

BOSNIA AND HERZEGOVINA



Ministry for Human Rights and Refugees

Department for Housing Policy and Analytical Planning



**HOUSING AND URBAN PROFILE
of Bosnia and Herzegovina**

An Outline of Devastations, Recovery and Development Perspectives

Geopolitical Position

Surrounded by Croatia in the Southwest and much of the North, and by Serbia and Montenegro in the East, Bosnia and Herzegovina (BiH) is a country of 51,100 square kilometres, with the shape of an isosceles triangle. Each side of the right angle measures about 300 kilometres. It is this shape that is symbolised on the BiH national flag.

BiH is a mountainous country. Its mountains are not very high (the summit is a peak with a height of 2,383 metres). The Dinaric Alps run across two thirds of BiH, from the Northwest to the Southeast. Hence this succession of mountains, high plateaux and deep valleys. The only flat open country is located in the North.

The hilly relief explains the hydrology. The rivers quite unanimously flow towards the North because the natural slope of the mountains gradually climbs towards the South.

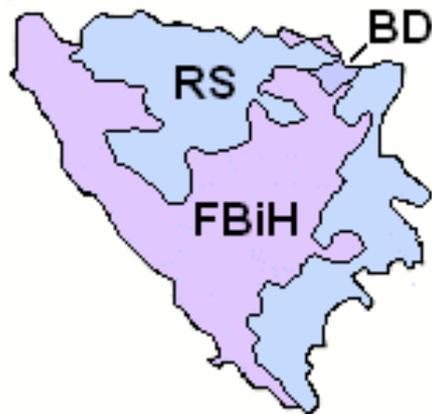
BiH has a very small coastline, about 17 kilometers. BiH has its own port, but it is a river one located on the Sava River.



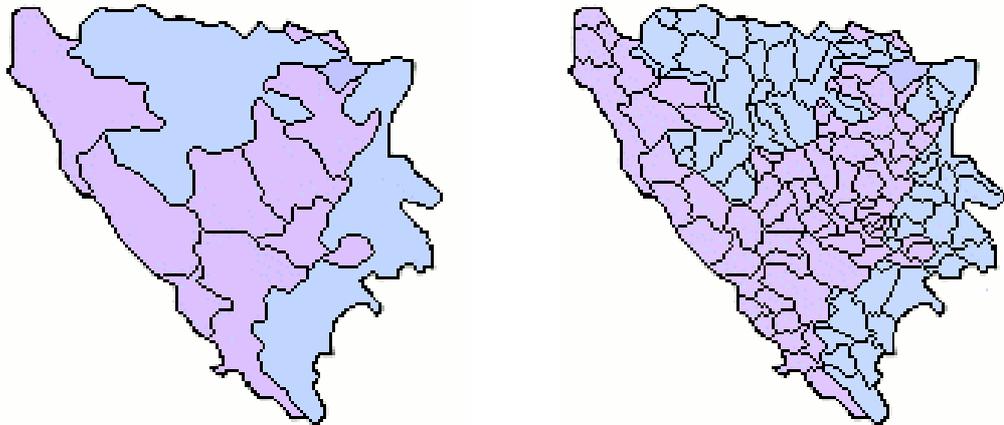
Administrative-territorial Constitution of BiH

In 1991 Bosnia and Herzegovina consisted of 109 administrative territorial units –municipalities.

Post Dayton Bosnia and Herzegovina is administratively divided into two Entities: Federation of BiH (about 51% of the territory) and Republika Srpska or RS (about 49% of the territory).



Today, BiH has a total of 142 municipalities out of which 79 are in F BiH, 62 in RS and Brcko District of BiH in addition.



