



L'UNION SOCIALE POUR L'HABITAT

## European perspectives 2009-2014

### Issues of the French presidency

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## Issues of the French presidency

Summary .....	3
EU acquis and litigation.....	5
Community functioning and lobbying .....	8
Consolidating the acquis – 2008-2009 priorities .....	10
2008 file chart .....	12
2004-2009 term report.....	14
2009-2014 perspectives .....	19
Issues of the French presidency of the EU .....	20
Further information.....	22

# Summary

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Access to housing in the European Union will be the underlying theme of the housing component of the French Council presidency.

This issue is not only current given the tense situation in which the European housing markets find themselves but also at the centre of the careful Community thought initiated in terms of territorial cohesion and land settlement, the revision of the social agenda, the reform of cohesion policy and sustainable urban development.

The added value gained from France's presidency of the Council lies in its will to master these land settlement, "sustainable European city", local government and housing access issues. An integrated approach which is structured around the objective of economic and social cohesion in the European Union and which is reinforced by the territorial cohesion objective introduced by the Lisbon Treaty. The French presidency innovates to this end by inviting all the European ministers in charge of these various portfolios to Marseille for 3 days.

The 17th meeting of the European Union's Housing Ministers which will take place on the first day will be devoted to discussing the access to housing of those in need and also the impact of European legislation and sectorial policies on housing. Based on the Commission's latest report on social services of general interest (SSGI), exchange between ministers should thus focus on linking social housing policies with the functioning of the internal market.

The careful thought given to this on the eve of the launch of the 2009 Europeans' campaign will be formative for the next 2009-2014 term of office.

The aim of territorial cohesion, the new legal basis for services of general interest enabling the Parliament and the Council to legislate by means of regulations on correct accomplishment conditions of missions of general interest and the new protocol on services of general interest (SGI) are all innovations brought about by the Lisbon Treaty. They will contribute to the relaunch of Community debates in the next term of office on new bases, expressing a political will to rebalance the sometimes contradictory objectives of the European Union, between competition and cohesion.

Given the issues involved, CECODHAS and the *Union sociale pour l'habitat* (Social housing union) are organising a European conference on 5<sup>th</sup> November at the City Hall (*Hôtel de Ville*) of Paris on the subject: "Access to housing: new social challenges, new territorial issues"<sup>1</sup>. This conference aims to actively contribute to the reflection of European housing ministers and accompany this initiative of the French presidency which should be welcomed.

Above all it will be a matter of preparing the ground in terms of Community debate in preparation for the 2009 Europeans and the next 2009-2014 term, of which the principle issues for social housing are based around these five topics:

- **Social Agenda:** social policy, active inclusion, access to employment – access to housing;
- **Territorial Agenda:** territorial cohesion, sustainable urban development and urban renewal;
- **Energy:** energy performance, renewable sources, transport-housing links;
- **Ageing:** integrated services, health, social integration, cohesion and solidarity;
- **Services of general interest:** State aid, concessions, special rights, in-house and payment.

This European Union Representation report, published on the occasion of the *Union sociale pour l'habitat* conference, aims primarily to raise awareness among HLM social housing organisations and their partners of the issues of the 2009-2012 term regarding the development of social housing and the modernisation process undertaken in France as in the other Member States.

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<sup>1</sup> information and registration at <http://www.union-habitat.org/europe>

# Decoding required

Concepts of Community law	Breakdown of the HLM social housing sector
Member State, public authority, competent or organising authority	State – Regions – <i>Départements</i> – Local authorities and their associations.
Services of general interest (SGI) Services of general economic interest (SGEI) Social services of general interest (SSGI)	Construction, acquisition, allocation and management of rental housing aimed at people whose income falls below certain limits (L411 CCH); Development, accession and service provision. (L411-2 CCH).
Missions of general interest	Implementation of the right to housing and contribution to the social diversity required in towns and districts (L411 CCH); Improvement of housing conditions for people with modest incomes or underprivileged citizens (L411-2 CCH); Pursuit of social and housing diversity (L411-2 CCH).
Official commission act	L411-2 CCH Social interest agreement Operational agreement
Public service obligations	Allocation within resource limits; Rent or price limits; Right to remain in the property ; Buyer reassurance; Tenant involvement in the board; Caretaker/housing ratios...
State aid in the form of compensation for public service obligations – fair compensation principle	Grants, subsidised loans, public guarantees, tax exemption, employer-sponsored housing allowance schemes and reduced-price real estate granted to HLM organisations for the accomplishment of their missions of general interest.
Reduced VAT rates for housing provided in the framework of social policy (6 <sup>th</sup> VAT directive)	HLM construction and major upkeep and repairs (appendix H) General HLM maintenance (appendix K)
Social housing businesses responsible for SGEI management (Competition law)	HLM and semi-state (SEM) organisations
Public law organisation – seller power (public tendering)	HLM organisations (taking into account the management control exerted by the State/CJCE (EC Court of Justice) ruling).
Exclusive rights	Home-ownership guarantee companies <i>Caisse des Dépôts et Consignations</i> (deposit and consignment office) / loan processing and distribution Savings banks, Post Office, <i>Crédit Mutuel</i> / marketing of the <i>Livret A</i> and <i>Livret bleu</i> savings accounts (withdrawal from 1 <sup>st</sup> January 2009)
Special rights (authorisation system as a means of imposing a public service obligation)	HLM organisations under approval (subject-matter jurisdiction, territorial competence, specific governance clauses)

# EU acquis and litigation

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The social housing missions of general interest accomplished by HLM organisations are now clearly recognised by Community law and institutions. A result of the continuous presence of social housing players in the European debate, this recognition is expressed in the existence of many dispensations to the general provisions of Community law aimed at protecting these missions from the only internal market forces and from competition and thus guaranteeing their full accomplishment.

## **An acquis which is essentially dispensational where Treaty regulations are concerned**

This specific positioning of social housing is expressed in reference to the various autonomous branches of Community law such as competition law and internal market and indirect tax law and public tendering. It is based mainly on the dispensations to the Community regulations resulting from provisions of the Treaty specific to services of general interest:

- **Competition law:** following two years of negotiation, the “social housing businesses” concept was introduced to competition law at the end of 2005 in the framework of a Community decision to exempt State aid notification to certain services of general economic interest including social housing<sup>2</sup>. In addition to the clarification in Community law of the existence of dedicated social housing operators this decision provides legal security to the financing of social housing missions. It makes all the public aid granted to social housing organisations necessary for the full accomplishment of their missions of general interest compatible with the provisions of the Treaty. This clearly involves complete transparency where the definition of these missions and the parameters for granting the public funding necessary for their accomplishment is concerned. Each euro of State aid must not only have a proven and verifiable return but must be limited to offsetting the actual cost of this return. This Community decision will be assessed in 2009 based on national reports which will be drawn up by the Member States by December 2008.
- **Internal market law:** social housing, as a social service provided by State-appointed providers, as is the case of HLM organisations, was excluded in 2007 from the scope of application of the internal service market directive<sup>3</sup> at the suggestion of the European Parliament. Approved social landlords thus escape prior control of their authorisation systems such as, for example, HLM approval or the future social interest agreement. Through this exclusion, the regulation of social housing operators infringes upon the service liberalisation process undertaken in the internal market and the concrete implementation of the freedom of service provision; this regulation actually induces an establishment obligation in the country of provision and a social landlord approval which may hinder the basic liberties of the Treaty.
- **Indirect taxation law:** social housing, being “housing provided in the framework of a social policy”, stems from the dispensational provisions to the common VAT system enabling a reduced VAT rate to be applied to absolutely essential goods and services and for social purposes<sup>4</sup>. These provisions will be renegotiated at the end of 2008 based on a proposal for the revision of the 6<sup>th</sup> VAT directive.
- **Public tendering:** complex social housing operations resorting to the design and execution process benefit from dispensational treatment with regards to the public tendering invitation to tender procedure<sup>5</sup>. For its part, the Court of Justice has described HLM organisations as “*organisations created specifically to meet general needs*” with regard to Community public tendering, thus acknowledging their being businesses specific to matters of general interest and

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<sup>2</sup> European Commission decision of 28<sup>th</sup> November 2005 relating to the application of article 86.2 of the EC Treaty to State aid in the form of public service compensations granted to certain businesses responsible for the management of SGEI, COM (report) (2005) 267; OJ L312 of 29<sup>th</sup> November 2005.

