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Press Release

Will the investment flow to the real economy meet affordable housing?

The affordable housing sector can create the desired social benefits for EU citizens

After repeated attempts to stabilise the banking system, the European Commission seems to have understood that it is about time to address the real economy and the citizen's needs, too. Housing Europe and the International Union of Tenants (IUT) welcome the 300 bn € investment pack unveiled earlier today at the European Parliament plenary session and indicate how investment in not-for-profit housing can create the desired social profit for EU citizens.

The **President of Housing Europe, Marc Calon** explains why this is a European Challenge: *"In spite of absence of competence or policy from the EU for housing, our sector is vital to achieve resource efficiency, urban growth and social cohesion and therefore holds the key to success for many EU policies. Conversely, EU policies very often shape the conditions of delivery, organisation and funding of national housing policies. There is therefore a great potential to boost investments in the EU by supporting public, cooperative and social housing."*

Housing Europe and the IUT identify two main reasons why the new European Fund for Strategic Investments should be also channelled towards the housing sector.

1. It is clear that there is a growing need with millions of people on waiting lists for a social home. Just in France the Union Sociale pour l' Habitat (USH) reports 1.7 million applications for social housing.
2. It is proven that there is a stable and significant return on investment in our sector in the long run. Eliminating poor quality housing has a great socio-economic impact, including reduction of homelessness. At the same time it is estimated that when 10 direct jobs are created within the framework of a renovation programme, 7 indirect jobs are created in the community and elsewhere.

Therefore, facilities to mobilize private capital for investment in not for profit housing are needed.

IUT President Sven Bergenstråhle: "IUT welcomes that the package foresees investment in social infrastructure like social housing. Jean-Claude Juncker said the European Fund for Strategic Investments is not about building sandcastles. IUT fully agrees - it should be about brick and mortar."

We are lacking a massive investment in affordable rental housing all over Europe. This package is a needed step to improve the supply of safe and secure housing for all European citizens.”

Housing Europe has sent its contribution to the Special Task Force “Developing an Investment project pipeline in the EU” and alongside with its strategic partners such as the IUT will follow the development of the Investment Pack ahead of the European Council meeting on 18 December in Brussels, providing concrete ways to make this investment pack successful. This is the only option for Europe today.

For more information:

Visit: www.housingeurope.eu ; www.iut.nu

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* **Housing Europe** is the European Federation of Public, Cooperative & Social Housing. Established in 1988 it's a network of 42 national & regional federations gathering about 41.400 providers in 22 countries who manage over 25 million homes, about 12% of existing dwellings in Europe.

** The **International Union of Tenants (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 65 member associations in 44 countries.