Levels of administrative division in Bosnia and Herzegovina

Dissimilarity

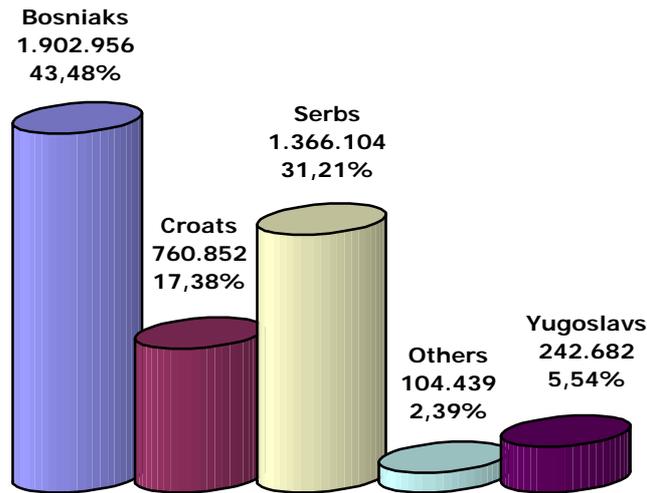
The increased number of municipalities is a result of the territory division across entity borderlines as well as of new administrative units formation based on ethnic concentration of population.

Hence there is a huge variety in municipal areas ranging from the smallest surface of 3 square kilometers to the largest one of 1,239 sq. km.

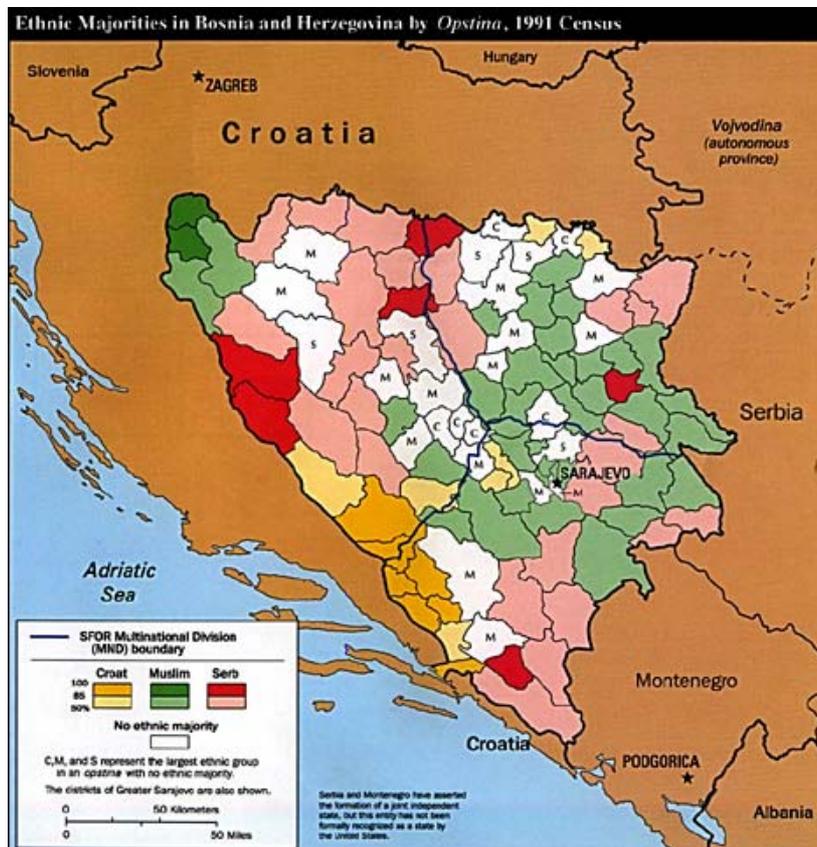
Demographic Indicators

Last census of BiH population conducted in 1991 registered almost 4.3 million people, in a bit less than 1.3 million households, so the average household size was 3.4 persons.

There were over 1.9 million of Bosniaks, almost 1.4 million Serbs, some 760 thousand of Croats, almost 250 thousand of Yugoslavs and some 100 thousand others registered in the 1991 census.

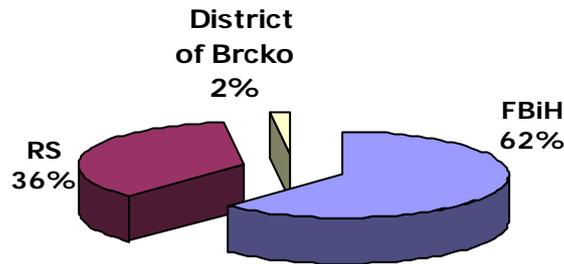


Ethnic Composition of 1991 Population in BiH



Ethnic Chart of Bosnia and Herzegovina in 1991

As per disposition of population according to 1991 Census by current BiH Entities 62% inhabitants lived at the territory of the present BiH Federation, some 36% in RS and 2% at the territory of present Brcko District.



