

1. Incremental housing

Description

Rental support grants have widely been used to assist urban IDPs and refugees, and they are an important way of addressing immediate housing needs, but the deeper problem often lies in a shortage of affordable housing stock for rent. Urban densification is a quick way to make more accommodation available, and it stimulates the housing market. It either involves the vertical expansion of existing housing units or urban in-fill, building on vacant plots in the city. Subdivision, in which a house is split into two or more units, also helps to increase stock.

The floor area ratio (FAR) or plot ratio¹ determines how many floors can be built on a particular piece of land, along with regulations on density such as the number of units per building and minimum space per person. For city officials, increasing FAR facilitates vertical expansion and allows homeowners to add value. Owners tend to upgrade their homes incrementally over time as their income and needs increase. Incremental housing - or sites and services - projects, which provide land or a basic house and expect recipients to upgrade them over time, tend not to take into account the FAR concept, however, the latter shares the same underlying principles of anticipating and supporting future incremental upgrades.

When IDPs or refugees arrive in urban areas, the increased demand for housing may be temporary if they later return to their places of origin, decide to locally integrate or settle elsewhere but in many cases their displacement becomes protracted. Given that urban governance and infrastructure need to be able to absorb rapid population influxes and outflows, it is important to create flexible tools that make new housing stock available relatively quickly, and which will still be viable and put to other use if the displaced population moves on.

New housing should be built so that it also benefits host communities. It should be appropriate and affordable to them should the displaced population leave the area.² They should also be supported in adding or finishing a new floor to their home, which increases its value and makes more property available for rent. This in turn helps ease tensions between host families and IDPs. In return for the support they receive, they agree to lease out the extra units at no cost to displaced families for a fixed period of time.

Such an approach would mean that the money spent on assisting families with rental support grants would instead be invested to increase the stock of housing for rent. Stimulating local housing markets through cash-based assistance has an economic multiplier effect, as does the construction it involves. Building or upgrading property creates local jobs and demand for materials and contractors' services.

The Norwegian Refugee Council (NRC) has been experimenting with a new integrated urban housing programme. It aims to drive urban densification with the construction of multi-story buildings that benefit both urban refugees and host families. In addition to providing grants or loans to homeowners, NRC also provides legal assistance, counselling and arbitration between landlords and leaseholders. Strengthening the relationship between landlords and leaseholders through written lease agreements and dispute resolution mechanisms forms a significant part of NRC's strategy to defuse tensions and improve social cohesion between host communities and refugees.

NRC's initiative targets urban refugees rather than IDPs, and focuses on temporary rather than permanent housing, but it demonstrates the way in which humanitarians are evolving their practices and innovating in urban areas. Urban refugees and urban IDPs also face many similar challenges, though their differing legal status has implications in some areas. Refugees, for example, often face additional barriers in terms of obtaining work and residency permits. The Syrian refugees in the case study do not have the legal right to work in Jordan, which means they may resort to a range of negative coping mechanisms, such as the rapid depletion of their savings, selling their valuables, foregoing expenditure on basic needs and going into debt in order to pay for their housing. IDPs may not face the same legal obstacles, but they are still often vulnerable to discrimination in terms of employment and housing.

Case study: Integrated urban housing programme (NRC, Jordan)

Snapshot	
Practice	Integrated urban shelter programme (2013)
Main actors	Norwegian Refugee Council (NRC) Irbid, Ajloun and Jerash municipalities Private building owners
Context	Syrians displaced by conflict to urban and peri-urban areas in Jordan Vulnerable Syrian refugee households outside camps live in substandard and overcrowded shelters without tenure security Lack of adequate and affordable rental housing stock to accommodate increased demand during the refugee crisis. Increased risk of tensions between Jordanian households and their Syrian refugee counterparts over competition for housing, inflation of rents, access to services and employment Thirty per cent of houses in peri-urban areas left unfinished until additional space is required (marriage, birth) or resources are available
Target group(s)	Syrian refugee households: more than 12,000 Syrian refugees in Irbid have benefited from around 4,000 new rental housing units, fulfilling 11 per cent of Syrian refugees' estimated housing needs in the governorate; 990 Jordanian property-owning host families have also been assisted.
Summary	The practice aims to increase the availability of rental housing stock in response to the shortage created by the influx of Syrian refugees to Jordanian cities. Owners of unfinished buildings are given grants to complete the work or add extra floors or rooms. The new units are provided rent-free to Syrian refugees for between 12 to 24 months. The greater NRC's investment, the longer the rent-free period. NRC identifies tenants based on vulnerability criteria such as female-headed households, people with disabilities, households with more than ten members or with infants, homeless people, families or individuals with severe financial issues and those at risk of forced eviction or living in overcrowded and inadequate housing. The NRC legal counselling programme provides lease agreements according to Jordanian legislation to the beneficiaries of the shelter assistance (owners and tenants) to protect tenure security. In case of disputes, legal assistance is available and facilitates access to remedies, information and legal support



