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IUT SEMINAR- 5th October 2009-

European Parliament

**“ Rental housing and the financial crisis-threats and challenges:
tackling the financial crisis with a new deal for affordable
housing and social urban development”**

- **Social housing, an economic stabiliser ? National examples**
- **Medium term perspective: the just after the crisis**
- 3. **EU recovery plans: an opportunity to transform Structural Funds= Revolving Funds ?**
- 4. **EU State Aids: how to include a new deal for housing ?**

CECODHAS MEMBERS
Stock owned as rental or cooperatives
by CECODHAS members as % of the
total housing stock in each country
(including secondary residence)

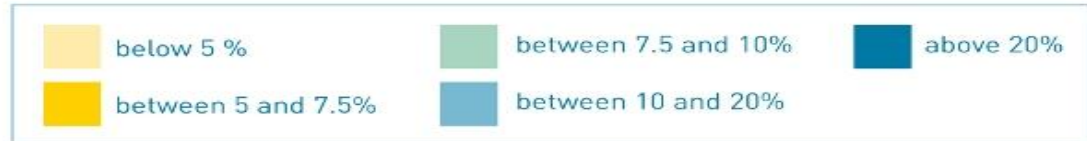
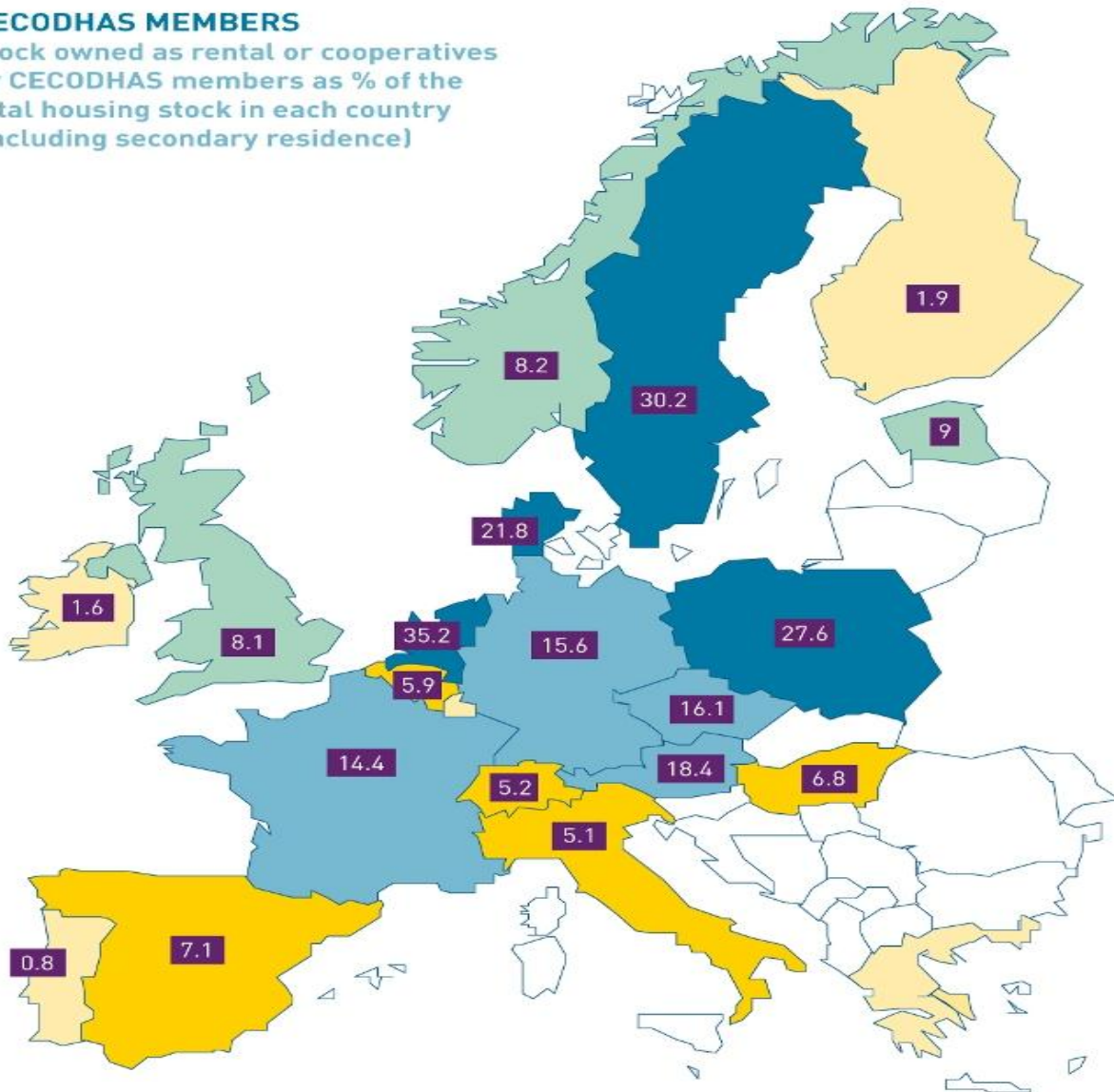
1. Social housing, an economic stabiliser ?

National examples:

- Increase of investment in
UK, FR, SP

→
- No need to act on the
housing market
when renting sector
is big enough

Sector act as counter
cyclical and real
stabiliser if big renta
sector



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2. Medium term perspective: the just after the crisis

- **CECODHAS members are expecting a major withdraw of public support and already prepare the after 2010**
- **In UK: decrease of rent are proposed to face the decrease of purchase power of households**
- **After 2010: social housing organisation will face two majors contradicting trends : empowerishment of tenants with a raise in demand for social housing and major public spending cuts (less housing benefits, more restriction...)**

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3. EU recovery plans: an opportunity to transform in the next cohesion policies

Two major changes about housing in the EU recovery:

- **A green Building initiative** : recognition of construction sector being in recession, not that housing can be a stabiliser
 - *2 billions of Research*
 - *Energy efficiency: future strategic action plan)*
 - *ICT; building of the Future*

 - **Structural funds eligibility**
In each Member States, expenditure on energy efficiency improvements and on the use of renewable energy in existing housing shall be eligible up to an amount of 4% of the total ERDF allocation. Member States shall define categories of eligible housing in national rules(), with the view to supporting social cohesion."
- Today also proposal to open for housing for marginalised communities***

What to propose for the next cohesion policies ?

Better integrated approach to develop areas

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4. EU State Aids: how to include a new deal for housing ?

Court of Justice; the Servatius case, September 2009:

Dutch Social housing association wanting to develop cross border activities. The Dutch government against because of mission of the housing association. For the HA it constitute a barrier to the freedom of capital movement. The Court judgement: missions and duties have to be explicitly defined, if not, yes the housing association can develop transborder activities

In the judgement: social housing not seen as social mission, but looking mainly as its impact as economic stabiliser.

- But in state aids: **Dutch case:** restriction of housing association role to the most vulnerables:
- Czech and Slovak negotiations ith DG Competition
- Swedish case
- Need to adapt the negotiation process: where are the citizens ? Where is the freedom to local authorities to choose the organisation of their SIEG ? (transparency of negocation, involvement of Parliament)
- Today: each time our definition is not precisely define, then the less open definition will be choosen: need for us to define it together !

The next Housing Ministers meeting: 21 June Madrid



EU housing Minister's meeting,
Marseille, 23 November 2008