EU Pilot Project

HERO

Housing and Empowerment for Roma

Housing and Empowerment for Roma (HERO)

Innovating housing support and financial inclusion of Roma in **Bulgaria**, **Romania** and **Slovakia**

Funded by the European Union

CEB
COUNCIL OF EUROPE DEVELOPMENT BANK
BANQUE DE DEVELOPPEMENT DU CONSEIL DE L'EUROPE

What was HERO?

To date, European Union (EU) Roma inclusion policies, particularly with respect to housing, have largely depended on EU Cohesion Policy grants. Meanwhile, financial instruments like loans and guarantees remain underutilised in efforts to support the socio-economic inclusion of Roma.

The **HERO – Housing and Empowerment for Roma** – European Union Pilot Project was launched in 2021 to test new ways of **improving housing and financial inclusion** for vulnerable Roma communities in **Bulgaria, Romania and Slovakia**.

The HERO Project adopted an integrated approach, by combining **capacity-building activities** for Roma families with a **risk-mitigation mechanism** for financial intermediaries providing housing microloans.

HERO also aimed to promote a new approach to Roma inclusion by **forging new collaborations and partnerships** involving public, private and civic actors.

Implemented by the **Council of Europe Development Bank (CEB)**, and overseen by the **European Commission**, HERO was funded by a EUR 2.8 million contribution from the **European Parliament**, combined with a EUR 200 000 contribution from **Spain** through the Spanish Social Cohesion Account, a trust fund managed by the CEB. The project operated between 2021 and 2025.

HERO was inspired by the successful Building Hope Project, led by the Slovak non-profit organisations ETP-Slovakia and association “For Better Life” (Pre lepší život). It also built on the achievements of Project DOM.ov, a respected initiative and recipient of the SozialMarie Award for Social Innovation in Central Europe.

The aim of this pilot project was to **test a model that could be scaled up across the EU** to contribute to the inclusion of Roma communities.

Why HERO? Addressing a pressing need

Housing presents a critical challenge for Roma communities across Europe. Many families live in substandard or overcrowded conditions, often lacking basic infrastructure such as clean water, electricity or sanitation. According to the European Union Agency for Fundamental Rights, 80% of Roma are at risk of poverty, and 52% face housing deprivation.[1]

Limited access to financial services further exacerbates these challenges, as Roma families frequently encounter systemic barriers to accessing formal financial services and products.

HERO was created to address these pressing issues by promoting financial inclusion and access to adequate housing. Through initiatives such as financial literacy education, savings schemes, employment opportunities and access to finance, HERO empowered vulnerable Roma to sustainably improve their living conditions.

By bridging the gap between financial institutions and marginalised groups, HERO demonstrated that the improvement of living conditions is attainable when diverse stakeholders unite to create lasting solutions.

HERO also supported social innovation projects to strengthen community cohesion, including community laundries in Romania, a community hub in Slovakia, and a family centre in Bulgaria.

> **"Against the backdrop of Europe's increasing housing affordability challenges, HERO aspires to pave the way for an innovative approach of true empowerment of Roma, striving for better housing conditions and greater inclusion."**
>
> Witold Willak,
> Head of Unit, DG ECFIN
> European Commission

> **"Access to adequate housing is a cornerstone of social inclusion. The HERO Project has shown that through unwavering commitment and strong cross-sector partnerships, we can remove barriers and create lasting opportunities for vulnerable communities to build a better future."**
>
> Daniela Aydin,
> HERO Project Manager, CEB

[1] *'Roma in 10 European Countries'* report. Available at: https://fra.europa.eu/en/publication/2022/roma-survey-findings

A collaborative effort: HERO partnerships

HERO engaged with a diverse group of stakeholders, fostering cross-sectoral partnerships between civil society organisations (CSOs), financial intermediaries, public authorities, the private sector, and both Roma and non-Roma communities, each playing a complementary role.

Each partner brought unique expertise and an understanding of the local context, ensuring that HERO's interventions were well-targeted and effective. Together, these partners worked to design financial products, deliver training programmes, and engage with communities to ensure maximum impact.