Distribution of 1991 BiH Population per Current Entities

The average density of 1991 population was 86 per square kilometer.

1.7 million inhabitants, i.e. 37% of total population – lived in urban zones, with the average urban population growth rate of 2.8%.

Major urban centres were areas of: Sarajevo, Banja Luka, Zenica, Tuzla, Mostar and Prijedor – towns with more than 100.000 inhabitants each.

Tragic conflict in the region, as BH Constitution defined the war devastations from 1992 to 1995, had caused huge direct consequences to the demographic picture of the country: about 250.000 persons got killed and about 17.000 were reported missing.

In addition, 2,2 million people had fled from their pre-war homes which makes more than a half of the domicile population before the war.

Despite the fact that radical demographic changes have been taking place in Bosnia and Herzegovina since the beginning of conflict in 1992, no official census in BiH has been conducted after 1991.

Indicators on number, composition and disposition of population rely on research which based on the most current estimates suggest slightly more than 4 million of BH population, as per ethnic belonging 48% Bosniaks, 14.3% Croats, 37% Serbs and 0.6% others.

Additionally it could be estimated that 45% inhabitants are currently residing in urban areas, while an average population growth of urban population in last 15 years rates at 0.3%.

The very administrative status of the town is related not only to a certain number of inhabitants but to the level of urban development, economic and cultural base in the municipality/ies, as well.

Urbanization?

Although the percentage of current urban population is higher in comparison to pre-war one it could be noted that the urban population growth rate is significantly decreased.

Housing Stock

1991 Housing Stock

Housing stock of Bosnia and Herzegovina in 1991 consisted of 1,207,693 privately and public-owned housing units, distributed into 6.823 settlements.

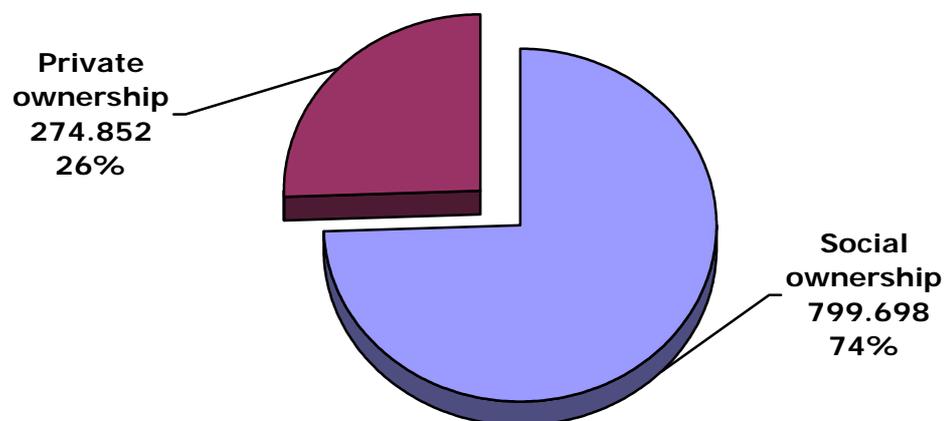
The average housing unit area was 60,45 square metres per a household, or around 16,68 per an inhabitant.



Large Housing Estate in Sarajevo

Almost three quarters of the 1991 housing stock were privately owned, while the remaining number of housing units, mainly flats in multi apartment buildings, represented the social ownership.

Legal persons organised on self management base disposed with this proportion of the housing stock by allocating the housing facilities to their employees through application of occupancy right institute.