<sup>3</sup> Article 2.2.j of directive 2006/123/CE dated 12<sup>th</sup> December 2006 OJ L 373/36 dated 27/12/2006.

<sup>4</sup> Appendix III of the 2006/112/CE directive of 28<sup>th</sup> November 2006 OJ L 347 of 11/12/2006.

<sup>5</sup> Article 34 of the 2004/18/CE directive of 31<sup>st</sup> March 2004.

public policy. Furthermore, as businesses with special rights necessary for the correct accomplishment of their missions of general interest, HLM organisations derogate from the invitation to tender obligation on payment by the relevant public authorities<sup>6</sup>.

The fact remains that this positioning of social housing includes so many dispensations specific to Community provisions, gradually, and not favourably, obtained in reference to the various branches of Community law by means of an ad hoc legal framework guaranteeing global coherence and an integrated approach to social housing.

### **Sectorial definitions of social housing in Community law**

6 <sup>th</sup> VAT directive (1977)	"All housing provided in the framework of a social policy".
State aid decision (2005)	"Housing aimed at underprivileged citizens or vulnerable social groups who for reasons of creditworthiness are not in a position to find housing under the market conditions".
SSGI Report (2006)	"Housing aimed at underprivileged citizens or less advantaged groups".
pm CCH (L411)	"Housing aimed at people whose income falls below certain limits".

However, the positioning of social housing as a service of general economic interest (SGEI) ledged by the 2005 Community decision enables the Member States to give the correct accomplishment of their social housing missions of general interest precedence over the Treaty regulations<sup>7</sup>. As a service of general economic interest, social housing comes under a common EU value and access thereto is .acknowledged by its Charter of Fundamental Rights<sup>8</sup>.

Furthermore, the College of Commissioners acknowledged in 2001 that social housing is a legitimate element of public policy, that is falls completely within the objectives of the Treaty and that it is in the interest of the Community for social housing to be supported in respect of the Community principle of proportionality<sup>9</sup> and fair compensation.

By recently positioning social housing as a social service of general interest (SSGI) in two successive<sup>10</sup>, reports, the Commission acknowledges the specific characteristics of its dedicated players which distinguish them from other players in so-called network services of general interest such as in terms of energy, transport or telecommunications. Decent values, solidarity and social cohesion missions, the imperative need for public funding to accomplish their missions, dedicated players acting with no profit-making aim and fixed on territories in a relationship of continuity and proximity to residents – there are so many characteristics common to all players in the field of social services explicitly acknowledged by the Commission. However, this acknowledgement of the specificities of social housing players', as a social service of general interest (SSGI), has not thus far led to a positive law. It does, however, urge the Commission to take them into consideration in the management of possible disputes related to this specific organisational method.

The only, albeit considerable, drawback is that the Commission's approach to social housing as a service of general interest does not fit in with the universal perception of certain Member States which it considers an "obvious error". Sweden and the Netherlands, where access to social housing is not subject to resource limits but open to all households indiscriminately, must therefore oversee a litigation procedure which should lead them either to conform to the Commission's conception or to contest it before the Court of Justice by requesting the Luxembourg judges' arbitration regarding this assessment as an obvious error.

### **A developing Community dispute affecting the basics**

<sup>6</sup> In accordance with article 18 of the 2004/18/CE directive of 31<sup>st</sup> March 2004.

<sup>7</sup> In accordance with article 86§2 of the Treaty.

<sup>8</sup> Article 34 of the European Union's Charter of Fundamental Rights.

<sup>9</sup> Community decision 209/2001 of 3<sup>rd</sup> July 2001 State Aid – Ireland.

<sup>10</sup> COM (report) (2006) 177 dated 26<sup>th</sup> April 2006 and COM (report) (2007) 725 dated 20<sup>th</sup> November 2007.

This gradually compiled Community *acquis* has not, however, enabled the overriding of the development of Community litigation in the housing sector. Fuelled by complaints from the private sector, both in terms of social housing funding and guarantee systems and social housing allocation conditions such as those in place in the Netherlands and Sweden, this point of contention may lead to certain so-called universalist perceptions of social housing, potentially open to all households, being called into question.

Since it therefore affects the very basics of social housing for certain Member States, this point of contention has led to the Lisbon European Council, at the request of the Dutch Prime Minister, introducing a new protocol on services of general interest in the Treaty aimed at specifying their governance and affirming the discretionary power of the Member States in terms of defining services and their specific missions. Four points of contention deserve attention:

- **Livret A savings account:** The Commission's decision to withdraw special rights related to the provision of the *Livret A* savings account ensuring the funding of social housing. This point of contention has led France to complain the Court of Justice, contesting the validity of this decision whilst adopting a law aimed at implementing it. On 1<sup>st</sup> January 2009, the provision of the *Livret A* savings account will be open to all banks, the partial centralisation of the means at the *Caisse des Dépôts et Consignations* (deposit and consignment office) is maintained but the provision of the *Livret A* will no longer be classed as a service of general economic interest and becomes a service activity in its own right and subject to all the competition regulations of the internal market.
- **Home-ownership guarantee companies:** complaint from a private insurer against the exclusive right of the Home-ownership guarantee company deemed in conflict with the provisions of insurance directives. The file is currently being processed by the European Commission departments.
- **Sweden:** complaint from the private investors' federation against State aid for local council housing companies whose housing is accessible with no resource limits imposed. Launch of a large-scale national debate on responses to the situation and the terms of ensuring the compliance of the Swedish public housing system with Community law.
- **Netherlands:** Dutch government notification and complaint from private developers relating to State aid for housing corporations (HLM organisations) whose housing is accessible with no resource limits imposed. Negotiations underway between the Dutch government and the Commission with a view to ensuring the compliance of the social housing aid system with Community law.

The calling into question of the universalist perception of social housing, particular to the Scandinavian countries and the Netherlands, is based on the exclusive mandate given to the Commission, as a competition regulator, to verify the absence of an obvious error in the classification as service of general interest. This mandate is exerted under the control of the European Communities Court of Justice.

The perception of social housing as a service of general economic interest, developed by the Commission in a letter to the Dutch government<sup>11</sup>, actually reduces access to social housing to only people who are socially underprivileged, reducing the classification of social housing as a service of general economic interest to the existence "*of a direct link with socially underprivileged people*". An exceptionally residual perception of social housing which creates tension with the freedom of the Member States to define social housing missions, notably in terms of cohesion and social and housing diversity objectives. This point of contention is behind the Dutch Prime Minister's proposal to introduce a new protocol on services of general interest in the Lisbon Treaty in order to explicitly affirm the freedom of the Member States to define the social housing domain as a service of general economic interest.

