts directly to any listed contractor, almost all of whom lacked experience.

Initially cash aid was provided to renters and family members who had lived with family or in illegal housing on private land, including squatters (Social Assistance Aid for Residence). The aid could be used for many purposes, including to rent a dwelling, use as down payment on a house, buy land, or to build a house on their own land. In 2007, poor heads of household who previously lived as renters were offered land, or a house, or both, under certain circumstances.

Those families whose land had been claimed by the ocean had to be relocated. Land for this purpose, as well as for BDR aid to renters was provided by land which had been released from the existing communities for that purpose.

Lessons Learned

Deforestation prior to the tsunami severely curtailed efforts to rebuild housing in Aceh, as traditional building techniques depended heavily on availability of organic materials such as timber, grasses, and bamboo. This necessitated reliance on external aid sources for industrialized building materials, which may have suppressed local production capacity.

The decision to hire local contractors was made for the purposes of local capacity building and acknowledged the risks associated with utilizing an inexperienced and underqualified fleet of contractors. Further sub-contracting resulted in a slow and incomplete construction utilizing low-quality materials.

In the end, a "top-down" approach to physical reconstruction proved more efficient than the initial approach, which was to rely upon a poorly experienced network of local contractors.

E.1.6 Wa'd Project - Beirut Southern Suburb (al-Dahiya) - Housing Recovery (Lebanon) (2006)

Context

Post Conflict. Following the 2006 war between Lebanon and Israel, infrastructure and residential neighbourhoods in several urban areas were left severely damaged by airstrikes and artillery fire. Approximately 125,000 housing units were lost, and approximately 1,262,000 civilians were either permanently or temporarily. Al-Dahiya, Beirut's southern suburb, a traditional Hezbollah stronghold, were among the hardest hit areas.

In the al-Dahiya municipality of Haret Hreik, as elsewhere in al-Dahiya, neighbourhood reconstruction proceeded under the Wa'd project, a Hezbollah-led initiative tacitly supported financially by the government, that employed Hezbollah's development NGO, Jihad al-Bina'. The initiative was tightly controlled by Hezbollah, who determined housing, street, and neighbourhood design features with little input from residents who in the majority of cases signed over government compensation packages to Hezbollah in order to avoid the complexities associated with the planning and design of the reconstruction process. The Party held tremendous sway over municipal initiatives and other planning authorities, effectively guaranteeing that plans could not be implemented without party support.

Objective

The objective articulated by Hezbollah was to permanently rehouse displaced residents of al-Dahiya within 4 years with a budget of \$400 million. In general, buildings, housing unit, and streets were to be rebuilt to similar design and in the same dimensions as they had existed prior to the war.

Approach

The initial approach employed by Jihad al-Bina' was to provide immediate shelter support in the form of \$12,000 cash grants to affected households to cover rent and furniture for the year (2006). The grants were subsequently renewed for 2007 and 2008. Then, the NGO would begin repair of partially damaged buildings, followed by investigation of issues related to a large-scale rebuilding project for al-Dahiya.

Nationally, the government of Lebanon's approach was based on a cash grant to be paid to

affected households to cover the cost of housing reconstruction. In al-Dahiya, payments amounted to \$53,333 for every destroyed home or apartment unit. An additional \$33,333 was designated for building common areas provided the building owners agreed on how it was to be spent. Payments were funded by international donors, including many Arab and Gulf states.

Hezbollah then offered residents the opportunity to delegate collection of the payments and reconstruction activities to Jihad al-Bina'. Approximately 95 per cent of owners opted in. Project Wa'd was set up to perform the collections and design and implement housing reconstruction. Wa'd's Advisory Board was composed of a General Manager, President of the Association of Architects at the Lebanese Order of Engineers, and five academics. Residents were engaged in a limited fashion by architectural firms with respect to internal planning of apartment units.

Wa'd was tightly controlled by Hezbollah, with municipal councils largely remaining on the sidelines of the reconstruction process.

Lessons Learned

The political contest between the government and Hezbollah prevented development of a participatory process that may have provided a voice for returning stakeholders in the design and reconstruction of their former neighbourhoods. The government provided little coordinating support for stakeholders in the form of intermediating between owners, builders, architects, banks, and other institutions that could have allowed them to participate more fully in determining how to administer their compensation payments, effectively leaving housing reconstruction in al-Dahiya to Hezbollah.

While Hezbollah, operating through the Wa'd Project and Jihad al-Bina', was successful in developing and implementing a plan for reconstruction that allowed stakeholders to return to permanent housing, the top-down approach employed by the Party with respect to neighbourhood planning largely relegated stakeholders to the sidelines, limiting their participation to discussions around apartment unit dimensions and design and building finishes.

E.1.7 Project for the Development of Historic Cities in Yemen (PDHCY) (2007 – 2013)

Context

Urban Poverty / Decay and Neglect of Historic Buildings. Yemen is one of the world's poorest countries, and the poorest in the Arabian Peninsula. At the time of the creation of the Project for the Development of Historic Cities in Yemen (PDHCY) in 2007, population growth, combined with a drop in oil revenues, had placed a severe strain on Yemen's economy. In 2008, the United Nations estimated that 45 per cent of Yemenis lived on less than \$2USD per day. In this context, Yemen's built cultural heritage had fallen into a state of disrepair. In 2004, UNESCO threatened to remove the historic city of Zabid from its list of world heritage sites unless the country took steps to prevent its further decay.