Structure of 1991 BH Housing Stock Ownership

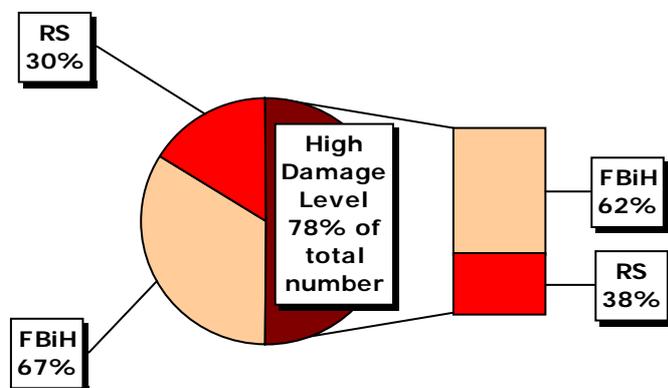
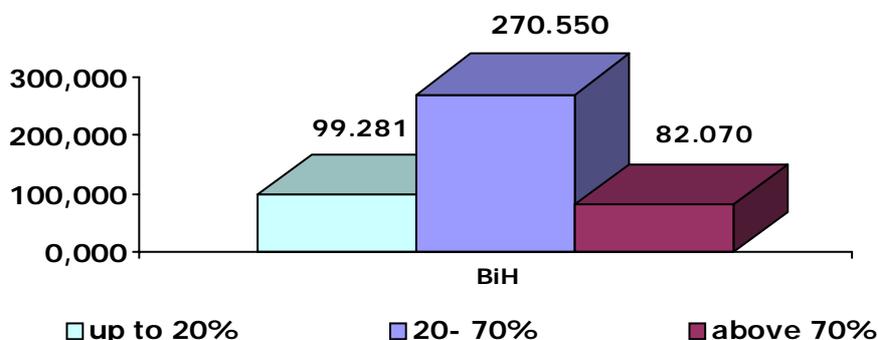
Consequences of 1992-1995 Conflict to Housing Situation in BiH

Besides demographic destructions the war also radically changed the situation in the housing sector in Bosnia and Herzegovina, with partial or total destruction of almost a half of the pre-war housing stock.

In the period from 1992 to 1995 some 452,000 housing units were partially or completely destroyed. Out of this number, around 80% of housing units were either destroyed or heavily damaged.

Damage Level	FBiH	%	RS	%	Brcko	%	BiH	
up to 20%	88.158	88,80%	9.960	10,03%	1.163	1,17%	99.281	21,97%
20 - 70%	156.688	57,91%	101.753	37,61%	12.109	4,48%	270.550	59,87%
above 70%	56.028	68,27%	23.948	29,18%	2.094	2,55%	82.070	18,16%
Total	300.874	38,25%	135.661	28,02%	15.366	3,40%	451.901	34,87%
%	66,58%		30,02%		3,40%		100,00%	

Housing Stock Situation in 1995 – per Entities in BiH



Level of Housing Units' Damage in 1995

Disparity

The war distinctly affected housing stock in two entities with drastically higher percentage of devastations in F BiH.

However, extensive dimensions of destructions were the common feature countrywide.

Forced Migrations and Housing

Since the beginning of the war until the General Framework Agreement for Peace (GFAP) was signed some 2,2 million people had fled from their pre-war homes in Bosnia and Herzegovina, which makes more than 50% of the pre-war domicile population. Out of that number 1,2 million people asked for refugee protection in more than 100 countries all over the world, while at the same time more than million persons were displaced within the country.

A huge proportion of population had been displaced due to physical destructions and devastations of the housing units in which they resided before the war, movement into "more safe" objects, temporary occupation of abandoned real properties as well as meeting the economic needs for the sustainability of families at the time of war.



Displaced Persons Waiting for Accomodation

Therefore, internally displaced persons in BiH temporary settled in the majority of habitable, abandoned housing units. This occupation mostly was legally grounded while the laws on disposal of the abandoned properties were in force in both entities.

Pattern of Changing Housing Occupation

Following the legal model on disposal of the abandoned properties more than 200,000 units were subject to the changed occupation with almost equal ratio of social and private ones.

