



MINISTERUL DEZVOLTĂRII,
LUCRĂRILOR PUBLICE ȘI ADMINISTRAȚIEI

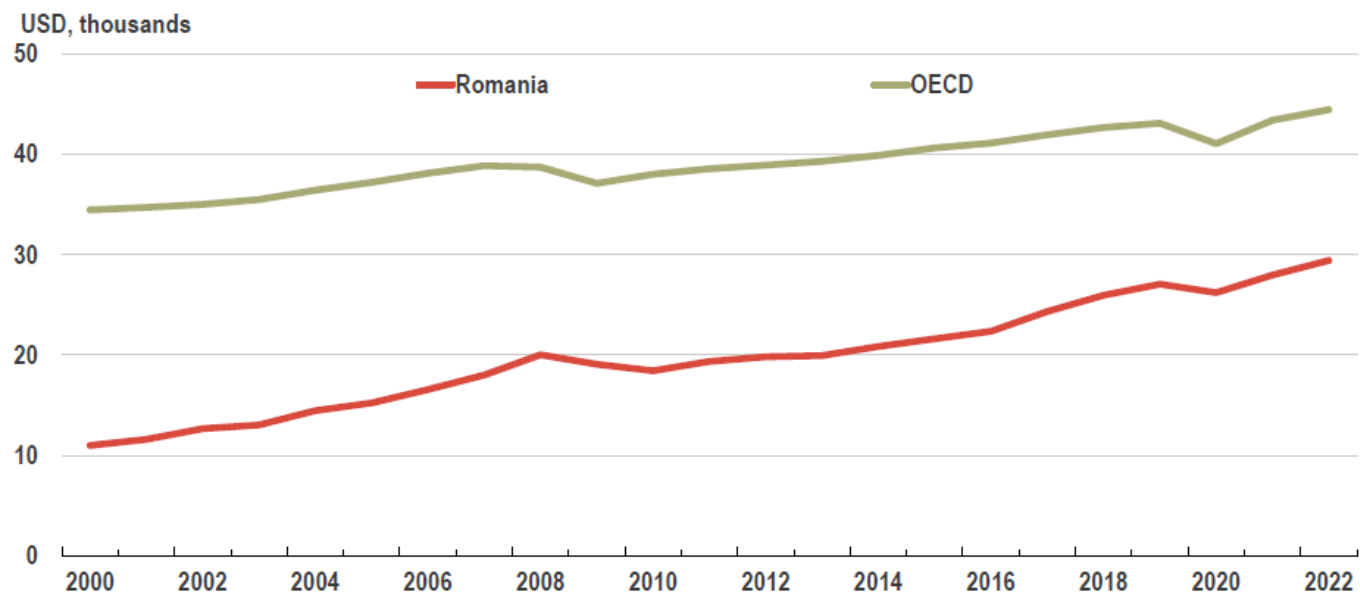
Housing policies and strategies

The situation of informal settlements

21 April 2026

Context

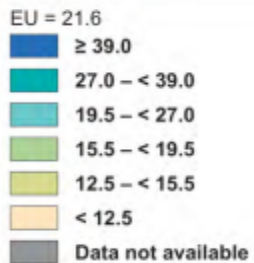
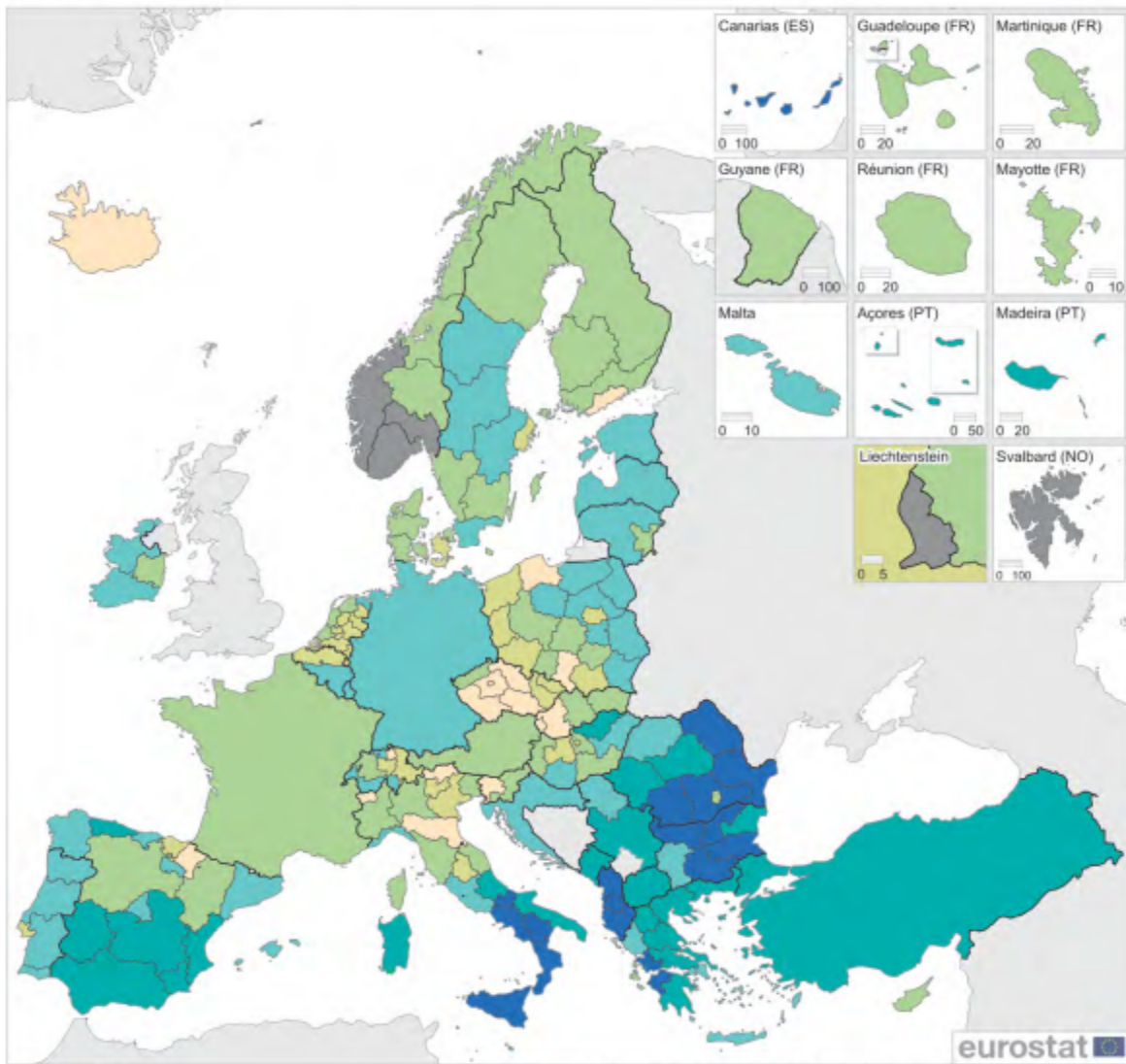
- A very **high share (over 95%) of privately owned dwellings** raises challenges regarding access to housing for vulnerable groups, as the stock of social housing is insufficient relative to the level of need;
- The housing stock in Romania's cities is dominated by dwellings located in multi-family residential buildings, representing **67.6% of the urban housing stock**;
- **The age of the building stock** raises issues related to low energy performance, seismic risk, physical deterioration, and the exceedance of the standard service life;
- **Uncontrolled urban development** in metropolitan areas has multiple negative effects on housing, including high infrastructure costs, rising housing prices, and reduced mobility efficiency.