NRC engineers assess construction works for Syrian urban refugees in Jordan. Photo: NRC Jordan/Rawan Baybars, March 2014

Strengths (Key elements of right to adequate housing and key programmatic elements from the matrix appear in bold)	This practice is an innovative approach that adds new rental units quickly to existing housing stock to the benefit of both refugees and host communities. It focuses on the needs of vulnerable individuals, families and groups of urban refugees. It ensures that refugee households can enter into rental agreements for between 12 and 24 months, strengthening their tenure security . It ensures affordability for the duration of tenure, because refugee households do not have to pay rent. It ensures that the additional housing units are built according to habitability guidelines, including access to water, electricity, structural integrity and freedom from leaks. The refugees are likely to have better access to local markets, goods and services and have their overall location needs met, because they live in established neighbourhoods. The practice emphasises cultural adequacy by working with Jordanian landlords and helping them to build new housing units for a growing family or for entrepreneurial reasons. The lease agreements provided by NRC's legal counselling programme contribute to tenure security and facilitates access to remedies . It also helps to foster positive relationships and understanding between the landlords and their refugee tenants through outreach and mediation if required. The practice provides many livelihood benefits to those in the local construction industry by increasing demand for materials, labour and contractors. Instead of paying rental support grants to refugees, the practice funds homeowners to help them upgrade their homes in return for housing refugees rent-free. This is an innovative financial model that shifts emphasis from funding refugees to funding host communities. The practice provides a temporary solution for refugees who expect to return or resettle elsewhere and an opportunity to stabilise their socio-economic situation. Those who choose to integrate locally will still benefit from the additional rental housing stock. The approach can be adapted and replicated. In terms of knowledge transfer , NRC's guidelines for the practice informed the IASC shelter sector working group in Jordan in drafting its own Guidelines for the Upgrading of Substandard Housing Units and Increasing Housing Units in Unfinished Buildings. Another NGO initiated a similar programme and several agencies have signed memorandums of understanding with NRC for its ICLA services.
Key challenge(s)	Though innovative and successful at its scale, the practice is unable to address the enormous deficit of affordable housing in Jordan. It has the potential to be scaled up, but in its present form it is a resource intensive project to put adequate shelter on the market that targets the most vulnerable Syrian refugees and supports landlord-tenant relationships. This means that the programme may require significant redesign to make it cost-effective at a larger scale. The programme's success is based on oversight and mediation between landlords and their refugee tenants. Sometimes one side or the other violates their tenancy agreement, and continuous education and conflict resolution are required to ensure that refugees are not displaced as a result. Despite the extra housing units, utilities are often shared between the landlords and their tenants, which can be a source of conflict. It is unclear what happens to tenant families once their rent-free agreement expires, whether it can be extended, a new one negotiated or they have to move on. The practice may not fully take refugees' need for flexibility as well as tenure security into account. The implications of refugee tenants deciding to move out before the end of their agreement – whether to be reunited with other family members, return to their places of origin or access livelihood opportunities in other areas – are unclear.
Factors for potential replicability	Existence of partially finished buildings or other structures that could be upgraded to create additional housing units A functioning construction industry Ongoing displacement crisis in which demand rises and falls in unpredictable ways.