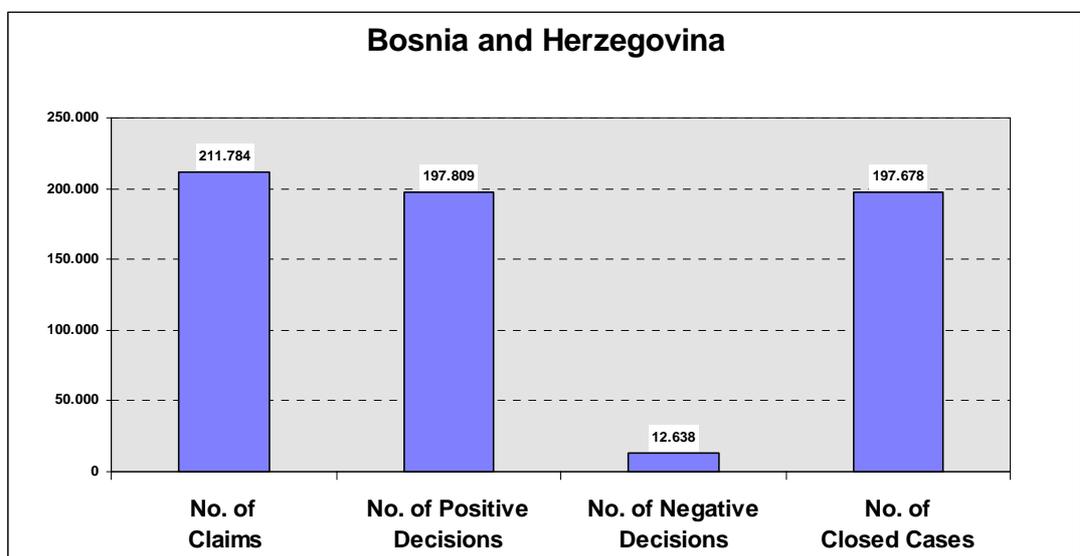
Reversed Housing Sector Impact

Housing support has served the primary objective to reverse the demographic impact of the war in accordance with the Dayton Peace Agreement Annex 7 provisions.

In housing terms, this has led to a focus on two major areas of operational concern: Repossession and Reconstruction.

Repossession

Property laws implementation rate on BiH level is almost 100% meaning that all positively decided cases have been closed upon the repossession by their pre-war owners/occupancy rights holders followed by the privatisation of the former social ownership.



Property Law Implementation in BiH

Transition

The process of privatisation comprised socially owned housing units throughout BiH.

However, the Entities applied different privatisation models.

Privatisation on the basis of certificates in BiH Federation corresponded to advantageous method for final beneficiaries, while on the other hand using the voucher system RS achieved much better arrangements with regard to the financial strengthening of housing budgets.

As a final result, the transition of a social into the private ownership contributed to additionally asymmetric situation in the two Entities.

Reconstruction

Reconstruction followed the return process and since the Dayton Peace Agreement to date some 260 thousand of housing units have been reconstructed, out of which over 170 thousand with donor resources.

In years immediately after the war participation of international community financing reconstruction in Bosnia and Herzegovina was almost hundred percent, after which domestic sources have gradually started to join this process through setting aside of very significant budgetary resources at all levels of authorities in BiH.

Reconstructed Housing Units (1996-2005)		260.388	
Housing Stock Rehabilitation Level (ratio between total number of reconstructed HUs and total number of damaged/destroyed HUs)		57,94%	
Remaining number of damaged/destroyed housing units (per damage level)	I (5%-20%)	17.963	9,59%
	II (25%-40%)	24.945	13,32%
	III (45%-65%)	29.355	15,67%
	IV(75%-100%)	82.219	43.90%
	n/p	32.791	17,51%
	UKUPNO	187.273	
Rate of remaining unrepaired housing stock (ratio between total number of unrepaired HUs and total number of damaged/destroyed HUs)		42,06%	

Actual Housing Stock Situation in BiH



Reconstructed Buildings in Mostar Boulevard

Outstanding Reconstruction Needs

By transfer of ownership for the return process from foreign to domestic institutions the reconstruction support by the international community has been drastically reduced.

At the same time, reconstruction costs of the entire remaining destroyed and damaged housing stock as per actual damage grade could be assessed at around EUR 1.3 billion.

Priorities

Through the Strategy for Implementation of Annex VII of the Dayton Peace Agreement Bosnia and Herzegovina opted for priority reconstruction of a part of the housing stock for the the needs of return of refugees and displaced persons, according to minimum housing conditions standards.

However, even after many years since they left their homes, a huge number of people is waiting for reconstruction and return in/to BiH.



Typical Return Related Housing

Sub-standardised Housing Conditions

The minimum housing standard conditions set by the international community in BiH in early post-war period provided for of 5 sq. meters per a returnee family member.

In comparison to the average housing surface per an inhabitant in 1991, this reduction represents a radical sub-standardisation.

Return Related Reconstruction Needs

Actual indicators on number of submitted requests for registration of potential beneficiaries based on public invitation announced by the MHRR in middle 2004 testify on almost 38 thousand families, namely around 130 thousand individuals who need reconstruction assistance with a view of voluntarily return in/to BiH.