In 2006, the Government of Yemen articulated a Five-Year Plan (2006-2010) to reduce poverty, create jobs, and increase socio-economic stability. Within the Plan, the preservation of Yemen's historic cities was seen as a way to improve the economy by creating jobs and developing Yemen's cultural tourism sector. The PDHCY, a collaboration between the Yemeni government and the German Agency for International Cooperation (GIZ, formerly GTZ) was designed to foment sustainable economic growth by training residents to restore built infrastructure within the historic cities of Shibam and Zabid. A similar initiative focused exclusively on the city of Shibam, begun in 2000, served as a model for the PDHCY.

Objective

The stated objective of the PDHCY was "National authorities and local administrations together with local residents and businesses manage the sustainable economic development of the cities of Shibam and Zabid and promote preservation of Yemen's urban cultural heritage." Economic development would be achieved by training residents in local construction practices, allowing them to rebuild and improve infrastructure, including housing. This training would additionally result in an increase in workforce readiness in the construction trades. Specific objectives included:

Increase in contracts and sales of materials for traditional housing construction in Shibam and Zabid

Increase household income within the historic districts of Shibam and Zabid

Ensure women are supported by business promotion efforts

Rehabilitate historic buildings in line with agreed upon standards

Approach

With a view to creating jobs, contributing to workforce readiness, and supporting business development, the programme provided training to local builders and craftsmen in traditional construction techniques and established a master builders' association capable of training new builders, thereby contributing the development of a local construction trades workforce. PDHCY also sought to provide skills training to women for tasks such as wood restoration, silversmithing, and tailoring, to support the development of businesses within the historic cities. PDHCY sought to ensure that at least 30 per cent of participants of its business promotion program were women.

With respect to housing, the programme provided technical assistance and funding in the form of financial incentives to renovate, restore, and rebuild historic residential buildings and improve living conditions using locally available materials and traditional building techniques, including use of mud, stone, and timber. Training provided to residents in these construction techniques has also enhanced the employability of many residents, who now have the experience to apply for jobs and contracts outside of the historic cities.

Restoration of housing was resident led under PDHCY. In addition to technical assistance and training, the program provided subsidies (35 per cent in Shibam, and 50 per cent in Zabid) for residents who were unable to afford their own homes. Residents' contributions could either be in the form of cash or in-kind contributions, including labour. Recipient eligibility was determined based on location within the cities and the degree of disrepair of dwellings.

The programme adopted a participatory framework that involved communities and local businesses in discussions with different levels of government to enable joint decision-making and priority-setting among stakeholders, including community-based organizations (CBOs) composed of women, youth, builders, craftspeople, and farmers. PDHCY sought

to strengthen CBOs by providing literacy courses and scholarships in addition to technical training. The programme also provided capacity-building supports for local councils in Shibam and Zabid to facilitate functional working relationships. The potential for conflicts among different local groups, which hampered PDCHY efforts at the outset, were mitigated within the cities through use of negotiating mechanisms, clarification of tenure rights within Shibam, and involvement of religious institutions and leaders in planning projects

The programme was generally successful. By 2010, two thirds of Shibam's historic high-rises had been renovated. In Zabid, 10 per cent of homeowners took part in the housing programme, resulting in employment of 2,000 skilled and unskilled labourers. Overall, Shibam's construction sector accounted for 10 per cent of regional income by 2010.

Lessons Learned

The innovative element of the PDHCY was its use of built heritage preservation to address pressing social needs associated with poverty.

The participatory nature of the programme had the effect of empowering community groups, in particular women, to understand and advocate on their own behalf within the context of urban planning and renewal.

For the jobs it created, and use of locally available building materials and associated training programmes have contributed to the programme's sustainability. The training programme, in particular, was essential to overcoming initial barriers to programme success posed by high levels of poverty, unemployment, and lack of qualified human resources.

The programme highlights the contentious nature of heritage preservation. The success of the programme came despite widespread frustration among residents of the world heritage designation afforded to their cities, which had restricted their ability to build and therefore threatened their property values and rights. Local officials were therefore hesitant to cooperate with the programme for fear of losing political support. The programme only gained widespread acceptance when it's tangible benefits, i.e., employment opportunities, housing reconstruction, and infrastructure improvements.

E.1.8 Regularization of Informal Settlements and Barrio Renewal in Medellin Based on Principals of "Social Urbanism" (1993-Present)

Context

Civil Conflict / Civic Violence. Reorganization of Colombian agricultural practices toward market production in the first half of the twentieth century resulted in the decline of a village-centred society in the countryside focused on subsistence production. Market-oriented land reforms entailed, notably, a consolidation of landholdings in the countryside, which resulted in the creation of a landless working class that migrated to Medellin (and other cities) in search of economic opportunities over the course of several decades. A wave of political violence in the 1950s accelerated the process of migration and urbanization. With housing supply unable to keep pace with demand, illegal squatter settlements began to appear on marginal and inaccessible lands around Medellin. By the end of the 1950s, these settlements had come to accommodate approximately 50 per cent of the city. In the 1980s and 1990s, another wave of armed conflict in the countryside resulted in significant additional population influx into informal urban settlements in and around Medellin. These comunas became home to armed gangs, many with connections to narcotics trafficking. Unconnected to municipal infrastructure, these informal settlements are characterized by violence, crime, poverty, and unsafe and inadequate housing. By 2010, approximately two thirds of Medellin's population lived in such settlements or in neighbourhoods that do not meet local building codes or standards.

