



*Addressing poverty housing  
in the second poorest country in Europe*

# Where East Meets West



# Republic of Macedonia

- *Small, landlocked country of 2 mil. population*
- *Region troubled by interethnic conflicts during the past years*
- *Weak economy, poorly maintained infrastructure, impoverished people*



# Poverty update

- *GDP per capita US\$ 4,664; average salary US\$ 450 per month*
- *32% unemployed, 31% live below the national poverty line*
- *40% consider themselves as poor*





# Poverty housing

- *110,000 homes (16% of the existing housing stock) need immediate reconstruction, due to unsafe construction, poor maintenance and lack of sanitation*
- *1990 to date: new constructions per 1000 inhabitants dropped from 5 to 1.6 units*





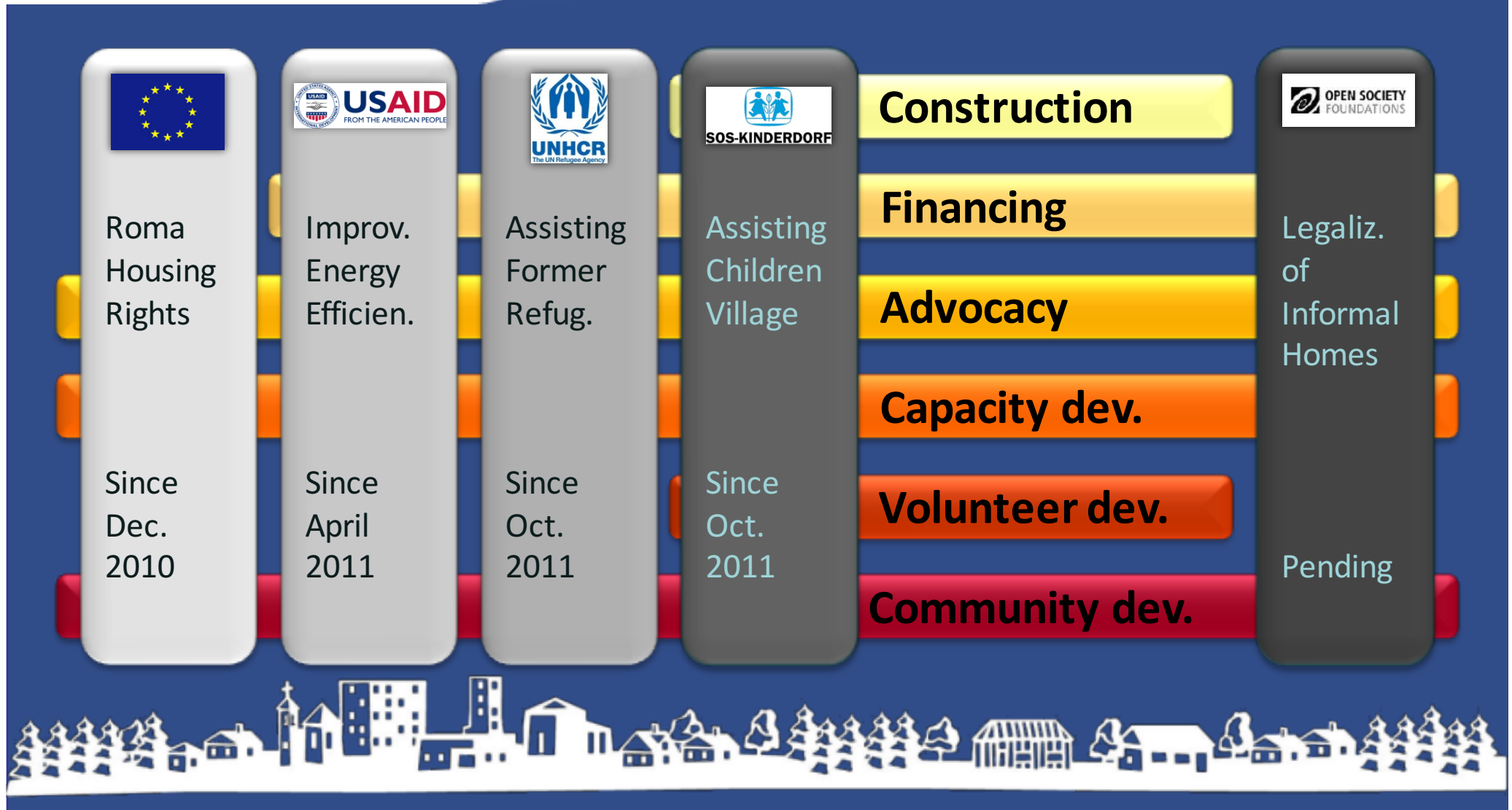
- *Non governmental, not-for-profit association established in 2005*
- *Focus on sustainable housing microfinance models developed as partnerships with entities sharing similar mission and vision*



# Program structure



# Program structure 2





# Program principles

- *Commitment to sustainable programmes that enable partners to recycle its resources*
- *Viewing families as responsible and accountable clients, fully capable of repaying their loans*