Overview

The ongoing conflict in Syria has driven more than 3.3 million Syrians to seek refuge in neighbouring countries since 2011, primarily Egypt, Iraq, Jordan, Lebanon, and Turkey. According to UNHCR, the average monthly registration rate is in excess of 100,000. As of January 2015, there were 622,384 registered Syrian refugees in Jordan,³ the equivalent of 10 per cent of the latter's population. The vast majority, 84 per cent, live outside the official Zaatari and Azraq camps.⁴ Of them, around half live in substandard conditions in poor quality or temporary structures. The inter-agency shelter response plan for Syrian refugees highlights serious overcrowding, with as many as 20 people sharing two rooms.⁵

The refugees spend an average of 58 per cent of their monthly income on rent. They pay between 100 and 250 Jordanian dinars (\$140 and \$350) a month, and rental prices rose by 25 per cent between 2012 and 2013.⁶ Given the difficulties they face in obtaining work permits, some households have resorted to negative coping strategies, including taking children out of school to work, early arranged marriages and survival sex.⁷ Some have depleted savings set aside for dowries and wedding costs.⁸ Focus group discussions conducted by the REACH Initiative revealed that both Syrian and Jordanian respondents had also sold valuables and aid vouchers, worked for low pay and gone into debt in their efforts to meet their rising housing costs.⁹ Debt often takes the form of unpaid rent to landlords.

The governorates most affected are Irbid with 132,000 refugees, Mafraq with 95,000 and Zarqa with 51,000, and the increased demand for affordable and adequate housing affects both peri-urban and urban areas. In May 2014, the Jordanian government estimated that 120,000 new units were needed nationwide to meet it.¹⁰ Between 2004 and 2011, the country built an average of 28,600 new units a year against demand for 32,000. There was, however, an oversupply of middle and upper-range units, of which around 18 per cent remained unoccupied.¹¹

There are concerns about increased tensions between refugees and their host communities, given that they are competing for decent rental property and livelihoods opportunities.¹² A REACH assessment of 160 communities found that 83 per cent of Jordanians and 77 per cent of Syrian refugees identified housing as the main cause of tension between them.¹³

The influx of refugees has also led to overcrowding in schools and placed added strain on healthcare facilities. Tensions could be made worse by the fact that some humanitarian agencies have been disbursing rental support grants, which when coupled with increased demand can have an inflationary effect¹⁴ on the housing market.

Many households do not enter into legal rental agreements, leaving them without tenure security and at risk of eviction and multiple displacement.¹⁵ Non-payment, overcrowding and rising rental costs only add to the risk. The Norwegian Refugee Council (NRC) reports that almost half of the refugee families assessed in urban areas have been forced to move three or more times in the last year in search of secure and adequate shelter. Ten per cent said they were under imminent threat of eviction.¹⁶ When refugees move between governorates or districts, they have to update their government-issued identity documents to maintain their legal status and access services.

Programme design

There are currently five types of humanitarian shelter response programmes in Jordan.¹⁷ There are projects to upgrade refugees' existing housing in line with Sphere Project standards;¹⁸ to disburse rental support grants to provide "adaptation kits" that shore up existing housing against winter conditions; to empower refugees and vulnerable families by raising awareness about tenure and housing rights under Jordanian tenancy law; and to complete the construction of unfinished buildings and adapt others to create additional housing units.

NRC has taken the latter approach. Other interventions improve the adequacy of existing stock, but NRC's integrated urban shelter programme is innovative because it adds new rental stock and in so doing provides tangible support to host communities while meeting vulnerable Syrian refugees' immediate shelter needs.

The organisation launched a pilot of its programme in Irbid in July 2013.¹⁹ In coordination with community-based organisations and municipal and regional government departments, it worked directly with Jordanian property owners to encourage them to finish their part-built homes by adding units or additional floors. The approach not only helps to address the large gap between the supply and demand for affordable rental housing units in the province. It also promotes an alternative model of rental support that moves away from basic cash-for-rent programmes.

Selection criteria and programme conditions

Jordanian families often leave floors of their homes unfinished until extra space is needed, for example after the marriage of a son. For others the cost of finishing their buildings is prohibitive and loans are not easily accessible. NRC found that around a third of private property in peri-urban areas was unfinished, and approached property owners to see whether they would be interested in receiving funds to complete their buildings in return for offering the extra space rent-free for a fixed period of time.

The organisation offers financial incentives and technical support to Jordanian property owners to bring new

rental housing units onto the market, and at the same time provides vulnerable Syrian refugee families with rent-free accommodation for between 12 and 18 months. The amount of funding the property owners receive depends on the number of units they are willing to add and length of time they are prepared to offer them rent-free (see Table 1).

Table 1: NRC's financial investment model

	12-month rent-free period	18-month rent-free period
1 housing unit	1,000 dinars (\$1,400)	1,400 dinars
2 housing units	2,000 dinars	2,800 dinars
3 housing units	3,000 dinars	4,200 dinars
4 housing units	4,000 dinars	5,600 dinars

Property owners are chosen for the programme after a team of national NRC engineers checks the properties in question to ensure they comply with its building standards and are suitable for upgrade, and that the owners have the appropriate planning permission. Suitability is determined using Sphere standards related to water, electricity, sanitation, ventilation, access to basic services, access to markets and protection from the elements. Minimum living space is 3.5 square metres per person, excluding kitchen and bathroom.

