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PROPOSAL OF A EUROPEAN CHARTER FOR HOUSING

#### Introduction

Terrible current events have recently brought to mind that housing is still a field at the heart of the societal problems met by all the European Union countries. Many European cities experience real housing difficulties such as high cost of housing or antiquated buildings, which undeniably affect the quality of life of the citizens.

Although housing is not *sensu stricto* a European Union skill, yet the policies developed and supported by the European Union have an undeniable impact on this matter, notably in terms of competition and internal market.

Indeed, the lack of decent accommodations at a moderate price constitutes an obstacle to competitiveness, employment and social inclusion insofar as it weakens even more the most exposed people. Without a proper home, it becomes really difficult finding a job, studying, and simply living the way one has the right to live in Europe.

Aware of the seriousness of the housing problems in the European Union, the European Parliament has voted, on July 6<sup>th</sup>, 2005, the eligibility to Structural Funds of expenditures which relate to renewal of vocational social housing.

If housing is to be integrated into the economic, social and territorial cohesion policy of the European Union, this must obviously be done in the respect of the European Union and the Member States jurisdictions, as well as in the respect of the subsidiarity principle. In that capacity, it is important to point out that, because of that principle, the Member States have to define the notion of social housing.

On September 29<sup>th</sup>, 2005, the "URBAN-Housing" Intergroup held a first session dedicated to the housing problems existing on the territory of the European Union. During that session, a working document has been presented in order to begin a reflection about the need to adopt a proposal of a European Charter for Housing.

The purpose of that Proposal of a European Charter for Housing is to raise the question, at a European level, of the housing problem in Europe, an issue today largely influenced by many European decisions.

This text also represents an opportunity to enunciate several principles, such as the right to housing, and to stress the need for the European Union to lead community policies able to create a favourable and incentive framework for the Member States housing policies.

To that purpose, on February 2<sup>nd</sup>, 2006, the Members of the Intergroup have brought the Proposal of a Charter before the partners taking part in the works of the Intergroup.

With the background of those consultations, the "URBAN-Housing" Intergroup will be in a position to make a stand on the Proposal of a European Charter for Housing, which might be the starting point of a discussion to be communicated to the Conference of Presidents of the European Parliament with the purpose to lead him to pronounce on that issue.

# PROPOSAL OF A EUROPEAN CHARTER FOR HOUSING BY THE « URBAN-HOUSING » INTERGROUP

Having regard to the conclusions of the European Councils of Lisbon and Göteborg;

Having regard to the decisions of the European Council of Nice (December 2000);

Having regard to article 295 of the Treaty establishing the European Community;

Having regard to the revised social Charter of the European Council;

Having regard to the Charter of the Fundamental Rights;

Having regard to the Universal Declaration of Human Rights of December 10rh, 1948;

Having regard to the Final Communiqué and Political Declaration of the EU Housing Ministers meeting under Belgian Presidency on October 1<sup>st</sup> and 2<sup>nd</sup>, 2001;

Having regard to the Resolution of the Council of February 12th, 2001 (JOCE, 2001/C 73/04) regarding architectural quality in the urban and rural environment;

Having regard to the resolution of the European Parliament of January 14th, 2004 1;

Having regard to the resolution of the European Parliament of May 26th, 2005 on the Agenda for social Policy 2006-2010 <sup>2</sup>;

Having regard to the resolution of the European Parliament of July 6th, 2005 on the proposal for a Council regulation laying down general provisions on the European Regional Development Fund, the European Social Fund and the Cohesion Fund <sup>3</sup>;

Having regard to the position adopted by the European Parliament on February 16<sup>th</sup>, 2006 on the proposal for an Internal Market Services Directive;

Having regard to the Joint Report on Social Protection and Social Inclusion – adopted by the Spring Council 2005 – calling on for more attention to exclusion from housing.;

Having regard to the draft resolution of the European Council for a dynamic housing policy, as an element of European social cohesion;

- 1. Whereas the internationalization of our societies coupled with demographic change require an integrated, multidimensional and sustainable long-term response covering all relevant policy areas within the economic, social and environmental spheres, including housing policies;
- Whereas, even though housing is not a European Union skill, yet interactions between community policies and matters concerning housing are many and increasing, and show multiple dimensions;
- 3. Whereas housing is an essential component of the European social pattern since it contributes improving the life conditions; whereas it is a structuring element of the sustainable urban development of the European Union, a key factor of social inclusion and of the struggle against exclusions and discriminations, a vector for creating employment as well as a factor of