Objective

Beginning in the early 1990s, and commencing again in the early 2000s, the Government of Colombia launched a strategy to reduce violence and other social problems in Medellin's poor neighbourhoods by incorporating informal settlements into the city. Launched in 1993, PRIMED (Integrated Slum Upgrading Programme of Medellin), operating under Medellin's housing corporation, and supported financially by the national government, Germany (through KfW), and the United Nations Development Programme (UNDP), was an early attempt to implement that strategy. Home improvement, consisting of both PRIMED-led and resident-led construction activities, in addition to relocation of some neighbourhood dwellings, was a key element of PRIMED's programme.

Approach

PRIMED's approach involved creating a decentralized coordination and planning and implementation process involving multiple actors, including NGOs and community organizations, who implemented

various elements of the programme. KfW and UNDP provided technical support, the national government provided financial support, (including, importantly, home improvement subsidies), municipal agencies provided technical, material, and human resources, while various NGOs and private contractors participated in construction activities.

In terms of governance, PRIMED operated directly under the Mayor, and so had a close connection to the centre of political power in the City. Through its connections to the *Consejería para Área Metropolitana de Medellín*, established in 1990 by the President to address the problems of violence and ungovernability in the city's poor neighbourhoods, PRIMED also benefited from access to the President. Community participation in planning, home improvement activities, infrastructure improvement, and establishment of a process to legalize housing tenure was a cornerstone of the programme. PRIMED engaged the community at several points to identify neighbourhood needs and problems, train, and employ community members and subcontractors in housing construction and improvement, and to manage projects. In some cases, PRIMED undertook home improvement and building projects on their own; in other cases, PRIMED funded 75% of a project, with community organizations responsible for the remaining 25%, to be obtained often through unpaid labour. PRIMED was directly responsible for improvements to over 3,500 dwellings, while thousands more were improved by residents through use of home improvement subsidies and technical training to support resident-led improvements. An undisclosed number of dwellings were also relocated.

PRIMED also attempted to develop a community-based process of establishing and legalizing ownership, though this effort was frustrated on two fronts. First, by a lengthy legal process that stood in the way of necessary land expropriations and created political difficulties for the national government. Second, by a limited community capacity to take on the responsibilities of property ownership, including payment of taxes, utilities, and legal fees associated with the legalization process.

Following PRIMED's discontinuation in 2000, in the early 2000s, a more expansive programme of urban transformation was undertaken with the objective of connecting informal settlements to the city's transit network, establish new public spaces, and construct cultural hubs such as libraries and museums within

the barrios, thus creating both physical and socio-cultural connections between the informal and formal cities. Medellín's program of urban transformation is regarded as an early and important example of "Social Urbanism." Construction and improvement of housing within some settlements was an important component of this enlarged programme, but not to the same high degree as witnessed with PRIMED.

Lessons Learned

Though generally seen as a success, at the community level, PRIMED faced several difficulties. As mentioned above, the process of establishing and legalizing tenure was difficult, and is generally seen as the least successful component of PRIMED's initiative. In terms of improvement and construction projects, difficulties were related mainly to lack of community capacity in the context of a complex planning and approvals process. Community capacity to engage in project planning and self-improvement activities, including working with local contractors, was also limited. Community members also resented being asked to perform unpaid labour to support projects, a contentious form of community participation in PRIMED-funded initiatives. Ultimately, projects undertaken directly by government institutions ran more smoothly than those led by residents and community organizations.

The presence of armed groups within informal neighbourhoods hampered PRIMED's efforts at urban transformation. Armed gangs demanded project benefits, including access to employment, for themselves. In addition, established relationships between PRIMED, local agencies, and community organizations often changed when leadership within a neighbourhood passed from one gang to another. Another key problem was one of governance. As PRIMED was not integrated into the normal urban planning framework, and was treated as a separate, stand-alone programme, it was vulnerable to discontinuation with changes in political leadership, which occurred in the late 1990s. Additionally, while overall, PRIMED benefited from intergovernmental and inter-agency collaborations, coordinating several actors proved cumbersome.

E.2 Thematic-based Analysis of the Precedents

E.2.1 Supply-Side Interventions

Broadly, the housing recovery precedents analysed in this report utilized a combination of supply and demand-side interventions, though to different degrees. In Iraq (2010), supply-side measures focused on eliminating the government as the main provider of housing in favour of an expanded role for the private sector. In post-World War II Germany, the United States Government, operating through the Economic Cooperation Administration (ECA) directed a considerable portion of Marshall Plan funds to new housing construction. In Haiti, supply-side measures included direct provision of temporary shelters (T-Shelters) by NGOs and a limited and temporary programme of rental subsidies to landlords to stimulate repair and expansion of rental stock.