The organisation has also assessed more than 38,000 Syrian refugees in northern Jordan. It found more than 16,000 to be extremely vulnerable and prioritised them for its programme against standard vulnerability criteria including household size and composition, risk of eviction and current shelter conditions.

Information, counselling and legal assistance

Jordanian landlords and Syrian refugee families sign standard tenancy agreements in line with Jordanian law and are helped to understand their legal rights and obligations. Tenants receive an initial cash grant of 100 dinars (\$140) a month after moving in to help them with relocation and setting-up costs. NRC outreach teams monitor implementation of the lease agreements from start to finish and help to resolve any problems that arise. The refugees are also given information about support available to them through other organisations in an effort to improve their access services and assistance.

NRC stipulates the need for a clear rental document recognised in a Jordanian court of law and which protects from arbitrary eviction and actions by either party that contravene the agreement. Under Jordan's 1994 landlords and tenants law, any person - including a refugee - can

legally enter into a contract and are both protected by and subject to its stipulations.

Dispute resolution that focuses on strengthening landlord-tenant relationships is an important component of the programme. Some refugee households contravene their rental agreements by overstaying or bringing in adding additional family members, and this can lead to harassment and even eviction. NRC's information, counselling and legal assistance (ICLA) team conducts **eviction monitoring** through follow-up phone calls and house visits to address the concerns of both parties. Its work helps to strengthen tenants' tenure security and is a vital factor in the overall success of the programme.

Programme expansion

After positive feedback from the pilot project, NRC decided to scale up and expand the programme into Jerash, Irbid and Aljoun. Its staff met the leaders of both governorates, and used a smartphone app to conduct a profiling exercise among 3,864 refugee families in May 2014. Such an undertaking is vital before scaling up a project and expanding into new areas. Political, living and social conditions may be very different, and rental costs may vary, with implications for the cost of programme. Elements need to be adapted and evolved based on lessons learned from the pilot, and standards and guidelines revised. Housing market conditions can change rapidly and the programme must keep up with emerging trends in supply, demand and cost.

Table 2: Results of profiling exercise in Jerash and Aljoun, Jordan²⁰

Female-headed households	24 per cent
Living in Jerash because of proximity to family	80 per cent
Living in Aljoun because of proximity to family	61 per cent
Living in Jerash because of low rent	13 per cent
Living in Aljoun because of low rent	28 per cent
Houses with mould or damp issues	47 per cent
Lack of basic protection from elements	18 per cent
Major kitchen and bathroom repairs required to meet minimum standards	21 per cent
Major water availability or quality issues	11 per cent
Property owners interested in NRC programme	76 per cent
Those interested because of insufficient funds to finish their properties	58 per cent
Those interested in helping Syrian refugees	42 per cent
Average expenditure on rent	300-600 dinars

Impact

“At least, with this project, for every Syrian family that has been assisted, there is a Jordanian family that has been supported.”²¹

By the end of 2014, NRC had supported more than 990 property owners to bring 3,564 housing units onto the market, with a further 484 under construction. The new units provide secure shelter to more than 12,000 Syrian refugees, meeting around 11 per cent of their estimated housing needs in Irbid. More than 7,100 Syrian refugees who meet the vulnerability criteria to become beneficiaries are currently on the programme's waiting list.

By investing nearly \$10 million in the local economy, NRC has created a win-win situation for the both Jordanian host community and Syrian refugees. Investment in housing has an economic multiplier effect, with upstream linkages to construction materials and companies and downstream linkages that create new employment opportunities in the sector. In Irbid, which at 21 per cent has second highest unemployment rate of the country's governorates, it has meant work for around 17,000 construction workers. Landlords estimate that NRC's support meant they were able to finish the construction of their property on average 1.8 years earlier than planned.

Transfer of knowledge

In March 2014, NRC's housing, land and property (HLP) division published a guide based on its experiences in Irbid,²² intended both to support its own programme and provide advice to others on protecting both Jordanian landlords' and Syrian refugees' HLP rights. IASC's shelter sector working group in Jordan used NRC's document to draft its own guidelines.²³

NRC's programme is now a component of the Syria regional response plan for shelter for 2014 to 2015, and could be implemented in other countries. The international NGO Medair has already begun a similar initiative, and UNHCR, IOM, CARE international and Handicap International have all signed memorandums of understanding for referrals.