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<sup>11</sup> "*Le service public a un caractère social ; la définition des activités (...) doit donc conserver un lien direct avec les ménages socialement défavorisés*" Letter from the European Commission dated 14th July 2005 to the Dutch government, aid measure n° E 2 / 2005 (Ex – NN 93 / 02) – Housing cooperative funding – Netherlands

# Community functioning and lobbying

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This positioning of missions of general interest and HLM organisations in Community law is the result of the sector's continuous presence in Brussels and the constant dialogue established with Community institutions.

The *Union sociale pour l'habitat* (Social housing union), through its Representation in Brussels, is carrying out this role of constant representative of Community institutions on issues relating to social housing, its legal framework and its positioning in Community policies.

In harmony with CECODHAS, the European Liaison Committee for Social Housing and other European partner networks, the *Union sociale pour l'habitat* is keeping a legislative watch over all the text proposals which could have an impact on social housing and is emphasising the sector's interests and those of its players throughout the decision-making chain. It is thus in permanent contact with:

- **The European Commission** and its various Directorates-General prior to any legislative texts as the Executive behind all legislative proposals and the drafting thereof;
- **The European Parliament** and its various thematic Commissions as a colegislator debating, amending and adopting the Commission's legislative proposals and drawing up initiation reports which guide Community action and the future proposals of the Executive. The Andria report on housing and cohesion policy and the European Housing Charter adopted by the Urban-Housing Intergroup illustrates this innovative capacity.
- **The Council**, consisting of government representatives from the 27 Member States, as a colegislator with the European Parliament, and notably the European network of advisers to European housing ministers;
- **The Committee of the Regions**, which represents the territorial collectivities of the European Union, which is consulted for recommendation on the principal legislative proposals and which also has the power to draw up initiation reports;
- **The European Economic and Social Committee** which represents social partners and which is also consulted for recommendation on the principal legislative proposals of the Commission.

## Lobbying also based on European social housing expertise

This "lobbying" action requires not only great strength of conviction, continuous and adapted communication with these institutions and a good command of the law and sectorial policies but also a perfect knowledge of the sector and its development, both in France and in the other 26 Member States. This is why the *Union sociale pour l'habitat* has developed an expertise on the issue of social housing at Community level and regularly publishes comparative notes and reports on social housing and its development as a continuation of the creation, on their initiative, of a European social housing observatory, currently run by CECODHAS.

To this end, EU Representation is regularly requested as an expert at both European Union and Council of Europe levels, notably by Community institutions such as the European network of advisers to housing ministers, the European Parliament and notably its Urban-Housing Intergroup, the Committee of the Regions and the European Economic and Social Committee. This expertise is also recognised and exploited by the Standing Conference of the Council of Europe and UN's Economic Commission for Europe<sup>12</sup>. It helps to fuel reflection among these European institutions in connection with the development of new policies in terms of solidarity, cohesion and social integration in relation to housing.

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<sup>12</sup> "Pour une politique dynamique du logement en Europe, facteur de la cohésion sociale au niveau européen", Parliamentary Assembly of the Council of Europe, Jacquat report of 27<sup>th</sup> January 2006.



The *Union sociale pour l'habitat* is thus on the official register of interest representatives<sup>13</sup> recently implemented by the European Commission in the name of lobbying consultant transparency and accredited by the European Parliament.

But this act of conviction is also promised by the principle European partner networks present in Brussels within which the *Union sociale pour l'habitat* is actively present, notably:

- **CECODHAS, the European Liaison Committee for Social Housing, founded by the *Union sociale pour l'habitat*, represents France within its Executive and leads numerous work groups;**
- **CEEP, the European Centre for Public Enterprises and services of general economic interest, a social partner and part of the European social dialogue within which the *Union sociale pour l'habitat* is a member of the Delegate Committee and performs the Presidency functions of the Services of General Interest Commission;**
- **CELSIG, the European Liaison Committee on Services of General Interest, a think tank specialising in issues relating to Services of General Interest of which the *Union sociale pour l'habitat* is a member of the board.**
- **Confrontations Europe, a think tank chaired by Philippe Herzog, a former European Deputy;**
- **The NGO social platform, which groups together all the federations of social services present in Brussels and of which the *Union sociale pour l'habitat* is a member of the social services of general interest group;**
- **The European Housing Forum, which groups together all the federations responsible for housing present in Brussels and of which the *Union sociale pour l'habitat* is a founding member;**
- **The SSIG-FR action group, which groups together all the French social services federations involved in the Community debate.**

The *Union sociale pour l'habitat* also performs the function of Europe group reporter for the **Conseil National de l'Habitat** (CNH, National Council for Housing) in France in order to ensure a connection between Community files and their processing at national level.

### **Housing Europe Centre**

In order to optimise the synergy of their actions and the clarity of their presence in Brussels, CECODHAS, Eurohnet, the European network of social landlords, the European Social Housing Observatory, the Italian, Swedish and Dutch social housing federations and the *Union sociale pour l'habitat* opened a Housing Europe Centre in 2007<sup>14</sup>.

It brings together all the personnel from these structures present in Brussels. It is a place for pooling information and for legislation-watching, for the exchange and confrontation of strategies and actions, a European social housing resource centre, a place where the various networks present can operate work and reflection groups and communicate with European partner networks.

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<sup>13</sup> <https://webgate.ec.europa.eu/transparency/regrin/welcome.do>

<sup>14</sup> Housing Europe Centre, 18 Square de Meus, 1050 Brussels

# Consolidating the acquis – 2008-2009 priorities

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In the absence of positive law, the Community acquis on social housing requires continuous consolidation of dispensational legislative provisions, through temporary definition or at least regular subjection to assessment, review or other rendez-vous clauses. Furthermore, social housing missions of general interest are part of new developments relating to sectorial policies, such as social and urban cohesion and territorial cohesion policies, social inclusion policy, ageing-related policy and policy relating to energy and, more globally, to sustainable development. The *Union sociale pour l'habitat* will thus concentrate its 2008-2009 actions on these main dossiers:

## Consolidating the acquis of the Community social housing framework: 2008-2009 priorities

- **Social housing funding – State Aid:** A Community decision to exempt notification of State aid granted to social housing organisations will be subjected to an assessment in 2009 based on national reports which will be drawn up by the end of 2008. **Challenge:** to make the legal security obtained in 2005 durable and renew the social housing public aid accounting decision in 2010.
- **Social housing funding – Reduced VAT rates:** The directive proposal of July 2008 on reduced VAT rates aims to extend the possibility of applying reduced rates to the whole housing sector and plans to permanently integrate provisions relating to renovation, reparation, maintenance and cleaning services. **Challenge:** real durability of this measure as a housing policy instrument in its own right.
- **Social housing/Services of general interest (SGI):** The report relating to services of general interest dated 20<sup>th</sup> November 2007, including social services of general interest, refers to the Community acquis on this matter whilst explicitly outlining the characteristics of these social services. Furthermore, the protocol on services of general interest appended to the Lisbon Treaty aims to clarify the respective competences of the European Union and the Member States in this matter and the Lisbon Treaty, for its part, incorporates a new legal basis with a view to jointly legislating on services of general interest. **Challenge:** to ensure a sustainable balance between the obligations inherent to the full accomplishment of social housing missions of general interest notably in terms of solidarity and social cohesion and the provisions of Community law which affect the modes of regulating dedicated operator systems and funding of their missions of general interest.
- **Government contracts, concessions and PPPs:** In Community law, the awarding of government contracts, concessions and PPPs is based on the principles of transparency and non-discrimination. This is justified in the guaranteeing of operator treatment equality, including where social housing is concerned. The report dated 18<sup>th</sup> February 2008 on institutional PPPs applies these principles. **Challenge:** development, institutional public private partnerships and cooperation between organisations, notably by economic interest group, must be flexible as they cannot be reduced to simple contracts. Objective: to guarantee the compatibility of their various contracts with these Community regulations.
- **Transposing the services directive into French law:** The “Bolkestein” directive must be transposed to France by 2010. **Challenge:** social housing operators must be vigilant during this transposition into internal law in order to fully benefit from the exclusion of this text acquired in Brussels throughout their field of intervention.