Iraq Housing Policy

Iraq's Housing Policy (2010) is unique among the precedents reviewed for its near-singular emphasis on supply-side measures to stimulate new housing construction in post-invasion Iraq with the objective of meeting a shortfall of approximately 2 million dwellings. The process of scaling up housing production following decades of war was to be led principally by the private sector. Support for private sector producers came in the form of a re-imagining of the central government's role from the main producer of housing in the country to policy maker and regulator. In the policy, subsidies, tax advantages, and other preferential treatment provided to state-owned housing companies and building materials producers were eliminated to establish a level playing field for private sector operators, particularly with respect to acquisition of public land. Therefore, Iraq's policy is an example of a classical or neoliberal approach to housing reconstruction focusing on supply-side measures to stimulate investment in housing. Additional measures to support supply-side investment focused on increasing the availability of public land for housing development.

Marshall Plan Funding for German Post-War Housing Recovery (1949-1961)

Among the other precedents reviewed, the United States' support for German housing recovery under the aegis of the European Recovery Programme, or "Marshall Plan," is notable for its considerable

investment of state funds in construction of new housing and securing a reliable supply of building materials for German private-sector housing producers. Under the Marshall Plan, the United States shipped American materials across the Atlantic for sale to German companies. Proceeds of the sale of building materials (and other materials) were used to support German government-led projects approved by the administrative arm of the Marshall Plan in Germany, the Economic Cooperation Administration (ECA). In this way, the US ensured that the German government directed financing to priority projects such as housing. Of the ECA funds earmarked for housing, approximately 80 per cent were directed towards new housing construction.

Post-Earthquake Haiti Housing Recovery

In post-earthquake Haiti, early NGO efforts focused on construction of semi-portable, hurricane-proof T-shelters, conceived to be a user-friendly temporary solution to the need to house more than a million displaced people crowded in 900 camps. The T-shelter initiative was supplemented by additional NGO-led efforts to repair existing dwellings and limited construction of new housing. In 2010, the temporary shelter initiative received approximately \$US 200 million of the initial UN-sponsored \$1 billion international aid package. The Haitian public, bilateral, and multi-lateral donors contributed additional funds. T-shelters quickly entered the informal Haitian market and were rented or sold by beneficiaries. A government strategy to invest NGO and multilateral donations toward construction of new housing settlements was, as will be discussed presently, severely constrained owing to difficulties in identifying beneficiaries and establishing tenure rights.

Wa'd Project – Beirut Southern Suburb (al-Dahiya) Housing Recovery (2006)

Generally, following the 2006 conflict with Israel, housing reconstruction in Lebanon was facilitated using grants to households to cover rent and furniture for a limited time (one year, with subsequent extensions of the grant programme for a second and third year), followed by larger grants in the amount of \$53,333 for each destroyed dwelling. These grants were provided directly to households to oversee individual dwelling reconstruction in coordination

with different institutions and operators engaged to oversee housing reconstruction. However, in the al-Dahiya suburb south of Beirut, a traditional Hezbollah stronghold, Hezbollah, through its development NGO, Jihad al-Bina', collected and administered household grants and, in effect, assumed control of housing recovery in the southern suburb through the Wa'd Project. It is a matter of debate as to whether beneficiaries voluntarily signed over their cash grants to the Project. Therefore, the Project might better be described as a supply-side initiative as it ultimately took on the characteristics of a state-led investment programme in housing design and construction, despite the intended purpose of the financial contribution as a demand-side measure.

Regularization of Informal Settlements in Medellin

Supply-side interventions have been elemental in efforts to connect informal housing settlements to the City of Medellin. In the early and mid-1990s, municipal and national government and German (KfW) investments in infrastructure, public transit, community facilities, new public spaces, and home improvement within informal settlements were successful in many, though not all, respects. Thereafter, recommencing in the early 2000s, additional efforts were made to integrate informal settlements within the City physically through connection to a mass transit network, and socio-culturally, through construction of civic facilities and landmarks. These improvements have been credited with a reduction of violence in Medellin and serve as an international model of how principles of "Social Urbanism" can be applied in urban planning to reduce violence and civil conflict in urban areas.

E.2.2 Demand-Side Interventions

The demand-side interventions described in this report focus on providing lending products (mortgages), grant financing for housing reconstruction and repair, and rental subsidies that support households' ability to enter the housing market.

Iraq Housing Policy

Despite its focus on supply-side interventions, the Iraq Housing policy supported housing demand by providing housing-focused loans to commercial banks for the purposes of creating mortgage products for potential home buyers. This had the effect of shifting moral hazard from the state to the banks. Debt repayment was slow, which

limited the expansion of available equity, leading to minimal development of new housing through this mechanism.

Marshall Plan

The US initially supported housing projects in coal-producing regions (especially the Ruhr Region) and, later, in other industrial regions, in order to attract refugees and displaced workers to key industries. This was part of an overall US strategy to stimulate the German economy, create jobs, and combat communism. This political ambition was reflected in housing designs supported by the ECA, which offered a higher standard of living than pre-war worker housing. A significant portion (approximately 20 per cent) of ECA and ECA-directed FRG funds channelled through KfW and other lenders were used to support mortgages so that workers could afford new homes in key industrial areas.

