



JOINT STATEMENT, 9th July 2012

We need more affordable housing to solve European economic crisis, not less. Misusing EU Competition case law to restrict social housing mission will not help

Once again....After the Swedish case, the Dutch case, the French federation of private landlords UNPI has made a formal complaint to DG Competition, citing unfair competition due to 'overcompensation' received in form of State aids by social housing providers for accomplishing their mission. They claim that it granted our sector a competitive advantage especially for middle-income households.

Kurt Eliasson, President of CECODHAS Housing Europe, reminded: *"let's recall what is our mission: providing for people in need decent and affordable homes. A recent European study shows that France is one of the countries in the EU where housing is proportionally most expensive and there is an almost chronic shortage of available housing in areas with economic activity. Housing costs representing 41% on average of households' incomeⁱ! So there is an enormous job ahead of us. Private landlords should indeed also provide affordable housing. If they want the same State aids than our French members are receiving I still want to remind them that it goes with the same obligations on price, allocation, contract, prevention of eviction, not-for profit aims...."*

Mr Sven Bergenstråhle, President of the International Union of tenants, said: *"I hope answer to housing crisis will be given by a wise policy decision after a democratic debate. Housing policies and definition of what are the services of general interest of housing is a matter of subsidiarity and Member States that want to have a wide definition are free to choose it. I believe the Commission has to clarify once and for all the EU rules applying to social housing without leaving the space for such complaints, it is putting social housing providers in a position of legal insecurity, preventing them from answering the housing shortage, at a time where they should be building much more. 1.3 Mio people in France are on the waiting list for social housing, 3.6 million are badly housedⁱⁱ. "*

Beside the incorrect figures leaked to the press by the UNPI, French private landlords federation, the danger is on the instrumentalisation of EU Competition law and of the decisions of members of the Commission to change national housing policy. Will the European Commission play the game again?

"Instead of complaining about unfair competition, we, representatives of tenants and affordable housing providers, are inviting private landlords to deliver affordable and good quality homes. Welcome on board!"

Kurt Eliasson, CECODHAS Housing Europe President, Sven Bergenstråhle, IUT President

Note to the editor:

CECODHAS Housing Europe is the European Federation of Public, Cooperative & Social Housing, a network of national and regional federations gathering 43 members in 19 EU members States, as well as Norway and Switzerland. Altogether they manage over 25 million homes, about 12% of existing dwellings.
www.housingeurope.eu

IUT is a NGO, founded in 1926 in Zürich, Switzerland, with the purpose of safeguarding the interests of tenants and the promotion of affordable healthy rental housing throughout the world. Today, IUT has got 61 member associations in 45 countries. www.iut.nu

ⁱ Property index, Deloitte, May 2012

ⁱⁱ Annual report of *Fondation Abbé Pierre*, 2012