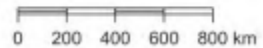
Real GDP per capita, 2022

Source: OECD Economic Surveys – Romania, 2024

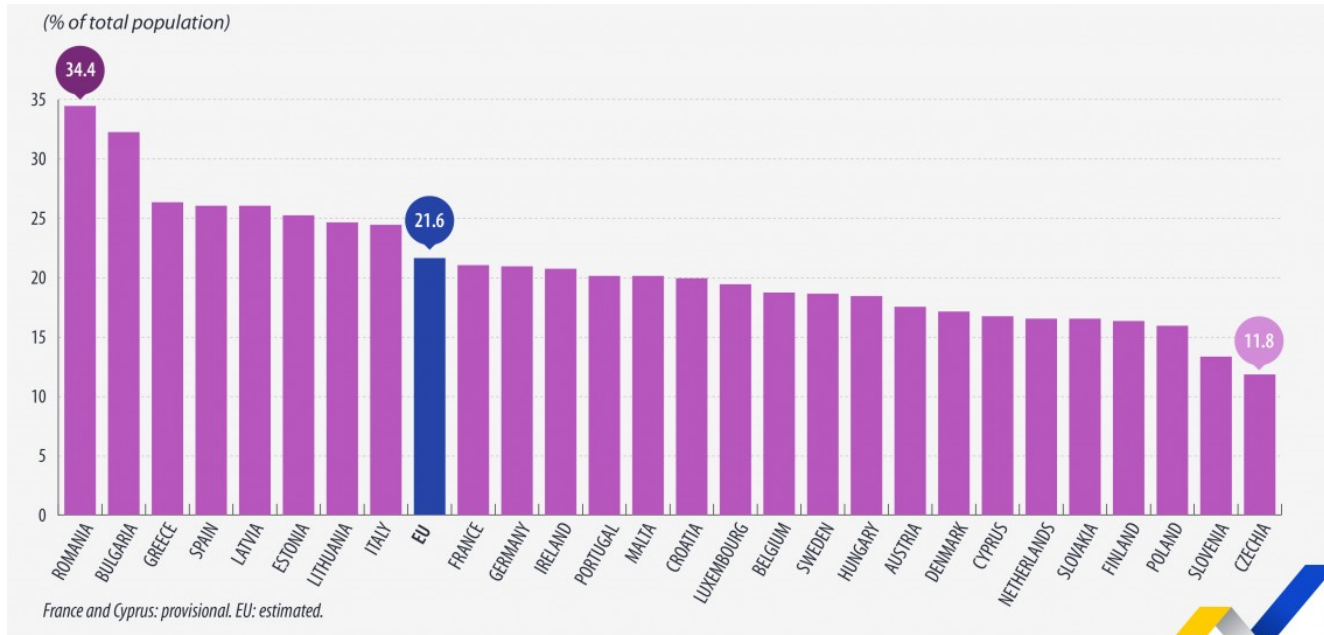
- Over the past two decades, Romania has halved the gap between national GDP per capita and the OECD average, from nearly 70% to approximately 35%. In 2019, GDP per capita reached 63% of the OECD average.
- The share of the population at risk of poverty or social exclusion decreased to 30% in 2020, down from around 50% in 2007.



Administrative boundaries: © EuroGeographics © UN-FAO © Turksta
Cartography: Eurostat — GISCO, 06/2022



Population at risk of poverty or social exclusion (% of total population), 2022



eurostat

Challenges

Romania has the highest housing deprivation rate in the EU

The housing sector in Romania is characterized by **significant inequalities and severe deprivation**. All urban agglomerations contain pockets of poverty and spatially segregated communities.

Limited administrative capacity hampers the continuous monitoring of key characteristics of the housing stock

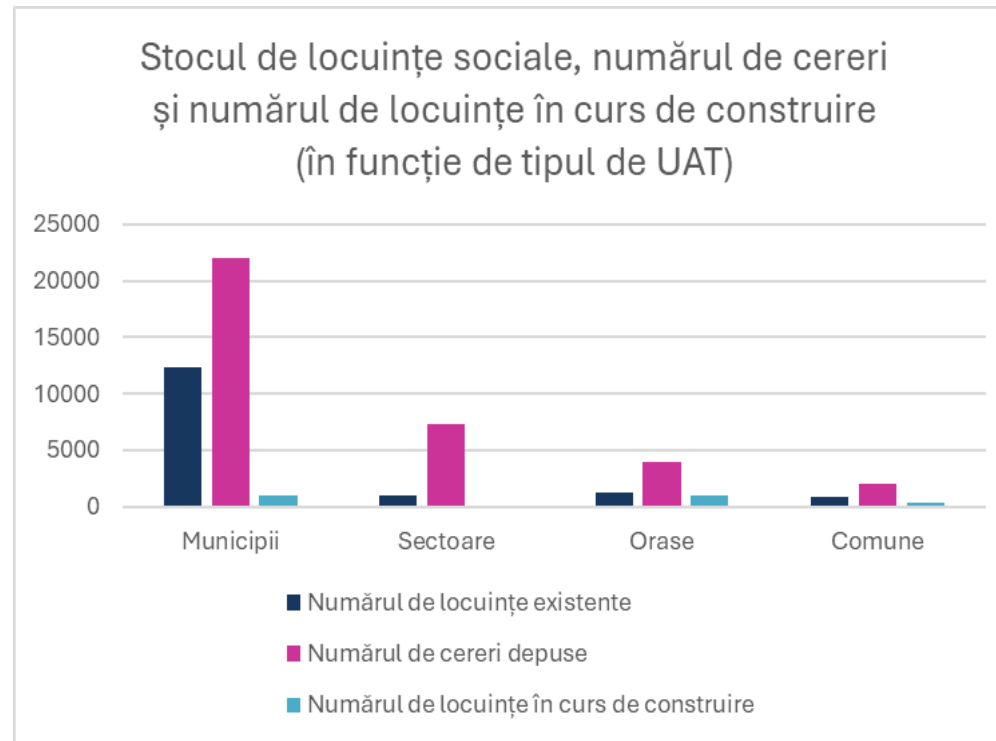
Territorial disparities in housing affordability are evident:

- large cities where housing demand exceeds the available stock;
- urban areas where economic decline and depopulation have resulted in an underutilized housing stock

The public housing stock offered for rent at affordable prices is very limited, which restricts access to housing for households that cannot afford to purchase dwellings on the private market

Overall, the supply of rental housing is limited – **the formal rental housing stock represents approximately 3%** of the total housing market in Romania, with unofficial estimates ranging between 7% and 15% at national level.

Mismatch between housing demand and supply



- Overcrowding in major urban centers, which face rising housing costs and accelerated urban expansion
- Small and medium-sized cities are experiencing population decline and need to identify solutions for the use of a surplus of vacant dwellings

Source: MDPWA Survey, 2022

***Notes:**

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Survey response rate: approximately 40%
Figures reflect recorded (registered) demand

National Housing Strategy

It is structured around the following **4 pillars**:

- Inclusive housing
- Affordable housing and high-quality public services
- Green transition – safe and sustainable housing
- Administrative capacity building

Funding instruments

The priority of national programmes is the construction of new housing

MDPWA

- Multiannual programme for the construction of social and necessity housing (Law no. 114/1996)
- Programme for the construction of social housing for tenants evicted from nationalised dwellings (GEO no. 74/2007)

National Housing Agency

- Programme for the construction of rental housing for young people
- Pilot programme “Social housing for Roma communities”
- Programme for the construction of service housing
- Programme for housing construction through mortgage loans

Alongside these permanent programmes, temporary schemes are introduced to assist persons affected by floods.

EU FUNDS

Programme for Social Inclusion and Dignity (ERDF și ESF+)

- Social housing in urban communities
- Social housing for different vulnerable groups
- Housing for the elderly

