



Tenant Unions welcome new EU initiative for social housing:

Minimum quotas for social housing in densely populated areas

Bergensträhle: “A social Europe needs good and affordable housing”

The European Parliament today sends a clear message to Member states: a massive investment in social housing is a precondition to achieve a more social Europe. All over Europe there are housing shortages in the affordable sector of the rental market. Investing in affordable rental housing balances the overheated property markets as it reduces the risk of property bubbles.

Sven Bergensträhle, IUT President: “What is missing all over Europe is better access to affordable rental housing for key-workers. It is also a way to promote labour mobility of young people, immigrants and workers. The lack of affordable housing is an obstacle for young people that want a higher education. IUT welcomes that the European Parliament, after 6 years, picks up again the housing question. It is crucial for the people in all Member States”.

Moreover, investing in affordable and energy-efficient housing is a way towards sustainable growth. The local economy is the first beneficiary of this investment as jobs in the construction sector cannot be offshored. Energy efficient buildings reduce energy bills for households and contribute to enhance their purchasing power.

EU Action frame work for housing

The report asks the Commission to set up an action framework for social housing in the EU in order to ensure consistency of different policy measures in this field, like state aid, structural funds, energy policy, anti-poverty policy, health policy. Member states are called to give investment in affordable housing a prominent place in National Reform Programmes (NRPs). The text recommends them to promote social inclusion through measures such as the establishment of minimum quotas of social housing in densely populated areas ; set up allocation criteria that favour social mix in housing estates, in order to avoid segregation. It warns municipalities of a further sale of the social housing stock. The European Investment Bank (EIB) is asked to put a new focus on financing social and affordable housing, especially in states where there is no public investment bank.

Nevertheless, some central claims of the IUT have been rejected by the majority: the implementation of the right to housing in the primary law of the EU, the promotion of tenure neutral policies, i.e. no discrimination of the rental and cooperative sector against home-ownership policies. “This is a missed chance to go for a fair level playing field of tenants and landlords and a more balanced housing market”, Bergensträhle pointed out.

State aid questions

The report highlights the importance of article 14 and protocol 26 of the Treaty on the Functioning of the EU, under which public authorities are free to determine what types of household are eligible for social housing, according to local needs. This is crucial because social housing is under attack in several EU countries. Private landlords and investors launch complaints against member states which invest in social and affordable housing accessible also for middle income groups, i.e. the key- workers.

Barbara Steenbergen, Head of IUT liaison office to the EU: "EU competition law is instrumentalized by interested profit-oriented parties to hamper the investment in the social rental sector. By this, artificial housing shortages will be created, leading to higher prices in the private housing sector. It is necessary that the EU commission supports investment in social housing, and not jeopardizes it. Restrictive definitions reducing the access to social housing only to the poorest households should be reviewed. Better access to affordable housing for broad levels of the population and a social mix in our neighbourhoods is the best way to achieve an inclusive society- and this is what we want in a more social Europe."

Brussels, 11 June 2013, contact: IUT EU liaison office, barbara.steenbergen@iut.nu, phone +32 2 513 07 84

About IUT:

The International Union of Tenants (IUT) is a NGO that was founded in 1926 with the purposes of safeguarding tenant's interest and promoting affordable and decent rental housing across the world. Today, IUT has got 61 member associations in 45 countries.

www.iut.nu