## Positioning social housing missions of general interest in future Community policy developments: 2008-2009 priorities

- **2007-2013 structural funds:** Following the Informal Council of 5th July 2008, the question of the eligibility of investments related to energy in social housing to 2007-2013 structural funds is more topical than ever. Community legislation should be subjected to a more flexible interpretation in order to make its expenses eligible. **Challenge:** to enable HLM organisations to use some of the ERDF on investment plans related to energy efficiency and renewable energy. Furthermore, a mid-term review of structural funds will enable the eligibility of certain housing expenses to be

proclaimed, as requested by the Parliament in its "*Le Logement et la politique de cohésion*" housing and cohesion policy report.

- **Territorial cohesion policy:** The Commission is to publish a Green Book on territorial cohesion by 1st October 2008. **Challenge:** to integrate the housing aspect into the European Union's territorial cohesion policy. Housing can indeed aid to territorial cohesion by contributing to a more balanced decentralised development by increasing economic and social appeal and territorial sustainability.
- **Energy policy:** A large number of European directives and regulations are in the process of being drawn up, the housing sector having been identified as a sector of priority intervention. The Commission is notably preparing an overhaul of the Energy Performance of Buildings Directive by October 2008. **Challenge:** To anticipate and integrate this new hand into the social housing sector and adapt the existing systems to the application of new standards and practices in terms of energy performance and renewable energy as a continuation of the *Grenelle de l'environnement*.
- **Ageing:** By the end of November 2008 the Commission will pass a report on the needs of an ageing population in areas such as land settlement, the environment or access to new technologies. It will pay particular attention to the following issues: active ageing, but also personal services, transport, mobility, health in old age and voluntary participation. **Challenge:** Social housing organisations are increasingly confronted with the challenge of ageing. The implementation of an integrated approach combining services and supply policy from a territorial integration point of view is the only way of meeting the growing and varied needs of elderly people.
- **Social policy:** Various Community texts relating to the review of the Social Agenda, social reality stocktaking and active inclusion have given new impetus to the question of the place of social issues in social construction and also underlined the need to improve the relative policies in order to fight an increase in exclusion. **Challenge:** The question of the housing-employment-integration chain must not be underestimated by the Community authorities. Social housing must be recognised as an essential part of active inclusion and not aimed uniquely at the most underprivileged citizens, in order to enable true social and economic cohesion.

# Community social housing framework 2008 dashboard

Dossiers	Issue status/ Challenges	Progress status
<b>HOUSING POLICY – COHESION – SUSTAINABLE URBAN DEVELOPMENT</b>		
Leipzig Charter on sustainable European cities and Territorial Agenda Adoption by Member States	Common principles and concepts in terms of urban development and action for areas in difficulty. Underlines the importance of housing and social housing policy with reference to the Spanish Housing Minister's report on "housing and European policies".	Adoption on 23 <sup>rd</sup> May and 23 <sup>rd</sup> and 24 <sup>th</sup> November 2007, in the Azores, meeting of European Ministers for Regional Affairs: establishment of a concrete action plan for the implementation of the Leipzig Charter. Adoption of the report on the implementation of the Territorial Agenda and the Leipzig Charter - Towards a European Action Programme for Spatial Development and Territorial Cohesion by Gisela Kallenbach on 31 <sup>st</sup> January 2008.
<b>ENERGY POLICY FOR EUROPE: THE ENERGY PACKAGE</b>		
Action plan for energy efficiency European Commission	Policy framework and series of measures aimed at intensifying energy-saving potential by 2020. The greatest energy-saving potential lies in the housing sector. A certain number of propositions are directly related to housing, for example the passive house strategy.	Adoption on 19 <sup>th</sup> October 2006. European Parliament resolution on 31 <sup>st</sup> January 2008.
Renewable Energy Roadmap	Mandatory objective of 20% for the proportion of renewable energy sources in EU energy consumption by 2020. New legislative framework to increase the use of renewable energy.	Adoption on 10 <sup>th</sup> January 2007. European Parliament resolution on 25 <sup>th</sup> September 2007.
Future European Charter on the Rights of Energy Consumers	The charter will enunciate the existing legislation and will provide guidance for the implementation thereof. Concerns connection, contracts, tariffs, social measures, etc.	European Parliament resolution of 19 <sup>th</sup> June 2008.
Energy-climate package	This action plan aims to introduce a common energy policy and fight climate change with legislative proposals focusing on the Community system of greenhouse gas and biofuel emissions quota exchange (ETS), as well as on renewable energy.	Adopted by the European Commission on 23 <sup>rd</sup> January 2008. Discussion underway within the European Parliament and the Council.
Third electricity and gas market liberalisation package	It completes the liberalisation of the European gas and electricity markets, the principal objectives being: to guarantee consumers' freedom of choice, to make prices fairer, to develop a cleaner energy and to reinforce the safety of the supply. The European Parliament has introduced amendments relating to energy insecurity which must then be discussed by the Council.	Publication of European Commission legislative proposals on 19 <sup>th</sup> September 2007. Decision pending first reading by Council.
European SAVE programme	Since 2005, 34 European social housing organisations have been partners in SAVE projects relating to energy efficiency. European Commission approval of the final version of the SAVE project coordinated by CECODHAS ("Power House Europe").	Publication of the next call for proposals in February 2009.
<b>REGIONAL POLICY: 2007/2013 STRUCTURAL FUNDS:</b>		
Start of implementation of 2007-2013 structural funds in France	Adoption of the French National Strategic Reference Framework and approval of French regional operational programmes. CECODHAS mail to the various EU Member States Permanent Representations concerning restrictive interpretation where energy/structural funds/housing are concerned.	European Commission preparation of an interpretive note on the ERDF regulation by September 2008 in order to make expenses related to efficiency eligible.

