



HOUSING ON CENTER STAGE. Mr. David Lippeatt from the US Mission to the EU presented the Obama administration's new plan on housing. To the right: Mr. Richard Hewgill, member of the IUT board.
Photo: B. Steenbergen

Strong housing policies is a powerful force to tackle the ongoing financial crisis

Future European housing policies and social housing issues were thoroughly discussed on the IUT conference on how to tackle the financial crisis. Investments, loans and President Obama's housing plan may lead to recovery in the social housing sector.

In connection with the annually held International Tenants Day and the World Habitat Day, IUT took the opportunity to gather speakers from a variety of organisations and institutions to highlight both the future policies of European housing and the concerns of social housing in European countries.

The main topic of the conference was "tackling the financial crisis with a new deal for affordable housing" which certainly is in line with the severe financial crisis the world economy is currently suffering from together with the important housing issues that have to be tackled as a result of it.

-Member states should invest in housing renovation and reconstruction now, stated Mr. Sven Carlsson, President of the IUT. Mr. Mario Aymerich, representative of the European Investment Bank (EIB) elaborated on the EIB's activities in social housing. The bank offers a number of financial

instruments such as loans for street renewal and has recently financed refurbishment of social housing blocks in Lithuania. The financial crisis has paid its tribute to all of the member states. Mr. Conny Reuter, Secretary General of Solidar, International Workers Aid, emphasised that social housing is part of general social policy and therefore tenants and labour unions should work together in order to face the financial crisis.

Sound investments are crucial for the decreasing social housing sector in Europe. The general trend in many European countries is that home ownership outnumbers the social sector by far. In Italy and Slovakia the social housing sector is more or less nonexistent, amounting to about 5 % of the total housing stock. The Netherlands is a striking example of successful social housing policies where about 40 % of the total housing stock is social housing.

Mr. David Lippeatt, Chief of the Economic policy unit at the US Mission to the EU, spoke about the Obama administration's housing plan which is emphasizing more future support to tenants. The administration has designated \$4.25 billion of the stimulus package to directly support the creation of tens of thousands of federal subsidized rental units in American cities.

Visit www.iut.nu for additional information on the IUT conference.

Notable and quotable

Both President Obama and former British PM Margaret Thatcher were given attention to on the International Tenants Day. Mrs. Barbro Engman, President of the Swedish Union of Tenants gave an enriching and informative speech about the right to buy versus the right to rent policy. Mrs. Engman expressed her sincere wish that President Obama's

right to rent policy will spread to Europe and to her home country Sweden. The Swedish government has set focus on owner oriented policies leaving people in the hands of the financial market and interest speculators. "Bear in mind that it is in difficult financial downturns that you as a tenant are standing firm and safe" Mrs. Engman refreshingly stated.

New proposal leads to withdrawal of the Swedish complaint

After a long voyage it seems that the Swedish case pending in the EU Commission has been withdrawn by the Swedish Property Federation, due to a successful agreement.

The withdrawal came as a result of the agreement between the three parties involved; the Swedish Union of Tenants, the Swedish Property Federation and the Swedish Association of municipal housing companies.

The Swedish model of setting rents where parties negotiate the rents without the interference of the government came under scrutiny by the 2008 report "Europe, public housing and rent" in which it was examined whether the Swedish rental system is compatible with EU law or not. The report alongside the complaint to the EU Commission by the Swedish Property Federation caused a stir and worry for the Swedish Union of Tenants which has spent a lot of time and effort to combat the complaint.

On a press conference on the 13 of November the Swedish Minister for local government and financial markets Mr. Mats Odell presented the Swedish

government's proposal for new rules for public housing in Sweden. In March 2010 a proposal will duly be put forward to the Swedish Parliament containing new directives concerning the setting of rents and the usage of the yields by the municipal housing companies. In connection with the government's proposal, the Swedish Property Federation decided to withdraw the complaint.

The President of the Swedish Union of Tenants, Mrs. Barbro Engman welcomed the proposal. Mrs. Engman stated that the proposal shows that the Swedish government is confident that the parties can agree on how the Swedish rental market shall function.

IUT Brussels News is the bimonthly newsletter of International Union of Tenants. For more information about IUT please go to www.iut.nu

If you wish to sign up for the newsletter or express your comments, please send your e-mail to anna.ostberg@hyresgastforeningen.s

Questions and answers

IUT gives answers on the Energy performance buildings directive. (EPBD)

What is the main issue of the EPBD?

All buildings built after 2020 must have high energy-saving standards and be powered to a large extent by renewable energy.

Explain the impact of the energy certificate?

The energy certificate has to be shown to the prospective tenants (when viewing an apartment) and to be handed out when signing the rental contract. The energy performance indicator has to be published in all commercial advertisements for real estates.

What kind of renovations is feasible to make and what are the impacts on the tenants after 2020?

Examples are the installment of smart meters, replacement of existing heating and hot-water plumbing. The major impact should be lower rents since the running costs of the buildings may be decreased.

IUT and EU events

December 7, EU-council decision EPBD

Where: EU-Council Building, Brussels

January 25, European Housing Forum

(12.00-15.00 hrs)

Organised by: IUT

Where: the premises of RICS, Rue Ducale 67, Brussels

February 4, IUT EU advisory group

(11.00-16.00 hrs)

Organised by: IUT

Where: IUT office, Rue du Luxembourg 23, Brussels

June 21, EU Housing ministers' meeting

Where: Toledo, Spain

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