



June 2016

## IUT at the Berlin Habitat III Conference



After the European Habitat III conference in Prague, the German Habitat Forum in Berlin, 1-2 June prepared the final conference in Quito, Ecuador. Participants had the possibility to give comments on the draft Habitat III document. The conference was invited by the German ministry for economic cooperation and development (BMZ), the German federal corporation for international cooperation (GIZ) and the Land Berlin with more than 1000 participants from 74 countries. The senate of Berlin asked **Barbara Steenbergen**, head of IUT liaison office to the EU to participate in the workshop "Cities as actors". Steenbergen criticised that no measurable goals were integrated in the Habitat III document, e.g. binding quota for social housing.<sup>1</sup> May 12, the Council of the European union published a progressive political conclusion to the Habitat III process, asking for "equal access to affordable and adequate housing, safeguarding and promoting tenure security as well as protection against forced evictions."<sup>2</sup>

<sup>1</sup> [http://www.german-habitat-forum.de/assets/berlin\\_recommendations.pdf](http://www.german-habitat-forum.de/assets/berlin_recommendations.pdf)

<sup>2</sup> <http://data.consilium.europa.eu/doc/document/ST-8824-2016-INIT/en/pdf>

## Twin Birthday in Zürich: 125 years Züricher Mieterverband und 90 years IUT



The commemorative event took place in the Zürich club Escherwyss with 200 guests. Following the theme "Tenants of Europe unite!" the bow was drawn from the foundation of IUT May 20, 1926 to the recent political challenges.<sup>3</sup> The event was moderated by the head of the Zürich tenant union **Felicitas Huggenberger**. IUT president **Sven Bergensträhle** congratulated the Zürich colleagues to their 125 anniversary and handed over a copy of the IUT-foundation charter.



Felicitas Huggenberger, head of Zürich tenant union.

<sup>3</sup> <http://bit.ly/1ZLONSJ>

The former IUT board member from Switzerland, **Jakob Trümpy**, gave a witty speech on the different working methods and political cultures of the IUT member unions. **Barbara Steenbergen** reported on the housing policy in Europe.<sup>4</sup>

**National councillor Jacqueline Badran**, board member of the Swiss Tenant Union, held a captivating lecture against speculation and the sell-out of property to profit-oriented investors. The Swiss tenant union launched a petition for a referendum for more affordable not-for-profit housing which was signed by 94.000 citizens; 100.000 signatories must be collected until September 2016.<sup>5</sup> The anniversary celebrations were concluded with a festive reception together with the members of the Zürich tenant union and the IUT board.



National councillor Jacqueline Badran (r.) with Barbara Steenbergen

## IUT board on the European pillar of social rights

At the board meeting May 20/21 in Zürich IUT members discussed the European Commission communication on the pillar of social rights.<sup>6</sup> EC president **Jean-Claude Juncker** announced this new social policy which clearly refers to housing issues.

<sup>4</sup> <http://www.20min.ch/immobilien/story/26745614>

<sup>5</sup> <https://www.mieterverband.ch/mv/politik-positionen/fakten-positionen/kampagnen/wohnnitiative/argumentarium-wohnnitiative.html#>

<sup>6</sup> <http://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1457706909489&uri=COM:2016:127:FIN>

The IUT Brussels office gathered inputs from IUT members and came up with a joint response challenging the EC view on housing policies:

«It is difficult to understand why the European Commission is pleading for homeownership support for low and medium income groups. Apart from being a clear bias, this policy will worsen the disrupted situation of the housing markets. Maximising homeownership is also contradictory to the aim to ensure increased labour mobility as this tends to decrease labour mobility due to lock-in effects and higher transactions costs. The IUT is in favour of tenure-neutral housing policies and a more universal model for affordable housing in the EU».<sup>7</sup>

## IUT at CNL 100 years Congress

**Barbara Steenbergen** gave the IUT opening speech at CNL congress, 5 May in Villejuif. She thanked the French union for more than 50 years of cooperation with the IUT and its outstanding work for the safeguard and promotion of tenants' rights in France.<sup>8</sup> The IUT board was represented by **Rolf Gassmann**, Deutscher Mieterbund. The two associations are currently working together on important initiatives e.g. the review of state aid rules and the 2<sup>nd</sup> edition of the European responsible housing awards; **Eddie Jacquemart**, re-elected president of CNL, will be a member of the Jury.<sup>9</sup>



Barbara Steenbergen at CNL Congress

<sup>7</sup> <https://ec.europa.eu/eusurvey/pdf/answer/90a876c7-f23f-4329-9e87-b2bebe409fd5/>

<sup>8</sup> <http://www.lacnl.com/allocation-de-bienvenue-de-barbara-steenbergen>

<sup>9</sup> <http://www.premiosdearquitectura.es/en/awards/35-european-responsible-housing-awards-2016/jury>

## European Economic and Social Committee: financing services of general interest

On 19 April **Davide Lanzillotti** and **Hugo Mussou** participated for IUT in the EESC hearing “financing services of general economic interest”. **Valeria Ronzitti**, Secretary General of CEEP pointed out that the EFSI is not really serving social purposes, as only a few projects concern investment in social infrastructure.<sup>10</sup> **Karl-Heinz Lambertz**, president of PES group in the CoR added that there is a general trend of underinvestment from public authorities i.e. 300 billion less than 2010 which needs to be reversed through more financing opportunities. **Michael Smyth**, vice president at EESC said that innovating forms of financing like housing bonds should be further explored and that flexible state guarantees could help increase the interest of social investors. Finally he suggested that **Juncker plan** should be extended to investment in housing. **Laurent Ghekière**, Director of EU affairs at USH said that VAT rules should be reformed as well as the restrictive definition of social housing in order to favour investment in the sector.

