



February 2017

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Housing markets comparison: recent OECD - database

The OECD (organisation for economic cooperation and development, headquarter Paris) published in the beginning of February a comprehensive data collection on affordable housing. The data show the share of social housing (34,1% in the Netherlands, 0,2% in Latvia), the spending on housing allowances in the national GDP (1,41% in UK, 0,9% in Norway), but also the housing overburden rate of low income households in the private rental market¹ which is more than 60 % in Croatia, Chile, Greece and Spain, 5,4% in Slovak Republic and 13% in Germany.

The most overheated housing market is currently in Auckland, New Zealand. A new phenomenon called "Flipping" produces strange effects. Flipping is buying properties and re-selling it at a much higher price over a short time span. Some properties have been sold up to five times its initial value in four days. Auckland faces a huge housing affordability crisis, with the government announcing its first four year programme for emergency housing and a reform to increase the taxation of property transfers.

All over the world, the housing costs are the biggest spending of private households. The average share increased from 20,3% in 2000 to 22,9% in 2013. The countries with the highest share of tenants remain Switzerland with 58%, followed by Germany with 55%.
More Info:

<https://www.oecd.org/social/affordable-housing-database.htm>

European Holiday Home Association submits complaint at EC about rules for short term rentals

The European Holiday Home Association (EHHA <http://ehha.eu/>) called the EC to check the regulations on short time rentals in some Member States at local level. EHHA represents property owners, renters, and short term rental platforms. EHHA considers the regulations imposed by i.a. Berlin, Barcelona, Brussels and Paris as anticompetitive. 2014-2016, 45 million Europeans have booked an accommodation at Airbnb & Co., with an annual turnover of 80 billion Euros. A capacity of 20 million beds for tourists are managed by the EHHA members-twice the number of traditional hotel beds.

¹ More than 40% of the disposable income spent for rent

The short term rental sector is one key component of the ECs “Digital Single Market” project. According to EHHA the regulations are excessive and often contradictory. Moreover, it is stated that Member States have failed to notify the EC of the regulations of the respective municipal authorities. EHHA considers the restrictions for short term rentals as disproportionate burden not compatible with the ECs promotion of the collaborative economy.

New balance of powers in the European Parliament

January 17 the European Parliament elected the Italian MEP Antonio Tajani as new president. Tajani follows Martin Schulz who leaves Brussels for being candidate of the German social democratic party for chancellor.

Tajani is the former spokesman of Silvio Berlusconi and one of the founders of the Forza Italia party. Being first an MEP for Forza Italia, he later became EU commissioner for industry. The vote for Tajani was possible by a new coalition of the EPP (conservatives) and the ALDE (Liberals).

The candidate of ALDE, the Belgian Guy Verhofstadt, stepped back from his own candidature for a vote of his group in favour of Tajani.

Another deal finally clinched it for the EPP candidate Tajani: shortly before the last ballot, the euro sceptic and right wing populist group ECR (Conservatives and Reformists) announced their support for Tajani. Tajani reached the single majority by 351 votes. The candidate of S&D, Gianni Pittella, got 282 votes in the final ballot.

As a consequence, the long standing coalition between the big groups S&D and the EPP is broken. In the past the approval of these two groups was needed for political initiatives - or at least an abstention. For example the initiative report “Social housing in the EU”, tabled by the French Green Karima Delli, reached the majority of the parliament by the abstention of EPP.

What remains is a clear power shift to the centre right parties in Europe. They hold the presidency of the EU council (Donald Tusk), the presidency of the Commission (Jean Claude Juncker), and now with Antonio Tajani also the presidency of the EP.

EP adopts report on the pillar of social rights

January 19, the EP adopted with a majority of 396 votes to 180 with 68 abstentions the resolution tabled by rapporteur Maria João Rodrigues (Vice Chair S&D) on the pillar of social rights.²



Maria João Rodrigues

The report has a clear housing relevance, stating in article 19 “The European Parliament

²

<http://www.europarl.europa.eu/sides/getDoc.do?type=TA&reference=P8-TA-2017-0010&language=EN&ring=A8-2016-0391>

calls on the Member States to deliver on the right to adequate housing by ensuring access to quality and affordable housing of adequate size for all, and to prevent and reduce homelessness with a view to its gradual elimination; urges them to enact legislation and/or other measures as needed in order to ensure that access to social housing or adequate housing benefits are provided for those in need, obviously including homeless people and families, and that vulnerable people and poor households are protected against eviction or that adequate alternative housing is provided to them; calls for provision of housing to be combined with relevant social services supporting social and economic inclusion; calls for effective measures to be taken to help young people on low incomes set up their own households; highlights investments in energy-efficient social housing as a win-win for jobs, the environment, reduction of energy poverty and realisation of social rights; calls for greater use of relevant European financial instruments to support urban renewal and affordable, accessible and energy-efficient housing provision and to promote the development of social housing in regions where it is underdeveloped; calls for all forms of criminalisation of poverty, such as measures unfairly sanctioning homelessness or other forms of material deprivation, to be abolished”

In the next step, the European Commission will publish the final proposal on the pillar in March. A “social summit for fair jobs and growth” will be hosted by Jean-Claude Juncker together with Sweden's Prime Minister Stefan Löfven in Gothenburg on 17. November 2017.

IUT calls for national experts

As part of the new working structure, the general secretariat of the IUT asked the IUT board members to nominate national experts for two working groups. The expert group “energy” will deal with the new “Clean energy for all Europeans” package, which contains a revision of the energy performance buildings directive, the energy efficiency directive and the renewable energies directive. The expert group “housing policy” will deal with the European Pillar of social rights, the EU urban agenda partnership for housing as well as the state aid policy and competition complaints.

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