<b>SERVICES OF GENERAL INTEREST (SGI)</b>		
Additional Protocol on the SGI in the future European Treaty	Lisbon Treaty currently being ratified in the various Member States. Rejected in referendum in Ireland.	Adopted on 13 <sup>th</sup> December 2007. 13 <sup>th</sup> June 2008.
<b>Internal market review</b>	Report on SGIs: reminder of the Community acquis on this matter, necessity for clarification but no specific legislative text. The Protocol appended to the Lisbon Treaty provides a guideline for Community policy on this matter.	Adopted on 20 <sup>th</sup> November 2007.
Social services of general interest (SSGI)	Incorporated into the report on SGIs, no specific text. Bi-annual report on SSGIs in Europe.	Adopted on 20 <sup>th</sup> November 2007. Published on 2 <sup>nd</sup> July 2008.
<b>INTERNAL MARKET</b>		
<b>Livret A savings account</b>	Following complaints from various banking networks, the Commission has adopted a decision to withdraw <i>Livret A</i> distribution special rights. French appeal against this decision. At the same time France has adopted the economic modernisation law which liberalises the distribution of the Livret A, so what about the Community appeal?	Formal notice given to France on 7 <sup>th</sup> June 2006. Adoption of the decision on 10 <sup>th</sup> May 2007. French decision to launch an appeal before the EC Court of Justice in July 2007.
Internal market review	Report of the review of the internal market. Various issues addressed (SMEs, consumers, modernisation and social aspects) and various tools proposed for improving the efficiency of the internal market and making it more in touch with citizens.	Adoption on 20 <sup>th</sup> November 2007.
Public Private Partnerships (PPP)	Report on institutional PPPs: application of the principles of transparency, competition and equality of treatment during the creation of a IPPP or when a mission is allocated to an existing IPPP.	Adopted on 18 <sup>th</sup> February 2008.
Concessions	Guarantee transparency in the granting of service concessions.	Text proposal planned in 2009.
Mortgage credit – internal market	Green Paper: No European legislative initiative for the integration of mortgage markets.	Adopted on 20 <sup>th</sup> November 2007. Adoption of a 2008/2010 action plan (reports, studies and assessments).
<b>SOCIAL POLICY</b>		
Renewed Social Agenda	Report of the Social Agenda following consultation on the active inclusion launched in 2007: opportunities, access and solidarity. Various initiatives proposed with a wide scope of application: discrimination, fighting poverty, mobility, etc.	Adopted on 2 <sup>nd</sup> July 2008.
“Social Inclusion” Open Method of Coordination	Report on the reinforcement of the Open Method of Coordination.	Adopted on 2 <sup>nd</sup> July 2008.
Anti-discrimination	Anti-discrimination directive proposal, notably covering housing.	Adopted on 2 <sup>nd</sup> July 2008.
<b>TAXATION</b>		
VAT	Reduced-rate VAT directive proposal: to enable the whole housing sector to benefit from this possibility and incorporate reparation and maintenance.	To be adopted unanimously in 2010 at the latest.
<b>STANDARDISATION</b>		
	Development of strategy in terms of service standardisation: standard feasibility study for home-based services.	In progress.

## 2004-2009 term report

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With nearly 40 reports concerning the issue of housing<sup>15</sup>, the 2004-2009 term has been particularly rich in debates and position-taking in relation to housing.

From this point of view, the act of making Members of Parliament aware of housing issues and the results achieved testify, if ever there were need, to the necessity for this continuous dialogue established from the start of the current term between the sector and the legislator.

This act of sensitisation on the part of the *Union sociale pour l'habitat* is part of the continuity of its contribution to the 2004 European elections campaign and its proposal to form a parliamentary Intergroup on the issue of housing<sup>16</sup>. As a legislator with the Council, the Parliament plays an essential part in the legislative process and in the balancing of some of the Commission's proposals, as shown by the Services Directive.

It is in fact the Parliament which, with a very large majority, excluded social housing from the directive proposal relating to services in the internal market against the advice of the Commission, supported the incorporation of housing into the cohesion policy and 2007-2013 structural funds reform and the Europe-wide housing census and even insisted upon increased legal security for social services of general interest with reference to the Community social housing disputes in Sweden and the Netherlands.

It is also the Parliament which, for the first time in its history, adopted an initiation report on the issue of housing and cohesion policy and invited the Committee of the Regions and the European Economic and Social Committee to do likewise.

Last but not least, a European housing charter has been adopted by the Parliament's Intergroup Urban-Housing<sup>17</sup> which is made up of nearly 80 deputies and is an Intergroup formed at the start of the term on the joint initiative of Jean-Marie Beaupuy, President of the Intergroup, and Alain Hutchinson, Vice-President and former Housing Minister for the Brussels-Capital Region.

From this act of sensibilising the Members of Parliament reunited within the various committees and the Intergroup Urban-Housing, we can draw an initial report on the position of Parliament on the issue of housing in these terms:

- The absence of explicit competence on the part of the European Union in terms of housing should not lead to the issue of housing being disregarded in sectorial policies linked to economic, social and territorial cohesion, sustainable urban development, social exclusion, equal opportunities, non-discrimination, health, disability, ageing, consumer protection since their effectiveness is at stake (Andria, Panayotopoulos, Lynne, Castex, Bauer, Beaupuy, Gulellec and Kallenbach reports, etc.);
- The European Union must increase its knowledge of the housing situation and incorporate housing into social reality stocktaking and its regular population censuses (Juknevicienne, Lynne and Andria reports);
- The housing aspect of energy, environmental protection and sustainable development policies is particularly important as it is a sector of priority intervention that the European Union can no longer disregard, especially in terms of Community intervention instrument eligibility (Dos Santos, Vidal Quadras, Andria and Ferreira reports);
- European monetary policy and the monetary stability of the Euro-zone depend on the property cycles and their financial impact and the regulation of housing markets and their funding is of Community interest (Mitchell, Laszlo Becsey and Purvis reports);
- The completion of the internal market and the liberalisation of services in the internal market should not affect social housing funding or the related aid system, *nor undermine the criteria and*

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<sup>15</sup> Report on 1st September 2008, the new Parliament is to be installed at the beginning of autumn 2009

<sup>16</sup> See the *Union sociale pour l'habitat* manifesto at <http://www.union-habitat.org/europe/mep>

<sup>17</sup> See <http://www.urban-logement.eu>

conditions set by the Member States in order to ensure that social housing effectively carries out its role in the interests of public interest and social cohesion (Gebhardt report).

- Last but not least, social housing as a social service of general interest should be able to benefit from legal security in Community law and, if need be, political arbitrage must be pronounced by the Parliament and the Council (Rapkay and Hasse-Ferreira reports).

The only drawback with this otherwise positive outcome is the In't Veld (a Dutch liberal) report on the Community decision on the compatibility of social housing State aid which, in reference to the Dutch dispute in the social housing field, opposed this decision at the very beginning of the term and proposed increased control over social housing business concerning fair compensation.

This realisation and these initial points relating to the Parliament's position must be confirmed and refined during the 2009-2014 term whilst taking into account the new hand imposed by the Lisbon Treaty notably in terms of services of general interest and territorial cohesion.

## 2004-2009 term

### Principle Parliamentary reports related to the issue of housing

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#### Employment and Social Affairs Committee

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**8<sup>th</sup> May 2008: Report on the proposal for a decision of the European Parliament and Council relating to the European Year for Combating Poverty and Social Exclusion (2010) by Marie Panayotopoulos-Cassiotou.** Access to housing is one of the themes of the European events organised for the European Year for Combating Poverty, which will bring together all parties concerned, including excluded citizens themselves, in order to contribute to the development of social measures and practices for all.

**17<sup>th</sup> April 2008: Report on the progress made in terms of equal opportunities and non-discrimination in the European Union (transposition of directives 2000/43/CE and 2000/78/CE) by Elisabeth Lynne.** Housing falls into the scope of application of the directives applying the principle of non-discrimination and even more urgently for populations from minority backgrounds who are much more vulnerable to discrimination. The Parliament wishes the European Commission to shortly present a proposal for a horizontal directive to fight discriminations outside of the field of employment, including where housing is concerned.

**30<sup>th</sup> January 2008: Report on the demographic future of Europe by Françoise Castex.** The demographic decline forecast by 2050 and the generational, lifestyle and family structure changes have an extremely significant housing aspect, just like that of land settlement.

**26<sup>th</sup> November 2007: Report on the proposal for a regulation of the European Parliament and the Council concerning population and housing censuses, by Ona Juknevičienė.** Population censuses carried out on a European Union-wide scale by the Member States must comprise a housing section.