Haiti

Where it was possible to identify beneficiaries, rental subsidies in the form of Rental Support Cash Grants (RSCG), which acknowledged that the majority of camp populations were renters, proved successful in resettling individuals housed in camps in permanent rental housing.

Indonesia – Aceh and Nias Post Tsunami and Earthquake Housing Recovery (2004-2005)

International donors provided significant funding and other resourcing to support reconstruction of housing following the 2004 Tsunami and 2005 Nias earthquake. Broadly, NGO's (UNHCR, UN-HABITAT, UNICEF, and World Vision) favoured an owner-driven approach to reconstruction to empower communities to lead housing reconstruction. This was accomplished using two sources of aid, that for housing (BDR), and that for environment (BDL). BDR aid assisted with housing reconstruction and repair. The aid was administered by individual families, entire communities, and sometimes by third parties. A government Housing Facilitator monitored the use of funds. A registry of qualified contractors was established, and the government could award contracts directly to any listed contractor.

Additionally, housing cash aid was provided to renters and family members who had lived with family or in illegal housing on private land, including squatters (Social Assistance Aid for Residence). The aid could be used for many purposes, including to rent a dwelling, use as down payment on a house, buy land, or build a house on their own land. In 2007, poor

heads of household who previously lived as renters were offered land, or a house, or both, under certain circumstances. Families whose land had been claimed by the ocean had to be relocated. Land for this purpose was released by existing communities for that purpose.

Post-Earthquake Recovery for Northern Pakistan (2005)

Pakistan's housing recovery following the 2005 earthquake focused on demand-side interventions in the form of grant financing to support household-led housing reconstruction, including land purchase, in the event that resettlement was deemed necessary. The programme rigorously enforced seismic-resistant design standards and provided equitable access to building materials to guard against materials price inflation across a vast, remote area. The government used a multi-tranche system of grants provided directly to beneficiary households for reconstruction, repair, and land purchase (for households whose land had been lost by the earthquake or was considered by a risk assessment to be unsafe for housing).

Having been identified by an eligibility survey, beneficiaries received housing construction grants channelled through commercial banks. Financing terms were agreed upon beforehand via memoranda of understanding with beneficiaries. Grants were released at different milestones according to an inspection schedule that verified the seismic resistance of the dwelling. Grants were not provided to households who chose to rebuild in unsafe areas. Those families who chose to relocate in order to rebuild in relatively safe areas were provided with additional grant financing to purchase new land.

Wa'd Project

The centrepiece of the Government of Lebanon's housing recovery in Lebanon following the 2006 conflict with Israel was a system of cash grants paid directly to individual households to support owner-driven housing reconstruction (see Section 3.1 above). However, in Beirut's Southern Suburb, as administered by the Wa'd Project, the vast majority of households delegated collection and administration of their funds to Hezbollah's development NGO, Jihad al-Bina'. The Wa'd Project was established to manage that process on behalf of beneficiary households. Given the relatively centralized administration of beneficiary funds by Hezbollah and its intermediaries, it is debatable whether the Wa'd Project should rightly be considered a demand-side initiative.

Regularization of Informal Settlements in Medellin

In 1997, the national government introduced a programme of home improvement subsidies equivalent to 15 minimum monthly salaries. A 1992 ordinance that expanded Medellin's permitter to include many informal settlements complying with minimum infrastructure standards meant that residents of many settlements were entitled to the subsidy.

E.2.3 Housing, Land and Property Rights

In some of the precedents reviewed for this study, the relative success of frameworks designed to identify beneficiaries and establish or confirm tenure rights proved crucial to the success or failure of housing reconstruction programmes, particularly in post-disaster conflicts. Curiously, Iraq's National Housing Policy is silent on housing, land, and property rights, which differentiates the Policy from the post-disaster efforts reviewed below.

Indonesia – Aceh and Nias

Establishing land title is difficult in Aceh because tenure is in most cases held according to local custom. The Reconstruction of Aceh Land and Administration System Project (RALAS) set about certifying land. This was done through Community Driven Adjudication (CDA), resulting in a map which was approved by the landowner and village head. Neighbours would then approve the map. The National Land Agency would issue a certificate of ownership based on CDA results. A system was developed to include women's names on the land title to protect their property rights (and those of their heirs) in cases where their husbands had died, but this mechanism was rarely used.

Pakistan

Beneficiaries of housing reconstruction grants were identified through a large-scale survey involving approximately 600 3-member teams mobilized across a vast, remote area to establish a database of beneficiaries. The survey was conducted in a participatory manner with full community involvement, ensured by the community representative on the survey teams. The government representative on each team helped in owner verification through revenue records in cases of absence/ loss of documents.

Haiti

Lack of a pre-earthquake registry of tenure rights or land title records hampered Haitian housing recovery, particularly as NGOs set out to establish new housing settlements. A needs assessment administered immediately following the earthquake was by many standards inadequate to identify beneficiaries and reconstruct either formal or informal tenure rights.

Regularization of Informal Settlements in Medellin

In the early 1990s, PRIMED set out with a mandate and process to establish tenure and issue land titles within Medellin's informal settlements. This proved to be among PRIMED's most difficult to reach objectives owing to lengthy judicial processes and other complexities. While many residents welcomed the opportunity to participate in a process that would result in acquisition of legal title, still many others feared having to take on new debt tax obligations and thus refused to participate in the process.