NRC has set an innovative precedent and created a useful instrument for transferring its knowledge about the current HLP regime in Jordan not only other NGOs and agencies, but also to community-based organisations and housing advocacy groups. It could also be used to shape Jordan's national response to its urban development challenges, which have been complicated by the Syrian refugee crisis.

Challenges

NRC's programme is innovative and successful at its scale, but it cannot address the huge deficit of affordable housing in Jordan. It has the potential to be scaled up, but in its current form is a resource intensive project that puts adequate shelter on the market, targets the most vulnerable Syrian refugees and follows up the landlord-tenant relationship throughout the tenancy period. This oversight and mediation is the cornerstone of the programme's success.

Despite the addition of extra housing units, utilities are often shared between landlord and tenants, which can be a source of tension.

Conclusion

The 4,000 housing units created represent only a fraction of the estimated 120,000 that Jordan needs, and the expansion and scaling up of the programme is a step in the right direction. Humanitarian interventions cannot, after all, be expected to plug large-scale structural gaps in the national housing sector.

Notes

1. FAR is the ratio of a building's total floor area to the plot area. If FAR is more than one, it indicates a multi-story building
2. In the early 2000s, cash-rich middle and upper-income Iraqi refugees in Syria and Amman were blamed for rapid inflation in the housing market because they were willing to pay in cash and purchased or built homes quickly. Some Jordanian and Syrian citizens also complained of discrimination by estate agents, who favoured the refugees as clients. When the refugees moved on, however, their houses were not deemed appropriate for the local market. See Patricia Weiss Fagen, *Iraqi Refugees: Seeking Stability in Syria and Jordan*, Institute for the Study of International Migration and Centre for International and Regional Studies, Georgetown University, 2007. Also see Rhonda Roumani, *Iraqi Refugees Spur Housing Boom*, *Christian Science Monitor*, 22 July 2005, <http://goo.gl/qSZq4m>
3. UNHCR, *Syria Refugee Regional Response*, last accessed 8 January 2015
4. NRC, Fact Sheet: Integrated Urban Shelter Programme, August 2014
5. UNHCR, *Syria Regional Response Plan: Shelter*, 2014
6. UNHCR/IRD, *Syrian Refugees Living Outside Camps in Jordan – Home Visit Data Findings*, 2013
7. *Ibid*, p.21
8. Government of Jordan, *National Resilience Plan 2014 – 2016*, 29 May 2014
9. REACH, *Housing and Tensions in Jordanian Communities Hosting Syrian Refugees: Thematic Assessment*, June 2014, p.12
10. Government of Jordan, *National Resilience Plan 2014 – 2016*, 29 May 2014
11. *Ibid*, p.33
12. REACH, *Housing and Tensions in Jordanian Communities Hosting Syrian Refugees: Thematic Assessment*, June 2014
13. *Ibid*, p.2
14. In Haiti, a keep-the-change policy was implemented when disbursing rental support grants in order to mitigate their inflationary effects. Recipients were encouraged to negotiate lower rents with their landlords and could keep the amount they saved by doing so.
15. NRC Jordan, *NRC Shelter Project: Potential Expansion: Jerash & Ajloun*, April 2014
16. NRC Jordan, *Urban Shelter Outreach Analysis*, November 2014
17. UNHCR, *Syria Regional Response Plan: Shelter*, 2014, p.26-27
18. IASC shelter sector working group in Jordan's *Guidelines for the Upgrading of Substandard Housing Units & Increasing Housing Units in Unfinished Buildings*, 2014
19. NRC, Fact Sheet: Integrated Urban Shelter Programme, August 2014
20. NRC Jordan, *Shelter Project: Potential Expansion: Jerash & Ajloun*, April 2014
21. *Jordan Times*, [Out-of-the-box housing solution helps both Syrian refugees and Jordanian hosts](#), 10 July 2014
22. NRC, *A Guide to Regulations governing Upgrading and Construction of Residential Properties in Irbid: Facilitating Improved Housing Responses for Syrian Refugees*, March 2014
23. IASC, *Guidelines for the Upgrading of Substandard Housing Units & Increasing Housing Units in Unfinished Buildings*, 2013