**18<sup>th</sup> October 2008: Report on the social reality stocktaking by Elisabeth Lynne.** Unemployment and poverty are associated with inadequate housing conditions. The lack of decent and accessible housing in all the Member States is to a large extent a contributing factor to leading people to and keeping people in poverty; request to the Commission to respect the prerogatives of the Member States in the definition and funding of social housing, given that this type of housing makes an essential contribution to social inclusion policies;

**6<sup>th</sup> March 2007: Report on social services of general interest in the European Union by Joël Hasse Ferreira.** Housing is an SSIG with separate services in the Community market which must be the subject of textual adjustments.

**13<sup>th</sup> October 2006: Report on the situation of disabled people in the enlarged European Union: 2006-2007 European action plan by Elisabeth Lynne.** Specific needs related to disability must be considered in the housing policies of the Member States. The Member States are invited to implement varied and adapted structures which are financially accessible for the housing of disabled people.

**24<sup>th</sup> February 2006: Report on demographic challenges and intergenerational solidarity by Philip Bushill-Matthews.** More housing adapted to family requirements, notably in relation to city planning, must be made available. Housing loss prevention policies are essential to the preservation of family solidarity.

**8<sup>th</sup> February 2006: Report on social protection and social inclusion by Edit Bauer.** Access to decent housing is central to the integration of underprivileged people, notably for target groups such as minorities and disabled people.

**22<sup>nd</sup> June 2005: Report on the proposal for a regulation of the European Parliament and the Council relating to the European Social Fund by José Albino Silva Peneda.** Underprivileged groups have a significant part to play in the sustainable development of a region insofar as they can relieve recruitment problems without necessarily adding to housing pressures.

**29<sup>th</sup> April 2005: Report on social inclusion in the new Member States by Csaba Óry.** Need to expand the supply of accessible housing, especially for the most vulnerable groups, in order to resolve the housing issue, and also to facilitate housing loans.

**9<sup>th</sup> February 2005: Report on the social situation in the European Union by Ilda Figueiredo.** The future 2006/2010 Social Agenda must include objectives relating to access to housing. The worsening of the poverty and social exclusion situation in Europe requires more public investment, particularly in housing.

#### Economic and Monetary Affairs Committee

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**29<sup>th</sup> June 2007: Report on the European Central Bank's 2006 annual report by Gay Mitchell.** Given the rise in real estate prices in Europe and the American real estate crisis, the ECB presents solutions, with their respective advantages, notably the inclusion of real estate in the Harmonised Index of Consumer Prices or the devising of a specific type of indicator, or specific measures to be taken at national level given the disparity of national markets.

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**15<sup>th</sup> June 2007: Report on the proposal for a decision of the European Parliament and the Council relating to the 2008-2012 Community Statistical Programme by Zsolt László Becsey.** Examine in 2010 whether the United Nations Human Development Indicator can be expanded in the European Union so as to also take housing factors into account.

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**5<sup>th</sup> January 2007: Report on the macroeconomic repercussions of the increase in the price of energy by Manuel António dos Santos.** The increase in energy costs has significant repercussions on the cost of housing, which, along with transport, constitutes the largest part of household spending, which is a cause for concern with regard to the social consequences of this phenomenon. Measures, notably fiscal, in favour of economic accessibility must be taken.

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**19<sup>th</sup> October 2006: Report on mortgage credit in the European Union by John Purvis.** Mortgage loans should not be the subject of a specific directive but the system implemented by the sector on a voluntary basis should be evaluated.

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**14<sup>th</sup> September 2006: Report on the Commission's Green Paper on services of general interest by Bernhard Rapkay.** Deputies invite the Commission to create greater legal security in the field of social services and health services of general interest (including social housing) and to submit a proposal relating to a sectorial directive of the Council and the Parliament when appropriate.

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**9<sup>th</sup> February 2005: Report on State aid in the form of public service compensation by Sophia In't Veld.** The European Commission proposes that State aid granted to social housing benefit from a notification exemption, the European Parliament is opposed to this insofar as this sector receives significant aid which creates a competition imbalance, all the more so as this sector also concerns private operators.

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#### **Internal Market and Consumer Protection Committee**

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**16<sup>th</sup> April 2008: Report on Community Consumer Policy Strategy for the 2007-2013 period by Lasse Lehtinen.** In order to have more choice in terms of price, quality and variety, notably where housing is concerned, it is necessary to insist on the importance of developing transborder transactions so as to reinforce freedom of choice, on the role of competition policy and on educating towards responsible consumption.

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**15<sup>th</sup> December 2005: Report on the proposal for a directive of the European Parliament and the Council relating to services in the internal market by Evelyn Gebhardt.** The directive does not apply to services which are protected or funded, either wholly or partially, by a Member State. This is particularly the case for educational, cultural and audio-visual services, healthcare services and social services, including workforce placement, vocational training and access to employment and **social housing**.

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#### **Regional Development Committee**

#### **28<sup>th</sup> March 2007: Report on housing and regional policy by Alfonso Andria.**

1<sup>st</sup> European Parliament report focusing on the issue of housing. The report intends to focus reflection on housing around three keys areas:

- The social aspect: The right to adequate and reasonably-priced housing is an important fundamental right; The link established between difficulties in accessing housing and the phenomena of social exclusion and segregation; The link between the supply of and access to housing and territorial competitiveness, employment and economic development.
- The environmental and energy aspect: The urban housing development strategy is part of a wider general urban development strategy. In terms of energy, the importance of developing good practice exchange concerning housing in the energy efficiency sector (SAVE programme) and development of thematic networks for housing.
- The coordination aspect: The establishment of an integrated approach based on the principles of subsidiarity and proximity which would ensure the simultaneous implementation of differential decisive factors in order to ensure the quality of life and appeal of urban environments. The implementation of this approach involves horizontal (between all Community policies concerning housing), vertical (between the players who deal with housing at various level – European, national and local) and mixed (between public authorities, socio-economic players and civil society) coordination.

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**3<sup>rd</sup> June 2008: Report on the impact of cohesion policy on the integration of vulnerable communities and groups by Gábor Harangozó.** Access to housing is identified as one of the key problems to be considered in the fight against social exclusion rooted in micro-territorial development.

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**31<sup>st</sup> January 2008: Report on the follow-up of the Territorial Agenda and the Leipzig Charter – Towards a European Action Programme for Spatial Development and Territorial Cohesion by Gisela Kallenbach.** Access to decent and accessible housing is identified as one of the crucial factors in social integration and quality of life in urban areas in the context of sustainable urban development. The European Parliament thus invites the Member States, towns and regions to pay greater attention to this.

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**29<sup>th</sup> January 2008: Report on the Fourth Report on Economic and Social Cohesion by Ambroise Guellac.** In order to combat the phenomena of "spatial segregation" and social exclusion, with the aim of achieving durable and balanced growth, it is necessary to secure the contribution of a scrupulous housing policy which is part of a wider territorial development, urban planning and local public service management strategy.

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**15<sup>th</sup> June 2007: Report on the role and effectiveness of cohesion policy in reducing disparities in the poorest regions of the EU by Lidia Joanna Geringer de Oedenberg.** In order to reduce territorial disparities in the poorest regions of the EU the European Parliament insists on the necessity of taking into account the specific needs of urban areas by introducing an appropriate urban policy and, to this end, a housing policy for "poor districts".

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**29<sup>th</sup> March 2007: Report on the future regional policy in terms of the innovative capacity of the European Union by Mieczysław Edmund Janowski.** The creation of an environment which encourages innovation involves good living conditions for the population and especially the guarantee of a good standard of housing. Considering the increasingly important role of urban regions as a home to the majority of the Union's citizens and as local and regional centres of innovation, the European Parliament invites the Member States and the regional authorities to lend their



support to a long-term vision of town-planning contributing to the establishment of the conditions necessary for rational and harmonious urban spatial development and the sustainable development of cities by duly considering, in particular, housing, leisure and environmental protection needs.

