

Type of Project:	Shelter Housing Durable Solution	Country:	Serbia	
Approach:	Self Help	Realisation Year:	2004	
Project name:	Farm House Program	Version:	1	Date: November 2005



Initial Situation, Context

Serbia, the largest Republic of the State Union Serbia & Montenegro still hosts the largest number of displaced person in Europe: 276,281 refugees from Bosnia and Herzegovina, Croatia, Slovenia and Macedonia; and 206,789 IDPs from Kosovo. Only a small number of refugees have returned home or resettled in a third country while a great majority of them (over 65%) expressed their wish to integrate in the hosting Country. While the majority resides in private accommodation, 16,997 more vulnerable persons are accommodated in 192 CCs and 1,806 of them in specialised institutions. As CCs have been opened as a temporary accommodation, they have met only very basic needs: shelter, nutrition and hygiene. In spite of sometimes extremely unpleasant living conditions in the CCs, a lot of residents have not managed to leave them due to the lack of initiative, shortage of opportunities and dependence on external assistance. Different programmes looking for alternative solutions have been developed and implemented so far to facilitate the integration of refugees (housing). The National Strategy for Resolving the Problems of Refugees and Internally Displaced Persons, adopted by the Serbian Government in 2002, confirms the closure of CCs as the Government priority. At the same time, the CCs closure is one of the strategic choices of SDC/SHA activities at the regional level for the period 2003-4. In this frame the Serbian Government has shown an interest in the “Farmhouses” program, proposed and developed by the SDC Housing Office in Belgrade, and included the project idea in the Strategy.

Goals, Beneficiaries

Based on the refugee’s requests for receiving aid to purchase the houses, results of the interviews, which have been conducted by the SCR in CCs, and in compliance with the Government’s Strategy to close CCs and resolve refugee problem, the SDC HO has initiated this particular program.

The goal of the program is to provide a durable housing solution and income generating agricultural activities to the CC residents who expressed their need for this type of humanitarian aid.

Approach

Implementation of this program, beside closure of CCs as ultimate goal, also has other positive sides; social integration and sustainability of the housing solution through income generating activities. On one hand, refugees from CCs are moving into their houses and becoming a part of the neighbourhood, sharing similar problems and on the other, they are focusing on the income generating activities. In this way process of social integration is going on much faster than in the refugee settlements where beneficiaries often continue to live in the same environment as they did in CCs without possibility to ensure the income.

Partner(s)

- ◆ SCR (Serbian Commissioner for Refugees) is to inform the beneficiaries and to lead and coordinate the CCs closing process
- ◆ UHNCR is to protect & support the refugee beneficiaries

- ◆ Municipality is to provide the list of available houses for purchase, apply for tax exemption on the real estate, inform the owners of the houses and identify and prepare small projects for the Community Support Fund.
- ◆ Ministry of Agriculture, Forestry and Water Management is to ensure the proper presentation and visibility of the Project, assist municipality in implementing agricultural projects that are to be realized with the means of the Community Support Fund, keep in mind the beneficiaries of this Project while financing and implementing other projects of the Ministry, support municipality in obtaining tax exemption for the needs of the Project
- SDC NHLO is to provide Legal Support, prepare the Rules and Regulations of the Project, agreements and contracts for beneficiaries, check up the applications of the beneficiaries and legal documentation for the purchase of houses
- SDC Housing Office is to develop concept, prepare the project, finance, implement, coordinate and monitor the project

Technical details:

In June 2004, the SDC HO in Belgrade initiated the establishment of the Farmhouses Project. The Project has been initiated because a certain number of refugees submitted to the SDC requests for receiving aid for the purchase of the farmhouses.

The Project foresees the purchase of the houses by the SDC, the beneficiaries should pay back debt in fixed interest free monthly rates in YUM (Dinars) to the municipality into the Community Support Fund within 6 years (1 year grace period). In addition, the selected beneficiaries will receive an in-kind donation in building materials or tools in the amount of 1,000 EUR to be used for necessary repairs of the houses, agricultural activities or initiation of new activity. The beneficiaries also benefit from the UNFAO project RITA (Support to Refugee Integration Through Agricultural Activities). Support to the beneficiary farmers includes seeds and other agricultural inputs, partly on loan, as well as training.

Implementations/Results

The implementation of the program starts with signing an agreement and setting up a joint commission in order to define criteria for selection of beneficiaries, technical assessment and check up of the documentation of the proposed houses for sale. After an information campaign and placing of advertisements by the SCR in all CCs throughout Serbia, refugees apply. Applications are checked up by the SDC NHLO and final selection of beneficiaries is done by the Commission (consisting of contracting parties' representatives) according to previously defined criteria. The site visits of the selected beneficiary are organized, beneficiaries are choosing the houses, negotiating the price with the owner in the presence of SDC-HO and signing the Contract. Officially, the Project is finalized once the beneficiaries move in and receive all foreseen assistance

Cost, Financing

In total 22 families or 108 refugees have been included in the Program.

Cost per house varies from 3,500 -9'800 EUR, not including overhead costs, assistance, and co-ordination of the SDC.

Problems/Constraints

The Project very much depends on the refugees' motivation to leave CCs and apply for the Program and Government Support to find legal framework in order to be released from the real estate transaction tax (5%) paid for every transfer of ownership: owner-municipality and municipality- refugee beneficiary. The tax on real estate transaction increases the expenses and reduces the number of beneficiaries of the Program.

Lessons learned What was useful in the approach?

The practical side of the project is that refugees, once identified as beneficiaries, can immediately benefit from the Program.

Refugees from CCs move in their houses and become a part of the neighbourhood. In this way process of social integration goes on much faster than in the refugee settlements where beneficiaries often continue to live in the same environment as they did in CCs.

Refugees have not only solved their housing situation but they also received the assistance to start a small project or income generating agricultural activity and ensure the income for the family. Therefore the Project is not only focussing on provision of long-term accommodations, but also supports the income generating activities. The selection of the beneficiaries was not appropriate.

Lessons learned What should be done different next time?

The Program should not be concentrated only on one municipality, but should cover all the country in order for refugees to choose the municipality for their permanent integration. CC residents are not the ideal type of beneficiaries for farmhouse projects since they lack the necessary entrepreneurial spirit for the economical reality of a farmer life. Better selection of beneficiaries is needed. Additional financial support is needed at least in the start-up phase of the project.

Preconditions and Limitations for this approach

- ◆ Political acceptance of this proposal by national and local authorities
- ◆ Close cooperation with other partners for identification of beneficiaries
- ◆ Political will to move out the refugees who receive the aid from CCs

Evaluations

November 2005 by E. Rüegg and H. Herrmann

For further information

Recommended Contacts:	SDC Housing Office Belgrade, e-mail: office@hob.sdc.org.yu Ernesto Morosin
Recommended Institutions:	SDC/SHA, desk Europe+CIS
Recommended books/reports:	SDC/SHA Fact Sheet June 2002: "The Swiss Contribution"
Relevant other projects (links):	---

Annex: (technical drawings, schemata) see page:

Farmhouses in Nova Crnja, SCG Funding - Cash Flow