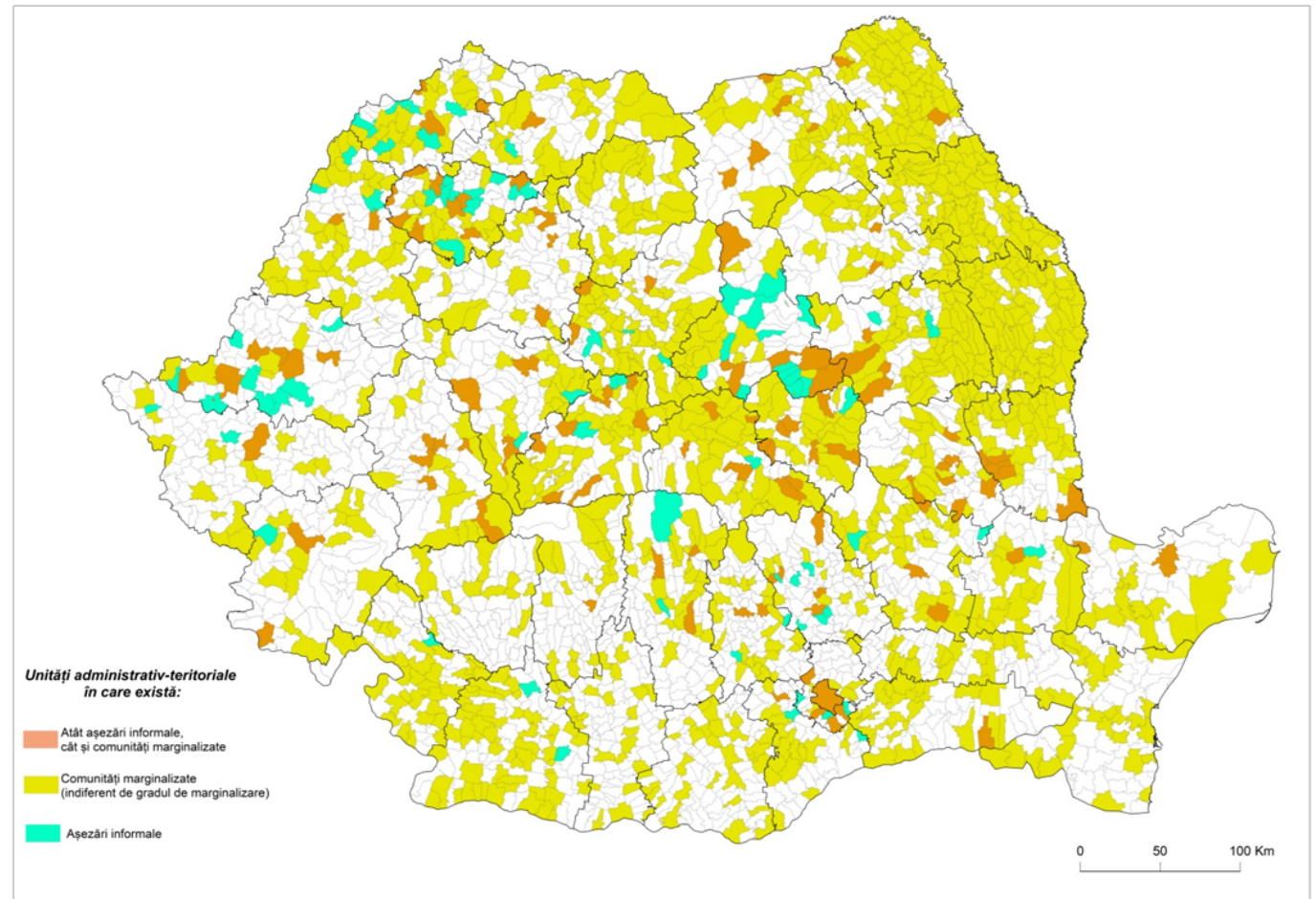
NRRP Component 10 “Local Fund”

I.2. Construction of housing for young people from marginalized communities or belonging to vulnerable groups / for specialists in healthcare and education serving marginalized communities

Norwegian and EEA Grants

The “Housing Plus” facility is an additional financing component under the Local Development Programme, supporting projects that include a housing component

Overview of informal settlements



Data collected by MDPWA, July 2021 - April 2022. Romania has **393 informal settlements with 71,965 inhabitants.**

Out of the 3,181 administrative-territorial units, 194 reported the presence of informal settlements on their territory.

National strategic framework addressing informal settlements

The Government of Romania has recently made several commitments to improve housing and living conditions for the most vulnerable population groups, which are significantly represented in informal settlements.

National Housing Strategy 2022-2050

National Strategy on Social
Inclusion and Poverty
Reduction 2022–2027

National Strategy for the
Inclusion of Romanian Citizens
Belonging to the Roma Minority
2022–2027

National Strategy for the Development
of Initial Vocational Education and
Training in the Dual System in Romania
for the period 2020–2025

Integrated National Energy and
Climate Plan 2021–2030

National Strategy for
Sustainable Development of
Romania – Horizons 2013–
2020–2030

National Strategy for Integrated Urban
Development for Resilient, Green, Inclusive
and Competitive Cities 2022–2035 –
Romania’s Urban Policy

National Health Strategy 2022–2030

National Strategy for the Protection
and Promotion of Children’s Rights
“Protected Children, Safe Romania”
2022–2027

Strategy for the Reduction of Early School
Leaving; National Lifelong Learning Strategy
2015–2020*

Strengthening the strategic and regulatory framework for integrated interventions in informal settlements