Roma communities played an active role in the HERO Project by participating in capacity-building activities, informing other families in need of the project, and taking the lead in constructing and renovating their homes

Civil society organisations provided comprehensive support to Roma families, including assistance with employment, financial literacy training, life skills development, savings schemes, and self-construction of homes

Financial institutions enabled access to microloans, empowering families to finance their housing needs

Local governments facilitated access to land by making plots available for purchase

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ROMANIA

SLOVENSKÁ sporiteľňa

Projekt DOM.ov

SLOVAKIA

What were the main HERO activities?

Financial literacy and life skills training

HERO financial literacy training aimed to enhance financial management skills and foster economic empowerment among marginalised Roma communities. It focused on three main objectives:

- Improving personal finance management through budgeting and goal prioritisation
- Enabling effective saving for house-building and renovation
- Enhancing loan repayment capacity by promoting responsible borrowing and financial planning

The training also supported participants' access to savings accounts and microloans, in so doing addressing systemic barriers to financial inclusion.

By equipping beneficiaries with practical financial skills, the project empowered them to take control of their finances, achieve long-term housing goals, and improve their overall living conditions. More than 553 persons have attended financial literacy trainings.

"The financial education course was very important. It provided me with the perfect tools to manage my money well, as I always had problems managing this. It made me change my perception and mindset."

Giorgiana Necula, Romania

What were the main HERO activities?

Employment support

The HERO Project's employment support was designed to aid beneficiaries with securing employment, improve their financial situation, and equip them to participate in HERO's savings schemes and repay microloans. This activity also involved engaging with public and private sector representatives to identify employment opportunities in the target localities.

Employment support services included individual assessments, professional job counselling, assistance with job applications, CV drafting, interview preparation and contract negotiation.

Tailored life skills training and support services were also offered to ensure a smooth transition into the workforce. Thanks to HERO, more than 362 people have benefitted from employment support.

Savings schemes

The savings scheme was a pivotal phase of the HERO Project, during which beneficiaries committed to saving money in a dedicated savings account opened with a financial intermediary. Over a six-month to one-year period, beneficiaries regularly set aside savings, strengthening an essential habit while preparing for future microloan repayments. Saved funds were intended to finance a plot of land, invest in home improvement works, or support the loan repayment. Seventy-six people have completed savings schemes.

Successful completion of a savings scheme, as a key requirement, enabled qualified beneficiaries to apply for a microloan, marking a significant step toward achieving their housing and financial goals.

Throughout this phase, social workers and field coordinators worked closely with beneficiary families, providing motivation and tailored support. This included personalised counselling, access to banking services, debt settlement assistance, and addressing other individual needs to ensure the beneficiaries' successful participation in the savings schemes.

> **"Thanks to the project, we took a financial education course that helped us to develop our ability to save. I know that I will help my mother to improve our living conditions. The HERO Project was just the spark that I needed, and I am truly grateful for it."**
>
> Eliza Mandache, Romania

What were the main HERO activities?

Photo provided by SIS Credit

De-risked microloans

Beneficiaries who successfully completed the savings scheme became eligible to apply for a microloan. These microloans have enabled beneficiaries to purchase building materials and fund specialised construction or home improvement works.

To facilitate lending, the microloans were covered by a guarantee instrument to mitigate risks to financial intermediaries when granting housing microloans. Thirty-nine people have benefitted from access to finance.

Self-construction and renovation of houses

Once beneficiaries secured the necessary permits, they could proceed with the construction or renovation of their homes. Using the microloans, families purchased construction materials, and self-constructed their homes under the guidance of a construction coordinator.

Beneficiaries were also supported in selecting suppliers, negotiating prices, and ensuring efficient use of resources. In Bulgaria, HERO also offered training on energy efficiency and home maintenance.

"The people from HERO taught us many things, such as how to do plumbing and electricity. We learned how to do things properly. All that is of great benefit to us. I am very happy that I participated. Information is wealth."

Veselin Minchev, Bulgaria

Active participation was a key principle, with families contributing directly to the construction or renovation of their homes. The construction coordinator played a central role in this phase, offering on-site supervision and guidance, capacity building, and ensuring compliance with national standards.

This collaborative approach empowered families while maintaining quality and safety throughout the construction process. Twenty-one houses are currently under construction.