<sup>&</sup>lt;sup>1</sup> P5 = TA (2004) 0018

<sup>&</sup>lt;sup>2</sup> P6 - TA-PROV (2005)0210

<sup>&</sup>lt;sup>3</sup> P6 – TA PROV (2005) 0277

- competitiveness and attractiveness of the territories; whereas the role of housing in the European social pattern must be fully recognised by the Community Institutions;
- 4. Whereas, in accordance with the constitutional tradition of the Member States, the right to accommodation should be set up as a fundamental right of the European Union and integrated as such in the Charter of the fundamental rights consistent with the revised social Charter of the European Council; whereas, as such, its implementation cannot be left to the sole discretion of the market forces, since this right to housing can only be universal;
- 5. Whereas housing is at the heart of the societal problems met by all the European countries, and whereas all the Member States recognise the access to a healthy and decent accommodation as an essential condition for social integration, participation to social life and economical development, and as an indispensable vector of social cohesion;
- 6. Whereas it is necessary, within the European Union, to be able to provide decent accommodation to all people residing in Europe, either by renting or by acquiring housing, and whereas access to property must be improved, particularly for people with low or average income;
- 7. Whereas housing is an essential element to achieve the Lisbon strategy and that it is the European Union's interest that the Member States develop housing policies which fully meet the social, urban and territorial cohesion issues of the European Union; whereas the access to a decent housing for everyone has been established as a common objective by the European Council of Nice and, as such, relieves from a coordination in the frame of the European inclusion strategy;
- 8. Whereas cities should play a major role in achieving the Lisbon goals in general, and that the housing policies which are developed should be supported by the national and European policies;
- 9. Whereas housing exclusion, including severe forms such as homelessness, is a growing problem affecting an increasing part of the population, especially in big urban areas, and that it is a responsibility of all the public authorities to struggle exclusion in an efficient way and to create a solidarity mechanism destined to avoid and reduce the social and human consequences of evictions;
- 10. Whereas the lack of accommodations at a moderate price holds back competitiveness and employment since it alters professional mobility within the European Union; whereas wellbalanced housing markets encourage professional mobility and contribute to the development of the financial services sector;
- 11. Whereas housing is a sector with an important labour force and constitutes a privileged employment pool, either in terms of construction, renewal and community services linked to it;
- 12. Whereas the lack of large accommodations contribute adding pressure on the availability of housing, and consequently raises the question of the adaptation of the existing housing stock to the needs of the concerned populations;
- 13. Whereas all these factors are contributing to a significant evolution in the nature of housing demand and that the resultant pressure on housing stock and availability of land has caused a rapid rise in the price of dwellings, specifically in renting in the big cities;
- 14. Whereas the emergence of a new housing crisis at a Europe level, which poses numerous problems for Council of Europe Member States, as much in terms of struggle against social exclusion and spatial segregation, resulting in an alarming erosion of their social cohesion;

- 15. Whereas improving the energy efficiency of the residential sector to meet the Kyoto requirements leads to a better quality of life for all, [a reduction of the inhabitants' vulnerability towards prices and energy resources as well as to massive employment creation and constitutes a priority of the European Union energy policy;
- 16. Whereas the housing park needs to be renewed, particularly in the new Member States where the town centres have been damaged and where the existing housing park has often become unhealthy, bringing on that a great part of the mid-classes are leaving those city centres; whereas, at the same time, self construction of a disorderly type is growing in the peri-urban areas, in contrast with the requisites of sustainable urban development; reinforcing the risks of making worse the urban crisis and of spoiling social and territorial cohesion of the European Union;
- 17. Whereas the European Parliament has recognised in its resolutions voted on July 6<sup>th</sup>, 2005, the necessity to make expenditures related to renewal of vocational social housing eligible to Structural Funds, and that such actions play an important part in achieving the Union's objectives in terms of economic, social and territorial cohesion;
- 18. Whereas the Resolution of the Council of February 12th, 2001 (JOCE, 2001/C 73/04) regarding architectural quality in the urban and rural environment, calling on the Commission to search out the means to improve the recognition of architectural quality and the conservation of patrimony when implementing these Funds, in cooperation with the Member States and according to the Structural Funds Regulations;
- 19. Whereas it is important to encourage public and private investments in order to meet the needs of decent, sustainable and affordable accommodations;
- 20. Whereas the intervention conditions of the Member States' public authorities and of the housing actors are increasingly being supervised by the community regulations;
- 21. Whereas European standardization also aims at extending its intervention field to the services linked with housing and societal matters such as urban security and ill will prevention through construction and urbanism;