Regulatory framework

- **Law no. 151 of 24 July 2019** amending and supplementing Law no. 350/2001 on spatial planning and urban planning
- **Order no. 3,494 of 27 July 2020** amending and supplementing the Methodological Norms for the implementation of Law no. 350/2001 on spatial planning and urban planning, as well as for the preparation and updating of urban planning documentation

Informal settlements - legal definition

A grouping of at least three housing units developed spontaneously, occupied by persons or families belonging to vulnerable groups as defined by the Social Assistance Law no. 292/2011, as subsequently amended and supplemented, and who hold no legal rights over the properties they occupy. Informal settlements are usually located on the outskirts of urban or rural localities and include improvised dwellings built from salvaged materials and/or dwellings constructed from conventional building materials. Through their location and socio-demographic characteristics, they generate exclusion, segregation and social marginalisation. By being located in areas exposed to natural risks (landslides, floods), biological risks (landfills, waste disposal sites, contaminated sites and similar), or anthropogenic risks (safety or protection zones related to Seveso establishments, technical and utility infrastructure and similar), some informal settlements endanger the safety and health of their inhabitants.

Governance framework

National authorities

Central authorities, together with other public administration institutions, cooperate with the Ministry of Development, Public Works and Administration, providing the necessary information and implementing measures within their respective areas of competence, so that identified informal settlements are prioritised within public actions and policies related to housing, access to infrastructure, public health and human safety.

The County Council and the General Council of the Municipality of Bucharest

The County Council, respectively the General Council of the Municipality of Bucharest, through the Chief Architect's office, ensures the establishment and functioning of a coordination committee responsible for implementing the measures necessary to improve the living conditions of residents in informal settlements, provides methodological and operational support to local public administration authorities, and monitors the fulfilment of responsibilities and the implementation of actions established at local level.

Local authorities

The Mayor / the General Mayor of the Municipality of Bucharest, through specialised structures responsible for territorial development and urban planning, construction control and discipline, social assistance and public health, as well as the local police, has the following responsibilities:

- identifying land within the administrative territory occupied by informal settlements;
- establishing and updating the database on the number of persons living in informal settlements, the buildings they occupy and the typology of informal settlements;
- informing residents of informal settlements about the provisions of this law and initiating a process of consultation and participatory planning;
- initiating and coordinating the steps necessary to identify the legal status of the land where the regulatory framework provides for the partial or total removal of such informal settlements, ensuring the relocation of their residents;
- initiating and coordinating actions necessary to limit the expansion of informal settlements.

Recent initiatives supporting local public administration

TSI Project Informal settlements

- Handbook addressed to local authorities on possible interventions to improve the housing conditions of populations living in informal settlements
 - defining actions at central and local level – good practices
 - identification of barriers
 - legislative, financial and administrative capacity measures
 - strengthening multi-level cooperation
- Action plan (roadmap) for central public administration authorities

TSI project Social housing

1. Developing a coherent regulatory framework that integrates **housing infrastructure and housing-related social services** targeting vulnerable groups.
2. Assessment and identification of social housing needs across different beneficiary categories, in synergy with complementary support measures (social services, health and education).
3. Strengthening the regulatory framework for the administration and governance of the social housing sector, ensuring consistency with the existing legal framework governing social services.

Expected outputs

1. **Methodology** for developing integrated measures targeting housing infrastructure and housing-related services, including a harmonised set of criteria for allocating social housing based on beneficiary needs, and defining occupancy conditions
2. **Action plan** for competent authorities in the fields of housing (development and maintenance of the social housing stock) and social services (particularly housing-related services), including measures to strengthen the governance framework

Interoperable urban data platform

Informal settlements module

1. Developed under Romania's Urban Policy 2022–2035 (GD no. 1575/2022)
2. **Digital tool for mapping and monitoring informal settlements**
3. Online form for standardized data collection by local authorities
4. Enables geolocation, statistical analysis, and customized reporting
5. Supports evidence-based policies and integrated interventions for informal settlements

Future actions

- Establishing a more **systematic and regular data collection process** to support the improvement of the regulatory framework in the field of housing
- Active engagement of local authorities to ensure the availability of reliable evidence for the design of integrated social housing policies and interventions



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Thank you for your attention!