Social innovation microgrants

As part of the HERO Project, small social innovation microgrants were introduced to complement activities in all three countries. These grants financed targeted initiatives to promote local development and foster inclusive community solutions tailored to the needs of marginalised Roma communities.

SLOVAKIA

In Kecerovce, a microgrant supported the creation of a community hub, bringing together Roma and non-Roma residents, local NGOs, municipal representatives and other stakeholders. This hub promotes collaboration, community development, and prejudice reduction, building bridges between diverse groups.

ROMANIA

Three self-service laundries were established in Piatra Neamț County, serving the neighbourhoods of Dărmănești, Speranța and Văleni. These laundries benefit approximately 400 vulnerable individuals, primarily Roma. In addition, they host workshops on health awareness and parenting education, further enhancing community well-being.

BULGARIA

In Yablanitsa, a microgrant was dedicated to establishing a Roma Family Centre aimed at supporting Roma individuals facing marginalisation and social exclusion. This centre will provide a safe space and essential resources for empowerment and community integration.

These social innovation microgrants exemplify how targeted, locally-driven initiatives can have a meaningful impact and complement broader project objectives.

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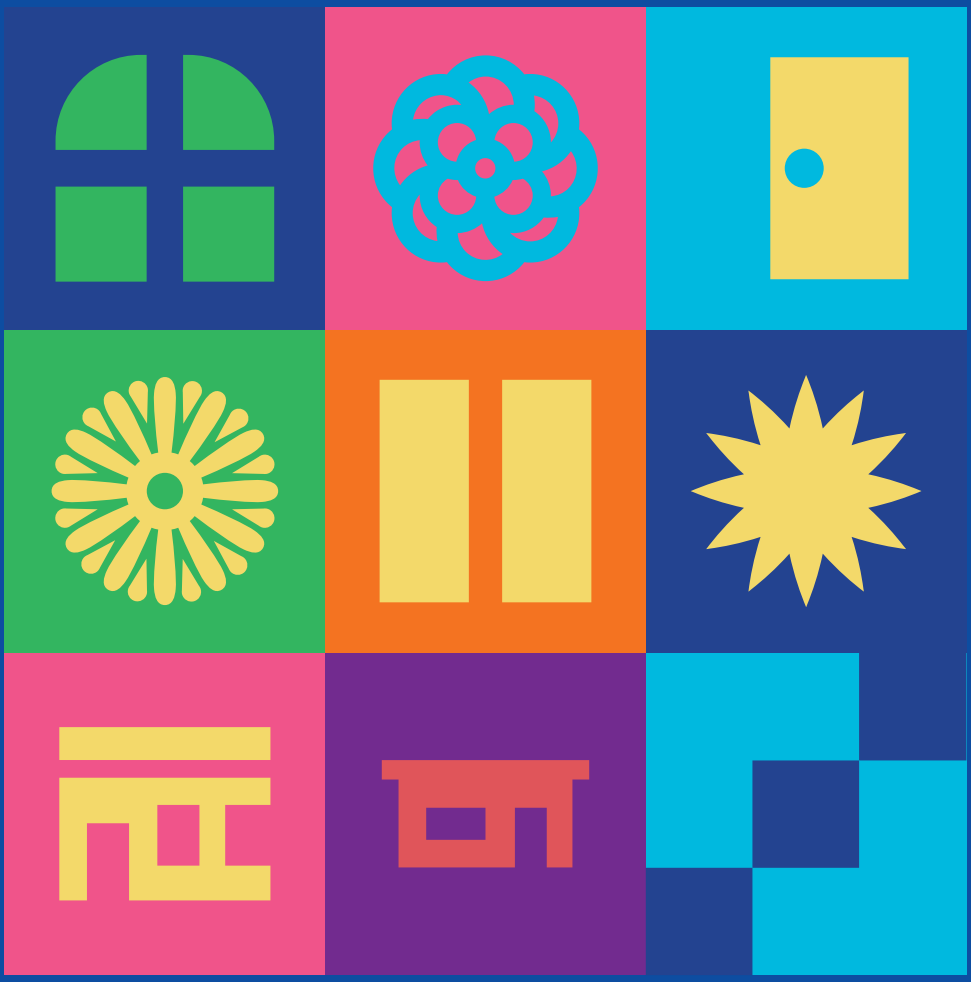
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