Assessment of Costs for Priority Sanation

Based on average rehabilitation costs per a housing unit, it is necessary to secure almost EUR 350 million for the purpose of return related housing rehabilitation.

Institutional and Legal Framework

According to the BiH Constitution there are no state competencies in housing, urbanism or spatial planning. These areas are being regulated at the level of entities and Brcko District.

There are ministries of physical administration in both entities, although with considerably different coverage and areas of responsibilities as shown in the following thematic segments comparatively presented for Federation BiH, Republika Srpska and Brcko District.



Political Chart of Bosnia and Herzegovina

Asymmetric and Multilevel Shared Responsibilities

The structure itself, as well as the distribution of responsibilities are completely different in two entities, including Brcko District.

As opposed to Republika Srpska (having no cantons), general competencies related to housing and urbanism in Federation BiH are situated at cantonal level, while government of Brcko District of BiH is directly responsible for these issues.

Responsibilities are further divided between the entity and/or cantons and municipalities.

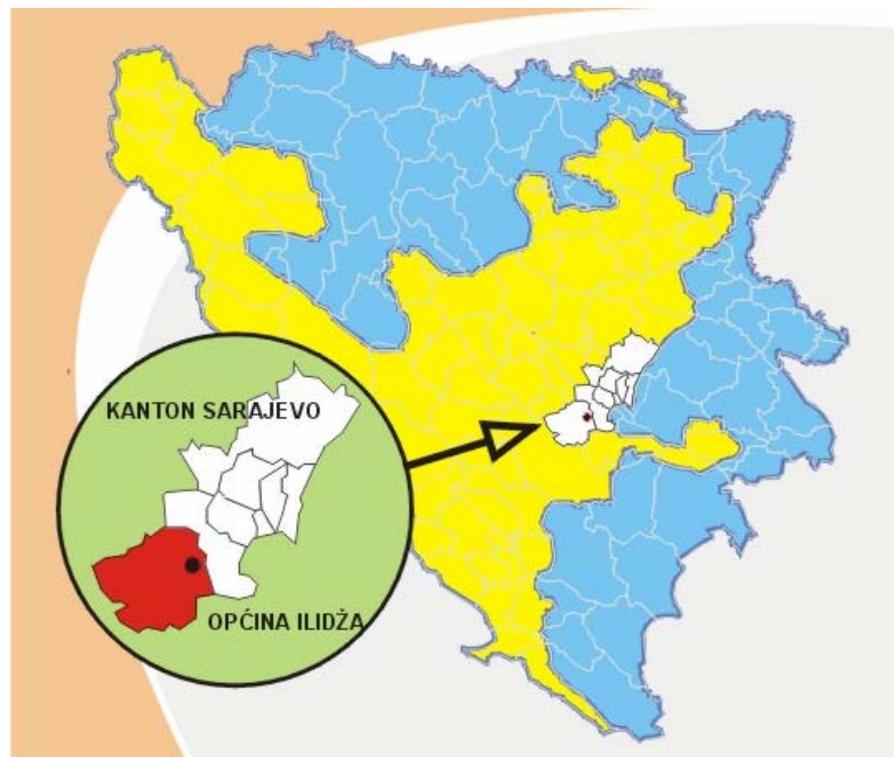
Federation BiH

Federal Ministry of Physical Planning performs administrative, expert and other tasks falling under competence of the Federation BiH related to:

- planning and improvement of space;
- policy of land utilization at the Federal level;
- drafting, enforcing and applying the Physical Plan of the Federation BiH;
- harmonization of the physical plans of the Cantons with the Physical Plan of the Federation BiH;
- directing a long-term development in utilization of natural resources;
- geologic researches;
- drafting of basic maps – geophysical, seismological, geothermal, minerogenetic, geochemical, geomorphological, and other;
- preparing geological backgrounds for physical improvements;
- supervision of appropriate institutions in this sector and other tasks as set out by the applicable legislation.