E.2.4 Inflation Controls

The Iraq National Housing Policy, Marshall Plan, and Post-Earthquake Pakistan Housing recovery programmes introduced mechanisms to control inflation with respect to the cost of land, currency, and building materials, respectively. In Haiti, fears that rental subsidies would lead to inflation in the rental housing market were not realized, potentially because corresponding landlord subsidies were effective in creating new rental stock or because the programme did not receive sustained support.

Iraq

The National Housing Policy considers land price inflation as a risk following the removal of government subsidies, which kept land prices low for decades. The Policy sees the process of making new public lands available for housing development as a key measure to control land prices.

Marshall Plan

German companies purchasing North American materials under the Marshall Plan did so using local currency, which was deposited into ECA-administered accounts and thus temporarily removed from circulation within the economy. This was a key measure to ensure that Marshall Plan spending within Germany (and elsewhere in Europe) did not lead to currency inflation.

Pakistan

Policymakers feared that housing reconstruction efforts in post-earthquake Pakistan would lead to price inflation for building materials in the most remote, least accessible locations within the affected area. To ensure even / equitable access to building materials across a vast area, government enlisted the private sector to establish supply hubs throughout the reconstruction area. This ensured access to supplies at fair prices across the affected area.

E.2.5 Governance

The precedents reviewed employed a range of governance models to kick-start and sustain housing recovery in post-conflict and post-disaster settings, from highly-centralized state-led programmes targeting investment in priority areas (e.g., the Marshall Plan) to decentralized programmes employing a multitude of frameworks and strategies in coordination with NGOs (e.g., Haiti). Iraq's National Housing Policy does not appear to acknowledge the exigencies of the post-conflict setting in which the country found itself in 2010, making it an exception to other precedents reviewed in this report. It is important to note that the establishment of new institutions in post-conflict and post-disaster settings can lead to "brain drain" from public organizations to NGO's and private sector organizations, resulting in long term threats to the viability of national institutions.

Marshall Plan

The ECA was a centralized US-led funding agency that worked closely with the US military government of post-war Germany. The FRG could not access Marshall Plan funds to support its projects unless the projects were approved by the ECA. In this way the ECA held significant sway over the FRG's fiscal decisions. With respect to housing reconstruction, the ECA tightly controlled housing design specifications, the locations of new housing projects, and beneficiary groups.

Haiti

In Haiti, a lack of central planning or previous housing policy hampered reconstruction efforts from the outset. NGOs relied upon several national-level policy frameworks to design their reconstruction interventions.

Pakistan

The Rural Housing Reconstruction Programme eventually established several institutions responsible for administering housing reconstruction, including a board-level organization responsible for major policy decisions as well as Provincial, State, and District-level steering committees, agencies, and reconstruction units. The overall effort was characterized by a series of partnerships between government, semi-government agencies, and partner organizations.

Indonesia – Aceh and Nias

The Aceh-Nias Rehabilitation and Reconstruction Agency (BRR) was established to set up coordination, project management, and procurement for housing reconstruction in the affected areas. BRR had a broad mandate and access to central government funding.

Wa'd Project

The Wa'd project was conceived and overseen by Hezbollah, acting through an Advisory Board composed of a General Manager and architectural and planning professionals. The Wa'd project generally supplanted previous entities responsible for land-use planning in al-Dahiya, including municipal councils.

Regularization of Informal Settlements in Medellin

"Social Urbanism" in Medellin, beginning with PRIMED in the early 1990s, entailed a relinquishing of central authority over urban planning in favour of the municipality. In turn, the City developed participatory forums to involve communities and residents in planning processes. Among the early PRIMED renewal projects, several were planned and directed by local community-based organizations, though these proved to be less successful than those planned and led by the City or PRIMED.

E.2.6 Land Management and Approvals

The precedents examined in this paper utilized different management approaches in order to inventory and make land available for housing recovery. In Iraq, as part of an effort to modernize land management, municipal and provincial governments, where possible, were expected to assume responsibilities for sub-dividing and servicing developable land from the central government, with the latter retaining authority in

areas where local capacity was insufficient. In post-World War II Germany, municipalities were directed by the military government to make land available for housing and for assuming servicing costs. In Indonesia and Pakistan, land management occurred at the local, village level (with coordinating and facilitation support from higher levels of government and NGOs) in order to achieve community buy-in for housing recovery plans. In Haiti, land management in support of housing recovery occurred largely informally in the absence of a government-led planning or approvals process, while in Beirut's Southern Suburb, reconstruction occurred on pre-existing plots and street locations and largely replicated pre-war arrangements.

Iraq

Prior to development of the National Housing Policy, land management had been controlled by the central government (Ministry of Municipalities and Public Works) and the Bagdad Mayorality, though in 2008 a policy shift toward devolution of land management to governorates and large municipalities was articulated (with the central government maintaining authority over land management in the case of smaller municipalities lacking capacity). The National Housing Policy envisioned a series of pilot projects led by provincial and municipal governments to identify and sub-divide potentially developable land parcels for sale to private developers following provision of off-site infrastructure. Results from the pilot projects would be used to refine the approach for roll out to additional locations. In preparation for policy implementation, provincial and municipal governments would prepare inventories of serviced and serviceable land and assess its suitability for housing development.