## CHAPTER ONE: HOUSING AND THE EUROPEAN COHESION POLICY

#### Article 1

# Housing: a necessary good, a fundamental social right, component of the European social pattern

- § 1. Housing is an element of human dignity, an essential component of the European social pattern and of the social protection systems of the Member States;
- § 2. Any person living on the territory of the European Union has the right to access a healthy, decent and affordable accommodation and, for those who have not sufficient incomes allowing a decent life, to benefit from an aid for housing, in accordance with the constitutional tradition of the Member States, as referred to in Article 34 of the Charter of the Fundamental Rights and Article 31 of the revised social Charter of the European Council.
- § 3. The European Union and the Member States attend to the effective implementation of these fundamental social rights in accordance with the measures of the Treaties and respecting the national regulations and practices. In this purpose, they will support the creation and the renewal of social housing or transit housing destined for people earning the lowest incomes. The Union and the Member States should also take fitted measures in order to make more attainable the renting of average housing for people with average incomes, who meet increasing difficulties in finding housing, particularly in the huge cities on one hand, and improve the access to property for people with average or low incomes, notably by making easier the lending of mortgage at conditions adapted to their situation.
- [§ 4. The European Union and the Member States should also watch for strengthening the supervisory mechanisms relating to the right to housing by treating its genuine enforcement as a priority, particularly in cases of discrimination, eviction and continuing existence of substandard housing, on one hand, and for promoting the exchange of good practices and the development of integrated projects on the effective implementation of the right to housing and its enforceability

## Article 2.

# Housing: a key factor for social inclusion and protection of social cohesion of the European Union

- § 1. The access for everyone to a decent and adapted accommodation is a key condition for maintaining social cohesion within the European Union.
- § 2. Exclusion from housing, homelessness and unworthy housing conditions must be struggled, being in violation with the fundamental rights of the European Union and in view of the interest of the Community. The European Union, the Member States as well as the involved public authorities should struggle exclusion in an efficient way, notably through the creation of a solidarity mechanism destined to avoid, verily to reduce, the social and human consequences of evictions.
- § 3. Access to housing is a crucial step in the struggle against poverty, particularly in the urban areas, and in aiming at the European objective of social inclusion of vulnerable people who have no access to a decent accommodation;
- § 4. All kinds of discrimination through housing are prohibited and must be punished in accordance with the Community regulations.

#### Article 3.

## Housing: a lever for economic cohesion of the European Union

- § 1. As a sector with an important labour force, housing constitutes a privileged employment pool, either direct or induced.
- § 2. Tenseness in the housing markets holds back professional mobility and harms the European Union competitiveness.
- § 3. Speculative practices in the housing markets must be struggled in consideration of their negative impact on the capital markets stability and on purchasing power of people.
- § 4. The importance of needs in terms of construction and adaptation of the existing housing park linked with the market evolution should be taken into account.

## Article 4.

# Housing: an inescapable component of the European Union territorial cohesion

- § 1. The development of phenomena of spatial segregation and social specialisation of territories linked with housing conditions must be struggled in name of the European Union territorial cohesion.
- § 2. Social balance and social diversity of the territories should be a guideline for the European Union and Member States policies.
- § 3. The settlement of the Community space should integrate the goals of both balancing socially injured territories and reducing cohesion differences

#### Article 5.

## A full-fledged component of the European Union sustainable urban development

- § 1. Housing is a privileged tool for implementing a sustainable urban development in the European Union.
- § 2. The control of peri-urban spreading over and urban sprawl should become a Community interesting goal, in the perspective of a sustainable urban development.
- § 3. Housing should also become a privileged vector for controlling energy demand on a scale of both the European Union and the development of renewable energies.
- § 4. Community policies in the fields of energy efficiency, renewable energies, noise, pollution, health should integrate their action in favour of sustainable housing and improvement of urban environment. The European Investment Bank should be able to make loans available to the Member States for investments related with these matters, in synergy with these policies

## CHAPTER II: THE ROLE OF THE EUROPEAN UNION

## Article 6.

## The role of the European Union

The European Union should make sure that its policies contribute establishing a favourable and incentive framework for the Member States housing policies, in accordance with the Community interest and having regard for their contribution to the effective carrying out of the Lisbon Strategy and the Union's objectives, notably in terms of cohesion and sustainable urban development. The European Institutions should see to the implementation of this principle and assure an even evaluation.

