

Implementation status information of a New Urban Agenda
(prepared by the Ministry for Development of Communities and Territories of Ukraine)

Ukraine recognizes the need for an entire reforms of housing policy in order to ensure its effectiveness instead of its declarative nature. To achieve this goal, a comprehensive reform of all components of modern housing legislation is planned, a significant part of which still has a Soviet origin.

One of the key legislative initiatives is the draft bill "On the Basic Principles of Housing Policy", developed in implementation of the "Ukraine Facility" Plan. Draft bill No. 12377 requires urgent adoption for creating a legal basis of housing policy. The draft bill has already been prepared for consideration by the Verkhovna Rada (Parliament) of Ukraine.

The Ministry for Development of Communities and Territories of Ukraine, in cooperation with international partners, non-governmental organization and experts, works on the preparation of the draft bill "On Social Housing", which should establish practical mechanisms for access to housing for all categories of citizens who need state support, taking into account the requirements and needs of society.

The next step is a reform of the legislation on housing management which will ensure its proper maintenance, energy efficiency, and safe operation. The relevant changes have already been developed, and the draft bill is being prepared for submission for approval in accordance with regulatory requirements.

The State Housing Policy Strategy of Ukraine, a program document provided by the Ukraine Facility Plan, should become a comprehensive action plan that will incorporate all stages of planning, construction, and investment of housing. Development of this document is currently underway.

Active work is underway to support internally displaced people (IDPs). Adopted last year the Law No. 4080-IX "On Amendments to Certain Laws of Ukraine on Additional Measures Related to the Provision of Housing for Internally Displaced Persons", creates additional opportunities to support IDPs in providing housing. The Law initiates a large range of inventories of all vacant property that can be used to provide IDPs with housing. This includes not only residential buildings and apartments, but also non-residential premises that have not been used for a long time, land plots, and other real estate.

The Ministry, in coordination with other central executive bodies, has developed several key documents that have already been approved by the Government of Ukraine. It allows to find potential facilities that can be used to accommodate IDPs. In particular, the following programs for providing housing to IDPs are currently being implemented:

- Concessional Mortgage Lending Programme (KfW). Terms: 3% per annum, first installment 6%, term up to 30 years. Since 2021, 1,049 mortgage loans have been provided to IDPs;

- Concessional long-term state loans for the purchase of housing for Participants of the Anti-Terrorist Operation and/or the Joint Forces Operation. Budget program for UAH 22.0 million (approximately 530000 USD). Since 2019, 138 loans have been provided to IDPs;

- Concessional lending for individual rural developers for the construction (reconstruction) and purchase of housing. Budget program for UAH 31.56 million (approximately 760000 USD). Since 2022, the total number of loans issued to IDPs - 112.

To increase the availability of housing for IDPs, the Ministry actively works with the Council of Europe Development Bank (CEB). The project is planned to be financed through a loan in the amount of EUR 50 million. These funds are expected to provide 1,093 concessional loans, with an average loan size of approximately EUR 45,700. The project is planned to be implemented under conditions like those of the "Housing for Internally Displaced Persons" project (KfW).

In addition, Ukraine has an existing concessional mortgage lending programme called "eOselya", implemented by the private joint-stock company "Ukrfinzhytlo" in accordance with the Resolution of the Cabinet of Ministers of Ukraine No. 856 dated August 2, 2022. However, this programme has certain limitations – a high down payment requirement (up to 20%) and interest rates of 7–10% per annum, which makes it

inaccessible for the majority of IDPs. The “eOselya” programme requires additional support mechanisms to enable broader access of IDPs.

The Ministry together with territorial communities is implementing a pilot experimental project to create municipal (social) rental housing by territorial communities at the expense of state, local budgets and international partners.

The importance to launch such a project is underscored by preliminary estimates indicating that approximately 1.3 million IDPs families in Ukraine need housing. In particular:

- Over 40% could potentially resolve their housing needs through mortgage lending.
- One-third will require state support in the form of social rental housing.
- Approximately 26% cannot resolve their housing issue independently.

The goal of the pilot project is to establish a municipal (social) rental housing fund and provide housing for those in need, particularly IDPs.

Project objectives:

- To provide housing for at least 25,000 people.
- To construct 6,620 housing units within two years.

A draft resolution of the Cabinet of Ministers of Ukraine, titled “On the Implementation of the Pilot Project for the Establishment of a Municipal (Social) Rental Housing Fund and Its Provision for Rent”, is currently under consideration by the Government.

Housing is one of the basic human needs and a critical component of social stability. That is why Ukraine is actively working on the implementation of the principles of the New Urban Agenda, despite the challenges posed by Russian aggression.

A comprehensive approach to housing policy reform, support for IDPs, and the development of municipal housing aligns with the goals of sustainable urban development and Goal 11 of the UN Sustainable Development Goals.

The implementation of these initiatives will not only help address urgent housing needs but also contribute to building a resilient foundation for the sustainable development of cities and communities in Ukraine in the post-war period.