**PROVIDERS'  
SUSTAINABILITY**

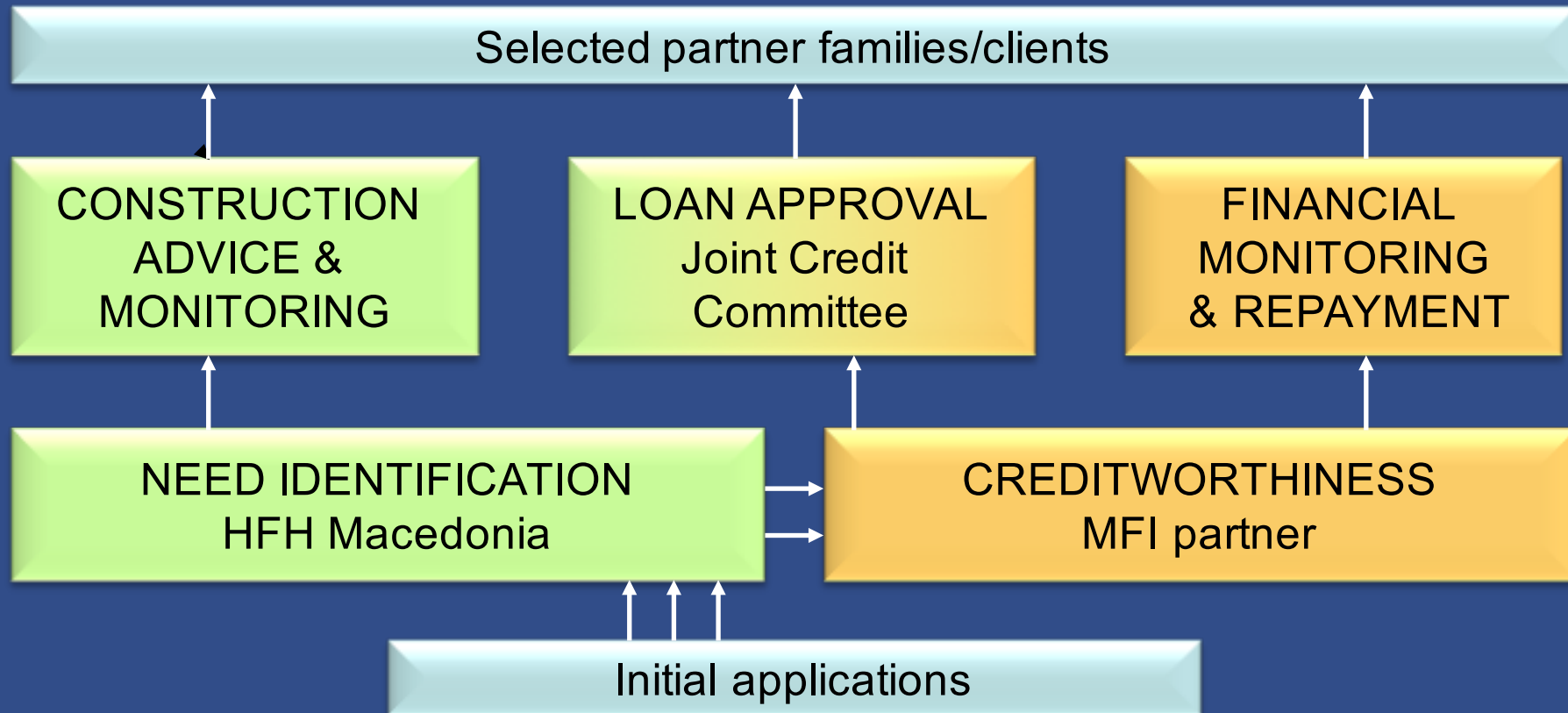


**CLIENTS'  
ACCOUNTABILITY**





# HFH-MFI process flow



# New Builds

- *Traditional Habitat program that brings visibility and recognition*
- *Project in Veles: 102 homes in 11 buildings, total of 5674 m<sup>2</sup> in three years*



# Water supply

- *Households' connection to existing public water supply and sanitation networks*
- *In partnership with public utility companies and local governments*
- *Cheapest intervention per family served, affordable loan*





# Energy efficiency

- *Energy efficient interventions for low income families*
- *Savings in energy costs to justify the cost of the intervention*
- *Multiple modelling phases, including USAID pilot project*





# Programs performance

	Families served/housing improvements completed							Average cost/ intervention
	FY06	FY07	FY08	FY09	FY10	FY 11	TOTAL	
<b>HIF</b>	32	54	92	122	170	163	<b>633</b>	4,759
<b>RHF</b>			24	40	75	41	<b>180</b>	2,554
<b>HB/NB</b>			2	1			<b>3</b>	11,786
<b>WSS</b>			61	115	203	240	<b>619</b>	378
<b>EEH</b>				12	71	60	<b>143</b>	1,643
<b>All</b>	<b>32</b>	<b>54</b>	<b>179</b>	<b>290</b>	<b>519</b>	<b>504</b>	<b>1578</b>	
As of June 30, 2011								



# Recognition

- **Area Vice President Award for Partnership Development**
- **Edit Kaslik Award for Housing Finance and Microfinance**
- **Eszter Award for Communications and Advocacy**
- **Millard Fuller Award for Families Served & Homes Built: Highest % increase in families served (233%)**
- **Solomon Award for Resource Development: Highest US designated income % increase (436%)**
- **HFH IBoD Award for Board Development**
- **World Bank Award – GDN's Most Innovative Development Projects Worldwide**



Shared  
Funds



Shared  
Vision

*Developing partnerships  
in housing microfinance services*