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**21<sup>st</sup> September 2005: Report on the urban dimension in the context of enlargement by Jean Marie Beaupuy.** The concept of sustainable urban development is defined as the contribution of cities and towns or urban areas to growth, innovation and economic, social and territorial cohesion which includes urban revitalisation and notably the renovation of urban housing. The European Parliament identifies housing as one of the areas of development to be reinforced among the new Member States concerning urban policy after enlargement. Strategy concerning urban centres must take into consideration the demographic and qualitative specificities of European cities by trying to promote a wide range of measures and means, the programming of which must involve women, with a view to humanising cities, particularly from the point of view of housing policy. The new Member States have not yet taken into account urban problems, particularly social problems and notably the lack of housing.

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**16<sup>th</sup> June 2005: Report on the proposal for a regulation of the European Parliament and the Council relating to the European Regional Development Fund by Giovanni Claudio Fava.** The European Parliament confirms the exclusion of housing from the expenses eligible in the name of the ERDF with the exception of housing renovation expenses for social purposes, with a view to saving energy and protecting the environment in the context of sustainable urban development.

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**3<sup>rd</sup> June 2005: Report on the proposal for a regulation of the Council on the establishment of a Cohesion Fund by Alfonso Andria.** The European Parliament deems it necessary to make housing renovation expenses for social purposes eligible in the name of the Cohesion Fund with the aim of saving energy, preserving the environment and reaching the social cohesion objective.

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**2<sup>nd</sup> June 2005: Report on the proposal for a regulation of the Council concerning general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund by Konstantinos Hatzidakis.** The European Parliament opposes any attempt to consider, as eligible expenses for the purposes of calculating Community co-funding, any expenses which do not represent investment, such as the cost of housing, but nevertheless deems it necessary to make expenses in the field of housing renovation for social purposes eligible with the aim of saving energy and preserving the environment.

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#### **Industry, Research and Energy Committee**

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**13<sup>th</sup> June 2008: Report on the European Strategic Energy Technology Plan by Jerzy Buzek.** The European Parliament invites the Commission to study the possibility of extending the proposed industrial initiatives to other sectors with great potential for reducing emissions, such as cogeneration, hydrogen, the building and housing sectors, heating and refrigeration systems, energy storage and distribution infrastructure improvements and the interconnection of networks.

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**4<sup>th</sup> February 2008: Report on the proposal for a decision of the European Parliament and the Council on the Community's participation in a research and development programme aimed at improving the quality of life of elderly people by resorting to new information and communication technologies (ICT) undertaken by several Member States by Neena Gill.** When selecting the

research subjects to include in the annual work programme, criteria such as the following must be considered like the development of technologies and solutions adapted to the needs of elderly people, notably where their housing is concerned ("intelligent housing". The European Parliament deems it essential that the EU adopt a global approach to the challenge of Europe's ageing population insofar as demographic changes influence several political fields, notably that of housing.

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**26<sup>th</sup> June 2007: Report on the prospects for the internal gas and electricity market by Alejo Vidal-Quadras:** The European Parliament is requesting strong support for the regional and local authorities where energy efficiency, saving energy and sustainable development is concerned in the framework of plans supported by the European Union, particularly in terms of transport and housing policy.

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**3<sup>rd</sup> May 2006: Report on the Green Book on energy efficiency or how to do more while using less by Alejo Vidal-Quadras.** Given that new Member States may experience difficulties in securing funding for the implementation of a certain number of energy efficiency measures, the European Parliament calls upon the Commission to ensure that appropriate structural funding is available for housing in the framework of the European Regional Development Fund (ERDF) and to at least ensure that new Member States are able to use up to 10% of all ERDF funds for improvements in terms of energy efficiency in the housing sector.

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#### **Environment, Public Health and Food Safety Committee**

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**19<sup>th</sup> February 2008: Report on the Green Book on market-based instruments in favour of the environment and related policy objectives by Anne Ferreira.** The European Parliament proposes that compensation systems inspired by Kyoto Protocol mechanisms and likely to offer financial incentives be open to the funding of energy efficiency improvement work in the housing sector and the urban transport carbon stocktake. The European Parliament proposes that compensation systems inspired by Kyoto Protocol mechanisms be open to the funding of energy efficiency improvement work in the social housing sector.

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**18<sup>th</sup> July 2006: Report on improving the mental health of the population. Towards a strategy on mental health for the European Union by John Bowis.** The European Parliament insists on the right to housing among the basic social and civil rights to be guaranteed in order to improve patients' mental health and situation. It underlines the necessity to reform mental health services with a one-stop system to access services in the fields of health, social, housing, education, transport and benefits, among others. The Member States must allocate the necessary means to help finance independent housing and employment for sick people who are in a position to benefit from this and provide those sick people who are not with permanent and appropriate social benefits and healthcare.

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**11<sup>th</sup> May 2005: Report on stimulating technologies for sustainable development: an environmental technologies action plan for the European Union by Riitta Myller.** The European Parliament insistently calls upon the Commission, the Council and the Member States to show themselves to be innovative when they propose and adopt new initiatives aimed at increasing energy efficiency where demand is concerned, strengthen the renewable energy sector and promote the spread of cogeneration and the use of highly energy efficient biomass, including where transport, housing and construction are concerned.

## 2009-2014 perspectives

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The next 2009-2014 term of office will be decisive for the principle dossiers related to social housing.

The careful thought given to the social and territorial agendas will find it difficult not to include the housing and sustainable urban development dimension. Energy and climatic constraints will increase and will call for the outlining of an ambitious European energy policy, which will be abreast of the issues to tackle. It will not longer be able to conceal the issues of funding the cost of investing in housing and dealing with energy exclusion. They same will apply in terms of demography and tackling the challenge of ageing, the changing employment market and its consequences in terms of income insecurity and professional mobility. Debate on the reform of 2014-2021 cohesion policy must clearly be among these new priorities. The missions carried out by social housing organisations will be much sought-after in all these challenges, as will the funding necessary for the correct accomplishment of these missions.

The legal security of social housing, as a service of general economic interest, will also remain topical and a source of Parliamentary debate. The coming into force of the Lisbon Treaty, once the issue of its ratification has been resolved, will give the Parliament and the Council the ability to legislate by means of regulation on the issues affecting the conditions, especially economic and financial, of the correct accomplishment of missions of general interest. The decision of the Parliament and the Council on whether or not to make use of this new legislative competence and to proceed to arbitrages of a political nature on this issue will depend on the results of the evaluation of the decision on notification exemption of State aid to "small" services of general economic interest.

Though it may be unlikely that the direction towards a framework directive on services of general interest will be taken, given the lack of political consensus on this sensitive issue, confirmed by the current term (Rapkay report), the next one could be conducive to the drawing up of thematic legislative texts on services of general interest, notably on certain non-politically arbitrated dossiers. The issues of classing public aid to services of general economic interest as State aid, the procedure applicable to service concessions and PPPs, the definition of the notion of in-house operators and even the payment of social economy players are at great risk of finding themselves on the Parliamentary table as of 2010. This thematic approach should be more conducive to the establishment of compromises based on the realisation of the real tension between Community law and the correct accomplishment of missions of general interest at a local level and to effective political arbitrage by the Parliament and the Council in the framework of the extension of the codecision procedure in terms of services of general interest.