#### Article 7.

# The cohesion policy

- § 1. Housing should be integrated into the economic, social and territorial cohesion policy of the European Union respecting the European Union and the Member States jurisdictions, as well as the subsidiarity and additionality principles. In that capacity, expenditure in terms of renewal of vocational social housing, with a view to saving energy, meeting the social cohesion objective and protecting environment in the sustainable urban development context and the global quality of the citizens' environment, should be eligible to the Structural Funds.
- § 2. The upturn of the European Union's sustainable urban development strategy should fully integrate the housing aspect, notably in terms of sustainable urban growth, spatial planning and reduction of the energy precariousness and cohesion gaps within the cities.

## Article 8.

## The social inclusion strategy

- § 1. The European social inclusion strategy should be fully integrated in the Community policies. The role of housing must be recognised thereto as it deserves. Quantitative objectives should be set to fight exclusion with a view to reinforce readability of social inclusion for the European citizens. In order to allow a coherent analysis of the housing situation in Europe, indicators common to the Member States should be defined and the European Union should promote the exchange of good practices in terms of effective implementation of the right to housing.
- § 2. According to Articles 16 and 86.2 of the Treaty and to the jurisprudence of the Court of Justice, the policies of the Member States aiming at promoting an offer for accommodations accessible to all, are a full part of the general interest services framework and, to this end, enjoy the clause of primacy for the achievement of their missions on the conditions of the Treaties.
- § 3. The procedures in effect concerning reduced VAT rates for the housing field should be maintained having regard to the necessary aspect of housing and to a significant presence of labour force in this sector and its low impact on the intra-community exchanges;

## Article 9.

## Building on the public-private partnership

- § 1. The European Union and the Member States should also encourage the private investments with a view to build and renew decent, affordable and sustainable accommodations destined for selling or rental with the aim to match the offer and the demand of housing, in order to guarantee and maintain prices attainable for all.
- § 2. The European Union and the Member States should encourage the renewal and construction of housing through executing mixed schemes based on a public-private partnership, with the aim to increase the offer to rent and to sale accommodations to people having difficulty to access a decent, affordable and sustainable accommodation.
- § 3. With a view to put again on the market empty, vacant or inadequate accommodations, the European Union and the Member States should encourage measures such as incentives for renovation, guarantee by public authorities of rent collection, tax reduction for those accommodations rented or sold within the framework of a regulation aiming at facilitating the rental or purchase of decent, affordable and sustainable housing by people having difficulty to access to a decent, affordable and sustainable accommodation.

## Article 10

# The European Observatory for Housing

The European Union should care for collecting information of the housing situations in terms of statistical indicators in the Member States. In that view, it should be provided with a European Observatory for Housing allowing, on the one hand, the survey of the consequences of any European decision in the housing area, and on the other hand measuring the impact of the national and European policies pursued to reach the European social inclusion objective aiming at improving the access to a decent accommodation.

#### Article 11.

# Standardization and the role of the European Parliament

- § 1. Extending standardization to services, including the services related to housing, should be realised in closer association with the European Parliament in drawing up the standards.
- § 2. Several decisions made at the European level are likely to have an important impact in terms of housing; in view of the good implementation of these policies, it is important that the European Union should take into account the opinion of the different representative actors in the housing field at a European level.
- § 3. Taking these opinions into account could be done through the edition of a White Paper on the consequences for the European Housing Sector of the Union's policies, or by creating an advisory body based on the European Housing Forum.

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#### UT comment:

This text is no longer a draft Charter, but the final Charter that was adopted by the Urban Housing Intergroup on April 26<sup>th</sup> 2005.

The next step is a report based on this approved Charter (in this case, an own initiative report) by the Regional Development Committee.

The debate in the EU Parliament will take place after the adoption of the report by the Committee, and of course there will also be a vote.

The objective is to get a European resolution on housing, even though, perhaps, it will no longer be called "Charter", depending on the Committee's report, on the debate in the Parliament, on the eventual amendments that the MEPs might suggest, and many other factors).

This may take considerable time. We have not yet seen the item at the agenda of the Regional Development Committee.

Italian liberal MEP Alfonso Andria will now take over where Hutchinson left off to lead the regional development committee in the preparation of a so-called 'own-initiative report' on housing.

The Economic and Social Committee and the Committee of the Regions will prepare opinions on the Parliament's report. Speaking about the report at a recent briefing, MEP Andria stressed that he would adopt "people centred approach". The own-initiative report which is entitled "Housing and regional policies" is due to come under discussion at the Regional Development Committee meeting on November 22nd. The Committee of the Regions and the Economic and Social Committee will submit their opinions at the beginning of 2007 and the report should be approved in Committee and Plenary in March and April 2007 respectively.