Annex 1

to NRC Shelter Market Assessment Report –

Executive Summary

The assessment of the housing rental market is aimed at developing evidence-based guidance for shelter programming, to support the development of a cash-for Rent intervention. It focuses on the Afghanistan Easter region, mainly the settlements in the large Jalalabad city region.

The data collection and analysis were conducted per market areas: separate settlements/groups of settlements that constitute separate markets for rental housing – 7 distinct market areas overall.

The data collected in the assessment allow to describe the conditions on the housing rental market in each of the areas analysed and may be used for the design of new shelter intervention, as well as serve as a baseline for subsequent market analysis and monitoring.

The assessment analysed rental prices, quality of the housing stock, demand and supply of housing, security of tenure, as well as role of the social networks in the markets, livelihood opportunities and community capacity.

**The markets analysed differ significantly in many aspects, which would require differentiated approach to shelter interventions in each of the markets. There is significant variation in rental prices within and between local markets: the monthly price for housing of similar size and quality may differ up to three-fold between communities.**

The assessment showed that there are signs of rental housing deficit in some locations (central areas, Jalalabad, Surkhrod districts) and in certain segments (such as medium quality housing). In this locations tenants have difficulty finding accommodation and usually pay more.

Formal instruments, such as written contracts are common on rental housing markets, but the degree of their use varies. On the average, in 32% of the cases there is a written agreement between the tenant and the landlord, but this proportion varies significantly depending on the market (location), from almost half of all contracts being in writing in central areas (Jalalabad district) to none in peripheral, rural areas. The assessment showed that written agreements are associated with increased likelihood of rent increase. Displaced households have lesser access to written agreements in some, but not all of the markets. In some of the settlements landlords request tenants to provide documents (Tazkera, letter of guarantee) from almost all the households, while in other locations this is not a requirement. Since displaced populations often lack internal i.d. documents, this may be a barrier in accessing rental housing in certain locations.

The assessment showed that social and family networks play a very limited role (as landlords) on the housing rental market: less than 10% of households rent from relatives. At the same time, the role of professional property brokers in connecting tenants to housing is growing, with a third of households finding accommodation with the help of a professional intermediary.

The quality of the housing stock in all the markets analysed is low, reflecting a shortage of housing of adequate quality: only 28% of houses surveyed conform to minimal technical standards. Most of the households live in overcrowded conditions – over two-thirds on the average, and in certain localities, almost all households. Moreover, women and men have very different opinions on their living conditions, such as quality of the sanitation arrangements (toilet, bathroom), and overcrowding: women usually see them as significantly worse. Locations also differ significantly in terms of perceived safety: Chamtala and Harchar were the most unsafe locations. Women generally see the settlements as less safe, compared to men.

There is significant difference in access to public services, as well as availability of livelihood opportunities in different locations: in rural, peripheral locations there is a shortage of employment, as well as poorer access to a minimum of public services.

The assessment of the rental market showed that there are already significant differences between markets in terms of price and availability of housing, access to livelihoods and public services, and security of tenure, which signifies that cash-based interventions should be adapted to each particular market in terms of size and modality. At the same time, poor housing conditions, overcrowding, generally worse conditions for the displaced populations compared to host populations, and low level of security of tenure is common for all of the markets analyzed.

The survey revealed significant differences in perception of housing quality, security of tenure, satisfaction and safety between men and women, which points out that CBI should be taking into account particular needs of women in the households.