Marshall Plan

Municipalities targeted for ECA-supported housing projects were required to provide suitable land for housing development and then to assume costs associated with improving the land. However, the ECA retained significant control over plot size and housing design features in order to ensure a high standard of living for industrial workers targeted by ECA housing initiatives.

Haiti

Following the earthquake, the government of Haiti expropriated approximately 33 km² of land north of Port-au-Prince for the state. Formerly earmarked for industrial development, the area, known as Canaan, was to be used to construct camps to house

internally displaced persons and housing recovery. Housing recovery, including sale and purchase of land, occurred informally in Canaan in the absence of a formal planning regime or process for establishing title. In other affected areas, the central government or municipalities were unable or unwilling to provide land for similar purposes in a timely manner, impeding NGO efforts to construct new housing settlements. Indonesia

Identification of land for housing reconstruction and disbursement among beneficiaries was undertaken at the village level through a process of community adjudication that resulted in location of an agreed-upon map of the community. If and when necessary, communities would release land for the purposes of identifying land for purchase by former renters and poor heads of household. While BRR purchased land for public interest, housing relocation, and provision of rental housing, most homes were rebuilt on land belonging to beneficiaries.

Pakistan

Many beneficiaries rebuilt or repaired housing on their existing land. However, to meet seismic-resistant rebuilding standards, some households had to be relocated to areas safe for housing reconstruction. A Landless Programme administered by the Earthquake Rehabilitation and Reconstruction Authority (ERRA) identified beneficiaries eligible for cash grants to purchase land in seismic-safe areas identified as suitable by the ERRA. The ERRA arranged master plans to rebuild the towns scientifically and coordinated with local governments to develop and implement micro-level plans.

Wa'd Project

Wa'd's Advisory Board prepared a master plan for al-Dahiya that codified pre-war, informal land use practices and density. In general, the neighbourhood, including street and building locations, building and apartment size, were to be rebuilt as before.

E.2.7 Financing and Benefits Disbursements

Payment of aid funds in support of housing reconstruction can take different forms. In Iraq and post-World War II Germany, beneficiaries of housing recovery programmes were supported through low-interest government loans channeled through commercial banks, primarily as mortgage financing.

In Pakistan, cash grants for home reconstruction, repair, and land purchase were paid directly to beneficiaries through commercial banks, while in Indonesia government and NGO aid in the form of cash grants were paid to community members who could execute the aid individually or in coordination with a larger group of community members and a government Housing Facilitator responsible for monitoring use of funds.

Iraq

The National Housing Policy sought to eliminate government [Real Estate Bank (REB) and National Housing Fund (NHF)] subsidies of mortgage finance in the form of low-interest loans to facilitate the entry of commercial banks into the mortgage finance sector. Under the policy, high and medium-income households would purchase mortgages at market rates. However, low interest REB and NHF loans would be targeted at low-income and other needy households to facilitate home repair or construction of starter homes.

Marshall Plan

A significant portion of ECA funds for post-war housing reconstruction were directed toward workers in key industrial sectors in the form of low-interest mortgage financing channeled through KfW and other lending institutions.

Indonesia

Cash grants to support housing recovery were provided directly to individual households and communities, with a government-appointed Housing Facilitator supervising the use of funds.

Pakistan

Cash grants were paid directly to beneficiary households through commercial banks. The State Bank of Pakistan, individual commercial bank branches, and finance development institutions played a role in helping individual beneficiaries open their first bank accounts.

Wa'd Project

Under the government's articulated policy, compensation payments to beneficiaries were to be administered and executed by several institutions, including the Higher Relief Council, Ministry of the Displaced, and Central Fund of the Displaced. However, in al-Dahiya, Hezbollah offered residents the opportunity to delegate collection and administration of their payments to Jihad al-Bina', rather than oversee reconstruction on their own,

which would entail working directly with builders, architects, and regulatory authorities. Approximately 95 per cent of residents opted into this arrangement.

E.2.8 Preservation of Historic Buildings & Neighbourhoods

Efforts to preserve historic buildings can improve and increase the number of liveable dwellings in urban areas, build capacity within communities and public institutions in dwelling reconstruction and design, create jobs, and contribute to a unifying sense of national identity based on a shared history through maintenance of a cherished architectural heritage.

Project for the Development of Historic Cities in Yemen (PDHCY) (2007 – 2013)

Building on the success of previous efforts to redevelop of the historic city of Shibam, begun in 2000, the Government of Yemen in partnership with GIZ launched the PDHCY to bring residents, builders and local businesses, local and national governments together in a participatory programme aimed at urban renewal in Shibam and Zabid. The Project contained three main elements. First, a housing programme provided technical assistance and financial incentives to encourage restoration and reconstruction of historic buildings. Importantly, this involved training of local artisans in use of locally-available building materials and construction methods. Second, the Project established a participatory Urban Rehabilitation Forum to facilitate multi-stakeholder decision-making, which was successful in involving women and youth into decision-making process. Finally, the Project provided economic development support mechanisms, including business promotion activities and micro-financing to assist local groups to start up or improve local buildings.