Basic Documents Governing the Activity

- *Law on Physical Planning*
- *Law on Building*
- *Law on Takeover of the Law on Housing Relations*
- *Law on Waste Management*
- *Air Protection Law*
- *Water Protection Law*
- *Environment Protection Law*
- *Law on Protection of Nature*
- *Law on Fund for Environment Protection of the Federation BiH*



Sample of Administrative Division in Federation BiH

Republika Srpska

Ministry of Space Planning, Civil Works and Ecology performs administrative and other expert tasks related to:

- integral planning and arranging of space;
- development and application of space plan of the Republic;
- revision, management supervision and giving approval at space plans of cities, municipalities, and special areas as well as at urbanism plans;
- revision of space-plan documents, development programs and investment-technical documentation of special interest for the Republic;
- urbanism planning and construction;
- arrangement of the construction land, production of construction material;
- development and services at the field of civil works;
- housing construction and its financing;
- housing cooperatives, housing relations;
- maintenance and management of buildings and apartments;
- communal activities;
- integral protection of environment and its improvement through researches, planning of management and protection measures;
- protection of goods of general interest, natural resources, natural and cultural heritage;
- inspection supervision at the field of space arrangement, civil works, communal works and protection of environment;

Basic laws on which is based the work of the Ministry

- *Law on arrangement of space*
- *Law on housing relations*
- *Law on privatisation of state owned apartments*
- *Law on maintenance of apartments and apartment buildings*
- *Law on communal activities*
- *Law on construction land*
- *Law on protection of environment*
- *Law on protection of nature*
- *Law on protection of air*
- *Law on protection of water*
- *Law on waste management*
- *Law on Fund for Environment Protection*



Regional Division in Republic of Srpska

Brcko District BiH

Statute of the Brcko District of Bosnia and Herzegovina defines housing issues, urban development and arranging of space and protection of environment amongst others as the main functions and competencies.

Department for Refugees, Displaced Persons and Housing Policy in Brcko District Government is responsible for housing issues while the **Sub-Department for Urban Development and Physical Planning** within the Department for Urbanism, Property Relations and Economic Development performs all duties related to urbanism, spatial planning and construction at the Brcko District territory. The Sub-department in particular deals with the following issues:

- Decides on requests for issuing urban compliances and records from the spatial planning documentation, as well as expert positions on construction of objects at the territory of Brcko District;
- Develops the Physical Plan of Brcko District as a basic strategic document in the area;
- Develops the Urban Plan of the Brcko city;
- Prepares and participates in drafting the Regulatory Plan, urban projects and urban orders at the Brcko District territory following priorities;
- Proposes the allocation of construction land for the purpose of utilisation (housing, business zones, traffic infrastructure etc.) in compliance with valid regulatory plans;
- Implements the Law on legalisation.

Basic Documents Regulating the Work

- *Statute of the Brcko District*
- *Law on land register and right to land*
- *Law on property and other material rights*
- *Law on arrangement of space*
- *Law on legalisation of illegally constructed buildings*
- *Instructions of the Mayor*



Chart of Brcko District

Achieved Results

Recognizing the outstanding need and necessity to coordinate activities in the area and aiming to a comprehensive approach the recent legal amendments provided for the state competencies in housing policy being founded with the Ministry for Human Rights and Refugees of Bosnia and Herzegovina. The particular **Department for Housing Policy and Analytical Planning** has been organised within the Sector of the MHRR for Refugees, Displaced Persons and Housing.

State Responsibilities

"...setting up basic principles for coordinating activities, harmonising BiH government policies and plans with international community in the field of: housing policy, reconstruction and development..."

Bottlenecks and Basic Preconditions

In the wider context of the development of a single economic and political State, it is of the utmost importance that the technical and operational capacities in the housing and urban sector are increased well beyond current levels and within a relatively short period of time.

On the other hand, if the domestic institutions' capacity building is to succeed, it must be accompanied by a wide range supported strategy.

Development Perspectives

In accordance to general goals in the economic rehabilitation, development and cooperation, the Ministry for Human Rights and Refugees of Bosnia and Herzegovina shall promote a sustainable housing and urban development including the modernisation of the instruments for a prosperous progress in the area.

Coordination and Cooperation

Coordination and cooperation among all relevant stakeholders is a mandatory precondition in both determining proper solutions and implementation of unanimously agreed and accepted goals to be achieved.

Finally, Bosnia and Herzegovina is committed to participate actively in important housing and urban reforms and to cooperate closely with countries of the region as well as with international institutions and organisations.