More fundamentally, the issue of the Community dispute relating to the obvious error of classing social housing as a service of general economic interest which pits Sweden and the Netherlands against the Commission will also impact the nature of Parliamentary debate, notably in relation to the interpretation of the provisions of the new protocol on services of general interest and the political framework of judgement as an obvious error which thus far comes under the exclusive competence of the Commission under the control of the Court of Justice.

During the next term, 5 major themes will thus be structuring for social housing, its players and the accomplishment conditions of their missions of general interest:

- **Social Agenda:** social policy, active inclusion, access to employment – access to housing;
- **Territorial Agenda:** territorial cohesion, sustainable urban development and urban renewal
- **Energy:** energy performance, renewable sources, transport-housing links
- **Ageing:** integrated services, health, social integration, cohesion and solidarity
- **Services of general interest:** State aid, concessions, special rights, in-house and payment.

Community debates on all these issues are, of course, already begun behind the scenes. They should be completely open as part of the French Presidency of the European Union given the priorities set and the agenda for the second semester of 2008 which will precede the launching of the 2009 European elections campaign.

# Issues of the French presidency of the EU

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Access to housing in the EU will be the underlying theme of the housing component of the French EU presidency.

This common issue in the Member States is not only topical given the tense situation in the housing markets and the consecutive cycle return to the subprime mortgage crisis but is also at the centre of Community reflection on territorial cohesion, the review of the Social Agenda and the reform of cohesion policy and even energy policy.

The added value of France's approach lies in the integration of land settlement, "sustainable European city", local governance and access to housing issues around the Treaty's central objective of cohesion.

The French presidency innovates to this end by inviting all the European ministers in charge of these various portfolios to Marseille for 3 days.

Many events are thus to give rhythm to the French presidency's work based on this global approach to cohesion, urban development and access to housing and thus give European ministers food for thought:

- **23<sup>rd</sup>-24<sup>th</sup> September, Paris:** meeting of the Directors-General for Housing of the 27 Member States;
- **15<sup>th</sup>-16<sup>th</sup> October, Marseille:** Seventh European Round Table on Poverty and Social Exclusion, including a workshop on access to housing;
- **28<sup>th</sup>-29<sup>th</sup> October, Paris:** Second Forum on Social Services of General Interest (SSGI), which will follow the Community debate on the subject, notably on the issue of State aid, payment and the modernisation of social services of general interest based on the roadmap proposed by Xavier Bertrand;
- **30<sup>th</sup>-31<sup>st</sup> October, Paris:** Conference on territorial cohesion and the future of cohesion policy;
- **5<sup>th</sup> November, Paris:** Access to housing: new social challenges, new territorial issues, joint CECODHAS and *Union sociale pour l'habitat* conference;
- **20<sup>th</sup> November, Strasbourg:** Access to housing among underprivileged citizens, joint Urban-Housing Parliamentary Intergroup and European Housing Forum conference;
- **24<sup>th</sup> November, Marseille:** Access to housing among people with difficulties finding accommodation in the market, theme of the housing section of the European ministers' meeting;
- **11<sup>th</sup>-12<sup>th</sup> December, Lyon:** 1st prospective European University of sensitive urban territories.

The French presidency will thus concentrate its attention on the preparation of the post-2013 structural funds reform and the coming into force of the European Union's new territorial cohesion objective.

The work of the French Presidency is also part of the Sustainable European City dynamic encouraged by way of the Territorial Agenda and the Leipzig Charter by the Presidencies which have preceded it.

Two themes are particularly structuring for social housing:

- **Cohesion policy and land settlement:** the French presidency will focus reflection on three major subjects: territorial cohesion, the future of cohesion policy and the implementation of the Territorial Agenda. It will be a matter of clarifying the concept of territorial cohesion based on the Commission's Green Book expected in October, notably the link with cohesion policy and other sectorial policies, advancing the debate on 2013-2020 cohesion policy whilst drawing on assessment reports and finally continuing the implementation of the Territorial Agenda through the consideration of the territorial dimension in major sectorial policies.

- **Sustainable urban development and access to housing:** The French presidency intends to both continue working towards the implementation of the Leipzig Charter on the Sustainable European City (common frame of reference, report on the invention of the European Investment Bank and the ERDF, reflection on the urban perspective and European approval of the sustainable and interdependent city) and bring European housing ministers together on the issue of access to housing among the disadvantaged.

It will be the 17<sup>th</sup> meeting of the European Union Housing Ministers which, apart from the issue of access to housing, will be devoted to debating the affect of European legislation and European housing programmes based on the Commission's report on social services of general interest and more globally the linking of social housing policies with the functioning of the internal market.

Given the issues involved, CECODHAS and the *Union sociale pour l'habitat* (Social housing union) are organising a European conference on 5<sup>th</sup> November at the City Hall (*Hôtel de Ville*) of Paris on the subject: "Access to housing: new social challenges, new territorial issues"<sup>18</sup> in order to actively contribute to the reflection of European housing ministers and accompany this initiative of the French presidency which should be welcomed and which will contribute to preparing the ground for the next 2009-2014 term.

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<sup>18</sup> information and registration at <http://www.union-habitat.org/europe>

## Further information

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### European Portal:

- *Union Sociale pour l'Habitat* European portal: <http://www.union-habitat.org/europe>
- Online Community Strategic Newswatch: <http://www.union-habitat.org/europe/veille>
- Structural funds resource website: <http://www.union-habitat.org/europe/fonds-structurels>
- 2004 European elections campaign website: <http://www.union-habitat.org/europe/mep>
- CECODHAS website: <http://www.cecodhas.org>
- Collectif SSGI website: <http://www.ssig-fr.org>

### Dashboard of dossiers relating to social housing:

- Dashboard of dossiers monitored in Brussels including links to all official Community texts concerned <http://www.union-habitat.org/europe/veille>

### Recent publications:

- The development of social housing in the European Union: when general interest meets community interest, DEXIA – CECODHAS – USH, Dexia Editions, 2007.
- *Développement urbain durable et performance énergétique : Mode d'emploi des fonds structurels 2007-2013* (Sustainable urban development and energy performance: Use of structural funds 2007-2013), USH, Paris 2007.
- *Les services sociaux d'intérêt général dans le marché intérieur du XXIème siècle : la nouvelle donne du Traité de Lisbonne*, (Social services of general interest in the 20th Century internal market: the new hand dealt by the Lisbon Treaty), Committee of the Regions – European Economic and Social Committee - Collectif SSIG, Brussels 2008.
- *Une Europe protectrice des services sociaux : le guide SSIG des collectivités locales* (A Europe protective of its social services: the SSIG local authorities guide), Collectif SSIG, Paris 2008.

### Who does what in Brussels? Your EU Representatives

<ul style="list-style-type: none"> <li>• Cohesion policy</li> <li>• Social inclusion</li> <li>• Sustainable development</li> <li>• Urban environment</li> <li>• Energy</li> <li>• Structural fund access</li> <li>• EU programme access</li> </ul>	<ul style="list-style-type: none"> <li>• Competition</li> <li>• Marché intérieur</li> <li>• SGI-SGEI-SSGI</li> <li>• Taxation</li> <li>• Government contracts</li> <li>• Standardisation</li> <li>• Litigation</li> </ul>	<ul style="list-style-type: none"> <li>• Community and European institution representation:               <ul style="list-style-type: none"> <li>- European Commission</li> <li>- European Parliament</li> <li>- Committee of the Regions</li> <li>- European and Social Committee</li> <li>- Council of Europe</li> </ul> </li> <li>• European network representation</li> </ul>
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