Why Is It Impossible To Measure the Quality of Housing in Azerbaijan?

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It is easy to measure the quantity of housing in Azerbaijan because, according to the reports submitted by various agencies (construction companies, property registrars, local executive bodies, etc.), it poses no problem for the statistical authorities to take into account such indicators as the area of housing per capita and the number of apartments per 10,000 persons. However, measuring the quality of housing requires professional and large-scale action directly from the statistical agencies. It should be noted that housing is one of the main indicators for assessing the social situation in any country. In this regard, it is crucial to study the indicators used to assess housing quality in the European Union.

What is the overcrowding rate and how is it calculated?

The overcrowding rate is one of the most reliable indicators for assessing the housing conditions. The EU statistics body Eurostat periodically calculates this rate and has built a database. According to Eurostat's methodology, housing must meet a number of criteria in order not to be considered overcrowded. For example, married couples must have a one-room apartment at least, each person over the age of 18 must have a separate room, and for every two children of the same sex between the ages of 0-17 there must be one room. As can be seen from this methodology, the number of rooms in an apartment, rather than the area of the living space, is used as the decisive indicator in the calculation of the overcrowding rate. If even one of these criteria is not met, the apartment being inspected is automatically considered

overcrowded.

According to the Eurostat <u>survey</u>, in 2019, 17.1% of the total population in the 27 member states failed to meet the criteria of the overcrowding rate. The rate was unequally distributed among the member states. For example, this figure was 41.1% in Bulgaria and 5.7% in Belgium.

Although the official statistics agency in Azerbaijan conducts an annual household budget survey, the questions required to determine the overcrowding rate are not included in the survey. Even though the State Statistics Committee's (SSC) reports on household budget <u>surveys</u> disclose the distribution of apartments by number of rooms, households are not classified by number of rooms. According to the 2019 <u>survey</u>, the distribution of all apartments in Azerbaijan by number of rooms was as follows:

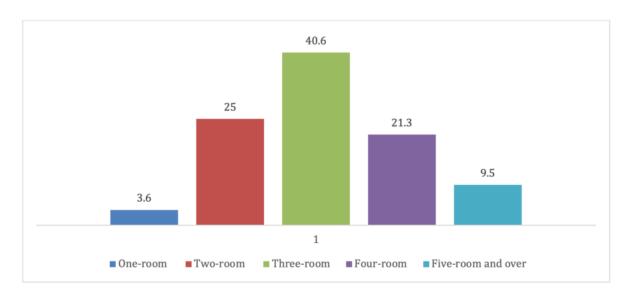


Figure 1: Distribution of all apartments in Azerbaijan by number of rooms, by percentage

According to the <u>official statistics</u>, currently there are about 2.147 million apartments in Azerbaijan. As can be seen from Figure 1, 3.6% of these apartments consist of one room, 25% of two rooms, 40.6% of three rooms, and about 30% of 4 or more rooms. However, as the current statistics do not disclose

the number of rooms per person, it is not possible to see the real overcrowding rate. Only one indicator is revealed, on the basis of which it is somewhat possible to say that the overcrowding rate in Azerbaijan is quite high. According to the <u>SSC</u>, 26.4% of all households have a living space of 10 sq.m or less per capita while 46.2% of all households have a living space between 10.1 and 20 sq.m. As can be seen, the per capita living space for 3 out of 4 households is less than 20 sq.m.

What is the severe housing deprivation rate and how is it calculated?

One of the indicators calculated by Eurostat to measure the level of housing quality is the <u>severe housing deprivation</u> rate. It is calculated as the ratio of the number of people living in apartments that meet one of the following criteria to the total population:

- There are no bathrooms and toilets inside the apartment;
- The roof of the apartment needs to be repaired;
- The lack of adequate conditions for lighting and the apartment is too dark

According to the <u>latest data</u>, about 5% of housing in the EU meets at least one of these conditions. However, this figure was unequally distributed among the member states. For example, the figure was 36.7% in Lithuania while it was just 3.6% in the Netherlands.

Budget inspections of households in Azerbaijan do not allow us to assess the housing quality on the basis of this indicator. The SSC report assesses the level of utilities provision (water, sewerage, heating) and communication (telephone) services based on a data point called improvement and supply of households. This assessment is not based on advanced and objective indicators. For example, when assessing household

sewerage and water supply, an assessment should be made based on whether households are connected to centralized systems. But the apartments that dig wells in their yards and discharge sewage water, or dig water wells in their yards to use for domestic purposes without checking the quality of water, are also considered to be provided with the relevant services. As a result, according to the official report, 98.4% of all households in Azerbaijan are covered by sewerage, and up to 90% by water supply. However, rural settlements at least are not covered by centralized sewerage services at all. Centralized water supply mainly covers the Absheron Peninsula. For instance, currently 1,051,000 (or 68.7%) out of 1,530,000 centralized drinking water subscribers live in Baku, Sumgayit and Absheron. It is clear that the main part of the remaining 479,000 subscribers are the residents of the other major cities (Ganja, Mingachevir, Shirvan) and about 60 cities that are the regional (rayon) centers. But according to official statistics, 40% of all apartments in the country (around 859,000 apartments) are in rural areas.

In fact, any state authority that is interested in developing an inclusive and fair social policy in the country should be interested in measuring the quality of housing. But the real picture in Azerbaijan is clear — there is no data that can assess the overcrowding rate or housing viability. Currently, it is impossible even to find simple information on the number of apartments in districts and cities in open statistical sources.

The information was obtained through a survey from *Azersu* OJSC during the preparation of the article.