The Project is credited in particular with facilitating employment of residents in the construction sector, with many individuals now employed by construction projects outside of the areas targeted for renewal and preventing out-migration of residents from historic zones within cities. The Project also led to significant improvements in housing conditions by connecting dwellings to water and wastewater, electricity, and communications systems, raising household incomes within the urban zones of Shibam and Zabid, and building urban-planning capacity within local and national governments.

Annex F: Model for alignment of housing and economic recovery

F.1 Current Tax Applicable to Housing (excluding capital gains and VAT)*

*Rental Tax	16%
*Property Tax	2% of property value
Proposed Consumption Tax (Value-Added Tax)	15%
Taxable Income on Profit	22%
Personal Income Tax	22%
Social Security Payments / Payroll Tax	13%
Reconstruction Surtax (of total state tax on companies)	10%
Stamp Duty (imposed on transactions)	0.50%

* Includes direct and indirect benefits to government, such as income tax on construction workers and new housing residents.

F.2 Recoverable Revenue of Formal Housing Spend by Government for Service Delivery?

	New	Recovered	Recovered from Formal Spend	Gov't Infra
Estimated Cost	US\$26,000	US\$9,649	US\$3,000	US\$6,649
Assumed Profit Margin	12%	12%	12%	12%
Profit	US\$3,120	US\$1,158	US\$360	US\$798
Assumed Labour Component	50%	50%	50%	50%
Labour Value	US\$13,000	US\$4,824	US\$1,500	US\$3,324
Total Estimated Gov't Share Per Unit*	US\$2,506	US\$930	US\$289	US\$641

*Calculated based on taxable recovery items in F1 assumptions.

F.3 What are Available Housing Recovery Intervention Options Available to Government?

Option #1 Maintain Status Quo – proceed along current trajectory and same level of recovery allocation from state budget

Option #2 Increase State Budget Allocated to Recovery – increase additional state revenue to recovery efforts

Option #3 Utilise Policy Tools to Facilitate Access to Land – facilitate a household level ability to self-finance recovery through finance or loan security.

Option #4 Increase Micro-Finance Potential – seed additional spending through state-backed micro-finance and available UN funds

Option #5 Increase Access by Donors – meet red line through safeguarding of housing recovery programmes to facilitate additional seed financing dedicated to housing recovery by donors

	Option #1	Option #2	Option #3	Option #4	Option #5
# units recovered - Formal	9,926	12,032	15,869	16,589	31,455
Additional units through interventions vs option 1	-	2,106	5,942	6,663	21,528
Incremental Revenue to gov't - construction	US\$0	US\$1,958,540	US\$5,527,292	US\$6,197,522	US\$20,024,828
Effect of Multiplier (tax collected)			US\$1,758,342	US\$1,971,556	US\$6,370,298
Incremental revenue to gov't - income taxes - annual	US\$0	US\$10,754,352	US\$30,350,392	US\$34,030,632	US\$109,956,448
Captured Budget from moving units into formal housing	US\$0	US\$0	US\$3,731,929	US\$3,731,929	US\$3,731,929
VAT Revenue					
Total annual revenue to state	US\$0	US\$12,712,892	US\$41,367,956	US\$45,931,640	US\$140,083,503
Incremental state investment in infrastructure	US\$0	US\$14,000,000	US\$25,510,097	US\$4,790,931	US\$98,840,118
Total Amount of Budget Allocated to Reconstruction (infrastructure)	US\$66,000,000	US\$80,000,000	US\$119,510,097	US\$163,811,125	US\$306,952,271
Incremental Infrastructure Budget vs Option 1		US\$14,000,000	US\$53,510,097	US\$97,811,125	US\$240,952,271

F.4 What Potential Revenue do these Interventions Generate?

Model Comparison

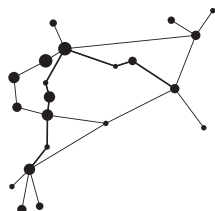
	Option #1	Option #2	Option #3	Option #4	Option #5
Captured budget					
Year					
1	US\$0	US\$12,712,891.52	US\$35,877,684	US\$40,228,154	US\$129,981,275
2	US\$0	US\$23,467,244	US\$66,228,077	US\$74,258,787	US\$239,937,723
3	US\$0	US\$34,221,596	US\$96,578,469	US\$108,289,419	US\$349,894,171
4	US\$0	US\$44,975,948	US\$126,928,862	US\$142,320,051	US\$459,850,618
5	US\$0	US\$55,730,300	US\$157,279,254	US\$176,350,683	US\$569,807,066

Cumulative 5 year incremental state revenue	US\$0	US\$171,107,978	US\$482,892,347	US\$541,447,093	US\$1,749,470,853
Incremental Impact		US\$171,107,978	US\$311,784,369	US\$58,554,746	US\$1,208,023,760
5 year Incremental Housing Units vs Option 1		10,528	29,712	33,314	107,642
Total Units	49,632	60,160	79,344	82,946	157,274
Incremental budget revenue from housing recovery		US\$4,888,799	US\$11,607,633	US\$2,274,078	US\$87,615,513
Revenue generated over 5 years can support an additional number of units		1,630	3,869	758	29,205



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