## Affordable housing in European cities

EUROCITIES, the network of major European cities hosted a high-level event on affordable housing, 26 April at the EU Representation of Catalonia. Representatives from several European cities (Barcelona, Leipzig, Rotterdam and Vienna) presented their experiences in the field. The common trend is the increasing difficulty to answer different housing needs and to avoid phenomena of gentrification or urban segregation in growing European cities. That is the case in **Rotterdam** for instance, where EU- SGEI rules have produced even more segregation. Middle income groups have been pushed out of the city centre because of the exclusive focus on “disadvantaged households” said urban planner **Kiki Söderhjelm**. Further to that, the strict separation between SGEI and non-SGEI activities resulted in financial problems for social

housing associations. «Reasonable income threshold in the city of Vienna, targeting both low and medium income households allowed the city to achieve social mix and peace» said **Karin Ramser** from **Wiener Wohnen**.



Karin Ramser, CEO Wiener Wohnen

Scarcity of affordable dwellings for families, high construction costs, gentrification and migration are key challenges for many cities in Europe. **Karolin Pannike**, urban planner at the City of **Leipzig** called for increased funding for social housing construction and refurbishment in order to keep prices affordable. **Evelyn Regner** MEP from the S&D Group said that cross border funds are looking for housing investment opportunities and local authorities need enough room for manoeuvre to provide affordable housing. Representatives from European Commission said that «**Almunia package** will be soon reviewed» (DG COMP) although «competition policy is not changing the housing needs» (DG REGIO). DG EMPL comment on the issue of social housing definition was quite astonishing: «Do you want to house people who have financial resources? Public money should be used for investment other than social housing».

<sup>10</sup> <http://www.eib.org/efsi/efsi-projects/index.htm>



Evelyn Regner MEP

**Sebastien Garnier**, EU affairs director at **AEDES** reacted by saying that most of the money in the Netherlands goes to homeownership promotion. The new policy of the government i.e. higher taxation of social housing associations has resulted in increasing rents and pauperisation of the social sector. **Sorcha Edwards**, Secretary General of Housing Europe said that the experiences from EU major cities suggested that the definition of social housing is indeed very restrictive and that social housing associations need to be supported by public authorities. **Barbara Steenbergen**, Head of IUT- EU office, said that there is today more than ever a business case for investment in affordable housing. Member States should allow private investors to provide social housing, but at the same conditions as social providers. »Let's define what a reasonable profit is and introduce rules for private investors. Facing the enormous economic potential on the housing markets this is an urgent task for public authorities.» The outputs of the workshop have been shared with the EU urban agenda's partnership on housing.<sup>11</sup>

<sup>11</sup><http://www.eurocities.eu/eurocities/news/EUROCITIES-event-on-affordable-housing-WSP0-A9FCFJ>

## Committee of the Regions on SGEI rules

On the same day, 26 April, **Davide Lanzillotti** IUT policy officer joined the CoR debate on services of general economic interest, led by **Markus Töns**. Davide pointed out that the SGEI decision restricting social housing to disadvantaged people with solvency problems resulted in huge changes to the provision of social housing in several countries. «Local authorities should be let free to determine the target group of social housing according to local needs and in line with the principle of subsidiarity». Mr Töns is rapporteur for CoR opinion on state aid and SGEI which will be voted in October. The IUT is contributing to the discussion as key stakeholder.<sup>12</sup>

## Energy policy meetings

On 19 May the European Policy Centre (**EPC**), an independent think tank fostering European integration, organised a round table on energy poverty with main EU stakeholders. **Davide Lanzillotti** pointed out that energy poverty is often the consequence of 2 bigger problems: bad housing quality and low income. «27% of tenants in the private sector are overburdened by housing costs and cannot ask for energy efficiency improvements. When these are made by their landlord, they have to pay higher rents. Therefore, financial incentives and schemes are needed to ensure that energy renovation is not just for the few». **Anne Van Lancker**, independent consultant and former MEP, remarked that social objectives are missing in the national energy efficiency action plans (NEEAPs) and **Christian Linder** (European Commission) agreed that the EU should go beyond the climate-focus approach to energy.

IUT Brussels met **VZBV** - the German consumer organisation – 26 May to discuss the ongoing review of the energy directives. «We need to shift the focus towards affordability for consumers», said Barbara Steenbergen. The two associations agreed that the development of energy performance

<sup>12</sup><http://cor.europa.eu/en/activities/opinions/Pages/opinion-factsheet.aspx?OpinionNumber=CDR%201460/2016>

guarantees is necessary to stimulate energy investment at micro level, while special support is needed for energy poor households. «More binding provisions should be introduced in the energy efficiency directive, as the current framework foresees only a possibility to prioritise measures for social housing and vulnerable customers», said **Davide Lanzillotti**.

## **Second edition of European Responsible Housing Awards: 61 applications received**



The deadline to submit applications for the 2<sup>nd</sup> edition of the European Responsible Housing expired on June 1<sup>st</sup>. 62 applications from different European countries have been submitted and are currently being assessed.<sup>13</sup> IUT is chair of the jury and is competently supported by urban planner **Hugo Mussou**. The first meeting of the Jury is scheduled on July 5<sup>th</sup>, in Brussels. Jury members have to shortlist 25 best practices (5 per each category) which will compete for the final selection. The awards ceremony will take place **November 23** at the committee of the regions in Brussels.

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<sup>13</sup><http://www.premiosdearquitectura.es/en/awards/35-european-responsible-housing-awards-2016>